

By Senator Grall

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1                                   A bill to be entitled  
2           An act relating to government and corporate activism;  
3           amending s. 17.57, F.S.; defining the term "pecuniary  
4           factor"; requiring that the Chief Financial Officer,  
5           or a party authorized to invest on his or her behalf,  
6           make investment decisions based solely on pecuniary  
7           factors; amending s. 20.058, F.S.; requiring a  
8           specified attestation, under penalty of perjury, from  
9           certain organizations; defining the term "pecuniary  
10          factor"; requiring citizen support organizations and  
11          direct-support organizations to make investment  
12          decisions based solely on pecuniary factors; amending  
13          s. 112.656, F.S.; requiring that investment decisions  
14          comply with a specified requirement related to the  
15          consideration of pecuniary factors; amending s.  
16          112.661, F.S.; conforming a provision to changes made  
17          by the act; creating s. 112.662, F.S.; defining the  
18          term "pecuniary factor"; providing that only pecuniary  
19          factors may be considered in investment decisions for  
20          retirement systems or plans; providing that the  
21          interests of participants and beneficiaries of such  
22          systems or plans may not be subordinated to other  
23          objectives; requiring shareholder rights to be  
24          exercised considering only pecuniary factors;  
25          requiring specified reports; providing requirements  
26          for such reports; requiring the Department of  
27          Management Services to report certain noncompliance to  
28          the Attorney General; authorizing certain proceedings  
29          to be brought by the Attorney General who, if

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30 successful in those proceedings, is entitled to  
31 reasonable attorney fees and costs; requiring the  
32 department to adopt rules; amending ss. 175.071 and  
33 185.06, F.S.; specifying that certain public boards of  
34 trustees are subject to the requirement that only  
35 pecuniary interests be considered in investment  
36 decisions; amending s. 215.47, F.S.; defining the term  
37 "pecuniary factor"; requiring the State Board of  
38 Administration to make investment decisions based  
39 solely on pecuniary factors; providing an exception to  
40 current investment and fiduciary standards in the  
41 event of a conflict; amending s. 215.475, F.S.;  
42 requiring the Florida Retirement System Defined  
43 Benefit Plan Investment Policy Statement to comply  
44 with the requirement that only pecuniary interests be  
45 considered in investment decisions; amending s.  
46 215.4755, F.S.; requiring certain investment advisors  
47 or managers to certify in writing that investment  
48 decisions are based solely on pecuniary factors;  
49 providing applicability; providing that failure to  
50 file a required certification is grounds for  
51 termination of certain contracts; providing that a  
52 submission of a materially false certification is  
53 deemed a willful refusal to comply with a certain  
54 fiduciary standard; requiring that certain  
55 noncompliance be reported to the Attorney General, who  
56 is authorized to bring certain civil or administrative  
57 actions; providing that if the Attorney General is  
58 successful in those proceedings, he or she is entitled

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59 to reasonable attorney fees and costs; creating s.  
60 215.681, F.S.; defining terms; prohibiting bond  
61 issuers from issuing environmental, social, and  
62 governance bonds and taking other related actions;  
63 authorizing certain financial institutions to purchase  
64 and underwrite specified bonds; providing  
65 applicability; creating s. 215.855, F.S.; defining  
66 terms; requiring that contracts between governmental  
67 entities and investment managers contain certain  
68 provisions and a specified disclaimer; providing  
69 applicability; amending s. 218.415, F.S.; defining the  
70 term "pecuniary factor"; requiring units of local  
71 government to make investment decisions based solely  
72 on pecuniary factors; amending s. 280.02, F.S.;  
73 revising the definition of the term "qualified public  
74 depository"; creating s. 280.025, F.S.; requiring a  
75 specified attestation, under penalty of perjury, from  
76 certain entities; amending s. 280.05, F.S.; requiring  
77 the Chief Financial Officer to verify such  
78 attestations; requiring the Chief Financial Officer to  
79 report materially false attestations to the Attorney  
80 General, who is authorized to bring certain civil and  
81 administrative actions; providing that if the Attorney  
82 General is successful in those proceedings, he or she  
83 is entitled to reasonable attorney fees and costs;  
84 providing construction; authorizing the Chief  
85 Financial Officer to suspend or disqualify a qualified  
86 public depository that no longer meets the definition  
87 of that term; amending s. 280.051, F.S.; adding

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88 grounds for suspension or disqualification of a  
89 qualified public depository; amending s. 280.054,  
90 F.S.; providing that failure to timely file a required  
91 attestation is deemed a knowing and willful violation;  
92 amending s. 280.055, F.S.; adding a circumstance under  
93 which the Chief Financial Officer may issue certain  
94 orders against a qualified public depository; creating  
95 s. 287.05701, F.S.; defining the term "awarding body";  
96 prohibiting an awarding body from requesting certain  
97 documentation or giving preference to vendors based on  
98 their social, political, or ideological interests;  
99 requiring that solicitations for the procurement of  
100 commodities or contractual services by an awarding  
101 body contain a specified notification, beginning on a  
102 specified date; creating s. 516.037, F.S.; requiring  
103 licensees to make certain determinations based on an  
104 analysis of certain risk factors; prohibiting such  
105 licensees from engaging in unsafe and unsound  
106 practices; providing construction; providing that  
107 certain actions on the part of licensees are an unsafe  
108 and unsound practice; requiring a specified  
109 attestation, under penalty of perjury, from applicants  
110 and licensees beginning on a specified date; providing  
111 that a failure to comply with specified requirements  
112 or engaging in unsafe and unsound practices  
113 constitutes a violation of the Florida Deceptive and  
114 Unfair Trade Practices Act, subject to specified  
115 sanctions and penalties; providing that only the  
116 enforcing authority can enforce such violations;

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117 providing that an enforcing authority that brings a  
118 successful action for violations is entitled to  
119 reasonable attorney fees and costs; creating s.  
120 560.1115, F.S.; requiring licensees to make  
121 determinations about the provision or denial of  
122 services based on an analysis of certain risk factors;  
123 prohibiting the licensees from engaging in unsafe and  
124 unsound practices; providing construction; providing  
125 that certain actions are an unsafe and unsound  
126 practice; requiring a specified attestation, under  
127 penalty of perjury, from applicants and licensees  
128 beginning on a specified date; providing that a  
129 failure to comply with specified requirements or  
130 engaging in unsafe and unsound practices constitutes a  
131 violation of the Florida Deceptive and Unfair Trade  
132 Practices Act, subject to specified sanctions and  
133 penalties; providing that only the enforcing authority  
134 can enforce such violations; providing that an  
135 enforcing authority that brings a successful action  
136 for violations is entitled to reasonable attorney fees  
137 and costs; amending s. 560.114, F.S.; revising the  
138 actions that constitute grounds for specified  
139 disciplinary action of a money services business, an  
140 authorized vendor, or an affiliated party; amending s.  
141 655.005, F.S.; revising a definition; creating s.  
142 655.0323, F.S.; requiring financial institutions to  
143 make determinations about the provision or denial of  
144 services based on an analysis of specified risk  
145 factors; prohibiting financial institutions from

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146 engaging in unsafe and unsound practices; providing  
147 construction; providing that certain actions are an  
148 unsafe and unsound practice; requiring a specified  
149 attestation, under penalty of perjury, from financial  
150 institutions annually, beginning on a specified date;  
151 providing that engaging in unsafe and unsound  
152 practices constitutes a violation of the Florida  
153 Deceptive and Unfair Trade Practices Act, subject to  
154 specified sanctions and penalties; providing that only  
155 the enforcing authority can enforce such violations;  
156 providing that an enforcing authority that brings a  
157 successful action for violations is entitled to  
158 reasonable attorney fees and costs; prohibiting  
159 certain entities from exercising specified authority;  
160 amending s. 1010.04, F.S.; prohibiting school  
161 districts, Florida College System Institutions, and  
162 state universities from requesting certain  
163 documentation from vendors and giving preference to  
164 vendors based on their social, political, or  
165 ideological interests; requiring that solicitations  
166 for purchases or leases include a specified notice;  
167 reenacting s. 17.61(1), F.S., relating to powers and  
168 duties of the Chief Financial Officer in the  
169 investment of certain funds, to incorporate the  
170 amendment made to s. 17.57, F.S., in references  
171 thereto; reenacting s. 215.44(3), F.S., relating to  
172 the powers and duties of the Board of Administration  
173 in the investment of trust funds, to incorporate the  
174 amendment made to s. 215.47, F.S., in a reference

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175 thereto; providing an effective date.

176  
177 Be It Enacted by the Legislature of the State of Florida:

178  
179 Section 1. Subsection (1) of section 17.57, Florida  
180 Statutes, is amended to read:

181 17.57 Deposits and investments of state money.—

182 (1) (a) As used in this subsection, the term "pecuniary  
183 factor" means a factor that the Chief Financial Officer, or  
184 other party authorized to invest on his or her behalf, prudently  
185 determines is expected to have a material effect on the risk or  
186 returns of an investment based on appropriate investment  
187 horizons consistent with applicable investment objectives and  
188 funding policy. The term does not include the consideration or  
189 furtherance of any social, political, or ideological interests.

190 (b) The Chief Financial Officer, or other parties with the  
191 permission of the Chief Financial Officer, shall deposit the  
192 money of the state or any money in the State Treasury in such  
193 qualified public depositories of the state as will offer  
194 satisfactory collateral security for such deposits, pursuant to  
195 chapter 280. It is the duty of the Chief Financial Officer,  
196 consistent with the cash requirements of the state, to keep such  
197 money fully invested or deposited as provided herein in order  
198 that the state may realize maximum earnings and benefits.

199 (c) Notwithstanding any other law, when deciding whether to  
200 invest and when investing, the Chief Financial Officer, or other  
201 party authorized to invest on his or her behalf, must make  
202 decisions based solely on pecuniary factors and may not  
203 subordinate the interests of the people of this state to other

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204 objectives, including sacrificing investment return or  
205 undertaking additional investment risk to promote any  
206 nonpecuniary factor. The weight given to any pecuniary factor  
207 must appropriately reflect a prudent assessment of its impact on  
208 risk or returns.

209 Section 2. Present subsections (4) and (5) of section  
210 20.058, Florida Statutes, are redesignated as subsections (5)  
211 and (6), respectively, and paragraph (g) is added to subsection  
212 (1) and a new subsection (4) is added to that section, to read:

213 20.058 Citizen support and direct-support organizations.—

214 (1) By August 1 of each year, a citizen support  
215 organization or direct-support organization created or  
216 authorized pursuant to law or executive order and created,  
217 approved, or administered by an agency, shall submit the  
218 following information to the appropriate agency:

219 (g) An attestation, under penalty of perjury, stating that  
220 the organization has complied with subsection (4).

221 (4) (a) As used in this section, the term "pecuniary factor"  
222 means a factor that the citizen support organization or direct-  
223 support organization prudently determines is expected to have a  
224 material effect on the risk or returns of an investment based on  
225 appropriate investment horizons consistent with applicable  
226 investment objectives and funding policy. The term does not  
227 include the consideration or furtherance of any social,  
228 political, or ideological interests.

229 (b) Notwithstanding any other law, when deciding whether to  
230 invest and when investing funds on behalf of an agency, the  
231 citizen support organization or direct-support organization must  
232 make decisions based solely on pecuniary factors and may not

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233 subordinate the interests of the people of this state to other  
234 objectives, including sacrificing investment return or  
235 undertaking additional investment risk to promote any  
236 nonpecuniary factor. The weight given to any pecuniary factor  
237 must appropriately reflect a prudent assessment of its impact on  
238 risk or returns.

239 Section 3. Subsection (1) of section 112.656, Florida  
240 Statutes, is amended to read:

241 112.656 Fiduciary duties; certain officials included as  
242 fiduciaries.—

243 (1) A fiduciary shall discharge his or her duties with  
244 respect to a plan solely in the interest of the participants and  
245 beneficiaries for the exclusive purpose of providing benefits to  
246 participants and their beneficiaries and defraying reasonable  
247 expenses of administering the plan. Investment decisions must  
248 comply with s. 112.662.

249 Section 4. Subsection (4) of section 112.661, Florida  
250 Statutes, is amended to read:

251 112.661 Investment policies.—Investment of the assets of  
252 any local retirement system or plan must be consistent with a  
253 written investment policy adopted by the board. Such policies  
254 shall be structured to maximize the financial return to the  
255 retirement system or plan consistent with the risks incumbent in  
256 each investment and shall be structured to establish and  
257 maintain an appropriate diversification of the retirement system  
258 or plan's assets.

259 (4) INVESTMENT AND FIDUCIARY STANDARDS.—The investment  
260 policy shall describe the level of prudence and ethical  
261 standards to be followed by the board in carrying out its

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262 investment activities with respect to funds described in this  
263 section. The board in performing its investment duties shall  
264 comply with the fiduciary standards set forth in the Employee  
265 Retirement Income Security Act of 1974 at 29 U.S.C. s.  
266 1104(a) (1) (A)-(C). Except as provided in s. 112.662, in case of  
267 conflict with other provisions of law authorizing investments,  
268 the investment and fiduciary standards set forth in this section  
269 ~~shall~~ prevail.

270 Section 5. Section 112.662, Florida Statutes, is created to  
271 read:

272 112.662 Investments; exercising shareholder rights.-

273 (1) As used in this section, the term "pecuniary factor"  
274 means a factor that the plan administrator, named fiduciary,  
275 board, or board of trustees prudently determines is expected to  
276 have a material effect on the risk or returns of an investment  
277 based on appropriate investment horizons consistent with the  
278 investment objectives and funding policy of the retirement  
279 system or plan. The term does not include the consideration or  
280 furtherance of any social, political, or ideological interests.

281 (2) Notwithstanding any other law, when deciding whether to  
282 invest and when investing the assets of any retirement system or  
283 plan, only pecuniary factors may be considered and the interests  
284 of the participants and beneficiaries of the system or plan may  
285 not be subordinated to other objectives, including sacrificing  
286 investment return or undertaking additional investment risk to  
287 promote any nonpecuniary factor. The weight given to any  
288 pecuniary factor must appropriately reflect a prudent assessment  
289 of its impact on risk or returns.

290 (3) Notwithstanding any other law, when deciding whether to

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291 exercise shareholder rights or when exercising such rights on  
292 behalf of a retirement system or plan, including the voting of  
293 proxies, only pecuniary factors may be considered and the  
294 interests of the participants and beneficiaries of the system or  
295 plan may not be subordinated to other objectives, including  
296 sacrificing investment return or undertaking additional  
297 investment risk to promote any nonpecuniary factor.

298 (4) (a) By December 15, 2023, and by December 15 of each  
299 odd-numbered year thereafter, each retirement system or plan  
300 shall file a comprehensive report detailing and reviewing the  
301 governance policies concerning decisionmaking in vote decisions  
302 and adherence to the fiduciary standards required of such  
303 retirement system or plan under this section, including the  
304 exercise of shareholder rights.

305 1. The State Board of Administration, on behalf of the  
306 Florida Retirement System, shall submit its report to the  
307 Governor, the Attorney General, the Chief Financial Officer, the  
308 President of the Senate, and the Speaker of the House of  
309 Representatives.

310 2. All other retirement systems or plans shall submit their  
311 reports to the Department of Management Services.

312 (b) By January 15, 2024, and by January 15 of each even-  
313 numbered year thereafter, the Department of Management Services  
314 shall submit a summary report to the Governor, the Attorney  
315 General, the Chief Financial Officer, the President of the  
316 Senate, and the Speaker of the House of Representatives that  
317 includes a summary of the reports submitted under paragraph (a)  
318 and identifies any relevant trends among such systems and plans.

319 (c) The Department of Management Services shall report

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320 incidents of noncompliance to the Attorney General, who may  
321 institute proceedings to enjoin any person found violating this  
322 section. If such action is successful, the Attorney General is  
323 entitled to reasonable attorney fees and costs.

324 (d) The Department of Management Services shall adopt rules  
325 to implement this subsection.

326 Section 6. Subsection (1) of section 175.071, Florida  
327 Statutes, is amended to read:

328 175.071 General powers and duties of board of trustees.—For  
329 any municipality, special fire control district, chapter plan,  
330 local law municipality, local law special fire control district,  
331 or local law plan under this chapter:

332 (1) The board of trustees, subject to the fiduciary  
333 standards in ss. 112.656, 112.661, and 518.11, ~~and~~ the Code of  
334 Ethics in ss. 112.311-112.3187, and the requirements in s.  
335 112.662, may:

336 (a) Invest and reinvest the assets of the firefighters'  
337 pension trust fund in annuity and life insurance contracts of  
338 life insurance companies in amounts sufficient to provide, in  
339 whole or in part, the benefits to which all of the participants  
340 in the firefighters' pension trust fund are entitled under this  
341 chapter and pay the initial and subsequent premiums thereon.

342 (b) Invest and reinvest the assets of the firefighters'  
343 pension trust fund in:

344 1. Time or savings accounts of a national bank, a state  
345 bank insured by the Bank Insurance Fund, or a savings, building,  
346 and loan association insured by the Savings Association  
347 Insurance Fund administered by the Federal Deposit Insurance  
348 Corporation or a state or federal chartered credit union whose

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349 share accounts are insured by the National Credit Union Share  
350 Insurance Fund.

351 2. Obligations of the United States or obligations  
352 guaranteed as to principal and interest by the government of the  
353 United States.

354 3. Bonds issued by the State of Israel.

355 4. Bonds, stocks, or other evidences of indebtedness issued  
356 or guaranteed by a corporation organized under the laws of the  
357 United States, any state or organized territory of the United  
358 States, or the District of Columbia, if:

359 a. The corporation is listed on any one or more of the  
360 recognized national stock exchanges or on the National Market  
361 System of the NASDAQ Stock Market and, in the case of bonds  
362 only, holds a rating in one of the three highest classifications  
363 by a major rating service; and

364 b. The board of trustees may not invest more than 5 percent  
365 of its assets in the common stock or capital stock of any one  
366 issuing company, nor may the aggregate investment in any one  
367 issuing company exceed 5 percent of the outstanding capital  
368 stock of that company or the aggregate of its investments under  
369 this subparagraph at cost exceed 50 percent of the assets of the  
370 fund.

371  
372 This paragraph applies to all boards of trustees and  
373 participants. However, if a municipality or special fire control  
374 district has a duly enacted pension plan pursuant to, and in  
375 compliance with, s. 175.351, and the trustees desire to vary the  
376 investment procedures, the trustees of such plan must request a  
377 variance of the investment procedures as outlined herein only

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378 through a municipal ordinance, special act of the Legislature,  
379 or resolution by the governing body of the special fire control  
380 district; if a special act, or a municipality by ordinance  
381 adopted before July 1, 1998, permits a greater than 50-percent  
382 equity investment, such municipality is not required to comply  
383 with the aggregate equity investment provisions of this  
384 paragraph. Notwithstanding any other provision of law, this  
385 section may not be construed to take away any preexisting legal  
386 authority to make equity investments that exceed the  
387 requirements of this paragraph. Notwithstanding any other  
388 provision of law, the board of trustees may invest up to 25  
389 percent of plan assets in foreign securities on a market-value  
390 basis. The investment cap on foreign securities may not be  
391 revised, amended, increased, or repealed except as provided by  
392 general law.

393 (c) Issue drafts upon the firefighters' pension trust fund  
394 pursuant to this act and rules prescribed by the board of  
395 trustees. All such drafts must be consecutively numbered, be  
396 signed by the chair and secretary, or by two individuals  
397 designated by the board who are subject to the same fiduciary  
398 standards as the board of trustees under this subsection, and  
399 state upon their faces the purpose for which the drafts are  
400 drawn. The treasurer or depository of each municipality or  
401 special fire control district shall retain such drafts when  
402 paid, as permanent vouchers for disbursements made, and no money  
403 may be otherwise drawn from the fund.

404 (d) Convert into cash any securities of the fund.

405 (e) Keep a complete record of all receipts and  
406 disbursements and the board's acts and proceedings.

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407 Section 7. Subsection (1) of section 185.06, Florida  
408 Statutes, is amended to read:

409 185.06 General powers and duties of board of trustees.—For  
410 any municipality, chapter plan, local law municipality, or local  
411 law plan under this chapter:

412 (1) The board of trustees, subject to the fiduciary  
413 standards in ss. 112.656, 112.661, and 518.11, ~~and~~ the Code of  
414 Ethics in ss. 112.311-112.3187, and the requirements in s.  
415 112.662, may:

416 (a) Invest and reinvest the assets of the retirement trust  
417 fund in annuity and life insurance contracts of life insurance  
418 companies in amounts sufficient to provide, in whole or in part,  
419 the benefits to which all of the participants in the municipal  
420 police officers' retirement trust fund are entitled under this  
421 chapter, and pay the initial and subsequent premiums thereon.

422 (b) Invest and reinvest the assets of the retirement trust  
423 fund in:

424 1. Time or savings accounts of a national bank, a state  
425 bank insured by the Bank Insurance Fund, or a savings and loan  
426 association insured by the Savings Association Insurance Fund  
427 administered by the Federal Deposit Insurance Corporation or a  
428 state or federal chartered credit union whose share accounts are  
429 insured by the National Credit Union Share Insurance Fund.

430 2. Obligations of the United States or obligations  
431 guaranteed as to principal and interest by the United States.

432 3. Bonds issued by the State of Israel.

433 4. Bonds, stocks, or other evidences of indebtedness issued  
434 or guaranteed by a corporation organized under the laws of the  
435 United States, any state or organized territory of the United

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436 States, or the District of Columbia, provided:

437 a. The corporation is listed on any one or more of the  
438 recognized national stock exchanges or on the National Market  
439 System of the NASDAQ Stock Market and, in the case of bonds  
440 only, holds a rating in one of the three highest classifications  
441 by a major rating service; and

442 b. The board of trustees may not invest more than 5 percent  
443 of its assets in the common stock or capital stock of any one  
444 issuing company, nor shall the aggregate investment in any one  
445 issuing company exceed 5 percent of the outstanding capital  
446 stock of the company or the aggregate of its investments under  
447 this subparagraph at cost exceed 50 percent of the fund's  
448 assets.

449  
450 This paragraph applies to all boards of trustees and  
451 participants. However, if a municipality has a duly enacted  
452 pension plan pursuant to, and in compliance with, s. 185.35 and  
453 the trustees desire to vary the investment procedures, the  
454 trustees of such plan shall request a variance of the investment  
455 procedures as outlined herein only through a municipal ordinance  
456 or special act of the Legislature; if a special act, or a  
457 municipality by ordinance adopted before July 1, 1998, permits a  
458 greater than 50-percent equity investment, such municipality is  
459 not required to comply with the aggregate equity investment  
460 provisions of this paragraph. Notwithstanding any other  
461 provision of law, this section may not be construed to take away  
462 any preexisting legal authority to make equity investments that  
463 exceed the requirements of this paragraph. Notwithstanding any  
464 other provision of law, the board of trustees may invest up to

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465 25 percent of plan assets in foreign securities on a market-  
466 value basis. The investment cap on foreign securities may not be  
467 revised, amended, repealed, or increased except as provided by  
468 general law.

469 (c) Issue drafts upon the municipal police officers'  
470 retirement trust fund pursuant to this act and rules prescribed  
471 by the board of trustees. All such drafts shall be consecutively  
472 numbered, be signed by the chair and secretary or by two  
473 individuals designated by the board who are subject to the same  
474 fiduciary standards as the board of trustees under this  
475 subsection, and state upon their faces the purposes for which  
476 the drafts are drawn. The city treasurer or other depository  
477 shall retain such drafts when paid, as permanent vouchers for  
478 disbursements made, and no money may otherwise be drawn from the  
479 fund.

480 (d) Finally decide all claims to relief under the board's  
481 rules and regulations and pursuant to the provisions of this  
482 act.

483 (e) Convert into cash any securities of the fund.

484 (f) Keep a complete record of all receipts and  
485 disbursements and of the board's acts and proceedings.

486 Section 8. Subsection (10) of section 215.47, Florida  
487 Statutes, is amended to read:

488 215.47 Investments; authorized securities; loan of  
489 securities.—Subject to the limitations and conditions of the  
490 State Constitution or of the trust agreement relating to a trust  
491 fund, moneys available for investments under ss. 215.44-215.53  
492 may be invested as follows:

493 (10) (a) As used in this subsection, the term "pecuniary

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494 factor” means a factor that the State Board of Administration  
495 prudently determines is expected to have a material effect on  
496 the risk or returns of an investment based on appropriate  
497 investment horizons consistent with applicable investment  
498 objectives and funding policy. The term does not include the  
499 consideration or furtherance of any social, political, or  
500 ideological interests.

501 (b) Notwithstanding any other law except for ss. 215.472,  
502 215.4725, and 215.473, when deciding whether to invest and when  
503 investing the assets of any fund, the State Board of  
504 Administration must make decisions based solely on pecuniary  
505 factors and may not subordinate the interests of the  
506 participants and beneficiaries of the fund to other objectives,  
507 including sacrificing investment return or undertaking  
508 additional investment risk to promote any nonpecuniary factor.  
509 The weight given to any pecuniary factor must appropriately  
510 reflect a prudent assessment of its impact on risk or returns.

511 (c) Investments made by the State Board of Administration  
512 shall be designed to maximize the financial return to the fund  
513 consistent with the risks incumbent in each investment and shall  
514 be designed to preserve an appropriate diversification of the  
515 portfolio. The board shall discharge its duties with respect to  
516 a plan solely in the interest of its participants and  
517 beneficiaries. The board in performing the above investment  
518 duties shall comply with the fiduciary standards set forth in  
519 the Employee Retirement Income Security Act of 1974 at 29 U.S.C.  
520 s. 1104(a) (1) (A) through (C). Except as provided in paragraph  
521 (b), in case of conflict with other provisions of law  
522 authorizing investments, the investment and fiduciary standards

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523 set forth in this paragraph ~~subsection~~ shall prevail.

524 Section 9. Subsection (1) of section 215.475, Florida  
525 Statutes, is amended to read:

526 215.475 Investment policy statement.—

527 (1) In making investments for the System Trust Fund  
528 pursuant to ss. 215.44-215.53, the board shall make no  
529 investment which is not in conformance with the Florida  
530 Retirement System Defined Benefit Plan Investment Policy  
531 Statement, hereinafter referred to as "the IPS," as developed by  
532 the executive director and approved by the board. The IPS must  
533 comply with s. 215.47(10) and include, among other items, the  
534 investment objectives of the System Trust Fund; permitted types  
535 of securities in which the board may invest; and evaluation  
536 criteria necessary to measure the investment performance of the  
537 fund. As required from time to time, the executive director of  
538 the board may present recommended changes in the IPS to the  
539 board for approval.

540 Section 10. Present paragraphs (b), (c), and (d) of  
541 subsection (1) of section 215.4755, Florida Statutes, are  
542 redesignated as paragraphs (c), (d), and (e), respectively, a  
543 new paragraph (b) is added to that subsection, and subsection  
544 (3) of that section is amended, to read:

545 215.4755 Certification and disclosure requirements for  
546 investment advisers and managers.—

547 (1) An investment adviser or manager who has discretionary  
548 investment authority for direct holdings and who is retained as  
549 provided in s. 215.44(2)(b) shall agree pursuant to contract to  
550 annually certify in writing to the board that:

551 (b) All investment decisions made on behalf of the trust

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552 funds and the board are made based solely on pecuniary factors  
553 as defined in s. 215.47(10) (a) and do not subordinate the  
554 interests of the participants and beneficiaries of the funds to  
555 other objectives, including sacrificing investment return or  
556 undertaking additional investment risk to promote any  
557 nonpecuniary factor. This paragraph applies to any contract  
558 executed, amended, or renewed on or after July 1, 2023.

559 (3) (a) An investment adviser or manager certification  
560 required under subsection (1) must shall be provided by each  
561 annually, no later than January 31, for the reporting period of  
562 the previous calendar year on a form prescribed by the board.

563 (b) Failure to timely file the certification required under  
564 subsection (1) is grounds for termination of any contract  
565 between the board and the investment advisor or manager.

566 (c) Submission of a materially false certification is  
567 deemed a willful refusal to comply with the fiduciary standard  
568 described in paragraph (1) (b).

569 (d) If an investment adviser or manager fails to comply  
570 with the fiduciary standard described in paragraph (1) (b) while  
571 providing services to the board, the board must report such  
572 noncompliance to the Attorney General, who may bring a civil or  
573 administrative action for damages, injunctive relief, and such  
574 other relief as may be appropriate. If such action is  
575 successful, the Attorney General is entitled to reasonable  
576 attorney fees and costs.

577 Section 11. Section 215.681, Florida Statutes, is created  
578 to read:

579 215.681 ESG bonds; prohibitions.-

580 (1) As used in this section, the term:

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581 (a) "Bonds" means any note, general obligation bond,  
582 revenue bond, special assessment bond, special obligation bond,  
583 private activity bond, certificate of participation, or other  
584 evidence of indebtedness or obligation, in either temporary or  
585 definitive form.

586 (b) "ESG" means environmental, social, and governance.

587 (c) "ESG bonds" means any bonds that have been designated  
588 or labeled as bonds that will be used to finance a project with  
589 an ESG purpose, including, but not limited to, green bonds,  
590 Certified Climate Bonds, GreenStar designated bonds, and other  
591 environmental bonds marketed as promoting an environmental  
592 objective; social bonds marketed as promoting a social  
593 objective; and sustainability bonds and sustainable development  
594 goal bonds marketed as promoting both environmental and social  
595 objectives. The term includes those bonds self-designated by the  
596 issuer as ESG-labeled bonds and those designated as ESG-labeled  
597 bonds by a third-party verifier.

598 (d) "Issuer" means the division, acting on behalf of any  
599 entity; any local government, educational entity, or entity of  
600 higher education as defined in s. 215.89(2)(c), (d), and (e),  
601 respectively, or other political subdivision granted the power  
602 to issue bonds; any public body corporate and politic authorized  
603 or created by general or special law and granted the power to  
604 issue bonds, including, but not limited to, a water and sewer  
605 district created under chapter 153, a health facilities  
606 authority as defined in s. 154.205, an industrial development  
607 authority created under chapter 159, a housing financing  
608 authority as defined in s. 159.603(3), a research and  
609 development authority as defined in s. 159.702(1)(c), a legal or

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610 administrative entity created by interlocal agreement pursuant  
611 to s. 163.01(7), a community redevelopment agency as defined in  
612 s. 163.340(1), a regional transportation authority created under  
613 chapter 163, a community development district as defined in s.  
614 190.003, an educational facilities authority as defined in s.  
615 243.52(1), the Higher Educational Facilities Financing Authority  
616 created under s. 243.53, the Florida Development Finance  
617 Corporation created under s. 288.9604, a port district or port  
618 authority as defined in s. 315.02(1) and (2), respectively, the  
619 South Florida Regional Transportation Authority created under s.  
620 343.53, the Central Florida Regional Transportation Authority  
621 created under s. 343.63, the Tampa Bay Area Regional Transit  
622 Authority created under s. 343.92, the Greater Miami Expressway  
623 Agency created under s. 348.0304, the Tampa-Hillsborough County  
624 Expressway Authority created under s. 348.52, the Central  
625 Florida Expressway Authority created under s. 348.753, the  
626 Jacksonville Transportation Authority created under s. 349.03,  
627 and the Florida Housing Finance Corporation created under s.  
628 420.504.

629 (e) "Rating agency" means any nationally recognized rating  
630 service or nationally recognized statistical rating  
631 organization.

632 (f) "Third-party verifier" means any entity that contracts  
633 with an issuer to conduct an external review and independent  
634 assessment of proposed ESG bonds to ensure that such bonds may  
635 be designated or labeled as ESG bonds or will be used to finance  
636 a project that will comply with applicable ESG standards.

637 (2) Notwithstanding any other provision of law relating to  
638 the issuance of bonds, it is a violation of this section and it

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639 is prohibited for any issuer to:

640 (a) Issue ESG bonds.

641 (b) Expend public funds as defined in s. 215.85(3) or use  
642 moneys derived from the issuance of bonds to pay for the  
643 services of a third-party verifier, including, but not limited  
644 to, certifying or verifying that bonds may be designated or  
645 labeled as ESG bonds, rendering a second-party opinion or  
646 producing a verifier's report as to the compliance of proposed  
647 ESG bonds with applicable ESG standards and metrics, complying  
648 with post-issuance reporting obligations, or other services that  
649 are only provided due to the designation or labeling of bonds as  
650 ESG bonds.

651 (c) Enter into a contract with any rating agency whose ESG  
652 scores for such issuer will have a direct, negative impact on  
653 the issuer's bond ratings.

654 (3) Notwithstanding s. 655.0323, a financial institution as  
655 defined in s. 655.005(1) may purchase and underwrite bonds  
656 issued by a governmental entity.

657 (4) This section does not apply to any bonds issued before  
658 July 1, 2023, or to any agreement entered into or any contract  
659 executed before July 1, 2023.

660 Section 12. Section 215.855, Florida Statutes, is created  
661 to read:

662 215.855 Investment manager external communication.—

663 (1) As used in this section, the term:

664 (a) "Governmental entity" means a state, regional, county,  
665 municipal, special district, or other political subdivision  
666 whether executive, judicial, or legislative, including, but not  
667 limited to, a department, division, board, bureau, commission,

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668 authority, district, or agency thereof, or a public school,  
669 Florida College System institution, state university, or  
670 associated board.

671 (b) "Investment manager" means a private sector company  
672 that offers one or more investment products or services to a  
673 governmental entity and that has the discretionary investment  
674 authority for direct holdings.

675 (c) "Public funds" means all moneys under the jurisdiction  
676 of a governmental entity and includes all manner of pension and  
677 retirement funds and all other funds held, as trust funds or  
678 otherwise, for any public purpose, subject to investment.

679 (2) Any contract between a governmental entity and an  
680 investment manager must contain the following provisions:

681 (a) That any written communication made by the investment  
682 manager to a company in which such manager invests public funds  
683 on behalf of a governmental entity must include the following  
684 disclaimer in a conspicuous location if such communication  
685 discusses social, political, or ideological interests;  
686 subordinates the interests of the company's shareholders to the  
687 interest of another entity; or advocates for the interest of an  
688 entity other than the company's shareholders:

689  
690 The views and opinions expressed in this communication are those  
691 of the sender and do not reflect the views and opinions of the  
692 people of the State of Florida.

694 (b) That the contract may be unilaterally terminated at the  
695 option of the governmental entity if the investment manager does  
696 not include the disclaimer required in paragraph (a).

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697       (3) This section applies to contracts between a  
698 governmental entity and an investment manager executed, amended,  
699 or renewed on or after July 1, 2023.

700       Section 13. Subsection (24) is added to section 218.415,  
701 Florida Statutes, to read:

702       218.415 Local government investment policies.—Investment  
703 activity by a unit of local government must be consistent with a  
704 written investment plan adopted by the governing body, or in the  
705 absence of the existence of a governing body, the respective  
706 principal officer of the unit of local government and maintained  
707 by the unit of local government or, in the alternative, such  
708 activity must be conducted in accordance with subsection (17).  
709 Any such unit of local government shall have an investment  
710 policy for any public funds in excess of the amounts needed to  
711 meet current expenses as provided in subsections (1)-(16), or  
712 shall meet the alternative investment guidelines contained in  
713 subsection (17). Such policies shall be structured to place the  
714 highest priority on the safety of principal and liquidity of  
715 funds. The optimization of investment returns shall be secondary  
716 to the requirements for safety and liquidity. Each unit of local  
717 government shall adopt policies that are commensurate with the  
718 nature and size of the public funds within its custody.

719       (24) INVESTMENT DECISIONS.—

720       (a) As used in this subsection, the term "pecuniary factor"  
721 means a factor that the governing body of the unit of local  
722 government, or in the absence of the existence of a governing  
723 body, the respective principal officer of the unit of local  
724 government, prudently determines is expected to have a material  
725 effect on the risk or returns of an investment based on

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726 appropriate investment horizons consistent with applicable  
727 investment objectives and funding policy. The term does not  
728 include the consideration or furtherance of any social,  
729 political, or ideological interests.

730 (b) Notwithstanding any other law, when deciding whether to  
731 invest and when investing public funds pursuant to this section,  
732 the unit of local government must make decisions based solely on  
733 pecuniary factors and may not subordinate the interests of the  
734 people of this state to other objectives, including sacrificing  
735 investment return or undertaking additional investment risk to  
736 promote any nonpecuniary factor. The weight given to any  
737 pecuniary factor must appropriately reflect a prudent assessment  
738 of its impact on risk or returns.

739 Section 14. Present paragraphs (e) and (f) of subsection  
740 (26) of section 280.02, Florida Statutes, are redesignated as  
741 paragraphs (g) and (h), respectively, and new paragraphs (e) and  
742 (f) are added to that subsection, to read:

743 280.02 Definitions.—As used in this chapter, the term:

744 (26) "Qualified public depository" means a bank, savings  
745 bank, or savings association that:

746 (e) Makes determinations about the provision of services or  
747 the denial of services based on an analysis of risk factors  
748 unique to each customer or member. This paragraph does not  
749 restrict a qualified public depository that claims a religious  
750 purpose from making such determinations based on the religious  
751 beliefs, religious exercise, or religious affiliations of a  
752 customer or member.

753 (f) Does not engage in the unsafe and unsound practice of  
754 denying or canceling its services to a person, or otherwise

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755 discriminating against a person in making available such  
756 services or in the terms or conditions of such services, on the  
757 basis of:

758 1. The person's political opinions, speech, or  
759 affiliations;

760 2. Except as provided in paragraph (e), the person's  
761 religious beliefs, religious exercise, or religious  
762 affiliations;

763 3. Any factor if it is not a quantitative, impartial, and  
764 risk-based standard, including any such factor related to the  
765 person's business sector; or

766 4. The use of any rating, scoring, analysis, tabulation, or  
767 action that considers a social credit score based on factors  
768 including, but not limited to:

769 a. The person's political opinions, speech, or  
770 affiliations.

771 b. The person's religious beliefs, religious exercise, or  
772 religious affiliations.

773 c. The person's lawful ownership of a firearm.

774 d. The person's engagement in the lawful manufacture,  
775 distribution, sale, purchase, or use of firearms or ammunition.

776 e. The person's engagement in the exploration, production,  
777 utilization, transportation, sale, or manufacture of fossil  
778 fuel-based energy, timber, mining, or agriculture.

779 f. The person's support of the state or Federal Government  
780 in combatting illegal immigration, drug trafficking, or human  
781 trafficking.

782 g. The person's engagement with, facilitation of,  
783 employment by, support of, business relationship with,

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784 representation of, or advocacy for any person described in this  
785 subparagraph.

786 h. The person's failure to meet or commit to meet, or  
787 expected failure to meet, any of the following as long as such  
788 person is in compliance with applicable state or federal law:

789 (I) Environmental standards, including emissions standards,  
790 benchmarks, requirements, or disclosures;

791 (II) Social governance standards, benchmarks, or  
792 requirements, including, but not limited to, environmental or  
793 social justice;

794 (III) Corporate board or company employment composition  
795 standards, benchmarks, requirements, or disclosures based on  
796 characteristics protected under the Florida Civil Rights Act of  
797 1992; or

798 (IV) Policies or procedures requiring or encouraging  
799 employee participation in social justice programming, including,  
800 but not limited to, diversity, equity, or inclusion training.

801 Section 15. Section 280.025, Florida Statutes, is created  
802 to read:

803 280.025 Attestation required.—

804 (1) Beginning July 1, 2023, the following entities must  
805 attest, under penalty of perjury, on a form prescribed by the  
806 Chief Financial Officer, whether the entity is in compliance  
807 with s. 280.02(26) (e) and (f):

808 (a) A bank, savings bank, or savings association, upon  
809 application or reapplication for designation as a qualified  
810 public depository.

811 (b) A qualified public depository, upon filing the report  
812 required by s. 280.16(1) (d).

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813 (2) If an application or reapplication for designation as a  
814 qualified public depository is pending on July 1, 2023, the  
815 bank, savings bank, or savings association must file the  
816 attestation required under subsection (1) before being  
817 designated or redesignated a qualified public depository.

818 Section 16. Paragraph (d) of subsection (13) and subsection  
819 (17) of section 280.05, Florida Statutes, are amended to read:

820 280.05 Powers and duties of the Chief Financial Officer.—In  
821 fulfilling the requirements of this act, the Chief Financial  
822 Officer has the power to take the following actions he or she  
823 deems necessary to protect the integrity of the public deposits  
824 program:

825 (13) Require the filing of the following reports, which the  
826 Chief Financial Officer shall process as provided:

827 (d)1. Any related documents, reports, records, or other  
828 information deemed necessary by the Chief Financial Officer in  
829 order to ascertain compliance with this chapter, including, but  
830 not limited to, verifying the attestation required under s.  
831 280.025.

832 2. If the Chief Financial Officer determines that the  
833 attestation required under s. 280.025 is materially false, he or  
834 she must report such determination to the Attorney General, who  
835 may bring a civil or administrative action for damages,  
836 injunctive relief, and such other relief as may be appropriate.  
837 If such action is successful, the Attorney General is entitled  
838 to reasonable attorney fees and costs.

839 3. As related to federally chartered financial  
840 institutions, this paragraph may not be construed to create a  
841 power exceeding the visitorial powers of the Chief Financial

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842 Officer allowed under federal law.

843 (17) Suspend or disqualify or disqualify after suspension  
844 any qualified public depository that has violated ~~any of the~~  
845 ~~provisions of~~ this chapter or ~~of~~ rules adopted hereunder or that  
846 no longer meets the definition of a qualified public depository  
847 under s. 280.02.

848 (a) Any qualified public depository that is suspended or  
849 disqualified pursuant to this subsection is subject to the  
850 provisions of s. 280.11(2) governing withdrawal from the public  
851 deposits program and return of pledged collateral. Any  
852 suspension shall not exceed a period of 6 months. Any qualified  
853 public depository which has been disqualified may not reapply  
854 for qualification until after the expiration of 1 year from the  
855 date of the final order of disqualification or the final  
856 disposition of any appeal taken therefrom.

857 (b) In lieu of suspension or disqualification, impose an  
858 administrative penalty upon the qualified public depository as  
859 provided in s. 280.054.

860 (c) If the Chief Financial Officer has reason to believe  
861 that any qualified public depository or any other financial  
862 institution holding public deposits is or has been violating ~~any~~  
863 ~~of the provisions of~~ this chapter or ~~of~~ rules adopted hereunder  
864 or no longer meets the definition of a qualified public  
865 depository under s. 280.02, he or she may issue to the qualified  
866 public depository or other financial institution an order to  
867 cease and desist from the violation or to correct the condition  
868 giving rise to or resulting from the violation. If any qualified  
869 public depository or other financial institution violates a  
870 cease-and-desist or corrective order, the Chief Financial

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871 Officer may impose an administrative penalty upon the qualified  
872 public depository or other financial institution as provided in  
873 s. 280.054 or s. 280.055. In addition to the administrative  
874 penalty, the Chief Financial Officer may suspend or disqualify  
875 any qualified public depository for violation of any order  
876 issued pursuant to this paragraph.

877 Section 17. Subsections (14) and (15) are added to section  
878 280.051, Florida Statutes, to read:

879 280.051 Grounds for suspension or disqualification of a  
880 qualified public depository.—A qualified public depository may  
881 be suspended or disqualified or both if the Chief Financial  
882 Officer determines that the qualified public depository has:

883 (14) Failed to file the attestation required under s.  
884 280.025.

885 (15) No longer meets the definition of a qualified public  
886 depository under s. 280.02.

887 Section 18. Paragraph (b) of subsection (1) of section  
888 280.054, Florida Statutes, is amended to read:

889 280.054 Administrative penalty in lieu of suspension or  
890 disqualification.—

891 (1) If the Chief Financial Officer finds that one or more  
892 grounds exist for the suspension or disqualification of a  
893 qualified public depository, the Chief Financial Officer may, in  
894 lieu of suspension or disqualification, impose an administrative  
895 penalty upon the qualified public depository.

896 (b) With respect to any knowing and willful violation of a  
897 lawful order or rule, the Chief Financial Officer may impose a  
898 penalty upon the qualified public depository in an amount not  
899 exceeding \$1,000 for each violation. If restitution is due, the

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900 qualified public depository shall make restitution upon the  
901 order of the Chief Financial Officer and shall pay interest on  
902 such amount at the legal rate. Each day a violation continues  
903 constitutes a separate violation. Failure to timely file the  
904 attestation required under s. 280.025 is deemed a knowing and  
905 willful violation.

906 Section 19. Paragraphs (e) and (f) of subsection (1) of  
907 section 280.055, Florida Statutes, are amended, and paragraph  
908 (g) is added to that subsection, to read:

909 280.055 Cease and desist order; corrective order;  
910 administrative penalty.—

911 (1) The Chief Financial Officer may issue a cease and  
912 desist order and a corrective order upon determining that:

913 (e) A qualified public depository or a custodian has not  
914 furnished to the Chief Financial Officer, when the Chief  
915 Financial Officer requested, a power of attorney or bond power  
916 or bond assignment form required by the bond agent or bond  
917 trustee for each issue of registered certificated securities  
918 pledged and registered in the name, or nominee name, of the  
919 qualified public depository or custodian; ~~or~~

920 (f) A qualified public depository; a bank, savings  
921 association, or other financial institution; or a custodian has  
922 committed any other violation of this chapter or any rule  
923 adopted pursuant to this chapter that the Chief Financial  
924 Officer determines may be remedied by a cease and desist order  
925 or corrective order; or

926 (g) A qualified public depository no longer meets the  
927 definition of a qualified public depository under s. 280.02.

928 Section 20. Section 287.05701, Florida Statutes, is created

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929 to read:

930 287.05701 Prohibition against considering social,  
931 political, or ideological interests in government contracting.-

932 (1) As used in this section, the term "awarding body"  
933 means:

934 (a) For state contracts, an agency or the department.

935 (b) For local government contracts, the governing body of a  
936 county, a municipality, a special district, or any other  
937 political subdivision of the state.

938 (2) (a) An awarding body may not request documentation of or  
939 consider a vendor's social, political, or ideological interests  
940 when determining if the vendor is a responsible vendor.

941 (b) An awarding body may not give preference to a vendor  
942 based on the vendor's social, political, or ideological  
943 interests.

944 (3) Beginning July 1, 2023, any solicitation for the  
945 procurement of commodities or contractual services by an  
946 awarding body must include a provision notifying vendors of the  
947 provisions of this section.

948 Section 21. Section 516.037, Florida Statutes, is created  
949 to read:

950 516.037 Unsafe and unsound practices.-

951 (1) Licensees must make determinations about the provision  
952 or denial of services based on an analysis of risk factors  
953 unique to each current or prospective customer and may not  
954 engage in an unsafe and unsound practice as provided in  
955 subsection (2). This subsection does not restrict a licensee  
956 that claims a religious purpose from making such determinations  
957 based on the current or prospective customer's religious

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958 beliefs, religious exercise, or religious affiliations.

959 (2) It is an unsafe and unsound practice for a licensee to  
960 deny or cancel its services to a person, or to otherwise  
961 discriminate against a person in making available such services  
962 or in the terms or conditions of such services, on the basis of:

963 (a) The person's political opinions, speech, or  
964 affiliations;

965 (b) Except as provided in subsection (1), the person's  
966 religious beliefs, religious exercise, or religious  
967 affiliations;

968 (c) Any factor if it is not a quantitative, impartial, and  
969 risk-based standard, including any such factor related to the  
970 person's business sector; or

971 (d) The use of any rating, scoring, analysis, tabulation,  
972 or action that considers a social credit score based on factors  
973 including, but not limited to:

974 1. The person's political opinions, speech, or  
975 affiliations.

976 2. The person's religious beliefs, religious exercise, or  
977 religious affiliations.

978 3. The person's lawful ownership of a firearm.

979 4. The person's engagement in the lawful manufacture,  
980 distribution, sale, purchase, or use of firearms or ammunition.

981 5. The person's engagement in the exploration, production,  
982 utilization, transportation, sale, or manufacture of fossil  
983 fuel-based energy, timber, mining, or agriculture.

984 6. The person's support of the state or Federal Government  
985 in combatting illegal immigration, drug trafficking, or human  
986 trafficking.

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987 7. The person's engagement with, facilitation of,  
988 employment by, support of, business relationship with,  
989 representation of, or advocacy for any person described in this  
990 paragraph.

991 8. The person's failure to meet or commit to meet, or  
992 expected failure to meet, any of the following as long as such  
993 person is in compliance with applicable state or federal law:

994 a. Environmental standards, including emissions standards,  
995 benchmarks, requirements, or disclosures;

996 b. Social governance standards, benchmarks, or  
997 requirements, including, but not limited to, environmental or  
998 social justice;

999 c. Corporate board or company employment composition  
1000 standards, benchmarks, requirements, or disclosures based on  
1001 characteristics protected under the Florida Civil Rights Act of  
1002 1992; or

1003 d. Policies or procedures requiring or encouraging employee  
1004 participation in social justice programming, including, but not  
1005 limited to, diversity, equity, or inclusion training.

1006 (3) Beginning July 1, 2023, and upon application for a  
1007 license or license renewal, applicants and licensees must  
1008 attest, under penalty of perjury, on a form prescribed by the  
1009 commission whether the applicant or licensee is acting in  
1010 compliance with subsections (1) and (2).

1011 (4) In addition to any sanctions and penalties under this  
1012 chapter, a failure to comply with subsection (1) or engaging in  
1013 a practice described in subsection (2) constitutes a violation  
1014 of the Florida Deceptive and Unfair Trade Practices Act under  
1015 part II of chapter 501. Notwithstanding s. 501.211, violations

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1016 must be enforced only by the enforcing authority, as defined in  
1017 s. 501.203(2), and subject the violator to the sanctions and  
1018 penalties provided for in that part. If such action is  
1019 successful, the enforcing authority is entitled to reasonable  
1020 attorney fees and costs.

1021 Section 22. Section 560.1115, Florida Statutes, is created  
1022 to read:

1023 560.1115 Unsafe and unsound practices.-

1024 (1) Licensees must make determinations about the provision  
1025 or denial of services based on an analysis of risk factors  
1026 unique to each current or prospective customer and may not  
1027 engage in an unsafe and unsound practice as provided in  
1028 subsection (2). This subsection does not restrict a licensee  
1029 that claims a religious purpose from making such determinations  
1030 based on the current or prospective customer's religious  
1031 beliefs, religious exercise, or religious affiliations.

1032 (2) It is an unsafe and unsound practice for a licensee to  
1033 deny or cancel its services to a person, or to otherwise  
1034 discriminate against a person in making available such services  
1035 or in the terms or conditions of such services, on the basis of:

1036 (a) The person's political opinions, speech, or  
1037 affiliations;

1038 (b) Except as provided in subsection (1), the person's  
1039 religious beliefs, religious exercise, or religious  
1040 affiliations;

1041 (c) Any factor if it is not a quantitative, impartial, and  
1042 risk-based standard, including any such factor related to the  
1043 person's business sector; or

1044 (d) The use of any rating, scoring, analysis, tabulation,

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1045 or action that considers a social credit score based on factors  
1046 including, but not limited to:

1047 1. The person's political opinions, speech, or  
1048 affiliations.

1049 2. The person's religious beliefs, religious exercise, or  
1050 religious affiliations.

1051 3. The person's lawful ownership of a firearm.

1052 4. The person's engagement in the lawful manufacture,  
1053 distribution, sale, purchase, or use of firearms or ammunition.

1054 5. The person's engagement in the exploration, production,  
1055 utilization, transportation, sale, or manufacture of fossil  
1056 fuel-based energy, timber, mining, or agriculture.

1057 6. The person's support of the state or Federal Government  
1058 in combatting illegal immigration, drug trafficking, or human  
1059 trafficking.

1060 7. The person's engagement with, facilitation of,  
1061 employment by, support of, business relationship with,  
1062 representation of, or advocacy for any person described in this  
1063 paragraph.

1064 8. The person's failure to meet or commit to meet, or  
1065 expected failure to meet, any of the following as long as such  
1066 person is in compliance with applicable state or federal law:

1067 a. Environmental standards, including emissions standards,  
1068 benchmarks, requirements, or disclosures;

1069 b. Social governance standards, benchmarks, or  
1070 requirements, including, but not limited to, environmental or  
1071 social justice;

1072 c. Corporate board or company employment composition  
1073 standards, benchmarks, requirements, or disclosures based on

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1074 characteristics protected under the Florida Civil Rights Act of  
1075 1992; or

1076 d. Policies or procedures requiring or encouraging employee  
1077 participation in social justice programming, including, but not  
1078 limited to, diversity, equity, or inclusion training.

1079 (3) Beginning July 1, 2023, and upon application for a  
1080 license or license renewal, applicants and licensees, as  
1081 applicable, must attest, under penalty of perjury, on a form  
1082 prescribed by the commission whether the applicant or licensee  
1083 is acting in compliance with subsections (1) and (2).

1084 (4) In addition to any sanctions and penalties under this  
1085 chapter, a failure to comply with subsection (1) or engaging in  
1086 a practice described in subsection (2) constitutes a violation  
1087 of the Florida Deceptive and Unfair Trade Practices Act under  
1088 part II of chapter 501. Notwithstanding s. 501.211, violations  
1089 must be enforced only by the enforcing authority, as defined in  
1090 s. 501.203(2), and subject the violator to the sanctions and  
1091 penalties provided for in that part. If such action is  
1092 successful, the enforcing authority is entitled to reasonable  
1093 attorney fees and costs.

1094 Section 23. Paragraph (h) of subsection (1) of section  
1095 560.114, Florida Statutes, is amended to read:

1096 560.114 Disciplinary actions; penalties.—

1097 (1) The following actions by a money services business,  
1098 authorized vendor, or affiliated party constitute grounds for  
1099 the issuance of a cease and desist order; the issuance of a  
1100 removal order; the denial, suspension, or revocation of a  
1101 license; or taking any other action within the authority of the  
1102 office pursuant to this chapter:

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1103 (h) Engaging in an act prohibited under s. 560.111 or s.  
 1104 560.1115.

1105 Section 24. Paragraph (y) of subsection (1) of section  
 1106 655.005, Florida Statutes, is amended to read:  
 1107 655.005 Definitions.—

1108 (1) As used in the financial institutions codes, unless the  
 1109 context otherwise requires, the term:

1110 (y) "Unsafe or unsound practice" or "unsafe and unsound  
 1111 practice" means:

1112 1. Any practice or conduct found by the office to be  
 1113 contrary to generally accepted standards applicable to a  
 1114 financial institution, or a violation of any prior agreement in  
 1115 writing or order of a state or federal regulatory agency, which  
 1116 practice, conduct, or violation creates the likelihood of loss,  
 1117 insolvency, or dissipation of assets or otherwise prejudices the  
 1118 interest of the financial institution or its depositors or  
 1119 members. In making this determination, the office must consider  
 1120 the size and condition of the financial institution, the gravity  
 1121 of the violation, and the prior conduct of the person or  
 1122 institution involved; or

1123 2. Failure to comply with s. 655.0323(1), or engaging in a  
 1124 practice described in s. 655.0323(2).

1125 Section 25. Section 655.0323, Florida Statutes, is created  
 1126 to read:

1127 655.0323 Unsafe and unsound practices.—

1128 (1) Financial institutions must make determinations about  
 1129 the provision or denial of services based on an analysis of risk  
 1130 factors unique to each current or prospective customer or member  
 1131 and may not engage in an unsafe and unsound practice as provided

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1132 in subsection (2). This subsection does not restrict a financial  
1133 institution that claims a religious purpose from making such  
1134 determinations based on the current or prospective customer's or  
1135 member's religious beliefs, religious exercise, or religious  
1136 affiliations.

1137 (2) It is an unsafe and unsound practice for a financial  
1138 institution to deny or cancel its services to a person, or to  
1139 otherwise discriminate against a person in making available such  
1140 services or in the terms or conditions of such services, on the  
1141 basis of:

1142 (a) The person's political opinions, speech, or  
1143 affiliations;

1144 (b) Except as provided in subsection (1), the person's  
1145 religious beliefs, religious exercise, or religious  
1146 affiliations;

1147 (c) Any factor if it is not a quantitative, impartial, and  
1148 risk-based standard, including any such factor related to the  
1149 person's business sector; or

1150 (d) The use of any rating, scoring, analysis, tabulation,  
1151 or action that considers a social credit score based on factors  
1152 including, but not limited to:

1153 1. The person's political opinions, speech, or  
1154 affiliations.

1155 2. The person's religious beliefs, religious exercise, or  
1156 religious affiliations.

1157 3. The person's lawful ownership of a firearm.

1158 4. The person's engagement in the lawful manufacture,  
1159 distribution, sale, purchase, or use of firearms or ammunition.

1160 5. The person's engagement in the exploration, production,

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1161 utilization, transportation, sale, or manufacture of fossil  
1162 fuel-based energy, timber, mining, or agriculture.

1163 6. The person's support of the state or Federal Government  
1164 in combatting illegal immigration, drug trafficking, or human  
1165 trafficking.

1166 7. The person's engagement with, facilitation of,  
1167 employment by, support of, business relationship with,  
1168 representation of, or advocacy for any person described in this  
1169 paragraph.

1170 8. The person's failure to meet or commit to meet, or  
1171 expected failure to meet, any of the following as long as such  
1172 person is in compliance with applicable state or federal law:

1173 a. Environmental standards, including emissions standards,  
1174 benchmarks, requirements, or disclosures;

1175 b. Social governance standards, benchmarks, or  
1176 requirements, including, but not limited to, environmental or  
1177 social justice;

1178 c. Corporate board or company employment composition  
1179 standards, benchmarks, requirements, or disclosures based on  
1180 characteristics protected under the Florida Civil Rights Act of  
1181 1992; or

1182 d. Policies or procedures requiring or encouraging employee  
1183 participation in social justice programming, including, but not  
1184 limited to, diversity, equity, or inclusion training.

1185 (3) Beginning July 1, 2023, and by July 1 of each year  
1186 thereafter, financial institutions subject to the financial  
1187 institutions codes must attest, under penalty of perjury, on a  
1188 form prescribed by the commission whether the entity is acting  
1189 in compliance with subsections (1) and (2).

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1190 (4) Engaging in a practice described in subsection (2) is a  
1191 failure to comply with this chapter, constitutes a violation of  
1192 the financial institutions codes, and is subject to the  
1193 applicable sanctions and penalties provided for in the financial  
1194 institutions codes.

1195 (5) Notwithstanding ss. 501.211 and 501.212, a failure to  
1196 comply with subsection (1) or a practice described in subsection  
1197 (2) constitutes a violation of the Florida Deceptive and Unfair  
1198 Trade Practices Act under part II of chapter 501. Violations  
1199 must be enforced only by the enforcing authority, as defined in  
1200 s. 501.203(2), and subject the violator to the sanctions and  
1201 penalties provided for in that part. If such action is  
1202 successful, the enforcing authority is entitled to reasonable  
1203 attorney fees and costs.

1204 (6) The office and the commission may not exercise  
1205 authority pursuant to s. 655.061 in relation to this section.

1206 Section 26. Subsection (5) is added to section 1010.04,  
1207 Florida Statutes, to read:

1208 1010.04 Purchasing.—

1209 (5) Beginning July 1, 2023, school districts, Florida  
1210 College System institutions, and state universities may not:

1211 (a) Request documentation of or consider a vendor's social,  
1212 political, or ideological interests.

1213 (b) Give preference to a vendor based on the vendor's  
1214 social, political, or ideological interests.

1215  
1216 Any solicitation for purchases and leases must include a  
1217 provision notifying vendors of the provisions of this  
1218 subsection.

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1219 Section 27. For the purpose of incorporating the amendment  
1220 made by this act to section 17.57, Florida Statutes, in  
1221 references thereto, subsection (1) of section 17.61, Florida  
1222 Statutes, is reenacted to read:

1223 17.61 Chief Financial Officer; powers and duties in the  
1224 investment of certain funds.—

1225 (1) The Chief Financial Officer shall invest all general  
1226 revenue funds and all the trust funds and all agency funds of  
1227 each state agency, and of the judicial branch, as defined in s.  
1228 216.011, and may, upon request, invest funds of any board,  
1229 association, or entity created by the State Constitution or by  
1230 law, except for the funds required to be invested pursuant to  
1231 ss. 215.44-215.53, by the procedure and in the authorized  
1232 securities prescribed in s. 17.57; for this purpose, the Chief  
1233 Financial Officer may open and maintain one or more demand and  
1234 safekeeping accounts in any bank or savings association for the  
1235 investment and reinvestment and the purchase, sale, and exchange  
1236 of funds and securities in the accounts. Funds in such accounts  
1237 used solely for investments and reinvestments shall be  
1238 considered investment funds and not funds on deposit, and such  
1239 funds shall be exempt from the provisions of chapter 280. In  
1240 addition, the securities or investments purchased or held under  
1241 the provisions of this section and s. 17.57 may be loaned to  
1242 securities dealers and banks and may be registered by the Chief  
1243 Financial Officer in the name of a third-party nominee in order  
1244 to facilitate such loans, provided the loan is collateralized by  
1245 cash or United States government securities having a market  
1246 value of at least 100 percent of the market value of the  
1247 securities loaned. The Chief Financial Officer shall keep a

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1248 separate account, designated by name and number, of each fund.  
1249 Individual transactions and totals of all investments, or the  
1250 share belonging to each fund, shall be recorded in the accounts.

1251 Section 28. For the purpose of incorporating the amendment  
1252 made by this act to section 215.47, Florida Statutes, in a  
1253 reference thereto, subsection (3) of section 215.44, Florida  
1254 Statutes, is reenacted to read:

1255 215.44 Board of Administration; powers and duties in  
1256 relation to investment of trust funds.-

1257 (3) Notwithstanding any law to the contrary, all  
1258 investments made by the State Board of Administration pursuant  
1259 to ss. 215.44-215.53 shall be subject to the restrictions and  
1260 limitations contained in s. 215.47, except that investments made  
1261 by the State Board of Administration under a trust agreement  
1262 pursuant to subsection (1) shall be subject only to the  
1263 restrictions and limitations contained in the trust agreement.

1264 Section 29. This act shall take effect July 1, 2023.