

1 A bill to be entitled
2 An act relating to investments and deposits of public
3 funds; amending s. 17.57, F.S.; providing definitions;
4 providing the Chief Financial Officer and certain
5 parties the option to invest certain moneys through
6 qualified custodians and to deposit any remaining
7 money and funds in certain qualified public
8 depositories; providing the Chief Financial Officer
9 the option to invest certain funds and to deposit any
10 remaining funds in certain qualified public
11 depositories; providing an option for certain money to
12 be invested in digital assets and exchange-traded
13 products under specified circumstances; authorizing
14 the Chief Financial Officer, in managing state funds,
15 to include digital assets and exchange-traded products
16 as stores of value and potential hedges against
17 inflation and to engage in certain acts relating to
18 investments; authorizing the Chief Financial Officer
19 to invest money in digital assets and exchange-traded
20 products from certain public funds; providing limits
21 to such investments; providing requirements for
22 holding acquired digital assets; authorizing the Chief
23 Financial Officer and other parties to loan digital
24 assets in state funds if such loans are collateralized
25 and comply with certain fiduciary standards; providing

26 rulemaking authority; requiring the Chief Financial
27 Officer to maintain certain documentation and to cure
28 any lapse in control over the digital assets in state
29 funds within a specified timeframe; requiring taxes
30 and fees paid in digital assets to be transferred to
31 the General Revenue Fund; requiring designated funds
32 to be reimbursed from the General Revenue Fund in
33 United States currency for such payments; providing
34 construction; amending s. 17.61, F.S.; authorizing the
35 Chief Financial Officer to open and maintain certain
36 accounts in credit unions; authorizing loans of
37 digital assets to securities dealers and loans of
38 securities, digital assets, and investments to
39 financial institutions; amending s. 121.151, F.S.;
40 authorizing the Board of Trustees of the State Board
41 of Administration to invest and reinvest available
42 funds of the System Trust Fund in digital assets;
43 providing limits and custody requirements for such
44 investments; providing definitions; amending s.
45 215.47, F.S.; authorizing the Board of Trustees of the
46 State Board of Administration to invest a portion of
47 any fund in digital assets; providing limits and
48 custody requirements; providing definitions; amending
49 s. 280.03, F.S.; exempting certain deposits and
50 investments from specified security requirements;

amending ss. 112.661, 215.4701, 215.473, 215.4735,
215.475, 215.4755, 215.50, 215.555, 218.409, 1002.36,
and 1002.395, F.S.; conforming cross-references;
providing an effective date.

WHEREAS, inflation has eroded the purchasing power of
assets held in state funds managed by the Chief Financial
Officer, diminished the value of the state's reserves, and
affected the financial stability and economic security of this
state, its taxpayers, and its residents, and

WHEREAS, although this state does not have direct control
over the national money supply or the policies that influence
inflation, it has a responsibility to safeguard Florida's
financial resources against the impacts of inflation and other
economic uncertainties, and

WHEREAS, Bitcoin and other digital assets have
significantly increased in value and are becoming more widely
accepted as international stores of value and mediums of
exchange, and countries around the world, including the United
States, hold such assets within their treasury or reserve
frameworks, and

WHEREAS, Bitcoin and other digital assets are recognized by
sovereign nations and prominent investment advisers, including
BlackRock, Fidelity, and Franklin Templeton, as potential tools
to strengthen long-term portfolio value, and

76 WHEREAS, on March 6, 2025, the President of the United
77 States issued Executive Order No. 14233 establishing the
78 Strategic Bitcoin Reserve and the United States Digital Asset
79 Stockpile, to be administered by the United States Department of
80 the Treasury and capitalized with lawfully forfeited digital
81 assets, and

82 WHEREAS, these federal executive actions recognize that
83 Bitcoin and other digital assets can be strategically held by
84 governmental institutions to support fiscal stability,
85 strengthen national resilience, and serve public objectives
86 without increasing taxpayer burdens, and

87 WHEREAS, this state seeks to align its policy with these
88 national directives by creating a secure, transparent framework
89 to lawfully acquire, hold, and manage Bitcoin and other digital
90 assets as part of its broader fiscal strategy, and

91 WHEREAS, this state should have access to tools such as
92 Bitcoin and other digital assets to enhance the long-term value
93 and resilience of public funds, NOW, THEREFORE,

94
95 Be It Enacted by the Legislature of the State of Florida:

96
97 **Section 1. Section 17.57, Florida Statutes, is amended to**
98 **read:**

99 17.57 Deposits and investments of state money.—

100 (1)~~(a)~~ As used in this section ~~subsection~~, the term:

101 (a) "Control" means control of a controllable electronic
102 record, as determined under s. 669.105.

103 (b) "Digital asset" means a controllable electronic
104 record, as defined in s. 669.102(1), capable of being held or
105 transferred electronically and representing economic,
106 proprietary, or access rights. The term includes, but is not
107 limited to:

108 1. Virtual currency, including Bitcoin. As used in this
109 subparagraph, the term "Bitcoin" means the decentralized digital
110 currency launched in 2009 which allows online payments to be
111 sent directly from one party to another without going through a
112 financial institution.

113 2. Digital commodities.

114 3. Digital asset securities.

115 4. Non-fungible tokens.

116 5. Any other cryptographically secured or tokenized
117 representation of value or rights recorded on a blockchain or
118 similar distributed ledger technology, including assets eligible
119 for inclusion in a national digital asset stockpile or strategic
120 reserve pursuant to federal executive or statutory authority.

121 (c) "Exchange-traded product" means a financial instrument
122 that is traded on a national stock exchange and holds an
123 underlying pool of assets, which may include digital assets,
124 stocks, bonds, commodities, and indexes.

125 (d) "Pecuniary factor" means a factor that the Chief

Financial Officer, or other party authorized to invest on his or her behalf, prudently determines is expected to have a material effect on the risk or returns of an investment based on appropriate investment horizons consistent with applicable investment objectives and funding policy. The term does not include the consideration of the furtherance of any social, political, or ideological interests.

(e) "Qualified custodian" means any of the following:

1. A financial institution that has deposits insured by the Federal Deposit Insurance Corporation or the National Credit Union Association.

2. A trust company, whether incorporated or not, which:

a. Does business under the laws of any state or of the United States, a substantial portion of the business of which consists of receiving deposits or exercising fiduciary powers similar to those authorized to national banks under the authority of the Comptroller of the Currency; and

b. Is supervised and examined by state or federal authority having supervision over banks or credit unions.

3. A broker-dealer registered under s. 15(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. s. 78o(b)(1), as amended, holding the client assets in customer accounts.

4. A futures commission merchant registered under s. 6f(a) of the Commodity Exchange Act, as amended, holding the client assets in customer accounts.

151 (2) (a) ~~(b)~~ The Chief Financial Officer, or other parties
152 with the permission of the Chief Financial Officer, shall:

153 1. Deposit the money of this ~~the~~ state or any money in the
154 State Treasury in such qualified public depositories of this ~~the~~
155 state as will offer satisfactory collateral security for such
156 deposits, pursuant to chapter 280; or

157 2. Invest the money of this state or any money in the
158 State Treasury through a qualified custodian and deposit any
159 remaining money of this state and the State Treasury in
160 qualified public depositories described in subparagraph 1.

161 (b) It is the duty of the Chief Financial Officer,
162 consistent with the cash requirements of the state, to keep the
163 ~~such~~ money of this state or any money in the State Treasury
164 fully invested or deposited as provided in this section ~~herein~~
165 in order that the state may realize maximum earnings and
166 benefits. ~~Nothing in~~ This section does not ~~shall~~ preclude credit
167 unions designated as public depositories from participation.

168 (c) Notwithstanding any other law except for s. 215.472,
169 when deciding whether to invest and when investing, the Chief
170 Financial Officer, or other party authorized to invest on his or
171 her behalf, must make decisions based solely on pecuniary
172 factors and may not subordinate the interests of the people of
173 this state to other objectives, including sacrificing investment
174 return or undertaking additional investment risk to promote any
175 nonpecuniary factor. The weight given to any pecuniary factor

176 must appropriately reflect a prudent assessment of its impact on
177 risk or returns.

178 (3) (a) - (2) The Chief Financial Officer shall make funds
179 available to meet the disbursement needs of the state. Funds
180 that ~~which~~ are not needed for this purpose shall be:

181 1. Placed in qualified public depositories that will pay
182 rates established by the Chief Financial Officer at levels not
183 less than the prevailing rate for United States Treasury
184 securities with a corresponding maturity; or

185 2. Invested and the remaining funds placed in qualified
186 public depositories described in subparagraph 1.

187 (b) In the event money is available for interest-bearing
188 time deposits or savings accounts as provided in this section
189 ~~herein~~ and qualified public depositories are unwilling to accept
190 such money and pay thereon the rates established above, then
191 such money which qualified public depositories are unwilling to
192 accept shall be invested in:

193 1. (a) Direct United States Treasury obligations.

194 2. (b) Obligations of the Federal Farm Credit Banks.

195 3. (c) Obligations of the Federal Home Loan Bank and its
196 district banks.

197 4. (d) Obligations of the Federal Home Loan Mortgage
198 Corporation, including participation certificates.

199 5. (e) Obligations guaranteed by the Government National
200 Mortgage Association.

201 6.~~(f)~~ Obligations of the Federal National Mortgage
202 Association.

203 7.~~(g)~~ Commercial paper of prime quality of the highest
204 letter and numerical rating as provided for by at least one
205 nationally recognized rating service.

206 8.~~(h)~~ Time drafts or bills of exchange drawn on and
207 accepted by a commercial bank, otherwise known as "bankers
208 acceptances," which are accepted by a member bank of the Federal
209 Reserve System having total deposits of not less than \$400
210 million or which are accepted by a commercial bank which is not
211 a member of the Federal Reserve System with deposits of not less
212 than \$400 million and which is licensed by a state government or
213 the Federal Government, and whose senior debt issues are rated
214 in one of the two highest rating categories by a nationally
215 recognized rating service and which are held in custody by a
216 domestic bank which is a member of the Federal Reserve System.

217 9.~~(i)~~ Corporate obligations or corporate master notes of
218 any corporation within the United States, if the long-term
219 obligations of such corporation are rated by at least two
220 nationally recognized rating services in any one of the four
221 highest classifications. However, if such obligations are rated
222 by only one nationally recognized rating service, then the
223 obligations shall be rated in any one of the two highest
224 classifications.

225 10.~~(j)~~ Obligations of the Student Loan Marketing

226 Association.

227 11.~~(k)~~ Obligations of the Resolution Funding Corporation.

228 12.~~(l)~~ Mortgage-backed securities of the highest credit
229 quality.

230 13.~~(m)~~ Asset-backed securities rated by at least two
231 nationally recognized rating services in any one of the three
232 highest classifications. However, if such obligations are rated
233 by only one nationally recognized rating service, the
234 obligations must be rated in any one of the two highest
235 classifications.

236 14.~~(n)~~ Any obligations not previously listed which are
237 guaranteed as to principal and interest by the full faith and
238 credit of the United States Government or are obligations of
239 United States agencies or instrumentalities which are rated in
240 the highest category by a nationally recognized rating service.

241 15.~~(o)~~ Commingled no-load investment funds or no-load
242 mutual funds in which all securities held by the funds are
243 authorized in this subsection.

244 16.~~(p)~~ Money market mutual funds as defined and regulated
245 by the Securities and Exchange Commission.

246 17.~~(q)~~ Obligations of state and local governments rated in
247 any of the four highest classifications by at least two
248 nationally recognized rating services. However, if such
249 obligations are rated by only one nationally recognized rating
250 service, then the obligations shall be rated in any one of the

two highest classifications.

18.~~(r)~~ Covered put and call options on investment instruments authorized in this subsection for the purpose of hedging transactions by investment managers to mitigate risk or to facilitate portfolio management.

19.~~(s)~~ Negotiable certificates of deposit issued by financial institutions whose long-term debt is rated in one of the three highest categories by at least two nationally recognized rating services, the investment in which may ~~shall~~ not be prohibited by any provision of chapter 280.

20.~~(t)~~ Foreign bonds denominated in United States dollars and registered with the Securities and Exchange Commission for sale in the United States, if the long-term obligations of such issuers are rated by at least two nationally recognized rating services in any one of the four highest classifications. However, if such obligations are rated by only one nationally recognized rating service, the obligations shall be rated in any one of the two highest classifications.

21.~~(u)~~ Convertible debt obligations of any corporation domiciled within the United States, if the convertible debt issue is rated by at least two nationally recognized rating services in any one of the four highest classifications. However, if such obligations are rated by only one nationally recognized rating service, then the obligations shall be rated in any one of the two highest classifications.

276 22.~~(v)~~ Securities not otherwise described in this
277 subsection. However, not more than 3 percent of the funds under
278 the control of the Chief Financial Officer shall be invested in
279 securities described in this subparagraph ~~paragraph~~.

280 23.~~(w)~~ Derivatives of investment instruments authorized in
281 subparagraphs 1.-22. ~~paragraphs (a)-(v).~~

282 24.~~(*)~~ Futures and options on futures, provided the
283 instruments for such purpose are traded on a securities exchange
284 or board of trade regulated by the Securities and Exchange
285 Commission or the Commodity Futures Trading Commission.

286 25. Digital assets.

287 26. Exchange-traded products.

288
289 These investments may be in varying maturities and may be in
290 book-entry form. Investments made pursuant to this subsection
291 may be under repurchase agreement or reverse repurchase
292 agreement. The Chief Financial Officer may hire registered
293 investment advisers and other consultants to assist in
294 investment management and to pay fees directly from investment
295 earnings. Investment securities, proprietary investment services
296 related to contracts, performance evaluation services,
297 investment-related equipment or software used directly to assist
298 investment trading or investment accounting operations including
299 bond calculators, telerates, Bloombergs, special program
300 calculators, intercom systems, and software used in accounting,

communications, and trading, and advisory and consulting contracts made under this section are exempt from the provisions of chapter 287.

(4)~~(3)~~ In the event the financial institutions in the state do not make sufficient loan funds available for a residential conservation program pursuant to any plan approved by the Florida Public Service Commission under the Florida Energy Efficiency and Conservation Act, the board may authorize the investment of state funds, except retirement trust funds, in such a loan program at rates not less than prevailing United States Treasury bill rates. However, prior to investment of such funds, the Florida Public Service Commission shall develop a plan which must be approved by the Legislature before implementation.

(5)~~(4)~~ All earnings on any investments made pursuant to this section are hereby appropriated to the General Revenue Fund, except that earnings attributable to moneys made available pursuant to s. 17.61(3)(a) and (b) shall be credited pro rata to the funds from which such moneys were made available.

(6)~~(5)~~ The fact that a municipal officer or a state officer, including an officer of any municipal or state agency, board, bureau, commission, institution, or department, is a stockholder or an officer or director of a bank or savings and loan association will not bar such bank or savings and loan association from being a depository of funds coming under the

jurisdiction of any such municipal officer or state officer if it shall appear in the records of the municipal or state office that the governing body of such municipality or state agency has investigated and determined that such municipal or state officer is not favoring such banks or savings and loan associations over other qualified banks or savings and loan associations.

(7)~~(6)~~ The Chief Financial Officer is designated the cash management officer for the state and is charged with the coordination and supervision of procedures providing for the efficient handling of financial assets under the control of the State Treasury and each of the various state agencies, and of the judicial branch, as defined in s. 216.011. This responsibility shall include the supervision and approval of all banking relationships. Pursuant to this responsibility, the Chief Financial Officer may obtain information from financial institutions regarding depository accounts maintained by any agency or institution of the State of Florida.

(8)~~(7)~~ In addition to the deposits authorized under this section and notwithstanding any other provisions of law, funds that are not needed to meet the disbursement needs of the state may be deposited by the Chief Financial Officer in accordance with the following conditions:

(a) The funds are initially deposited in a qualified public depository, as defined in s. 280.02, selected by the Chief Financial Officer.

351 (b) The selected depository arranges for depositing the
352 funds in financial deposit instruments insured by:

353 1. The Federal Deposit Insurance Corporation in one or
354 more federally insured banks or savings and loan associations,
355 wherever located, for the account of the state.

356 2. For credit unions designated as qualified public
357 depositories, the National Credit Union Share Insurance Fund.

358 (c) The full amount of the principal and accrued interest
359 of each financial deposit instrument is insured by the Federal
360 Deposit Insurance Corporation or, for credit unions designated
361 as qualified public depositories, the National Credit Union
362 Share Insurance Fund.

363 (d) The selected depository acts as custodian for the
364 state with respect to each financial deposit instrument issued
365 for its account.

366 (9) The Chief Financial Officer may:

367 (a) In managing state funds pursuant to this section and
368 subject to the limitations of chapter 215, include digital
369 assets or exchange-traded products as stores of value and
370 potential hedges against inflation, thereby protecting the
371 purchasing power of state funds.

372 (b) Ensure that the investment strategies employed under
373 this section align with the goal of enhancing this state's
374 economic security and financial resilience.

375 (c) Maintain flexibility in investment decisions to

376 respond to changing economic conditions and emerging
377 opportunities that may offer better protection or returns on
378 state funds.

379 (10) (a) 1. The Chief Financial Officer may invest money in
380 digital assets or exchange-traded products from the following
381 funds:

382 a. The General Revenue Fund.

383 b. The Budget Stabilization Fund.

384 c. All the trust funds and all agency funds of each state
385 agency and of the judicial branch, as defined in s. 216.011(1).

386 d. Funds of any board, association, or entity created by
387 the State Constitution or by law upon request of the board,
388 association, or entity.

389 e. Any other state fund deemed appropriate by the
390 Legislature.

391 2. The amount of public funds that the Chief Financial
392 Officer may invest in digital assets or exchange-traded products
393 may not exceed 10 percent of the total funds in any account.

394 (b) 1. The digital assets acquired under paragraph (a)
395 shall be held in a manner that provides this state with control
396 consistent with chapter 669 and may be held only:

397 a. Directly by the Chief Financial Officer, who confers
398 control to this state;

399 b. On behalf of this state by a qualified custodian that:

400 (I) Grants this state with control under chapter 669; or

401 (II) Credits this state with a security interest perfected
402 under s. 679.3131; or

403 c. In the form of an exchange-traded product issued by an
404 investment company registered with the Securities and Exchange
405 Commission under the Investment Company Act of 1940, as amended,
406 provided that the custodian of records maintains control on
407 behalf of this state pursuant to chapter 669.

408 2. The Chief Financial Officer, and other parties with the
409 permission of the Chief Financial Officer, may loan the digital
410 assets in state funds to generate additional returns, provided
411 that such loans:

412 a. Are secured by collateral having a market value at
413 least equal to 100 percent of the value of the assets loaned at
414 the time the loans are made; and

415 b. Comply with the fiduciary standards provided in chapter
416 215.

417
418 The Chief Financial Officer may, by rule, require
419 overcollateralization or impose additional safeguards to protect
420 the financial interests of this state.

421 3. The Chief Financial Officer shall maintain
422 documentation evidencing this state's continuing control over
423 each digital asset and shall cure any lapse in control within 5
424 business days after discovery.

425 (11) Taxes or fees paid to this state in digital assets

shall be transferred to the General Revenue Fund. The designated fund shall be reimbursed from the General Revenue Fund for the value of the digital asset payment in United States currency for such taxes or fees. A person who transfers a digital asset to the state warrants that the asset is a controllable electronic record free of adverse claims. This state takes the asset free of any security interest or other claim if this state acquires control for value and without notice of the claim, consistent with chapter 669.

Section 2. Subsection (1) of section 17.61, Florida Statutes, is amended to read:

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

(1) The Chief Financial Officer shall invest all general revenue funds and all the trust funds and all agency funds of each state agency, and of the judicial branch, as defined in s. 216.011, and may, upon request, invest funds of any board, association, or entity created by the State Constitution or by law, except for the funds required to be invested pursuant to ss. 215.44–215.53, by the procedure and in the authorized securities or in digital assets prescribed in s. 17.57; for this purpose, the Chief Financial Officer may open and maintain one or more demand and safekeeping accounts in any bank or credit union ~~savings association~~ for the investment and reinvestment and the purchase, sale, and exchange of funds, ~~and~~ securities,

451 and digital assets in the accounts. Funds in such accounts used
452 solely for investments and reinvestments shall be considered
453 investment funds and not funds on deposit, and such funds shall
454 be exempt from the provisions of chapter 280. In addition, the
455 securities and other digital assets or investments purchased or
456 held under the provisions of this section and s. 17.57 may be
457 loaned to securities dealers and financial institutions ~~banks~~
458 and may be registered by the Chief Financial Officer in the name
459 of a third-party nominee in order to facilitate such loans,
460 provided the loan is collateralized by cash or United States
461 Government securities having a market value of at least 100
462 percent of the market value of the securities loaned. The Chief
463 Financial Officer shall keep a separate account, designated by
464 name and number, of each fund. Individual transactions and
465 totals of all investments, or the share belonging to each fund,
466 shall be recorded in the accounts.

467 **Section 3. Section 121.151, Florida Statutes, is amended**
468 **to read:**

469 121.151 Investments.—

470 (1) The Board of Administration, created by authority of
471 the State Constitution, shall invest and reinvest available
472 funds of the System Trust Fund in accordance with the provisions
473 of ss. 215.44-215.53.

474 (2) (a) The Board of Administration may also invest and
475 reinvest available funds of the System Trust Fund in digital

476 assets. The amount of funds that the board may invest and
477 reinvest in digital assets may not exceed 10 percent of the
478 total funds.

479 (b) The digital assets acquired under paragraph (a) shall
480 be held:

- 481 1. Directly by the board;
482 2. On behalf of the board by a qualified custodian; or
483 3. In the form of an exchange-traded product issued by an
484 investment company registered with the Securities and Exchange
485 Commission under the Investment Company Act of 1940, as amended.

486 (c) As used in this subsection, the terms "digital asset,"
487 "exchange-traded product," and "qualified custodian" have the
488 same meanings as in s. 17.57(1).

489 **Section 4. Subsections (6) through (21) of section 215.47,**
490 **Florida Statutes, are renumbered as subsections (7) through**
491 **(22), respectively, and a new subsection (6) is added to that**
492 **section to read:**

493 215.47 Investments; authorized securities; loan of
494 securities.—Subject to the limitations and conditions of the
495 State Constitution or of the trust agreement relating to a trust
496 fund, moneys available for investments under ss. 215.44-215.53
497 may be invested as follows:

498 (6) (a) With no more than 10 percent of any fund in digital
499 assets.

500 (b) The digital assets acquired under paragraph (a) shall

be held:

1. Directly by the board;

2. On behalf of the board by a qualified custodian; or

3. In the form of an exchange-traded product issued by an investment company registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended.

(c) Notwithstanding the limitation in paragraph (a), the board is authorized to hold any other investment authorized in this section as a digital asset, provided that it is held in accordance with paragraph (b).

(d) As used in this subsection, the terms "digital asset," "exchange-traded product," and "qualified custodian" have the same meanings as in s. 17.57(1).

Section 5. Paragraph (f) of subsection (3) of section 280.03, Florida Statutes, is amended to read:

280.03 Public deposits to be secured; prohibitions; exemptions.—

(3) The following are exempt from the requirements of, and protection under, this chapter:

(f) Public deposits made in accordance with s. 17.57(8), s. 215.47(6), ~~s. 17.57(7)~~ or s. 218.415(23).

Section 6. Paragraph (a) of subsection (5) and subsection (17) of section 112.661, Florida Statutes, are amended to read:

112.661 Investment policies.—Investment of the assets of any local retirement system or plan must be consistent with a

526 written investment policy adopted by the board. Such policies
527 shall be structured to maximize the financial return to the
528 retirement system or plan consistent with the risks incumbent in
529 each investment and shall be structured to establish and
530 maintain an appropriate diversification of the retirement system
531 or plan's assets.

532 (5) AUTHORIZED INVESTMENTS.—

533 (a) The investment policy shall list investments
534 authorized by the board. Investments not listed in the
535 investment policy are prohibited. Unless otherwise authorized by
536 law or ordinance, the investment of the assets of any local
537 retirement system or plan covered by this part shall be subject
538 to the limitations and conditions set forth in s. 215.47(1)-(7),
539 (9), (10), (12), and (18) ~~s. 215.47(1)-(6), (8), (9), (11) and~~
540 ~~(17)~~.

541 (17) VALUATION OF ILLIQUID INVESTMENTS.—The investment
542 policy shall provide for the valuation of illiquid investments
543 for which a generally recognized market is not available or for
544 which there is no consistent or generally accepted pricing
545 mechanism. If those investments are utilized, the investment
546 policy must include the criteria set forth in s. 215.47(6) and
547 (7) ~~s. 215.47(6)~~, except that submission to the Investment
548 Advisory Council is not required. The investment policy shall
549 require that, for each actuarial valuation, the board must
550 verify the determination of the fair market value for those

investments and ascertain that the determination complies with all applicable state and federal requirements. The investment policy shall require that the board disclose to the Department of Management Services and the plan's sponsor each such investment for which the fair market value is not provided.

Section 7. Section 215.4701, Florida Statutes, is amended to read:

215.4701 Trademarks, copyrights, or patents.—The State Board of Administration, on behalf of the Florida Retirement System or any other trust fund under its jurisdiction, may develop work products that are subject to trademark, copyright, or patent statutes. The board may, in its own name or through the growth initiative program created pursuant to s. 215.47(8) ~~s. 215.47(7)~~ or any other program developed with or for the board:

(1) Perform all things necessary to secure letters of patent, copyrights, or trademarks on any work products and enforce its rights therein.

(2) License, lease, assign, or otherwise give written consent to any person for the manufacture or use of its work products on a royalty basis or for such other consideration as the board deems proper.

(3) Take any action necessary, including legal action, to protect its work products against improper or unlawful use or infringement.

(4) Enforce the collection of any sums due the board for the manufacture or use of its work products by any other party.

(5) Sell any of its work products and execute all instruments necessary to consummate any such sale.

(6) Do all other acts necessary and proper for the execution of powers and duties provided under this section.

Section 8. Paragraph (b) of subsection (5) of section 215.473, Florida Statutes, is amended to read:

215.473 Divestiture by the State Board of Administration; Sudan; Iran.—

(5) EXPIRATION.—This section expires upon the occurrence of all of the following:

(b) If both of the following occur, the board may no longer scrutinize companies according to subparagraph (1)(dd)4.; may no longer assemble the Scrutinized Companies with Activities in Iran Terrorism Sectors List; and shall cease engagement, investment prohibitions, and divestment:

1. The Congress and President of the United States affirmatively and unambiguously state, by means including, but not limited to, legislation, executive order, or written certification from the President to Congress, that the government of Iran has ceased to acquire weapons of mass destruction and support international terrorism; and

2. The United States revokes all sanctions imposed against the government of Iran.

The board, on behalf of the public fund, may reinvest in such companies if such companies do not satisfy the criteria for inclusion in the Scrutinized Companies with Activities in Sudan List. The board, acting as a fiduciary in accordance with s. 215.47(11) ~~s. 215.47(10)~~, shall monitor events relating to subparagraphs 1. and 2., and, upon finding that the conditions in subparagraph 1. or subparagraph 2. have occurred, the board shall report such finding at a quarterly meeting of its trustees. At each quarterly meeting of the trustees, the board shall report on the status of events relating to subparagraphs 1. and 2.

Section 9. Paragraph (b) of subsection (2) of section 215.4735, Florida Statutes, is amended to read:

215.4735 Prohibited foreign investments.—

(2)

(b) The board must:

1. Initiate, no later than June 1, 2024, a review of all current direct holdings to determine which direct holdings, if any, include securities of a Chinese company.

2. Develop, no later than September 1, 2024, a divestment plan for all direct holdings in Chinese companies. The divestment plan must be developed and implemented consistent with the fiduciary standards set forth in s. 215.47(11) ~~s. 215.47(10)~~.

626 3. Complete divestment from direct holdings in Chinese
627 companies included in the divestment plan developed pursuant to
628 subparagraph 2. no later than September 1, 2025, or at such
629 later time if necessary for the board to implement the
630 divestment plan consistent with the fiduciary standards set
631 forth in s. 215.47(11) ~~s. 215.47(10)~~.

632 **Section 10.10. Subsection (1) of section 215.475, Florida**
633 **Statutes, is amended to read:**

634 215.475 Investment policy statement.—

635 (1) In making investments for the System Trust Fund
636 pursuant to ss. 215.44-215.53, the board shall make no
637 investment which is not in conformance with the Florida
638 Retirement System Defined Benefit Plan Investment Policy
639 Statement, hereinafter referred to as "the IPS," as developed by
640 the executive director and approved by the board. The IPS must
641 comply with s. 215.47(11) ~~s. 215.47(10)~~ and include, among other
642 items, the investment objectives of the System Trust Fund;
643 permitted types of securities in which the board may invest; and
644 evaluation criteria necessary to measure the investment
645 performance of the fund. As required from time to time, the
646 executive director of the board may present recommended changes
647 in the IPS to the board for approval.

648 **Section 11. Paragraph (b) of subsection (1) of section**
649 **215.4755, Florida Statutes, is amended to read:**

650 215.4755 Certification and disclosure requirements for

investment advisers and managers.—

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

(b) All investment decisions made on behalf of the trust funds and the board are made based solely on pecuniary factors as defined in s. 215.47(11)(a) ~~s. 215.47(10)(a)~~ and do not subordinate the interests of the participants and beneficiaries of the funds to other objectives, including sacrificing investment return or undertaking additional investment risk to promote any nonpecuniary factor. This paragraph applies to any contract executed, amended, or renewed on or after July 1, 2023.

Section 12. Subsection (4) of section 215.50, Florida Statutes, is amended to read:

215.50 Custody of securities purchased; income.—

(4) Securities that the board selects to use for options operations under s. 215.45 or for lending under s. 215.47(18) ~~s. 215.47(17)~~ shall be registered by the Chief Financial Officer in the name of a third-party nominee in order to facilitate such operations.

Section 13. Paragraph (a) of subsection (7) of section 215.555, Florida Statutes, is amended to read:

215.555 Florida Hurricane Catastrophe Fund.—

(7) ADDITIONAL POWERS AND DUTIES.—

(a) The board may procure reinsurance from reinsurers acceptable to the Office of Insurance Regulation for the purpose of maximizing the capacity of the fund and may enter into capital market transactions, including, but not limited to, industry loss warranties, catastrophe bonds, side-car arrangements, or financial contracts permissible for the board's usage under s. 215.47(12) and (13) ~~s. 215.47(11) and (12)~~, consistent with prudent management of the fund.

Section 14. Paragraph (a) of subsection (2) of section 218.409, Florida Statutes, is amended to read:

218.409 Administration of the trust fund.—

(2)(a) The trustees shall ensure that the board or a professional money management firm administers the trust fund on behalf of the participants. The board or a professional money management firm shall have the power to invest such funds in accordance with a written investment policy. The investment policy shall be updated annually to conform to best investment practices. The standard of prudence to be used by investment officials shall be the fiduciary standards as set forth in s. 215.47(11) ~~s. 215.47(10)~~, which shall be applied in the context of managing an overall portfolio. Portfolio managers acting in accordance with written procedures and an investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are

reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this part.

Section 15. Paragraph (e) of subsection (4) of section 1002.36, Florida Statutes, is amended to read:

1002.36 Florida School for the Deaf and the Blind.—

(4) BOARD OF TRUSTEES.—

(e) The board of trustees is invested with full power and authority to:

1. Appoint a president, faculty, teachers, and other employees and remove the same as in its judgment may be best and fix their compensation.

2. Procure professional services, such as medical, mental health, architectural, and engineering.

3. Procure legal services without the prior written approval of the Attorney General.

4. Determine eligibility of students and procedure for admission.

5. Provide for the students of the school necessary bedding, clothing, food, and medical attendance and such other things as may be proper for the health and comfort of the students without cost to their parents, except that the board of trustees may set tuition and other fees for nonresidents.

6. Provide for the proper keeping of accounts and records and for budgeting of funds.

7. Enter into contracts.

8. Sue and be sued.

9. Secure public liability insurance.

10. Do and perform every other matter or thing requisite to the proper management, maintenance, support, and control of the school at the highest efficiency economically possible, the board of trustees taking into consideration the purposes of the establishment.

11. Receive gifts, donations, and bequests of money or property, real or personal, tangible or intangible, from any person, firm, corporation, or other legal entity. However, the board of trustees may not obligate the state to any expenditure or policy that is not specifically authorized by law. If the bill of sale, will, trust indenture, deed, or other legal conveyance specifies terms and conditions concerning the use of such money or property, the board of trustees shall observe such terms and conditions.

12. Deposit outside the State Treasury such moneys as are received as gifts, donations, or bequests and may disburse and expend such moneys, upon its own warrant, for the use and benefit of the Florida School for the Deaf and the Blind and its students, as the board of trustees deems to be in the best interest of the school and its students. Such money or property does not constitute and may not be considered a part of any legislative appropriation.

13. Sell or convey by bill of sale, deed, or other legal instrument any property, real or personal, received as a gift, donation, or bequest, upon such terms and conditions as the board of trustees deems to be in the best interest of the school and its students.

14. Invest such moneys in securities enumerated under s. 215.47(1), (2)(c), (3), (4), and (11) ~~(10)~~, and in The Common Fund, an Investment Management Fund exclusively for nonprofit educational institutions.

15. After receiving approval from the Administration Commission, exercise the power of eminent domain in the manner provided in chapter 73 or chapter 74.

Section 16. Subsection (13) of section 1002.395, Florida Statutes, is amended to read:

1002.395 Florida Tax Credit Scholarship Program.—

(13) DEPOSITS OF ELIGIBLE CONTRIBUTIONS.—All eligible contributions received by an eligible nonprofit scholarship-funding organization shall be deposited in a manner consistent with s. 17.57(3) ~~s. 17.57(2)~~.

Section 17. This act shall take effect July 1, 2026.