

Committee on Governmental Oversight and Accountability

HB 7071 — Foreign Investments by the State Board of Administration

by State Affairs Committee and Rep. Caruso and others (SB 7060 by Governmental Oversight and Accountability Committee)

The bill limits the investments the State Board of Administration (SBA), on behalf of the Florida Retirement System, may hold relating to companies owned by the Chinese government. The bill prohibits the SBA from making new investments in Chinese companies (those companies in which the government of the People's Republic of China, the Chinese Communist Party, or the Chinese military have majority-ownership). The SBA must identify any current holdings in Chinese companies and divest from such interests no later than September 1, 2025. Actions taken pursuant to these new limitations must be incorporated into the investment policy statement for the Florida Retirement System Trust Fund.

Based on preliminary data from November 2023, the State Board of Administration preliminarily identified roughly \$277.1 million worth of direct holdings in 211 Chinese companies as defined in the bill.

If approved by the Governor, or allowed to become law without the Governor's signature, these provisions take effect upon becoming law.

Vote: Senate 39-0; House 111-0