

1 A bill to be entitled

2 An act relating to business organizations; amending s.  
3 605.0112, F.S.; providing additional exceptions  
4 regarding the requirement that limited liability  
5 company names be distinguishable from the names of  
6 other entities or filings; specifying differences in  
7 names which are not considered distinguishable;  
8 designating part I of ch. 607, F.S., entitled  
9 "Corporations"; amending s. 607.0101, F.S.; revising a  
10 provision to conform to changes made by the act;  
11 amending s. 607.0401, F.S.; providing additional  
12 exceptions regarding the requirement that corporate  
13 names be distinguishable; specifying differences in  
14 corporate names which are not considered  
15 distinguishable; amending s. 607.1302, F.S.; providing  
16 that the amendment of articles of incorporation or the  
17 merger, conversion, or share exchange of a social  
18 purpose or benefit corporation entitles the  
19 shareholders to appraisal rights; creating part II of  
20 ch. 607, F.S., entitled "Social Purpose Corporations";  
21 creating s. 607.501, F.S.; providing application and  
22 effect; creating s. 607.502, F.S.; providing  
23 definitions; creating s. 607.503, F.S.; establishing  
24 requirements for the formation of a social purpose  
25 corporation; creating s. 607.504, F.S.; providing  
26 procedures for an existing corporation to become a

27 social purpose corporation; creating s. 607.505, F.S.;

28 providing procedures for the termination of a social

29 purpose corporation status; creating s. 607.506, F.S.;

30 requiring that the corporate purpose must be to create

31 a public benefit; providing criteria; creating s.

32 607.507, F.S.; requiring that the directors of a

33 social purpose corporation meet a standard of conduct;

34 providing criteria for the standards; creating s.

35 607.508, F.S.; authorizing the articles of

36 incorporation of a social purpose corporation to

37 provide for a benefit director; providing powers and

38 duties of a benefit director; creating s. 607.509,

39 F.S.; requiring that the officers of a social purpose

40 corporation meet a standard of conduct; providing

41 criteria for the standards of conduct; creating s.

42 607.510, F.S.; authorizing a social purpose

43 corporation to designate an officer as a benefit

44 officer; providing for the powers and duties of a

45 benefit officer; creating s. 607.511, F.S.;

46 authorizing certain legal actions to be brought

47 against a social purpose corporation, its officers, or

48 its directors; creating s. 607.512, F.S.; requiring

49 the board of directors to prepare an annual benefit

50 report; providing criteria for the preparation of the

51 report; creating s. 607.513, F.S.; establishing

52 requirements for the availability and dissemination of

53 the annual report; authorizing a court to order  
54 dissemination of the report; providing criteria;  
55 creating part III of ch. 607, F.S., entitled "Benefit  
56 Corporations"; creating s. 607.601, F.S.; providing  
57 for application and effect; creating s. 607.602, F.S.;  
58 providing definitions; creating s. 607.603, F.S.;  
59 establishing requirements for the formation of a  
60 benefit corporation; creating s. 607.604, F.S.;  
61 providing procedures for an existing corporation to  
62 become a benefit corporation; creating s. 607.605,  
63 F.S.; providing procedures for the termination of a  
64 benefit corporation status; creating s. 607.606, F.S.;  
65 requiring that the corporate purpose be to create a  
66 public benefit; providing criteria; creating s.  
67 607.607, F.S.; requiring the directors of a benefit  
68 corporation to meet a standard of conduct; providing  
69 criteria for the standards; creating s. 607.608, F.S.;  
70 authorizing the articles of incorporation of a benefit  
71 corporation to provide for a benefit director;  
72 providing powers and duties of the benefit director;  
73 creating s. 607.609, F.S.; requiring the officers of a  
74 benefit corporation to meet a standard of conduct;  
75 providing criteria for the standards of conduct;  
76 creating s. 607.610, F.S.; authorizing a benefit  
77 corporation to designate an officer as a benefit  
78 officer; providing for the powers and duties of the

79 benefit officer; creating s. 607.611, F.S.;

80 authorizing certain legal actions to be brought

81 against a benefit corporation, its officers, or its

82 directors; creating s. 607.612, F.S.; requiring the

83 board of directors to prepare an annual benefit

84 report; providing criteria for the preparation of the

85 report; creating s. 607.613, F.S.; establishing

86 requirements for the availability and dissemination of

87 the annual report; authorizing a court to order

88 dissemination of the report; amending ss. 617.0401 and

89 620.1108, F.S; providing additional exceptions

90 regarding the requirement that the names of entities

91 be distinguishable; specifying differences in names

92 which are not considered distinguishable; amending ss.

93 48.091, 215.555, 243.54, 310.171, 310.181, 329.10,

94 339.412, 420.101, 420.111, 420.161, 440.02, 440.386,

95 609.08, 617.1908, 618.221, 619.04, 624.430, 624.462,

96 624.489, 628.041, 631.262, 636.204, 641.2015,

97 655.0201, 658.23, 658.2953, 658.30, 658.36, 663.03,

98 663.04, 663.301, 663.306, 663.313, 718.111, 719.104,

99 720.302, 720.306, 766.101, and 865.09, F.S.;

100 conforming cross-references to changes made by the

101 act; providing an effective date.

103 Be It Enacted by the Legislature of the State of Florida:

104

105 Section 1. Subsection (1) of section 605.0112, Florida  
 106 Statutes, is amended to read:

107 605.0112 Name.—

108 (1) The name of a limited liability company:

109 (a) Must contain the words "limited liability company" or  
 110 the abbreviation "L.L.C." or "LLC."~~†~~

111 (b) Must be distinguishable in the records of the Division  
 112 of Corporations of the department from the names of all other  
 113 entities or filings that are on file with the division, except  
 114 fictitious name registrations pursuant to s. 865.09, general  
 115 partnership registrations pursuant to s. 620.8105, and limited  
 116 liability partnership statements pursuant to s. 620.9001 which  
 117 are organized, registered, or reserved under the laws of this  
 118 state, ~~which names are on file with the division~~; however, a  
 119 limited liability company may register under a name that is not  
 120 otherwise distinguishable on the records of the division with  
 121 the written consent of the owner entity if, ~~provided~~ the consent  
 122 is filed with the division at the time of registration of such  
 123 name. A name that is different from the name of another entity  
 124 or filing due to any of the following is not considered  
 125 distinguishable:

- 126 1. A suffix.
- 127 2. A definite or indefinite article.
- 128 3. The word "and" and the symbol "&."
- 129 4. The singular, plural, or possessive form of a word.
- 130 5. A recognized abbreviation of a root word.

131 6. A punctuation mark or a symbol.

132 (c) May not contain language stating or implying that the  
 133 limited liability company is organized for a purpose other than  
 134 a purpose authorized in this chapter and its articles of  
 135 organization. ~~and~~

136 (d) May not contain language stating or implying that the  
 137 limited liability company is connected with a state or federal  
 138 government agency or a corporation or other entity chartered  
 139 under the laws of the United States.

140 Section 2. Sections 607.0101 through 607.193, Florida  
 141 Statutes, are designated as part I of chapter 607, Florida  
 142 Statutes, and entitled "CORPORATIONS."

143 Section 3. Section 607.0101, Florida Statutes, is amended  
 144 to read:

145 607.0101 Short title.—This part act shall be known and may  
 146 be cited as the "Florida Business Corporation Act."

147 Section 4. Section 607.0401, Florida Statutes, is amended  
 148 to read:

149 607.0401 Corporate name.—A corporate name:

150 (1) Must contain the word "corporation," "company," or  
 151 "incorporated" or the abbreviation "Corp.," "Inc.," or "Co.," or  
 152 the designation "Corp," "Inc," or "Co," as will clearly indicate  
 153 that it is a corporation instead of a natural person,  
 154 partnership, or other business entity. ~~and~~

155 (2) May not contain language stating or implying that the  
 156 corporation is organized for a purpose other than that permitted

157 in this act and its articles of incorporation.~~†~~

158 (3) May not contain language stating or implying that the  
 159 corporation is connected with a state or federal government  
 160 agency or a corporation chartered under the laws of the United  
 161 States.~~†~~~~and~~

162 (4) Must be distinguishable from the names of all other  
 163 entities or filings that are on file with the Division of  
 164 Corporations, except fictitious name registrations pursuant to  
 165 s. 865.09, general partnership registrations pursuant to s.  
 166 620.8105, and limited liability partnership statements pursuant  
 167 to s. 620.9001 which are organized, registered, or reserved  
 168 under the laws of this state, which names are on file with the  
 169 Division of Corporations. A name that is different from the name  
 170 of another entity or filing due to any of the following is not  
 171 considered distinguishable:

- 172 (a) A suffix.
- 173 (b) A definite or indefinite article.
- 174 (c) The word "and" and the symbol "&."
- 175 (d) The singular, plural, or possessive form of a word.
- 176 (e) A recognized abbreviation of a root word.
- 177 (f) A punctuation mark or a symbol.

178 (5) ~~The name of the corporation~~ As filed with the  
 179 Department of State, is ~~shall be~~ for public notice only and does  
 180 ~~shall~~ not alone create any presumption of ownership beyond that  
 181 which is created under the common law.

182 Section 5. Subsection (1) of section 607.1302, Florida

183 Statutes, is amended to read:

184 607.1302 Right of shareholders to appraisal.—

185 (1) A shareholder of a domestic corporation is entitled to  
 186 appraisal rights, and to obtain payment of the fair value of  
 187 that shareholder's shares, in the event of any of the following  
 188 corporate actions:

189 (a) Consummation of a conversion of such corporation  
 190 pursuant to s. 607.1112 if shareholder approval is required for  
 191 the conversion and the shareholder is entitled to vote on the  
 192 conversion under ss. 607.1103 and 607.1112(6), or the  
 193 consummation of a merger to which such corporation is a party if  
 194 shareholder approval is required for the merger under s.  
 195 607.1103 and the shareholder is entitled to vote on the merger  
 196 or if such corporation is a subsidiary and the merger is  
 197 governed by s. 607.1104;

198 (b) Consummation of a share exchange to which the  
 199 corporation is a party as the corporation whose shares will be  
 200 acquired if the shareholder is entitled to vote on the exchange,  
 201 except that appraisal rights are ~~shall~~ not be available to any  
 202 shareholder of the corporation with respect to any class or  
 203 series of shares of the corporation that is not exchanged;

204 (c) Consummation of a disposition of assets pursuant to s.  
 205 607.1202 if the shareholder is entitled to vote on the  
 206 disposition, including a sale in dissolution but not including a  
 207 sale pursuant to court order or a sale for cash pursuant to a  
 208 plan by which all or substantially all of the net proceeds of



209 the sale will be distributed to the shareholders within 1 year  
210 after the date of sale;

211 (d) An amendment of the articles of incorporation with  
212 respect to the class or series of shares which reduces the  
213 number of shares of a class or series owned by the shareholder  
214 to a fraction of a share if the corporation has the obligation  
215 or right to repurchase the fractional share so created;

216 (e) Any other amendment to the articles of incorporation,  
217 merger, share exchange, or disposition of assets to the extent  
218 provided by the articles of incorporation, bylaws, or a  
219 resolution of the board of directors, except that no bylaw or  
220 board resolution providing for appraisal rights may be amended  
221 or otherwise altered except by shareholder approval; ~~or~~

222 (f) With regard to a class of shares prescribed in the  
223 articles of incorporation prior to October 1, 2003, including  
224 any shares within that class subsequently authorized by  
225 amendment, any amendment of the articles of incorporation if the  
226 shareholder is entitled to vote on the amendment and if such  
227 amendment would adversely affect such shareholder by:

228 1. Altering or abolishing any preemptive rights attached  
229 to any of his or her shares;

230 2. Altering or abolishing the voting rights pertaining to  
231 any of his or her shares, except as such rights may be affected  
232 by the voting rights of new shares then being authorized of any  
233 existing or new class or series of shares;

234 3. Effecting an exchange, cancellation, or

235 reclassification of any of his or her shares, when such  
 236 exchange, cancellation, or reclassification would alter or  
 237 abolish the shareholder's voting rights or alter his or her  
 238 percentage of equity in the corporation, or effecting a  
 239 reduction or cancellation of accrued dividends or other  
 240 arrearages in respect to such shares;

241 4. Reducing the stated redemption price of any of the  
 242 shareholder's redeemable shares, altering or abolishing any  
 243 provision relating to any sinking fund for the redemption or  
 244 purchase of any of his or her shares, or making any of his or  
 245 her shares subject to redemption when they are not otherwise  
 246 redeemable;

247 5. Making noncumulative, in whole or in part, dividends of  
 248 any of the shareholder's preferred shares which had theretofore  
 249 been cumulative;

250 6. Reducing the stated dividend preference of any of the  
 251 shareholder's preferred shares; or

252 7. Reducing any stated preferential amount payable on any  
 253 of the shareholder's preferred shares upon voluntary or  
 254 involuntary liquidation;~~;~~

255 (g) An amendment of the articles of incorporation of a  
 256 social purpose corporation to which s. 607.504 or s. 607.505  
 257 applies;

258 (h) An amendment of the articles of incorporation of a  
 259 benefit corporation to which s. 607.604 or s. 607.605 applies;

260 (i) A merger, conversion, or share exchange of a social

261 purpose corporation to which s. 607.504 applies; or  
 262 (j) A merger, conversion, or share exchange of a benefit  
 263 corporation to which s. 607.604 applies.

264 Section 6. Sections 607.501 through 607.513, Florida  
 265 Statutes, are designated as part II of chapter 607, Florida  
 266 Statutes, and entitled "SOCIAL PURPOSE CORPORATIONS."

267 Section 7. Section 607.501, Florida Statutes, is created  
 268 to read:

269 607.501 Application and effect of part.-

270 (1) This part applies to a social purpose corporation and  
 271 does not affect a corporation that is not a social purpose  
 272 corporation.

273 (2) Except as otherwise provided in this part, this  
 274 chapter applies generally to all social purpose corporations.

275 (3) A social purpose corporation may be simultaneously  
 276 subject to this part and to one or more chapters, including  
 277 chapter 621. In such event, this part takes precedence with  
 278 respect to a social purpose corporation.

279 (4) Except as authorized by this part, a provision of the  
 280 articles of incorporation or bylaws of a social purpose  
 281 corporation, or a shareholders agreement among shareholders of a  
 282 social purpose corporation, may not limit, be inconsistent with,  
 283 or supersede a provision of this part.

284 Section 8. Section 607.502, Florida Statutes, is created  
 285 to read:

286 607.502 Definitions.-As used in this part, unless the

287 context otherwise requires, the term:

288 (1) "Benefit director" means:

289 (a) The director designated as the benefit director of a  
 290 social purpose corporation under s. 607.508; or

291 (b) A person with one or more of the powers, duties, or  
 292 rights of a benefit director to the extent provided in the  
 293 articles of incorporation or bylaws under s. 607.508.

294 (2) "Benefit enforcement proceeding" means a claim or  
 295 action for:

296 (a) The failure of a social purpose corporation to pursue  
 297 or create a public benefit or a specific public benefit  
 298 established in its articles of incorporation; or

299 (b) A violation of any obligation, duty, or standard of  
 300 conduct under this part.

301 (3) "Benefit officer" means the individual designated as  
 302 the benefit officer of a social purpose corporation under s.  
 303 607.510.

304 (4) "Independent" means not having a material relationship  
 305 with the social purpose corporation or a subsidiary of the  
 306 social purpose corporation. A person does not have a material  
 307 relationship solely by virtue of serving as the benefit director  
 308 or benefit officer of the social purpose corporation or a  
 309 subsidiary of the social purpose corporation. In determining  
 310 whether a director or officer is independent, a material  
 311 relationship between an individual and a social purpose  
 312 corporation or any of its subsidiaries will be conclusively

313 presumed to exist, at the time independence is to be determined,  
314 if any of the following apply:

315 (a) The individual is or was within the prior 3 years an  
316 employee, other than a benefit officer, of the social purpose  
317 corporation or a subsidiary.

318 (b) An immediate family member of the individual is or was  
319 within the prior 3 years an executive officer, other than a  
320 benefit officer, of the social purpose corporation or a  
321 subsidiary.

322 (c) When ownership is calculated as if all outstanding  
323 rights to acquire equity interests in the social purpose  
324 corporation had been exercised, there is beneficial or record  
325 ownership of 5 percent or more of the outstanding shares of the  
326 social purpose corporation by:

327 1. The individual; or

328 2. An entity:

329 a. Of which the individual is a director, an officer, or a  
330 manager; or

331 b. In which, when ownership is calculated as if all  
332 outstanding rights to acquire equity interests in the entity had  
333 been exercised, the individual owns beneficially or of record 5  
334 percent or more of the outstanding equity interests.

335 (5) "Minimum status vote" means:

336 (a) In the case of a corporation that is to become a  
337 social purpose corporation, whether by amendment of the articles  
338 of incorporation or by way of or pursuant to a merger,

339 conversion, or share exchange; a social purpose corporation  
340 whose articles of incorporation are to be amended pursuant to s.  
341 607.506(2); or a social purpose corporation that is to cease  
342 being a social purpose corporation, in addition to any other  
343 required approval or vote, the satisfaction of the following  
344 conditions:

345 1. The holders of each class or series of shares shall be  
346 entitled to vote as a separate voting group on the corporate  
347 action regardless of any limitation on the voting rights of any  
348 class or series stated in the articles of incorporation or  
349 bylaws.

350 2. The corporate action is approved by vote of each class  
351 or series of shares entitled to vote by at least two-thirds of  
352 the total votes of the class or series.

353 (b) In the case of a domestic entity, other than a  
354 corporation, which is to be simultaneously converted to a social  
355 purpose corporation or merged into a social purpose corporation,  
356 in addition to any other required approval, vote, or consent,  
357 the satisfaction of the following conditions:

358 1. The holders of each class or series of equity interest  
359 in the entity who are entitled to receive a distribution of any  
360 kind are entitled, as a separate voting group, to vote on or  
361 consent to the action regardless of any applicable limitation on  
362 the voting or consent rights of any class or series.

363 2. The action is approved by vote or consent of each class  
364 or series of equity interest described in subparagraph 1. who

365 are entitled to vote by at least two-thirds of the votes or  
366 consent of the class or series.

367 (6) "Public benefit" means a positive effect, or the  
368 minimization of negative effects taken as a whole, on the  
369 environment or on one or more categories of persons or entities,  
370 other than shareholders in their capacity as shareholders, of an  
371 artistic, charitable, economic, educational, cultural, literary,  
372 religious, social, ecological, or scientific nature, from the  
373 business and operations of a social purpose corporation. The  
374 term includes, but is not limited to, the following:

375 (a) Providing low-income or underserved individuals or  
376 communities with beneficial products or services.

377 (b) Promoting economic opportunity for individuals or  
378 communities beyond the creation of jobs in the normal course of  
379 business.

380 (c) Protecting or restoring the environment.

381 (d) Improving human health.

382 (e) Promoting the arts, sciences, or advancement of  
383 knowledge.

384 (f) Increasing the flow of capital to entities that have  
385 as their stated purpose the provision of a benefit to society or  
386 the environment.

387 (7) "Social purpose corporation" means a corporation that  
388 is formed, or has elected to become, subject to this part, the  
389 status of which as a social purpose corporation has not been  
390 terminated.

391       (8) "Specific public benefit" means a benefit identified  
392 as a purpose of the social purpose corporation which is set  
393 forth in the articles of incorporation and is consistent with a  
394 public benefit.

395       (9) "Subsidiary" means, in relation to a person other than  
396 an individual, an entity in which the person owns beneficially  
397 or of record 50 percent or more of the outstanding equity  
398 interests.

399       (10) "Third-party standard" means a recognized standard  
400 for defining, reporting, and assessing the societal and  
401 environmental performance of a business which is:

402       (a) Comprehensive, because it assesses the effect of the  
403 business and its operations upon the interests listed in s.  
404 607.507(1) (a).

405       (b) Developed by an entity that is not controlled by the  
406 social purpose corporation.

407       (c) Credible, because it is developed by an entity that  
408 has access to necessary expertise to assess the overall effect  
409 of the business and uses a balanced, collaborative approach to  
410 develop the standard, including a period for public comment.

411       (d) Transparent, because the following information is  
412 publicly available:

413       1. The criteria considered under the standard when  
414 measuring the overall effect of the business and its operations  
415 upon the interests provided in s. 607.507(1) (a) and the relative  
416 weights, if any, of those criteria; and



417 2. The process used in the development and revision of the  
418 third-party standard regarding the identity of the directors,  
419 officers, material owners, and governing body of the entity that  
420 developed and controls revisions to the standard; the process by  
421 which revisions to the standard and changes to the membership of  
422 the governing body are made; and an accounting of the revenue  
423 and sources of financial support for the entity with sufficient  
424 detail to disclose any relationships that could reasonably be  
425 considered to present a potential conflict of interest.

426 Section 9. Section 607.503, Florida Statutes, is created  
427 to read:

428 607.503 Incorporation.—To incorporate as a social purpose  
429 corporation, an incorporator must satisfy the requirements of  
430 this chapter, and the articles of incorporation must state that  
431 the corporation is a social purpose corporation under this part.

432 Section 10. Section 607.504, Florida Statutes, is created  
433 to read:

434 607.504 Election of social purpose corporation status.—

435 (1) An existing corporation may become a social purpose  
436 corporation under this part by amending its articles of  
437 incorporation to include a statement that the corporation is a  
438 social purpose corporation under this part. The amendment must  
439 be adopted by the minimum status vote.

440 (2) A plan of merger, conversion, or share exchange must  
441 be adopted by the minimum status vote if an entity that is not a  
442 social purpose corporation is a party to the merger or

443 conversion or if the exchanging entity in a share exchange and  
444 the surviving, new, or resulting entity is, or will be, a social  
445 purpose corporation.

446 (3) If an entity elects to become a social purpose  
447 corporation by amendment of the articles of incorporation or by  
448 a merger, conversion, or share exchange, the shareholders of the  
449 entity are entitled to appraisal rights under and pursuant to  
450 ss. 607.1301-607.1333.

451 Section 11. Section 607.505, Florida Statutes, is created  
452 to read:

453 607.505 Termination of social purpose corporation status.-

454 (1) A social purpose corporation may terminate its status  
455 as such and cease to be subject to this part by amending its  
456 articles of incorporation to delete the provision required under  
457 s. 607.503 or s. 607.504. The amendment must be adopted by the  
458 minimum status vote.

459 (2) A plan of merger, conversion, or share exchange which  
460 has the effect of terminating the status of a corporation as a  
461 social purpose corporation must be adopted by the minimum status  
462 vote. A sale, lease, exchange, or other disposition of all or  
463 substantially all of the assets of a social purpose corporation  
464 is not effective unless the transaction is approved by the  
465 minimum status vote. However, a minimum status vote is not  
466 required if the transaction is in the usual and regular course  
467 of business, is pursuant to court order, or is a sale pursuant  
468 to which all or a substantial portion of the net proceeds of the

469 sale will be distributed to the shareholders within 1 year after  
470 the date of the sale.

471 (3) If a corporation's status as a social purpose  
472 corporation is terminated pursuant to subsection (1) or  
473 subsection (2), shareholders of the corporation are entitled to  
474 appraisal rights under and pursuant to ss. 607.1301-607.1333.

475 Section 12. Section 607.506, Florida Statutes, is created  
476 to read:

477 607.506 Corporate purpose.-

478 (1) A social purpose corporation has the purpose of  
479 creating a public benefit. This purpose is in addition to its  
480 purpose under s. 607.0301.

481 (2) The articles of incorporation of a social purpose  
482 corporation may identify one or more specific public benefits as  
483 its purpose in addition to its purposes under s. 607.0301 and  
484 subsection (1). A social purpose corporation may amend its  
485 articles of incorporation to add, amend, or delete the  
486 identification of a specific public benefit purpose; however,  
487 the amendment must be adopted by the minimum status vote.

488 (3) The creation of a public benefit and a specific public  
489 benefit under subsections (1) and (2) is deemed to be in the  
490 best interest of the social purpose corporation.

491 (4) A professional corporation that is a social purpose  
492 corporation does not violate s. 621.08 by having as its purpose  
493 the creation of a public benefit or a specific public benefit.

494 Section 13. Section 607.507, Florida Statutes, is created

495 to read:

496 607.507 Standard of conduct for directors.—

497 (1) In discharging their duties and in considering the  
 498 best interests of the social purpose corporation, the directors:

499 (a) Shall consider the effects of any action or inaction  
 500 upon:

501 1. The shareholders of the social purpose corporation; and

502 2. The ability of the social purpose corporation to  
 503 accomplish its public benefit or any specific public benefit  
 504 purpose.

505 (b) May consider the effects of any action or inaction  
 506 upon any of the following:

507 1. The employees and work force of the social purpose  
 508 corporation, its subsidiaries, and its suppliers.

509 2. The interests of customers and suppliers as  
 510 beneficiaries of the public benefit or specific public benefits  
 511 of the social purpose corporation.

512 3. Community and societal factors, including those of each  
 513 community in which offices or facilities of the social purpose  
 514 corporation, its subsidiaries, or its suppliers are located.

515 4. The local and global environment.

516 5. The short-term and long-term interests of the social  
 517 purpose corporation, including benefits that may accrue to the  
 518 social purpose corporation from its long-term plans and the  
 519 possibility that these interests may be best served by the  
 520 continued independence of the social purpose corporation.

521 (c) May consider other pertinent factors or the interests  
522 of any other group that they deem appropriate.

523 (d) Are not required to give priority to the interests of  
524 a particular person or group referred to in paragraph (a),  
525 paragraph (b), or paragraph (c) unless the social purpose  
526 corporation states in its articles of incorporation its  
527 intention to give such priority.

528 (e) Are not required to give equal weight to the interests  
529 of any particular person or group referred to in paragraph (a),  
530 paragraph (b), or paragraph (c) unless the social purpose  
531 corporation has stated in its articles of incorporation its  
532 intention to give such equal weight.

533 (2) Except as provided in the articles of incorporation, a  
534 director is not personally liable for monetary damages to the  
535 corporation, or to any other person, for the failure of the  
536 social purpose corporation to pursue or create a public benefit  
537 or a specific public benefit. A director is subject to the  
538 duties specified in s. 607.0830.

539 (3) Except as provided in the articles of incorporation, a  
540 director does not have a duty to a person who is a beneficiary  
541 of the public benefit purpose or any one or more specific public  
542 benefit purposes of a social purpose corporation.

543 Section 14. Section 607.508, Florida Statutes, is created  
544 to read:

545 607.508 Benefit director.-

546 (1) If the articles of incorporation so provide, the board

547 of directors of a social purpose corporation may include a  
548 director who is designated as the benefit director and, in  
549 addition to the powers, duties, rights, and immunities of the  
550 other directors of the social purpose corporation, has the  
551 powers, duties, rights, and immunities provided in this part.

552 (2) The benefit director shall be elected, and may be  
553 removed, in the manner provided by this chapter. Except as  
554 provided under subsection (5), the benefit director shall be  
555 independent and may serve as a benefit officer. The articles of  
556 incorporation or bylaws may prescribe additional qualifications  
557 of the benefit director.

558 (3) Unless the articles of incorporation or bylaws provide  
559 otherwise, the benefit director shall prepare, and the social  
560 purpose corporation shall include in the annual benefit report  
561 to shareholders required under s. 607.512, the opinion of the  
562 benefit director on the following:

563 (a) Whether the social purpose corporation in all material  
564 respects acted in accordance with its public benefit purpose and  
565 any specific public benefit purpose during the period covered by  
566 the report.

567 (b) Whether the directors and officers complied with ss.  
568 607.507(1) and 607.509(1).

569 (c) Whether the social purpose corporation or its  
570 directors or officers failed to comply with paragraph (a) or s.  
571 607.507(1) or s. 607.509(1), including a description of the ways  
572 in which the social purpose corporation or its directors or

573 officers failed to comply.

574 (4) The action or inaction of an individual in his or her  
 575 capacity as a benefit director shall constitute for all purposes  
 576 an action or inaction of that individual in his or her capacity  
 577 as a director of the social purpose corporation.

578 (5) The benefit director of a corporation formed under  
 579 chapter 621 is not required to be independent.

580 Section 15. Section 607.509, Florida Statutes, is created  
 581 to read:

582 607.509 Standard of conduct for officers.-

583 (1) If an officer of a social purpose corporation  
 584 reasonably believes that a matter may have a material effect on  
 585 the ability of the corporation to create a public benefit or a  
 586 specific public benefit identified in the articles of  
 587 incorporation and the officer has discretion to act on the  
 588 matter, the officer shall consider the interests and factors  
 589 provided in s. 607.507(1).

590 (2) The officer's consideration of interests and factors  
 591 under subsection (1) does not constitute a violation of s.  
 592 607.0841.

593 (3) Except as provided in the articles of incorporation,  
 594 an officer is not personally liable for monetary damages to the  
 595 corporation or any other person for the failure of the social  
 596 purpose corporation to pursue or create a public benefit or a  
 597 specific public benefit; however, he or she is subject to s.  
 598 607.0841.

599 (4) Except as provided in the articles of incorporation,  
 600 an officer does not have any duty to a person who is a  
 601 beneficiary of the public benefit purpose or any specific public  
 602 benefit purpose of a social purpose corporation arising from the  
 603 status of the person as a beneficiary.

604 Section 16. Section 607.510, Florida Statutes, is created  
 605 to read:

606 607.510 Benefit officer.—

607 (1) A social purpose corporation may designate an officer  
 608 as the benefit officer.

609 (2) The benefit officer has the powers and duties set  
 610 forth in the bylaws or determined by the board of directors,  
 611 which may include, but are not limited to:

612 (a) Powers and duties relating to the public benefit or a  
 613 specific public benefit purpose of the corporation; and

614 (b) The duty to prepare the annual benefit report required  
 615 under s. 607.512.

616 Section 17. Section 607.511, Florida Statutes, is created  
 617 to read:

618 607.511 Right of action.—

619 (1)(a) Except in a benefit enforcement proceeding, a  
 620 person may not bring an action or assert a claim against a  
 621 social purpose corporation or its directors or officers with  
 622 respect to:

623 1. A failure to pursue or create a public benefit or a  
 624 specific public benefit set forth in its articles of



625 incorporation; or

626 2. A violation of an obligation, duty, or standard of  
 627 conduct under this part.

628 (b) A social purpose corporation is not liable for  
 629 monetary damages under this part for the failure of the social  
 630 purpose corporation to pursue or create a public benefit or a  
 631 specific public benefit.

632 (2) A benefit enforcement proceeding may be commenced or  
 633 maintained only:

634 (a) Directly by the social purpose corporation; or

635 (b) Derivatively by:

636 1. A shareholder of record on the date of the action or  
 637 inaction complained of in the benefit enforcement proceeding;

638 2. A director;

639 3. A person or group of persons that owns beneficially or  
 640 of record 5 percent or more of the outstanding equity interests  
 641 in an entity of which the social purpose corporation is a  
 642 subsidiary on the date of the action or inaction complained of  
 643 in the benefit enforcement proceeding; or

644 4. Any other person who is specified in the articles of  
 645 incorporation or bylaws of the social purpose corporation.

646 Section 18. Section 607.512, Florida Statutes, is created  
 647 to read:

648 607.512 Preparation of annual benefit report.-

649 (1) Unless it is prepared by a benefit director or benefit  
 650 officer, the board of directors shall prepare an annual benefit

651 report. The annual benefit report must include all of the  
652 following:

653 (a) A narrative description of:

654 1. The ways in which the social purpose corporation  
655 pursued a public benefit during the year and the extent to which  
656 a public benefit was created.

657 2. Any circumstance that has hindered the pursuit or  
658 creation of a public benefit by the social purpose corporation.

659 3. The process and rationale for selecting or changing the  
660 third-party standard used to prepare the benefit report, if the  
661 articles of incorporation of the social purpose corporation  
662 require, or the board of directors determines, that the annual  
663 benefit report must be prepared in accordance with a third-party  
664 standard.

665 (b) If the articles of incorporation of the social purpose  
666 corporation require, or the board of directors determines, that  
667 the annual benefit report must be prepared in accordance with a  
668 third-party standard, the third-party standard must be:

669 1. Applied consistently with any previous application in  
670 prior annual benefit reports; or

671 2. Accompanied by an explanation of the reasons for  
672 inconsistent application or any change in the standard from the  
673 immediate prior report.

674 (c) The name of the benefit director and the benefit  
675 officer, if those positions exist, and the respective addresses  
676 to which correspondence may be directed.

677 (d) If the corporation has a benefit director, his or her  
678 statement as provided in s. 607.508(3).

679 (e) If the articles of incorporation of the social purpose  
680 corporation require, or the board of directors determines, that  
681 the annual benefit report must be prepared in accordance with a  
682 third-party standard, a statement of any connection between the  
683 organization that established the third-party standard, or its  
684 directors, officers, or any holder of 5 percent or more of the  
685 governance interests in the organization, and the social purpose  
686 corporation or its directors, officers, or any holder of 5  
687 percent or more of the outstanding shares of the social purpose  
688 corporation, including any financial or governance relationship  
689 that might materially affect the credibility of the use of the  
690 third-party standard.

691 (2) If, during the year covered by an annual benefit  
692 report, a benefit director resigned from, or refused to stand  
693 for reelection to, his or her position, or was removed from his  
694 or her position, and he or she furnished written correspondence  
695 to the social purpose corporation concerning the circumstances  
696 surrounding his or her departure, that correspondence must be  
697 included as an exhibit in the annual benefit report.

698 (3) The annual benefit report and the assessment of the  
699 performance of the social purpose corporation in the annual  
700 benefit report required under paragraph (1)(b) are not required  
701 to be audited or certified by a third-party standards provider.

702 Section 19. Section 607.513, Florida Statutes, is created

703 to read:

704 607.513 Availability of annual benefit report.-

705 (1) Each social purpose corporation shall send its annual  
 706 benefit report to each shareholder:

707 (a) Within 120 days after the end of the fiscal year of  
 708 the social purpose corporation; or

709 (b) At the same time that the social purpose corporation  
 710 delivers any other annual report to its shareholders.

711 (2) A social purpose corporation shall post each annual  
 712 benefit report on the public portion of its website, if any, and  
 713 it shall remain posted for at least 3 years.

714 (3) If a social purpose corporation does not have a  
 715 website, the corporation shall provide a copy of its most recent  
 716 annual benefit report, without charge, to any person who  
 717 requests a copy.

718 (4) If a social purpose corporation does not comply with  
 719 the annual benefit report delivery requirement, the circuit  
 720 court in the county in which the principal office of the social  
 721 purpose corporation is located or, if no office is located in  
 722 this state, the county in which its registered office is  
 723 located, may, after a shareholder of the social purpose  
 724 corporation requests a copy, summarily order the corporation to  
 725 furnish the annual benefit report. If the court orders the  
 726 annual benefit report to be furnished, the court may also order  
 727 the social purpose corporation to pay the shareholder's costs,  
 728 including reasonable attorney fees, which were incurred in

729 obtaining the order and otherwise enforce his or her rights  
 730 under this section.

731 Section 20. Sections 607.601 through 607.613, Florida  
 732 Statutes, are designated as part III of chapter 607, Florida  
 733 Statutes, entitled "BENEFIT CORPORATIONS."

734 Section 21. Section 607.601, Florida Statutes, is created  
 735 to read:

736 607.601 Application and effect of part.-

737 (1) This part applies to a benefit corporation and does  
 738 not affect a corporation that is not a benefit corporation.

739 (2) Except as provided in this part, this chapter applies  
 740 generally to all benefit corporations.

741 (3) A benefit corporation may be simultaneously subject to  
 742 this part and to one or more chapters, including chapter 621. In  
 743 such event, this part takes precedence with respect to a benefit  
 744 corporation.

745 (4) Except as authorized by this part, a provision of the  
 746 articles of incorporation or bylaws of a benefit corporation, or  
 747 a shareholders agreement among shareholders of a benefit  
 748 corporation, may not limit, be inconsistent with, or supersede a  
 749 provision of this part.

750 Section 22. Section 607.602, Florida Statutes, is created  
 751 to read:

752 607.602 Definitions.-As used in this part, unless the  
 753 context otherwise requires, the term:

754 (1) "Benefit corporation" means a corporation that is

755 formed, or has elected to become, subject to this part, the  
756 status of which as a benefit corporation has not been  
757 terminated.

758 (2) "Benefit director" means:

759 (a) The director designated as the benefit director of a  
760 benefit corporation under s. 607.608; or

761 (b) A person with one or more of the powers, duties, or  
762 rights of a benefit director to the extent provided in the  
763 articles of incorporation or bylaws under s. 607.608.

764 (3) "Benefit enforcement proceeding" means any claim or  
765 action for:

766 (a) The failure of a benefit corporation to pursue or  
767 create general public benefit or a specific public benefit  
768 purpose set forth in its articles of incorporation; or

769 (b) A violation of any obligation, duty, or standard of  
770 conduct under this part.

771 (4) "Benefit officer" means the individual designated as  
772 the benefit officer of a benefit corporation under s. 607.610.

773 (5) "General public benefit" means a material, positive  
774 effect on society and the environment, taken as a whole, as  
775 assessed using a third-party standard which is attributable to  
776 the business and operations of a benefit corporation.

777 (6) "Independent" means not having a material relationship  
778 with the benefit corporation or a subsidiary of the benefit  
779 corporation. A person does not have a material relationship  
780 solely by virtue of serving as the benefit director or benefit

781 officer of the benefit corporation or a subsidiary of the  
782 benefit corporation. In determining whether a director or  
783 officer is independent, a material relationship between an  
784 individual and a benefit corporation or any of its subsidiaries  
785 will be conclusively presumed to exist, at the time independence  
786 is to be determined, if any of the following apply:

787 (a) The individual is or has been within the prior 3 years  
788 an employee, other than a benefit officer, of the benefit  
789 corporation or a subsidiary.

790 (b) An immediate family member of the individual is or has  
791 been within the prior 3 years an executive officer, other than a  
792 benefit officer, of the benefit corporation or a subsidiary.

793 (c) When ownership is calculated as if all outstanding  
794 rights to acquire equity interests in the benefit corporation  
795 had been exercised, there is beneficial or record ownership of 5  
796 percent or more of the outstanding shares of the benefit  
797 corporation by:

798 1. The individual; or

799 2. An entity:

800 a. Of which the individual is a director, an officer, or a  
801 manager; or

802 b. In which, when ownership is calculated as if all  
803 outstanding rights to acquire equity interests in the entity had  
804 been exercised, the individual owns beneficially or of record 5  
805 percent or more of the outstanding equity interests.

806 (7) "Minimum status vote" means:

807 (a) In the case of a corporation that is to become a  
808 benefit corporation, whether by amendment of the articles of  
809 incorporation or by way of or pursuant to a merger, conversion,  
810 or share exchange; a benefit corporation whose articles of  
811 incorporation are to be amended pursuant to s. 607.606(2); or a  
812 benefit corporation that is to cease being a benefit  
813 corporation, in addition to any other required approval or vote,  
814 the satisfaction of the following conditions:

815 1. The holders of each class or series of shares shall be  
816 entitled to vote as a separate voting group on the corporate  
817 action regardless of any limitation on the voting rights of any  
818 class or series stated in the articles of incorporation or  
819 bylaws.

820 2. The corporate action is approved by vote of each class  
821 or series of shares entitled to vote by at least two-thirds of  
822 the total votes of the class or series.

823 (b) In the case of a domestic entity, other than a  
824 corporation, which is to be simultaneously converted to a  
825 benefit corporation or merged into a benefit corporation, in  
826 addition to any other required approval, vote, or consent, the  
827 satisfaction of the following conditions:

828 1. The holders of each class or series of equity interest  
829 in the entity who are entitled to receive a distribution of any  
830 kind are entitled, as a separate voting group, to vote on or  
831 consent to the action regardless of any applicable limitation on  
832 the voting or consent rights of any class or series.



833        2. The action is approved by vote or consent of each class  
834 or series of equity interest described in subparagraph 1. who  
835 are entitled to vote by at least two-thirds of the votes or  
836 consent of the class or series.

837        (8) "Specific public benefit" includes, but is not limited  
838 to:

839            (a) Providing low-income or underserved individuals or  
840 communities with beneficial products or services;

841            (b) Promoting economic opportunity for individuals or  
842 communities beyond the creation of jobs in the normal course of  
843 business;

844            (c) Protecting or restoring the environment;

845            (d) Improving human health;

846            (e) Promoting the arts, sciences, or advancement of  
847 knowledge;

848            (f) Increasing the flow of capital to entities that have  
849 as their stated purpose the provision of a benefit to society or  
850 the environment; and

851            (g) Any other public benefit consistent with the purposes  
852 of the benefit corporation.

853        (9) "Subsidiary" means, in relation to a person other than  
854 an individual, an entity in which a person owns beneficially or  
855 of record 50 percent or more of the outstanding equity  
856 interests.

857        (10) "Third-party standard" means a recognized standard  
858 for defining, reporting, and assessing the societal and

859 environmental performance of a business which is:

860 (a) Comprehensive, because it assesses the effect of the  
 861 business and its operations upon the interests provided in s.  
 862 607.607(1)(a)2.-5.

863 (b) Developed by an entity that is not controlled by the  
 864 benefit corporation.

865 (c) Credible, because it is developed by an entity that  
 866 has access to necessary expertise to assess the overall societal  
 867 and environmental performance of a business and uses a balanced,  
 868 collaborative approach to develop the standard, including a  
 869 period for public comment.

870 (d) Transparent, because the following information is  
 871 publicly available:

872 1. The criteria considered under the standard when  
 873 measuring the overall societal and environmental performance of  
 874 a business and the relative weights, if any, of those criteria.

875 2. The identity of the directors, officers, material  
 876 owners, and the governing body of the entity that developed and  
 877 controlled revisions; the process by which revisions to the  
 878 standard and changes to the membership of the governing body are  
 879 made; and an accounting of the revenue and sources of financial  
 880 support for the entity, with sufficient detail to disclose any  
 881 relationships that could reasonably be considered to present a  
 882 potential conflict of interest.

883 Section 23. Section 607.603, Florida Statutes, is created  
 884 to read:

885 607.603 Incorporation.—To incorporate as a benefit  
 886 corporation, an incorporator must satisfy the requirements of  
 887 this chapter, and the articles of incorporation must state that  
 888 the corporation is a benefit corporation under this part.

889 Section 24. Section 607.604, Florida Statutes, is created  
 890 to read:

891 607.604 Election of benefit corporation status.—

892 (1) An existing corporation may become a benefit  
 893 corporation under this part by amending its articles of  
 894 incorporation to include a statement that the corporation is a  
 895 benefit corporation under this part. The amendment must be  
 896 adopted by the minimum status vote.

897 (2) A plan of merger, conversion, or share exchange must  
 898 be adopted by the minimum status vote if an entity that is not a  
 899 benefit corporation is a party to a merger or conversion or if  
 900 the exchanging entity in a share exchange and the surviving,  
 901 new, or resulting entity is, or will be, a benefit corporation.

902 (3) If an entity elects to become a benefit corporation by  
 903 amendment of the articles of incorporation or by a merger,  
 904 conversion, or share exchange, the shareholders of the entity  
 905 are entitled to appraisal rights under and pursuant to ss.  
 906 607.1301-607.1333.

907 Section 25. Section 607.605, Florida Statutes, is created  
 908 to read:

909 607.605 Termination of benefit corporation status.—

910 (1) A benefit corporation may terminate its status as such

911 and cease to be subject to this part by amending its articles of  
912 incorporation to delete the provision required under s. 607.603  
913 or s. 607.604. The amendment must be adopted by the minimum  
914 status vote.

915 (2) A plan of merger, conversion, or share exchange which  
916 has the effect of terminating the status of a corporation as a  
917 benefit corporation must be adopted by the minimum status vote.  
918 A sale, lease, exchange, or other disposition of all or  
919 substantially all of the assets of a benefit corporation is not  
920 effective unless the transaction is approved by the minimum  
921 status vote. However, a minimum status vote is not required if  
922 the transaction is in the usual and regular course of business,  
923 is pursuant to court order, or is a sale pursuant to which all  
924 or a substantial portion of the net proceeds of the sale will be  
925 distributed to the shareholders within 1 year after the date of  
926 the sale.

927 (3) If a corporation's status as a benefit corporation is  
928 terminated pursuant to subsection (1) or subsection (2),  
929 shareholders of the corporation are entitled to appraisal rights  
930 under and pursuant to ss. 607.1301-607.1333.

931 Section 26. Section 607.606, Florida Statutes, is created  
932 to read:

933 607.606 Corporate purpose.—

934 (1) A benefit corporation has the purpose of creating  
935 general public benefit. This purpose is in addition to its  
936 purpose under s. 607.0301.

937 (2) The articles of incorporation of a benefit corporation  
 938 may identify one or more specific public benefits as its purpose  
 939 in addition to its purposes under s. 607.0301 and subsection  
 940 (1). A benefit corporation may amend its articles of  
 941 incorporation to add, amend, or delete the identification of a  
 942 specific public benefit purpose; however, the amendment must be  
 943 adopted by the minimum status vote. The identification of a  
 944 specific public benefit under this subsection does not limit the  
 945 obligation of a benefit corporation under subsection (1).

946 (3) The creation of general public benefit and a specific  
 947 public benefit under subsections (1) and (2) is deemed to be in  
 948 the best interest of the benefit corporation.

949 (4) A professional corporation that is a benefit  
 950 corporation does not violate s. 621.08 by having as its purpose  
 951 the creation of general public benefit or a specific public  
 952 benefit.

953 Section 27. Section 607.607, Florida Statutes, is created  
 954 to read:

955 607.607 Standard of conduct for directors.-

956 (1) In discharging their duties and in considering the  
 957 best interests of the benefit corporation, the directors:

958 (a) Shall consider the effects of any action or inaction  
 959 upon:

960 1. The shareholders of the benefit corporation;

961 2. The employees and workforce of the benefit corporation,  
 962 its subsidiaries, and its suppliers;

- 963       3. The interests of customers and suppliers as  
964 beneficiaries of the general public benefit and any specific  
965 public benefit purposes of the benefit corporation;
- 966       4. Community and societal factors, including those of each  
967 community in which offices or facilities of the benefit  
968 corporation, its subsidiaries, or its suppliers are located;
- 969       5. The local and global environment;
- 970       6. The short-term and long-term interests of the benefit  
971 corporation, including benefits that may accrue to the benefit  
972 corporation from its long-term plans and the possibility that  
973 these interests may be best served by the continued independence  
974 of the benefit corporation; and
- 975       7. The ability of the benefit corporation to accomplish  
976 its general public benefit purpose and each of its specific  
977 public benefit purposes, if any.
- 978       (b) May consider other pertinent factors or the interests  
979 of any other group that they deem appropriate.
- 980       (c) Are not required to give priority to the interests of  
981 a particular person or group referred to in paragraph (a) or  
982 paragraph (b) over the interests of any other person or group,  
983 unless the benefit corporation has stated in its articles of  
984 incorporation its intention to give priority to certain  
985 interests.
- 986       (d) Are not required to give equal weight to the interests  
987 of a particular person or group referred to in paragraph (a) or  
988 paragraph (b) unless the benefit corporation has stated in its

989 articles of incorporation its intention to give such equal  
 990 weight.

991 (2) Except as provided in the articles of incorporation, a  
 992 director is not personally liable for monetary damages to the  
 993 corporation, or to any other person, for the failure of the  
 994 benefit corporation to pursue or create general public benefit  
 995 or a specific public benefit. A director is subject to the  
 996 duties established in s. 607.0830.

997 (3) Except as provided in the articles of incorporation, a  
 998 director does not have a duty to a person who is a beneficiary  
 999 of the general public benefit purpose or any one or more  
 1000 specific public benefit purposes of the benefit corporation.

1001 Section 28. Section 607.608, Florida Statutes, is created  
 1002 to read:

1003 607.608 Benefit director.—

1004 (1) If the articles of incorporation so provide, the board  
 1005 of directors of a benefit corporation may include a director who  
 1006 is designated as the benefit director and, in addition to the  
 1007 powers, duties, rights, and immunities of the other directors of  
 1008 the benefit corporation, has the powers, duties, rights, and  
 1009 immunities provided in this part.

1010 (2) The benefit director shall be elected, and may be  
 1011 removed, in the manner provided by this chapter. Except as  
 1012 provided under subsection (5), the benefit director shall be  
 1013 independent and may serve as a benefit officer. The articles of  
 1014 incorporation or bylaws may prescribe additional qualifications

1015 of the benefit director.

1016 (3) Unless the articles of incorporation or bylaws provide  
 1017 otherwise, the benefit director shall prepare, and the benefit  
 1018 corporation shall include in the annual benefit report to  
 1019 shareholders required under s. 607.612, the opinion of the  
 1020 benefit director on the following:

1021 (a) Whether the benefit corporation in all material  
 1022 respects acted in accordance with its general public benefit  
 1023 purpose and any specific public benefit purpose during the  
 1024 period covered by the report.

1025 (b) Whether the directors and officers complied with ss.  
 1026 607.607(1) and 607.609(1).

1027 (c) Whether the benefit corporation or its directors or  
 1028 officers failed to comply with paragraph (a) or s. 607.607(1) or  
 1029 s. 607.609(1), including a description of the ways in which the  
 1030 benefit corporation or its directors or officers failed to  
 1031 comply.

1032 (4) The action or inaction of an individual in his or her  
 1033 capacity as a benefit director shall constitute for all purposes  
 1034 an action or inaction of that individual in his or her capacity  
 1035 as a director of the benefit corporation.

1036 (5) The benefit director of a corporation formed under  
 1037 chapter 621 is not required to be independent.

1038 Section 29. Section 607.609, Florida Statutes, is created  
 1039 to read:

1040 607.609 Standard of conduct for officers.-



1041 (1) If an officer of a benefit corporation reasonably  
 1042 believes that a matter may have a material effect on the ability  
 1043 of the corporation to create, or the creation by the corporation  
 1044 of, general public benefit or a specific public benefit  
 1045 identified in the articles of incorporation and the officer has  
 1046 discretion to act on the matter, the officer shall consider the  
 1047 interests and factors provided in s. 607.607(1).

1048 (2) The officer's consideration of interests and factors  
 1049 under subsection (1) does not constitute a violation of s.  
 1050 607.0841.

1051 (3) Except as provided in the articles of incorporation,  
 1052 an officer is not personally liable for monetary damages to the  
 1053 corporation or to any other person for the failure of the  
 1054 benefit corporation to pursue or create general public benefit  
 1055 or a specific public benefit; however, he or she is subject to  
 1056 s. 607.0841.

1057 (4) Except as provided in the articles of incorporation,  
 1058 an officer does not have a duty to a person who is a beneficiary  
 1059 of the general public benefit purpose or any specific public  
 1060 benefit purpose of the benefit corporation arising from the  
 1061 status of the person as a beneficiary.

1062 Section 30. Section 607.610, Florida Statutes, is created  
 1063 to read:

1064 607.610 Benefit officer.—

1065 (1) A benefit corporation may designate an officer as the  
 1066 benefit officer.

1067       (2) The benefit officer has the powers and duties set  
 1068 forth in the bylaws or determined by the board of directors,  
 1069 which may include, but are not limited to:

1070       (a) Powers and duties relating to the general public  
 1071 benefit or a specific public benefit purpose of the corporation;  
 1072 and

1073       (b) The duty to prepare the annual benefit report required  
 1074 under s. 607.612.

1075       Section 31. Section 607.611, Florida Statutes, is created  
 1076 to read:

1077       607.611 Right of action.—

1078       (1) (a) Except in a benefit enforcement proceeding, no  
 1079 person may bring an action or assert a claim against a benefit  
 1080 corporation or its directors or officers with respect to:

1081       1. A failure to pursue or create a general public benefit  
 1082 or a specific public benefit set forth in its articles of  
 1083 incorporation; or

1084       2. A violation of an obligation, duty, or standard of  
 1085 conduct under this part.

1086       (b) A benefit corporation is not liable for monetary  
 1087 damages under this part for the failure of the benefit  
 1088 corporation to pursue or create general public benefit or a  
 1089 specific public benefit.

1090       (2) A benefit enforcement proceeding may be commenced or  
 1091 maintained only:

1092       (a) Directly by the benefit corporation; or

- 1093        (b) Derivatively by:
- 1094        1. A shareholder of record on the date of the action or  
 1095 inaction complained of in the benefit enforcement proceeding;
- 1096        2. A director;
- 1097        3. A person or group of persons that owns beneficially or  
 1098 of record 5 percent or more of the outstanding equity interests  
 1099 in an entity of which the benefit corporation is a subsidiary on  
 1100 the date of the action or inaction complained of in the  
 1101 proceeding; or
- 1102        4. Any other person who is specified in the articles of  
 1103 incorporation or bylaws of the benefit corporation.
- 1104        Section 32. Section 607.612, Florida Statutes, is created  
 1105 to read:
- 1106        607.612 Preparation of annual benefit report.-
- 1107        (1) Unless it is prepared by a benefit director or a  
 1108 benefit officer, the board of directors shall prepare an annual  
 1109 benefit report. The annual benefit report must include all of  
 1110 the following:
- 1111        (a) A narrative description of:
- 1112        1. The ways in which the benefit corporation pursued  
 1113 general public benefit during the year and the extent to which  
 1114 the general public benefit was created.
- 1115        2. Any circumstance that has hindered the pursuit or  
 1116 creation of general public benefit or a specific public benefit  
 1117 by the benefit corporation.
- 1118        3. The process and rationale for selecting or changing the

1119 third-party standard used to prepare the benefit report.

1120 (b) The name of the benefit director and the benefit  
1121 officer, if those positions exist, and the respective business  
1122 addresses to which correspondence may be directed.

1123 (c) If the corporation has a benefit director, the  
1124 statement as provided in s. 607.608(3).

1125 (d) A statement of any connection between the organization  
1126 that established the third-party standard, or its directors,  
1127 officers, or any holder of 5 percent or more of the governance  
1128 interests in the organization, and the benefit corporation or  
1129 its directors, officers, or any holder of 5 percent or more of  
1130 the outstanding shares of the benefit corporation, including any  
1131 financial or governance relationship that might materially  
1132 affect the credibility of the use of the third-party standard.

1133 (2) The annual benefit report must be prepared in  
1134 accordance with a third-party standard that is:

1135 (a) Applied consistently with any previous application in  
1136 prior annual benefit reports; or

1137 (b) Accompanied by an explanation of the reasons for any  
1138 inconsistent application or any change in the standard from the  
1139 immediate prior report.

1140 (3) If, during the year covered by an annual benefit  
1141 report, a benefit director resigned from, or refused to stand  
1142 for reelection to, his or her position, or was removed from his  
1143 or her position, and he or she furnished written correspondence  
1144 to the benefit corporation concerning the circumstances

1145 surrounding his or her departure, that correspondence must be  
1146 included as an exhibit in the annual benefit report.

1147 (4) The annual benefit report and the assessment of the  
1148 performance of the benefit corporation in the annual benefit  
1149 report required under subsection (2) are not required to be  
1150 audited or certified by a third-party standards provider.

1151 Section 33. Section 607.613, Florida Statutes, is created  
1152 to read:

1153 607.613 Availability of annual benefit report.-

1154 (1) Each benefit corporation shall send its annual benefit  
1155 report to each shareholder:

1156 (a) Within 120 days after the end of the fiscal year of  
1157 the benefit corporation; or

1158 (b) At the same time that the benefit corporation delivers  
1159 any other annual report to its shareholders.

1160 (2) A benefit corporation shall post each annual benefit  
1161 report on the public portion of its website, if any, and it  
1162 shall remain posted for at least 3 years.

1163 (3) If a benefit corporation does not have a website, the  
1164 benefit corporation shall provide a copy of its most recent  
1165 annual benefit report, without charge, to any person who  
1166 requests a copy.

1167 (4) If a benefit corporation does not comply with the  
1168 annual benefit report delivery requirement, the circuit court in  
1169 the county in which the principal office of the benefit  
1170 corporation is located or, if no office is located in this

1171 state, the county in which its registered office is located,  
 1172 may, after a shareholder of the benefit corporation requests a  
 1173 copy, summarily order the corporation to furnish the report. If  
 1174 the court orders the report to be furnished, the court may also  
 1175 order the benefit corporation to pay the shareholder's costs,  
 1176 including reasonable attorney fees, which were incurred in  
 1177 obtaining the order and otherwise enforce his or her rights  
 1178 under this section.

1179 Section 34. Subsection (1) of section 617.0401, Florida  
 1180 Statutes, is amended to read:

1181 617.0401 Corporate name.—

1182 (1) A corporate name:

1183 (a) Must contain the word "corporation" or "incorporated"  
 1184 or the abbreviation "Corp." "~~corp.~~" or "Inc." "~~inc.~~" or words or  
 1185 abbreviations of like import in language, as will clearly  
 1186 indicate that it is a corporation instead of a natural person,  
 1187 unincorporated association, or partnership. The name of the  
 1188 corporation may not contain the word "company" or its  
 1189 abbreviation "Co." "~~co.~~";

1190 (b) May contain the word "cooperative" or "co-op" only if  
 1191 the resulting name is distinguishable from the name of any  
 1192 corporation, agricultural cooperative marketing association, or  
 1193 nonprofit cooperative association existing or doing business in  
 1194 this state under part I of chapter 607, chapter 618, or chapter  
 1195 619.~~†~~

1196 (c) May not contain language stating or implying that the

1197 corporation is organized for a purpose other than that permitted  
 1198 in this act and its articles of incorporation.~~†~~

1199 (d) May not contain language stating or implying that the  
 1200 corporation is connected with a state or federal government  
 1201 agency or a corporation chartered under the laws of the United  
 1202 States.~~†~~ and

1203 (e) Must be distinguishable from the names of all other  
 1204 entities or filings that are on file with the Division of  
 1205 Corporations, except fictitious name registrations pursuant to  
 1206 s. 865.09, general partnership registrations pursuant to s.  
 1207 620.8105, and limited liability partnership statements pursuant  
 1208 to s. 620.9001 which are organized, registered, or reserved  
 1209 under the laws of this state, that are on file with the Division  
 1210 of Corporations. A name that is different from a name of another  
 1211 entity or filing due to any of the following is not considered  
 1212 distinguishable:

- 1213 1. A suffix.
- 1214 2. A definite or indefinite article.
- 1215 3. The word "and" and the symbol "&."
- 1216 4. The singular, plural, or possessive form of a word.
- 1217 5. A recognized abbreviation of a root word.
- 1218 6. A punctuation mark or a symbol.

1219 Section 35. Subsection (4) of section 620.1108, Florida  
 1220 Statutes, is amended to read:

1221 620.1108 Name.—

1222 (4) The name of a limited partnership must be

1223 distinguishable in the records of the Department of State from  
 1224 the names of all other entities or filings that are on file with  
 1225 the Department of State, except fictitious name registrations  
 1226 pursuant to s. 865.09, general partnership registrations  
 1227 pursuant to s. 620.8105, and limited liability partnership  
 1228 statements pursuant to s. 620.9001 which are organized,  
 1229 registered, or reserved under the laws of this state, ~~the names~~  
 1230 ~~of which are on file with the Department of State.~~ A name that  
 1231 is different from the name of another entity or filing due to  
 1232 any of the following is not considered distinguishable:

- 1233 (a) A suffix.
- 1234 (b) A definite or indefinite article.
- 1235 (c) The word "and" and the symbol "&."
- 1236 (d) The singular, plural, or possessive form of a word.
- 1237 (e) A recognized abbreviation of a root word.
- 1238 (f) A punctuation mark or a symbol.

1239 Section 36. Subsection (1) of section 48.091, Florida  
 1240 Statutes, is amended to read:

1241 48.091 Corporations; designation of registered agent and  
 1242 registered office.—

1243 (1) Every Florida corporation and every foreign  
 1244 corporation now qualified or hereafter qualifying to transact  
 1245 business in this state shall designate a registered agent and  
 1246 registered office in accordance with part I of chapter 607.

1247 Section 37. Paragraph (d) of subsection (6) of section  
 1248 215.555, Florida Statutes, is amended to read:



1249 215.555 Florida Hurricane Catastrophe Fund.—

1250 (6) REVENUE BONDS.—

1251 (d) *State Board of Administration Finance Corporation.*—

1252 1. In addition to the findings and declarations in  
 1253 subsection (1), the Legislature also finds and declares that:

1254 a. The public benefits corporation created under this  
 1255 paragraph will provide a mechanism necessary for the cost-  
 1256 effective and efficient issuance of bonds. This mechanism will  
 1257 eliminate unnecessary costs in the bond issuance process,  
 1258 thereby increasing the amounts available to pay reimbursement  
 1259 for losses to property sustained as a result of hurricane  
 1260 damage.

1261 b. The purpose of such bonds is to fund reimbursements  
 1262 through the Florida Hurricane Catastrophe Fund to pay for the  
 1263 costs of construction, reconstruction, repair, restoration, and  
 1264 other costs associated with damage to properties of  
 1265 policyholders of covered policies due to the occurrence of a  
 1266 hurricane.

1267 c. The efficacy of the financing mechanism will be  
 1268 enhanced by the corporation's ownership of the assessments, by  
 1269 the insulation of the assessments from possible bankruptcy  
 1270 proceedings, and by covenants of the state with the  
 1271 corporation's bondholders.

1272 2.a. There is created a public benefits corporation, which  
 1273 is an instrumentality of the state, to be known as the State  
 1274 Board of Administration Finance Corporation.

1275           b. The corporation shall operate under a five-member board  
 1276 of directors consisting of the Governor or a designee, the Chief  
 1277 Financial Officer or a designee, the Attorney General or a  
 1278 designee, the director of the Division of Bond Finance of the  
 1279 State Board of Administration, and the Chief Operating Officer  
 1280 of the Florida Hurricane Catastrophe Fund.

1281           c. The corporation has all of the powers of corporations  
 1282 under part I of chapter 607 and under chapter 617, subject only  
 1283 to ~~the provisions of~~ this subsection.

1284           d. The corporation may issue bonds and engage in such  
 1285 other financial transactions as are necessary to provide  
 1286 sufficient funds to achieve the purposes of this section.

1287           e. The corporation may invest in any of the investments  
 1288 authorized under s. 215.47.

1289           f. There shall be no liability on the part of, and no  
 1290 cause of action shall arise against, any board members or  
 1291 employees of the corporation for any actions taken by them in  
 1292 the performance of their duties under this paragraph.

1293           3.a. In actions under chapter 75 to validate any bonds  
 1294 issued by the corporation, the notice required under ~~by~~ s. 75.06  
 1295 shall be published in two newspapers of general circulation in  
 1296 the state, and the complaint and order of the court shall be  
 1297 served only on the State Attorney of the Second Judicial  
 1298 Circuit.

1299           b. The state hereby covenants with holders of bonds of the  
 1300 corporation that the state will not repeal or abrogate the power

1301 of the board to direct the Office of Insurance Regulation to  
1302 levy the assessments and to collect the proceeds of the revenues  
1303 pledged to the payment of such bonds as long as any such bonds  
1304 remain outstanding unless adequate provision has been made for  
1305 the payment of such bonds pursuant to the documents authorizing  
1306 the issuance of such bonds.

1307 4. The bonds of the corporation are not a debt of the  
1308 state or of any political subdivision, and neither the state nor  
1309 any political subdivision is liable on such bonds. The  
1310 corporation does not have the power to pledge the credit, the  
1311 revenues, or the taxing power of the state or of any political  
1312 subdivision. The credit, revenues, or taxing power of the state  
1313 or of any political subdivision shall not be deemed to be  
1314 pledged to the payment of any bonds of the corporation.

1315 5.a. The property, revenues, and other assets of the  
1316 corporation; the transactions and operations of the corporation  
1317 and the income from such transactions and operations; and all  
1318 bonds issued under this paragraph and interest on such bonds are  
1319 exempt from taxation by the state and any political subdivision,  
1320 including the intangibles tax under chapter 199 and the income  
1321 tax under chapter 220. This exemption does not apply to any tax  
1322 imposed by chapter 220 on interest, income, or profits on debt  
1323 obligations owned by corporations other than the State Board of  
1324 Administration Finance Corporation.

1325 b. All bonds of the corporation shall be and constitute  
1326 legal investments without limitation for all public bodies of

1327 | this state; for all banks, trust companies, savings banks,  
 1328 | savings associations, savings and loan associations, and  
 1329 | investment companies; for all administrators, executors,  
 1330 | trustees, and other fiduciaries; for all insurance companies and  
 1331 | associations and other persons carrying on an insurance  
 1332 | business; and for all other persons who are now or may hereafter  
 1333 | be authorized to invest in bonds or other obligations of the  
 1334 | state and shall be and constitute eligible securities to be  
 1335 | deposited as collateral for the security of any state, county,  
 1336 | municipal, or other public funds. This sub-subparagraph is ~~shall~~  
 1337 | ~~be considered as~~ additional and supplemental authority and may  
 1338 | ~~shall~~ not be limited without specific reference to this sub-  
 1339 | subparagraph.

1340 |         6. The corporation and its corporate existence continues  
 1341 | ~~shall continue~~ until terminated by law; however, ~~no~~ such law may  
 1342 | not ~~shall~~ take effect as long as the corporation has bonds  
 1343 | outstanding unless adequate provision has been made for the  
 1344 | payment of such bonds pursuant to the documents authorizing the  
 1345 | issuance of such bonds. Upon termination of the existence of the  
 1346 | corporation, all of its rights and properties in excess of its  
 1347 | obligations shall pass to and be vested in the state.

1348 |         7. The State Board of Administration Finance Corporation  
 1349 | is for all purposes the successor to the Florida Hurricane  
 1350 | Catastrophe Fund Finance Corporation.

1351 |         Section 38. Subsection (1) of section 243.54, Florida  
 1352 | Statutes, is amended to read:

1353           243.54 Powers of the authority.—The purpose of the  
 1354 authority is to assist institutions of higher education in  
 1355 constructing, financing, and refinancing projects throughout the  
 1356 state and, for this purpose, the authority may:

1357           (1) Exercise all powers granted to corporations under part  
 1358 I of the Florida Business Corporation Act, chapter 607.

1359           Section 39. Section 310.171, Florida Statutes, is amended  
 1360 to read:

1361           310.171 Pilots may incorporate themselves.—Any one or more  
 1362 licensed state pilots may incorporate in the manner provided  
 1363 under part I of chapter 607 or chapter 621.

1364           Section 40. Section 310.181, Florida Statutes, is amended  
 1365 to read:

1366           310.181 Corporate powers.—All the rights, powers, and  
 1367 liabilities conferred or imposed by the laws of Florida relating  
 1368 to corporations for profit organized under part I of chapter 607  
 1369 or under chapter 608 before January 1, 1976, or to corporations  
 1370 organized under chapter 621 ~~shall~~ apply to corporations  
 1371 organized pursuant to s. 310.171.

1372           Section 41. Paragraph (c) of subsection (4) of section  
 1373 329.10, Florida Statutes, is amended to read:

1374           329.10 Aircraft registration.—

1375           (4) It is a violation of this section for any person or  
 1376 corporate entity to knowingly supply false information to any  
 1377 governmental entity in regard to ownership by it or another  
 1378 firm, business, or corporation of an aircraft in or operated in

1379 | this state if it is determined that such corporate entity or  
 1380 | other firm, business, or corporation:

1381 |       (c) Has lapsed into a state of no longer being a legal  
 1382 | entity in this state as defined in part I of chapter 607 or s.  
 1383 | 865.09, and no documented attempt has been made to correct such  
 1384 | information with the governmental entity for a period of 90 days  
 1385 | after the date on which such lapse took effect with the  
 1386 | Secretary of State.

1387 |       Section 42. Subsection (1) of section 339.412, Florida  
 1388 | Statutes, is amended to read:

1389 |       339.412 Powers of corporation.—As to designated projects  
 1390 | and in addition to other powers prescribed by law, a corporation  
 1391 | may exercise the following powers with respect to the promotion  
 1392 | and development of transportation facilities, pursuant to a  
 1393 | written contract for the same, together with all powers  
 1394 | incidental thereto or necessary for the performance of those  
 1395 | hereinafter stated:

1396 |       (1) The corporation may exercise all the powers as granted  
 1397 | by the department to work directly with landowners, local and  
 1398 | state governmental agencies, elected officials, and any other  
 1399 | person to support those activities required to promote and  
 1400 | develop the projects. These activities shall include:

1401 |       (a) Acquiring, holding, investing, and administering  
 1402 | property and transferring title of such property to the  
 1403 | department for development of projects on behalf of the  
 1404 | department;

1405 (b) Performing preliminary and final alignment studies in  
 1406 a manner consistent with state and federal laws;

1407 (c) Receiving contributions of land for rights-of-way and  
 1408 cash donations to be applied to the purchase of rights-of-way  
 1409 not donated or to be applied to the design or construction of  
 1410 the projects;

1411 (d) Reviewing candidates for advisory directorships and  
 1412 adding or removing such advisory directors as may be  
 1413 appropriate;

1414 (e) Retaining such administrative staff and legal, public  
 1415 relations, and engineering services as may be required for the  
 1416 development of the projects and paying such employees and  
 1417 consultants from funds donated for this purpose;

1418 (f) Preparing such exhibits, right-of-way documents,  
 1419 environmental reports, schematics, and preliminary and final  
 1420 engineering plans as are necessary for the development of the  
 1421 projects;

1422 (g) Borrowing money to meet any expenses or needs  
 1423 associated with the regular operations of the corporation or a  
 1424 particular project; provided, however, that no corporation shall  
 1425 have the power to issue bonds, the provisions of part I of  
 1426 chapter ~~chapters~~ 607 and chapter 617 notwithstanding;

1427 (h) Making official presentations to the state and other  
 1428 affected agencies or groups concerning the development of the  
 1429 projects;

1430 (i) Issuing press releases and other material to promote

1431 the activities of the projects; and

1432 (j) Performing any other functions requested by the  
 1433 department in order to promote and develop the projects.

1434  
 1435 Nothing in this act empowers the corporation to enter into any  
 1436 contracts for construction or to undertake any construction, on  
 1437 behalf of the department.

1438 Section 43. Subsection (4) of section 420.101, Florida  
 1439 Statutes, is amended to read:

1440 420.101 Housing Development Corporation of Florida;  
 1441 creation, membership, and purposes.—

1442 (4) Whenever the articles of incorporation have been filed  
 1443 in the Department of State and approved by it and all filing  
 1444 fees and taxes prescribed by part I of chapter 607 have been  
 1445 paid, the subscribers and their successors and assigns shall  
 1446 constitute a corporation, and the corporation shall then be  
 1447 authorized to commence business, and stock thereof to the extent  
 1448 herein or hereafter duly authorized may from time to time be  
 1449 issued.

1450 Section 44. Section 420.111, Florida Statutes, is amended  
 1451 to read:

1452 420.111 Housing Development Corporation of Florida;  
 1453 additional powers.—In furtherance of its purposes and in  
 1454 addition to the powers now or hereafter conferred on business  
 1455 corporations by part I of chapter 607, the corporation shall,  
 1456 subject to the restrictions and limitations ~~herein~~ contained in



1457 this section, have the following powers:

1458 (1) To elect, appoint, and employ officers, agents and  
1459 employees and to make contracts and incur liabilities for any of  
1460 the purposes of the corporation, except that the corporation may  
1461 ~~shall~~ not incur any secondary liability by way of guaranty or  
1462 endorsement of the obligations of any person, firm, corporation,  
1463 joint-stock company, association, or trust, or in any other  
1464 manner.

1465 (2) To borrow money from its stockholders, other financial  
1466 institutions, and state and federal agencies for any of the  
1467 purposes of the corporation; to issue therefor its bonds,  
1468 debentures, notes, or other evidences of indebtedness, whether  
1469 secured or unsecured, and to secure the same by mortgage,  
1470 pledge, deed of trust, or other lien on its property,  
1471 franchises, rights, and privileges of every kind and nature, or  
1472 any part thereof or interest therein, without securing  
1473 stockholder approval.

1474 (3) To make loans to any person, firm, corporation, joint-  
1475 stock company, association, or trust and to regulate the terms  
1476 and conditions with respect to any such loans and the charges  
1477 for interest and service connected therewith, provided subsidies  
1478 may be in the form of below market interest rates or such other  
1479 assistance as determined by the board with the concurrence of  
1480 the applicable regulatory agencies governing the several  
1481 stockholder industries.

1482 (4) To purchase, receive, hold, lease, or otherwise

1483 acquire, and to sell, convey, transfer, lease, or otherwise  
1484 dispose of, real and personal property, together with such  
1485 rights and privileges as may be incidental and appurtenant  
1486 thereto and the use thereof, including, but not restricted to,  
1487 any real or personal property acquired by the corporation from  
1488 time to time in the satisfaction of debts or enforcement of  
1489 obligations.

1490 (5) For the purposes of foreclosure, to acquire the good  
1491 will, business, rights, real and personal property, and other  
1492 assets, or any part thereof, or interest therein, of any  
1493 persons, firms, corporations, joint-stock companies,  
1494 associations or trusts, and to assume, undertake, or pay the  
1495 obligations, debts and liabilities of any such person, firm,  
1496 corporation, joint-stock company, association or trust; to  
1497 acquire improved or unimproved real estate for the purpose of  
1498 constructing new housing or rehabilitation thereof; for the  
1499 purposes of disposing of such real estate to others for the  
1500 construction of housing or rehabilitation thereof; and to  
1501 acquire, construct or reconstruct, alter, repair, maintain,  
1502 operate, sell, convey, transfer, lease, or otherwise dispose of  
1503 such housing, provided, however that nothing herein contained  
1504 shall authorize the acquisition, construction, reconstruction,  
1505 or operation of any public lodging establishment as defined in  
1506 chapter 509.

1507 (6) To acquire, subscribe for, own, hold, sell, assign,  
1508 transfer, mortgage, pledge, or otherwise dispose of the stock,

1509 shares, bonds, debentures, notes, or other securities and  
1510 evidences of interest in, or indebtedness of, any person, firm,  
1511 corporation, joint-stock company, association, or trust, and,  
1512 while the owner or holder thereof, to exercise all the rights,  
1513 powers, and privileges of ownership, including the right to vote  
1514 thereon.

1515 (7) To mortgage, pledge, or otherwise encumber any  
1516 property, right, or thing of value, acquired pursuant to the  
1517 powers contained in subsection (4), subsection (5), or  
1518 subsection (6), as security for the payment of any part of the  
1519 purchase price thereof.

1520 (8) To cooperate with, and avail itself of the facilities  
1521 of, the United States Department of Housing and Urban  
1522 Development, the Department of Economic Opportunity, and any  
1523 other similar local, state, or Federal Government agency; and to  
1524 cooperate with and assist, and otherwise encourage,  
1525 organizations in the various communities of the state on the  
1526 promotion, assistance, and development of the housing and  
1527 economic welfare of such communities or of this state or any  
1528 part thereof.

1529 (9) To do all acts and things necessary or convenient to  
1530 carry out the powers expressly granted in this part.

1531 Section 45. Subsection (2) of section 420.161, Florida  
1532 Statutes, is amended to read:

1533 420.161 Housing Development Corporation of Florida; period  
1534 of existence; method of dissolution.—

1535 (2) The corporation may, upon the affirmative vote of two-  
 1536 thirds of the votes to which the stockholders are ~~shall be~~  
 1537 entitled, dissolve the said corporation as provided under part I  
 1538 of ~~by~~ chapter 607, as long as that part does insofar as chapter  
 1539 ~~607 is~~ not in conflict with ~~the provisions of~~ this act. Upon any  
 1540 dissolution of the corporation, ~~none of~~ the corporation's assets  
 1541 may not ~~shall~~ be distributed to the stockholders until all sums  
 1542 due the members of the corporation as creditors thereof have  
 1543 been paid in full.

1544 Section 46. Subsection (9) of section 440.02, Florida  
 1545 Statutes, is amended to read:

1546 440.02 Definitions.—When used in this chapter, unless the  
 1547 context clearly requires otherwise, the following terms shall  
 1548 have the following meanings:

1549 (9) "Corporate officer" or "officer of a corporation"  
 1550 means any person who fills an office provided for in the  
 1551 corporate charter or articles of incorporation filed with the  
 1552 Division of Corporations of the Department of State or as  
 1553 authorized ~~permitted~~ or required under part I of ~~by~~ chapter 607.  
 1554 The term "officer of a corporation" includes a member owning at  
 1555 least 10 percent of a limited liability company created and  
 1556 approved under chapter 608.

1557 Section 47. Paragraph (d) of subsection (10) of section  
 1558 440.386, Florida Statutes, is amended to read:

1559 440.386 Individual self-insurers' insolvency;  
 1560 conservation; liquidation.—

1561 (10) TRANSFERS PRIOR TO PETITION.—

1562 (d) The personal liability of the officers or directors of  
1563 an insolvent individual self-insurer is ~~shall be~~ subject to part  
1564 I of the provisions of chapter 607 and the penalties provided  
1565 therein.

1566 Section 48. Subsection (3) of section 609.08, Florida  
1567 Statutes, is amended to read:

1568 609.08 Merger of association into wholly owned subsidiary  
1569 corporation; dissenters' rights of appraisal.—

1570 (3) If the surviving corporation is to be governed by the  
1571 laws of any jurisdiction other than this state, it shall comply  
1572 with part I of the provisions of chapter 607 with respect to  
1573 foreign corporations if it is to transact business in this  
1574 state, and in every case it shall file with the Department of  
1575 State of this state:

1576 (a) An agreement that it may be served with process in  
1577 this state in any proceeding for the enforcement of any  
1578 obligation of the association and in any proceeding for the  
1579 enforcement of any rights under the declaration of trust of the  
1580 association of a dissenting shareholder of the association  
1581 against the surviving corporation.

1582 (b) An irrevocable appointment of the Secretary of State  
1583 as its agent to accept service of process in any such  
1584 proceeding.

1585 (c) An agreement that it will promptly pay to the  
1586 dissenting shareholders of the association the amount, if any,

1587 to which they are ~~shall be~~ entitled under ~~the provisions of~~ its  
 1588 declaration of trust with respect to the rights of dissenting  
 1589 shareholders.

1590 Section 49. Section 617.1908, Florida Statutes, is amended  
 1591 to read:

1592 617.1908 Applicability of Florida Business Corporation  
 1593 Act.—Except as ~~otherwise~~ made applicable by specific reference  
 1594 in any other section of this chapter, part I ~~the provisions of~~  
 1595 chapter 607, the Florida Business Corporation Act, does ~~shall~~  
 1596 not apply to any corporations not for profit.

1597 Section 50. Section 618.221, Florida Statutes, is amended  
 1598 to read:

1599 618.221 Conversion into a corporation for profit.—Any  
 1600 association incorporated under or that has adopted the  
 1601 provisions of this chapter, may, by a majority vote of its  
 1602 stockholders or members be brought under part I of ~~the~~  
 1603 ~~provisions of~~ chapter 607, as a corporation for profit by  
 1604 surrendering all right to carry on its business under this  
 1605 chapter, and the privileges and immunities incident thereto. It  
 1606 shall make out in duplicate a statement signed and sworn to by  
 1607 its directors to the effect that the association has, by a  
 1608 majority vote of its stockholders or members, decided to  
 1609 surrender all rights, powers, and privileges as a nonprofit  
 1610 cooperative marketing association under this chapter and to do  
 1611 business under and be bound by part I of ~~the provisions of~~ said  
 1612 chapter 607, as a corporation for profit and has authorized all

1613 changes accordingly. Articles of incorporation shall be  
1614 delivered to the Department of State for filing as required  
1615 under part I of chapter 607 ~~in and by s. 607.164~~, except that  
1616 they shall be signed by the members of the then board of  
1617 directors. The filing fees and taxes shall be as provided under  
1618 part I of ~~in~~ chapter 607. Such articles of incorporation shall  
1619 adequately protect and preserve the relative rights of the  
1620 stockholders or members of the association so converting into a  
1621 corporation for profit; provided that no rights or obligations  
1622 due any stockholder or member of such association or any other  
1623 person, firm, or corporation which has not been waived or  
1624 satisfied shall be impaired by such conversion into a  
1625 corporation for profit as herein authorized.

1626 Section 51. Section 619.04, Florida Statutes, is amended  
1627 to read:

1628 619.04 Articles of incorporation.—Each association formed  
1629 under this chapter must prepare and file articles of  
1630 incorporation in the same manner and under the same regulations  
1631 as required under part I of chapter 607, and therein shall set  
1632 forth:

1633 (1) The name of the association.

1634 (2) The purpose for which it is formed.

1635 (3) The place where its principal business will be  
1636 transacted.

1637 (4) The term for which it is to exist, not exceeding 50  
1638 years.

1639 (5) The number of directors thereof, which must not be  
 1640 less than three and which may be any number in excess thereof,  
 1641 and the names and residences of those selected for the first  
 1642 year and until their successors shall have been elected and  
 1643 shall have accepted office.

1644 (6) Whether the voting power and the property rights and  
 1645 interest of each member shall be equal, or unequal, and if  
 1646 unequal these articles shall set forth a general rule applicable  
 1647 to all members by which the voting power and the property rights  
 1648 and interests, respectively, of each member may and shall be  
 1649 determined and fixed, but the association shall have power to  
 1650 admit new members, who shall be entitled to vote and to share in  
 1651 the property of the association with the old members, in  
 1652 accordance with such general rule. This provision of the  
 1653 articles of incorporation may ~~shall~~ not be altered, amended, or  
 1654 repealed except by the unanimous written consent or the vote of  
 1655 all the members.

1656 (7) Said articles must be subscribed by the original  
 1657 members and acknowledged by one of them before an officer  
 1658 authorized by the law of this state to take and certify  
 1659 acknowledgments of deeds of conveyance, and shall be filed in  
 1660 accordance with the provisions of law, and when so filed the  
 1661 said articles of incorporation or certified copies thereof shall  
 1662 be received in all the courts of this state and other places as  
 1663 prima facie evidence of the facts contained therein.

1664 Section 52. Subsection (3) of section 624.430, Florida



1665 Statutes, is amended to read:

1666           624.430 Withdrawal of insurer or discontinuance of writing  
1667 certain kinds or lines of insurance.—

1668           (3) Upon office approval of the surrender of the  
1669 certificate of authority of a domestic property and casualty  
1670 insurer that is a corporation, the insurer may initiate the  
1671 dissolution of the corporation in accordance with the applicable  
1672 provisions of part I of chapter 607.

1673           Section 53. Subsection (1) of section 624.462, Florida  
1674 Statutes, is amended to read:

1675           624.462 Commercial self-insurance funds.—

1676           (1) Any group of persons may form a commercial self-  
1677 insurance fund for the purpose of pooling and spreading  
1678 liabilities of its group members in any commercial property or  
1679 casualty risk or surety insurance. Any fund established pursuant  
1680 to subparagraph (2)(a)1. may be organized as a corporation under  
1681 part I of chapter 607.

1682           Section 54. Subsection (3) of section 624.489, Florida  
1683 Statutes, is amended to read:

1684           624.489 Liability of trustees of self-insurance trust fund  
1685 and directors of self-insurance funds operating as  
1686 corporations.—

1687           (3) The immunities from liability provided in this section  
1688 with respect to trustees also apply to members of the board of  
1689 directors of a commercial self-insurance fund organized as a  
1690 corporation under part I of chapter 607 if the board of

1691 directors has contracted with an administrator authorized under  
1692 s. 626.88 to administer the day-to-day affairs of the fund.

1693 Section 55. Section 628.041, Florida Statutes, is amended  
1694 to read:

1695 628.041 Applicability of general corporation statutes.—The  
1696 applicable statutes of this state relating to the powers and  
1697 procedures of domestic private corporations formed for profit  
1698 shall apply to domestic stock insurers and to domestic mutual  
1699 insurers, except:

1700 (1) As to any domestic mutual insurers incorporated  
1701 pursuant to chapter 617, which chapter shall govern such  
1702 insurers when in conflict with part I of chapter 607; and

1703 (2) When in conflict with the express provisions of this  
1704 code.

1705 Section 56. Subsection (4) of section 631.262, Florida  
1706 Statutes, is amended to read:

1707 631.262 Transfers prior to petition.—

1708 (4) The personal liability of the officers or directors of  
1709 an insolvent insurer is ~~shall be~~ subject to part I of the  
1710 ~~provisions of~~ chapter 607 and the penalties provided therein.

1711 Section 57. Subsection (1) of section 636.204, Florida  
1712 Statutes, is amended to read:

1713 636.204 License required.—

1714 (1) Before doing business in this state as a discount  
1715 medical plan organization, an entity must be a corporation, a  
1716 limited liability company, or a limited partnership,

1717 incorporated, organized, formed, or registered under the laws of  
1718 this state or authorized to transact business in this state in  
1719 accordance with part I of chapter 607, chapter 608, chapter 617,  
1720 chapter 620, or chapter 865, and must be licensed by the office  
1721 as a discount medical plan organization or be licensed by the  
1722 office pursuant to chapter 624, part I of this chapter, or  
1723 chapter 641.

1724 Section 58. Section 641.2015, Florida Statutes, is amended  
1725 to read:

1726 641.2015 Incorporation required.—On or after October 1,  
1727 1985, any entity that has not yet obtained a certificate of  
1728 authority to operate a health maintenance organization in this  
1729 state shall be incorporated or shall be a division of a  
1730 corporation formed under the provisions of either part I of  
1731 chapter 607 or chapter 617 or shall be a public entity that is  
1732 organized as a political subdivision. In the case of a division  
1733 of a corporation, the financial requirements of this part shall  
1734 apply to the entire corporation. Incorporation shall not be  
1735 required of any entity which has already been issued an initial  
1736 certificate of authority prior to this date and which is not a  
1737 corporation on October 1, 1985, or which is incorporated in any  
1738 other state on October 1, 1985; nor shall incorporation be  
1739 required on renewal of any certificate of authority by such an  
1740 organization or be required of a public entity that is organized  
1741 as a political subdivision.

1742 Section 59. Subsection (1) of section 655.0201, Florida

1743 Statutes, is amended to read:

1744 655.0201 Service of process, notice, or demand on  
1745 financial institutions.—

1746 (1) Process against any financial institution authorized  
1747 by federal or state law to transact business in this state may  
1748 be served in accordance with chapter 48, chapter 49, part I of  
1749 chapter 607, or chapter 608, as appropriate.

1750 Section 60. Subsection (2) of section 658.23, Florida  
1751 Statutes, is amended to read:

1752 658.23 Submission of articles of incorporation; contents;  
1753 form; approval; filing; commencement of corporate existence;  
1754 bylaws.—

1755 (2) The articles of incorporation shall contain:

1756 (a) The name of the proposed bank or trust company.

1757 (b) The general nature of the business to be transacted or  
1758 a statement that the corporation may engage in any activity or  
1759 business permitted by law. Such statement shall authorize all  
1760 such activities and business by the corporation.

1761 (c) The amount of capital stock authorized, showing the  
1762 maximum number of shares of par value common stock and of  
1763 preferred stock, and of every kind, class, or series of each,  
1764 together with the distinguishing characteristics and the par  
1765 value of all shares.

1766 (d) The amount of capital with which the corporation will  
1767 begin business, which may ~~shall~~ not be less than the amount  
1768 required by the office pursuant to s. 658.21.

1769 (e) A provision that the corporation is to have perpetual  
 1770 existence unless existence is terminated pursuant to the  
 1771 financial institutions codes.

1772 (f) The initial street address of the main office of the  
 1773 corporation, which shall be in this state.

1774 (g) The number of directors, which shall be five or more,  
 1775 and the names and street addresses of the members of the initial  
 1776 board of directors.

1777 (h) A provision for preemptive rights, if applicable.

1778 (i) A provision authorizing the board of directors to  
 1779 appoint additional directors, pursuant to s. 658.33, if  
 1780 applicable.

1781  
 1782 The office shall provide to the proposed directors form articles  
 1783 of incorporation which must ~~shall~~ include only those provisions  
 1784 required under ~~by~~ this section or under part I of ~~by~~ chapter  
 1785 607. The form articles shall be acknowledged by the proposed  
 1786 directors and returned to the office for filing with the  
 1787 Department of State.

1788 Section 61. Paragraph (c) of subsection (11) of section  
 1789 658.2953, Florida Statutes, is amended to read:

1790 658.2953 Interstate branching.—

1791 (11) DE NOVO INTERSTATE BRANCHING BY STATE BANKS.—

1792 (c) An out-of-state bank may establish and maintain a de  
 1793 novo branch or acquire a branch in this state upon compliance  
 1794 with part I of chapter 607 or chapter 608 relating to doing

1795 business in this state as a foreign business entity, including  
 1796 maintaining a registered agent for service of process and other  
 1797 legal notice pursuant to s. 655.0201.

1798 Section 62. Section 658.30, Florida Statutes, is amended  
 1799 to read:

1800 658.30 Application of the Florida Business Corporation  
 1801 Act.—

1802 (1) When not in direct conflict with or superseded by  
 1803 specific provisions of the financial institutions codes, the  
 1804 provisions of the Florida Business Corporation Act, part I of  
 1805 chapter 607, ~~shall~~ extend to state banks and trust companies  
 1806 formed under the financial institutions codes. This section  
 1807 shall be liberally construed to accomplish the purposes stated  
 1808 herein.

1809 (2) Without limiting the generality of subsection (1),  
 1810 stockholders, directors, and committees of state banks and trust  
 1811 companies may hold meetings in any manner authorized ~~permitted~~  
 1812 by part I of chapter 607, and any action by stockholders,  
 1813 directors, or committees required or authorized ~~permitted~~ to be  
 1814 taken at a meeting may be taken without a meeting in any manner  
 1815 authorized ~~provided or permitted~~ by part I of chapter 607.

1816 Section 63. Subsection (3) of section 658.36, Florida  
 1817 Statutes, is amended to read:

1818 658.36 Changes in capital.—

1819 (3) If a bank or trust company's capital accounts have  
 1820 been diminished by losses to less than the minimum required

1821 pursuant to the financial institutions codes, the market value  
1822 of its shares of capital stock is less than the present par  
1823 value, and the bank or trust company cannot reasonably issue and  
1824 sell new shares of stock to restore its capital accounts at a  
1825 share price of par value or greater of the previously issued  
1826 capital stock, the office, notwithstanding any other provisions  
1827 of part I of chapter 607 or the financial institutions codes,  
1828 may approve special stock offering plans.

1829 (a) Such plans may include, but are not limited to,  
1830 mechanisms for stock splits including reverse splits;  
1831 revaluations of par value of outstanding stock; changes in  
1832 voting rights, dividends, or other preferences; and creation of  
1833 new classes of stock.

1834 (b) The plan must be approved by majority vote of the bank  
1835 or trust company's entire board of directors and by holders of  
1836 two-thirds of the outstanding shares of stock.

1837 (c) The office shall disapprove a plan that provides  
1838 unfair or disproportionate benefits to existing shareholders,  
1839 directors, executive officers, or their related interests. The  
1840 office shall also disapprove any plan that is not likely to  
1841 restore the capital accounts to sufficient levels to achieve a  
1842 sustainable, safe, and sound financial institution.

1843 (d) For any bank or trust company that the office  
1844 determines to be a failing financial institution pursuant to s.  
1845 655.4185, the office may approve special stock offering plans  
1846 without a vote of the shareholders.

1847 Section 64. Section 663.03, Florida Statutes, is amended  
 1848 to read:

1849 663.03 Applicability of the Florida Business Corporation  
 1850 Act chapter 607.—Notwithstanding s. 607.01401(12) ~~the definition~~  
 1851 ~~of the term "foreign corporation" appearing in s. 607.01401, all~~  
 1852 ~~of~~ the provisions of part I of chapter 607 not in conflict with  
 1853 the financial institutions codes which relate to foreign  
 1854 corporations ~~shall~~ apply to all international banking  
 1855 corporations and their offices doing business in this state.

1856 Section 65. Subsection (3) of section 663.04, Florida  
 1857 Statutes, is amended to read:

1858 663.04 Requirements for carrying on financial institution  
 1859 business.—An international banking corporation or trust company,  
 1860 or any affiliate, subsidiary, or other person or business entity  
 1861 acting as an agent for, on behalf of, or for the benefit of such  
 1862 international banking corporation or trust company who engages  
 1863 in such activities from an office located in this state, may not  
 1864 transact a banking or trust business, or maintain in this state  
 1865 any office for carrying on such business, or any part thereof,  
 1866 unless such corporation, trust company, affiliate, subsidiary,  
 1867 person, or business entity:

1868 (3) Has filed with the office a certified copy of that  
 1869 information required to be supplied to the Department of State  
 1870 by those provisions of part I of chapter 607 which are  
 1871 applicable to foreign corporations.

1872 Section 66. Paragraph (a) of subsection (1) of section



1873 663.301, Florida Statutes, is amended to read:

1874 663.301 Definitions.—

1875 (1) As used in this part:

1876 (a) "International development bank" means a corporation  
 1877 established for the purpose of promoting development in foreign  
 1878 countries by directly or indirectly making funding available to  
 1879 foreign business enterprises or foreign governments or by  
 1880 providing financing in connection with import-export  
 1881 transactions. Subject to the limitations contained in s.  
 1882 663.313, an international development bank may be organized  
 1883 ~~either~~ under chapter 617 as a corporation not for profit or  
 1884 under part I of chapter 607 as a corporation for profit.

1885 Section 67. Subsection (2) of section 663.306, Florida  
 1886 Statutes, is amended to read:

1887 663.306 Decision by office.—The office may, in its  
 1888 discretion, approve or disapprove the application, but it shall  
 1889 not approve the application unless it finds that:

1890 (2) The proposed capital structure is adequate, but in no  
 1891 case may the paid-in capital stock be:

1892 (a) Less than \$400,000 in the case of an international  
 1893 development bank organized under chapter 617 as a corporation  
 1894 not for profit; or

1895 (b) The amount required for a state bank in the case of an  
 1896 international development bank organized under part I of chapter  
 1897 607 as a corporation for profit.

1898

1899 The office may disallow any illegally obtained currency,  
 1900 monetary instruments, funds, or other financial resources from  
 1901 the capitalization requirements of this section.

1902 Section 68. Subsection (4) of section 663.313, Florida  
 1903 Statutes, is amended to read:

1904 663.313 Ownership of stock.—

1905 (4) All of the shares of voting stock of an international  
 1906 development bank organized under part I of chapter 607 as a  
 1907 corporation for profit shall be owned by a regional development  
 1908 bank or by one or more wholly owned subsidiaries of a regional  
 1909 development bank.

1910 Section 69. Subsection (2) of section 718.111, Florida  
 1911 Statutes, is amended to read:

1912 718.111 The association.—

1913 (2) POWERS AND DUTIES.—The powers and duties of the  
 1914 association include those set forth in this section and, except  
 1915 as expressly limited or restricted in this chapter, those set  
 1916 forth in the declaration and bylaws and part I of chapter  
 1917 ~~chapters~~ 607 and chapter 617, as applicable.

1918 Section 70. Subsection (10) of section 719.104, Florida  
 1919 Statutes, is amended to read:

1920 719.104 Cooperatives; access to units; records; financial  
 1921 reports; assessments; purchase of leases.—

1922 (10) POWERS AND DUTIES.—The powers and duties of the  
 1923 association include those set forth in this section and, except  
 1924 as expressly limited or restricted in this chapter, those set

1925 | forth in the articles of incorporation and bylaws and part I of  
 1926 | chapter ~~chapters~~ 607 and chapter 617, as applicable.

1927 |         Section 71. Subsection (5) of section 720.302, Florida  
 1928 | Statutes, is amended to read:

1929 |             720.302 Purposes, scope, and application.—

1930 |             (5) Unless expressly stated to the contrary, corporations  
 1931 | that operate residential homeowners' associations in this state  
 1932 | shall be governed by and subject to part I of chapter 607, if  
 1933 | the association was incorporated under that part ~~chapter~~, or to  
 1934 | chapter 617, if the association was incorporated under that  
 1935 | chapter, and this chapter. This subsection is intended to  
 1936 | clarify existing law.

1937 |         Section 72. Paragraph (c) of subsection (1) of section  
 1938 | 720.306, Florida Statutes, is amended to read:

1939 |             720.306 Meetings of members; voting and election  
 1940 | procedures; amendments.—

1941 |             (1) QUORUM; AMENDMENTS.—

1942 |             (c) Unless otherwise provided in the governing documents  
 1943 | as originally recorded or permitted by this chapter or chapter  
 1944 | 617, an amendment may not materially and adversely alter the  
 1945 | proportionate voting interest appurtenant to a parcel or  
 1946 | increase the proportion or percentage by which a parcel shares  
 1947 | in the common expenses of the association unless the record  
 1948 | parcel owner and all record owners of liens on the parcels join  
 1949 | in the execution of the amendment. For purposes of this section,  
 1950 | a change in quorum requirements is not an alteration of voting

1951 interests. The merger or consolidation of one or more  
 1952 associations under a plan of merger or consolidation under part  
 1953 I of chapter 607 or chapter 617 is ~~shall not be considered~~ a  
 1954 material or adverse alteration of the proportionate voting  
 1955 interest appurtenant to a parcel.

1956 Section 73. Paragraph (a) of subsection (1) of section  
 1957 766.101, Florida Statutes, is amended to read:

1958 766.101 Medical review committee, immunity from  
 1959 liability.—

1960 (1) As used in this section:

1961 (a) The term "medical review committee" or "committee"  
 1962 means:

1963 1.a. A committee of a hospital or ambulatory surgical  
 1964 center licensed under chapter 395 or a health maintenance  
 1965 organization certificated under part I of chapter 641;τ

1966 b. A committee of a physician-hospital organization, a  
 1967 provider-sponsored organization, or an integrated delivery  
 1968 system;τ

1969 c. A committee of a state or local professional society of  
 1970 health care providers;τ

1971 d. A committee of a medical staff of a licensed hospital  
 1972 or nursing home, provided the medical staff operates pursuant to  
 1973 written bylaws that have been approved by the governing board of  
 1974 the hospital or nursing home;τ

1975 e. A committee of the Department of Corrections or the  
 1976 Correctional Medical Authority as created under s. 945.602, or

1977 employees, agents, or consultants of either the department or  
 1978 the authority or both;;

1979 f. A committee of a professional service corporation  
 1980 formed under chapter 621 or a corporation organized under part I  
 1981 of chapter 607 or chapter 617, which is formed and operated for  
 1982 the practice of medicine as defined in s. 458.305(3), and which  
 1983 has at least 25 health care providers who routinely provide  
 1984 health care services directly to patients;;

1985 g. A committee of the Department of Children and Families  
 1986 ~~Family Services~~ which includes employees, agents, or consultants  
 1987 to the department as deemed necessary to provide peer review,  
 1988 utilization review, and mortality review of treatment services  
 1989 provided pursuant to chapters 394, 397, and 916;;

1990 h. A committee of a mental health treatment facility  
 1991 licensed under chapter 394 or a community mental health center  
 1992 as defined in s. 394.907, provided the quality assurance program  
 1993 operates pursuant to the guidelines that ~~which~~ have been  
 1994 approved by the governing board of the agency;;

1995 i. A committee of a substance abuse treatment and  
 1996 education prevention program licensed under chapter 397 provided  
 1997 the quality assurance program operates pursuant to the  
 1998 guidelines that ~~which~~ have been approved by the governing board  
 1999 of the agency;;

2000 j. A peer review or utilization review committee organized  
 2001 under chapter 440;;

2002 k. A committee of the Department of Health, a county

2003 health department, healthy start coalition, or certified rural  
 2004 health network, when reviewing quality of care, or employees of  
 2005 these entities when reviewing mortality records;~~7~~ or

2006 1. A continuous quality improvement committee of a  
 2007 pharmacy licensed pursuant to chapter 465,  
 2008  
 2009 which committee is formed to evaluate and improve the quality of  
 2010 health care rendered by providers of health service, to  
 2011 determine that health services rendered were professionally  
 2012 indicated or were performed in compliance with the applicable  
 2013 standard of care, or that the cost of health care rendered was  
 2014 considered reasonable by the providers of professional health  
 2015 services in the area; or

2016 2. A committee of an insurer, self-insurer, or joint  
 2017 underwriting association of medical malpractice insurance, or  
 2018 other persons conducting review under s. 766.106.

2019 Section 74. Subsection (14) of section 865.09, Florida  
 2020 Statutes, is amended to read:

2021 865.09 Fictitious name registration.—

2022 (14) PROHIBITION.—A fictitious name registered as provided  
 2023 in this section may not contain the words "Corporation" or  
 2024 "Incorporated," or the abbreviations "Corp." or "Inc.," unless  
 2025 the person or business for which the name is registered is  
 2026 incorporated or has obtained a certificate of authority to  
 2027 transact business in this state pursuant to part I of chapter  
 2028 607 or chapter 617.

CS/HB 685

2014

2029

Section 75. This act shall take effect July 1, 2014.