

Amendment No.

CHAMBER ACTION

Senate

House

.

1 Representative Grant, J. offered the following:

2

3 **Amendment (with title amendment)**

4 Remove everything after the enacting clause and insert:

5 Section 1. Subsection (2) of section 20.22, Florida
6 Statutes, is amended to read:

7 20.22 Department of Management Services.—There is created
8 a Department of Management Services.

9 (2) The following divisions, ~~and~~ programs, and services
10 within the Department of Management Services are established:

11 (a) Facilities Program.

12 (b) The Florida Digital Service ~~Division of State~~

13 ~~Technology, the director of which is appointed by the secretary~~

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14 ~~of the department and shall serve as the state chief information~~
15 ~~officer. The state chief information officer must be a proven,~~
16 ~~effective administrator who must have at least 10 years of~~
17 ~~executive-level experience in the public or private sector,~~
18 ~~preferably with experience in the development of information~~
19 ~~technology strategic planning and the development and~~
20 ~~implementation of fiscal and substantive information technology~~
21 ~~policy and standards.~~

22 (c) Workforce Program.

23 (d)1. Support Program.

24 2. Federal Property Assistance Program.

25 (e) Administration Program.

26 (f) Division of Administrative Hearings.

27 (g) Division of Retirement.

28 (h) Division of State Group Insurance.

29 (i) Division of Telecommunications.

30 Section 2. Paragraph (e) of subsection (2) of section
31 110.205, Florida Statutes, is amended to read:

32 110.205 Career service; exemptions.—

33 (2) EXEMPT POSITIONS.—The exempt positions that are not
34 covered by this part include the following:

35 (e) The state chief information officer, the state chief
36 data officer, and the state chief information security officer.

37 ~~Unless otherwise fixed by law,~~ The Department of Management
38 Services shall set the salary and benefits of these positions

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39 ~~this position~~ in accordance with the rules of the Senior
40 Management Service.

41 Section 3. Section 282.0041, Florida Statutes, is amended
42 to read:

43 282.0041 Definitions.—As used in this chapter, the term:

44 (1) "Agency assessment" means the amount each customer
45 entity must pay annually for services from the Department of
46 Management Services and includes administrative and data center
47 services costs.

48 (2) "Agency data center" means agency space containing 10
49 or more physical or logical servers.

50 (3) "Breach" has the same meaning as provided in s.
51 501.171.

52 (4) "Business continuity plan" means a collection of
53 procedures and information designed to keep an agency's critical
54 operations running during a period of displacement or
55 interruption of normal operations.

56 (5) "Cloud computing" has the same meaning as provided in
57 Special Publication 800-145 issued by the National Institute of
58 Standards and Technology.

59 (6) "Computing facility" or "agency computing facility"
60 means agency space containing fewer than a total of 10 physical
61 or logical servers, but excluding single, logical-server
62 installations that exclusively perform a utility function such
63 as file and print servers.

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64 (7) "Customer entity" means an entity that obtains
65 services from the Department of Management Services.

66 (8) "Data" means a subset of structured information in a
67 format that allows such information to be electronically
68 retrieved and transmitted.

69 (9) "Data governance" means the practice of organizing,
70 classifying, securing, and implementing policies, procedures,
71 and standards for the effective use of an organization's data.

72 (10) "Department" means the Department of Management
73 Services.

74 (11)~~(10)~~ "Disaster recovery" means the process, policies,
75 procedures, and infrastructure related to preparing for and
76 implementing recovery or continuation of an agency's vital
77 technology infrastructure after a natural or human-induced
78 disaster.

79 (12) "Electronic" means technology having electrical,
80 digital, magnetic, wireless, optical, electromagnetic, or
81 similar capabilities.

82 (13) "Electronic credential" means an electronic
83 representation of the identity of a person, an organization, an
84 application, or a device.

85 (14) "Enterprise" means state agencies and the Department
86 of Legal Affairs, the Department of Financial Services, and the
87 Department of Agriculture and Consumer Services.

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88 (15) "Enterprise architecture" means a comprehensive
89 operational framework that contemplates the needs and assets of
90 the enterprise to support interoperability.

91 ~~(16)-(11)~~ "Enterprise information technology service" means
92 an information technology service that is used in all agencies
93 or a subset of agencies and is established in law to be
94 designed, delivered, and managed at the enterprise level.

95 ~~(17)-(12)~~ "Event" means an observable occurrence in a
96 system or network.

97 ~~(18)-(13)~~ "Incident" means a violation or imminent threat
98 of violation, whether such violation is accidental or
99 deliberate, of information technology resources, security,
100 policies, or practices. An imminent threat of violation refers
101 to a situation in which the state agency has a factual basis for
102 believing that a specific incident is about to occur.

103 ~~(19)-(14)~~ "Information technology" means equipment,
104 hardware, software, firmware, programs, systems, networks,
105 infrastructure, media, and related material used to
106 automatically, electronically, and wirelessly collect, receive,
107 access, transmit, display, store, record, retrieve, analyze,
108 evaluate, process, classify, manipulate, manage, assimilate,
109 control, communicate, exchange, convert, converge, interface,
110 switch, or disseminate information of any kind or form.

111 ~~(20)-(15)~~ "Information technology policy" means a definite
112 course or method of action selected from among one or more

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113 alternatives that guide and determine present and future
114 decisions.

115 (21)-(16) "Information technology resources" has the same
116 meaning as provided in s. 119.011.

117 (22)-(17) "Information technology security" means the
118 protection afforded to an automated information system in order
119 to attain the applicable objectives of preserving the integrity,
120 availability, and confidentiality of data, information, and
121 information technology resources.

122 (23) "Interoperability" means the technical ability to
123 share and use data across and throughout the enterprise.

124 (24)-(18) "Open data" means data collected or created by a
125 state agency, the Department of Legal Affairs, the Department of
126 Financial Services, and the Department of Agriculture and
127 Consumer Services, and structured in a way that enables the data
128 to be fully discoverable and usable by the public. The term does
129 not include data that are restricted from public disclosure
130 ~~distribution~~ based on federal or state ~~privacy, confidentiality,~~
131 ~~and security~~ laws and regulations, including, but not limited
132 to, those related to privacy, confidentiality, security,
133 personal health, business or trade secret information, and
134 exemptions from state public records laws; or data for which a
135 state agency, the Department of Legal Affairs, the Department of
136 Financial Services, or the Department of Agriculture and

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137 Consumer Services is statutorily authorized to assess a fee for
138 its distribution.

139 ~~(25)-(19)~~ "Performance metrics" means the measures of an
140 organization's activities and performance.

141 ~~(26)-(20)~~ "Project" means an endeavor that has a defined
142 start and end point; is undertaken to create or modify a unique
143 product, service, or result; and has specific objectives that,
144 when attained, signify completion.

145 ~~(27)-(21)~~ "Project oversight" means an independent review
146 and analysis of an information technology project that provides
147 information on the project's scope, completion timeframes, and
148 budget and that identifies and quantifies issues or risks
149 affecting the successful and timely completion of the project.

150 ~~(28)-(22)~~ "Risk assessment" means the process of
151 identifying security risks, determining their magnitude, and
152 identifying areas needing safeguards.

153 ~~(29)-(23)~~ "Service level" means the key performance
154 indicators (KPI) of an organization or service which must be
155 regularly performed, monitored, and achieved.

156 ~~(30)-(24)~~ "Service-level agreement" means a written
157 contract between the Department of Management Services and a
158 customer entity which specifies the scope of services provided,
159 service level, the duration of the agreement, the responsible
160 parties, and service costs. A service-level agreement is not a
161 rule pursuant to chapter 120.

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162 ~~(31)-(25)~~ "Stakeholder" means a person, group,
163 organization, or state agency involved in or affected by a
164 course of action.

165 ~~(32)-(26)~~ "Standards" means required practices, controls,
166 components, or configurations established by an authority.

167 ~~(33)-(27)~~ "State agency" means any official, officer,
168 commission, board, authority, council, committee, or department
169 of the executive branch of state government; the Justice
170 Administrative Commission; and the Public Service Commission.
171 The term does not include university boards of trustees or state
172 universities. As used in part I of this chapter, except as
173 otherwise specifically provided, the term does not include the
174 Department of Legal Affairs, the Department of Agriculture and
175 Consumer Services, or the Department of Financial Services.

176 ~~(34)-(28)~~ "SUNCOM Network" means the state enterprise
177 telecommunications system that provides all methods of
178 electronic or optical telecommunications beyond a single
179 building or contiguous building complex and used by entities
180 authorized as network users under this part.

181 ~~(35)-(29)~~ "Telecommunications" means the science and
182 technology of communication at a distance, including electronic
183 systems used in the transmission or reception of information.

184 ~~(36)-(30)~~ "Threat" means any circumstance or event that has
185 the potential to adversely impact a state agency's operations or
186 assets through an information system via unauthorized access,

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187 destruction, disclosure, or modification of information or
188 denial of service.

189 ~~(37)-(31)~~ "Variance" means a calculated value that
190 illustrates how far positive or negative a projection has
191 deviated when measured against documented estimates within a
192 project plan.

193 Section 4. Section 282.0051, Florida Statutes, is amended
194 to read:

195 282.0051 Department of Management Services; Florida
196 Digital Service; powers, duties, and functions.-

197 (1) The Florida Digital Service has been created within
198 the department to propose innovative solutions that securely
199 modernize state government, including technology and information
200 services, to achieve value through digital transformation and
201 interoperability, and to fully support the cloud-first policy as
202 specified in s. 282.206. The department, through the Florida
203 Digital Service, shall have the following powers, duties, and
204 functions:

205 (a)~~(1)~~ Develop and publish information technology policy
206 for the management of the state's information technology
207 resources.

208 (b)~~(2)~~ Develop an enterprise architecture that:

209 1. Acknowledges the unique needs of the entities within
210 the enterprise in the development and publication of standards
211 and terminologies to facilitate digital interoperability;

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212 2. Supports the cloud-first policy as specified in s.
213 282.206; and

214 3. Addresses how information technology infrastructure may
215 be modernized to achieve cloud-first objectives ~~Establish and~~
216 ~~publish information technology architecture standards to provide~~
217 ~~for the most efficient use of the state's information technology~~
218 ~~resources and to ensure compatibility and alignment with the~~
219 ~~needs of state agencies. The department shall assist state~~
220 ~~agencies in complying with the standards.~~

221 (c)(3) Establish project management and oversight
222 standards with which state agencies must comply when
223 implementing information technology projects. The department,
224 acting through the Florida Digital Service, shall provide
225 training opportunities to state agencies to assist in the
226 adoption of the project management and oversight standards. To
227 support data-driven decisionmaking, the standards must include,
228 but are not limited to:

229 1.(a) Performance measurements and metrics that
230 objectively reflect the status of an information technology
231 project based on a defined and documented project scope, cost,
232 and schedule.

233 2.(b) Methodologies for calculating acceptable variances
234 in the projected versus actual scope, schedule, or cost of an
235 information technology project.

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236 ~~3.(e)~~ Reporting requirements, including requirements
237 designed to alert all defined stakeholders that an information
238 technology project has exceeded acceptable variances defined and
239 documented in a project plan.

240 ~~4.(d)~~ Content, format, and frequency of project updates.

241 ~~(d)(4)~~ Perform project oversight on all state agency
242 information technology projects that have total project costs of
243 \$10 million or more and that are funded in the General
244 Appropriations Act or any other law. The department, acting
245 through the Florida Digital Service, shall report at least
246 quarterly to the Executive Office of the Governor, the President
247 of the Senate, and the Speaker of the House of Representatives
248 on any information technology project that the department
249 identifies as high-risk due to the project exceeding acceptable
250 variance ranges defined and documented in a project plan. The
251 report must include a risk assessment, including fiscal risks,
252 associated with proceeding to the next stage of the project, and
253 a recommendation for corrective actions required, including
254 suspension or termination of the project.

255 ~~(e)(5)~~ Identify opportunities for standardization and
256 consolidation of information technology services that support
257 interoperability and the cloud-first policy, as specified in s.
258 282.206, and business functions and operations, including
259 administrative functions such as purchasing, accounting and
260 reporting, cash management, and personnel, and that are common

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261 across state agencies. The department, acting through the
262 Florida Digital Service, shall biennially on January 1 of each
263 even-numbered year ~~April 1~~ provide recommendations for
264 standardization and consolidation to the Executive Office of the
265 Governor, the President of the Senate, and the Speaker of the
266 House of Representatives.

267 (f)~~(6)~~ Establish best practices for the procurement of
268 information technology products and cloud-computing services in
269 order to reduce costs, increase the quality of data center
270 services, or improve government services.

271 (g)~~(7)~~ Develop standards for information technology
272 reports and updates, including, but not limited to, operational
273 work plans, project spend plans, and project status reports, for
274 use by state agencies.

275 (h)~~(8)~~ Upon request, assist state agencies in the
276 development of information technology-related legislative budget
277 requests.

278 (i)~~(9)~~ Conduct annual assessments of state agencies to
279 determine compliance with all information technology standards
280 and guidelines developed and published by the department and
281 provide results of the assessments to the Executive Office of
282 the Governor, the President of the Senate, and the Speaker of
283 the House of Representatives.

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284 (j)~~(10)~~ Provide operational management and oversight of
285 the state data center established pursuant to s. 282.201, which
286 includes:

287 1.~~(a)~~ Implementing industry standards and best practices
288 for the state data center's facilities, operations, maintenance,
289 planning, and management processes.

290 2.~~(b)~~ Developing and implementing cost-recovery mechanisms
291 that recover the full direct and indirect cost of services
292 through charges to applicable customer entities. Such cost-
293 recovery mechanisms must comply with applicable state and
294 federal regulations concerning distribution and use of funds and
295 must ensure that, for any fiscal year, no service or customer
296 entity subsidizes another service or customer entity. The
297 Florida Digital Service may recommend other payment mechanisms
298 to the Executive Office of the Governor, the President of the
299 Senate, and the Speaker of the House of Representatives. Such
300 mechanism may be implemented only if specifically authorized by
301 the Legislature.

302 3.~~(c)~~ Developing and implementing appropriate operating
303 guidelines and procedures necessary for the state data center to
304 perform its duties pursuant to s. 282.201. The guidelines and
305 procedures must comply with applicable state and federal laws,
306 regulations, and policies and conform to generally accepted
307 governmental accounting and auditing standards. The guidelines
308 and procedures must include, but need not be limited to:

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309 ~~a.1.~~ Implementing a consolidated administrative support
310 structure responsible for providing financial management,
311 procurement, transactions involving real or personal property,
312 human resources, and operational support.

313 ~~b.2.~~ Implementing an annual reconciliation process to
314 ensure that each customer entity is paying for the full direct
315 and indirect cost of each service as determined by the customer
316 entity's use of each service.

317 ~~c.3.~~ Providing rebates that may be credited against future
318 billings to customer entities when revenues exceed costs.

319 ~~d.4.~~ Requiring customer entities to validate that
320 sufficient funds exist in the appropriate data processing
321 appropriation category or will be transferred into the
322 appropriate data processing appropriation category before
323 implementation of a customer entity's request for a change in
324 the type or level of service provided, if such change results in
325 a net increase to the customer entity's cost for that fiscal
326 year.

327 ~~e.5.~~ By November 15 of each year, providing to the Office
328 of Policy and Budget in the Executive Office of the Governor and
329 to the chairs of the legislative appropriations committees the
330 projected costs of providing data center services for the
331 following fiscal year.

332 ~~f.6.~~ Providing a plan for consideration by the Legislative
333 Budget Commission if the cost of a service is increased for a

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334 reason other than a customer entity's request made pursuant to
335 sub-subparagraph d. subparagraph 4. Such a plan is required only
336 if the service cost increase results in a net increase to a
337 customer entity for that fiscal year.

338 g.7. Standardizing and consolidating procurement and
339 contracting practices.

340 4.(d) In collaboration with the Department of Law
341 Enforcement, developing and implementing a process for
342 detecting, reporting, and responding to information technology
343 security incidents, breaches, and threats.

344 5.(e) Adopting rules relating to the operation of the
345 state data center, including, but not limited to, budgeting and
346 accounting procedures, cost-recovery methodologies, and
347 operating procedures.

348 (k) Conduct a market analysis not less frequently than
349 every 3 years beginning in 2021 to determine whether the
350 information technology resources within the enterprise are
351 utilized in the most cost-effective and cost-efficient manner,
352 while recognizing that the replacement of certain legacy
353 information technology systems within the enterprise may be cost
354 prohibitive or cost inefficient due to the remaining useful life
355 of those resources; whether the enterprise is complying with the
356 cloud-first policy specified in s. 282.206; and whether the
357 enterprise is utilizing best practices with respect to
358 information technology, information services, and the

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359 acquisition of emerging technologies and information services.
360 Each market analysis shall be used to prepare a strategic plan
361 for continued and future information technology and information
362 services for the enterprise, including, but not limited to,
363 proposed acquisition of new services or technologies and
364 approaches to the implementation of any new services or
365 technologies. Copies of each market analysis and accompanying
366 strategic plan must be submitted to the Executive Office of the
367 Governor, the President of the Senate, and the Speaker of the
368 House of Representatives not later than December 31 of each year
369 that a market analysis is conducted.

370 ~~(f) Conducting an annual market analysis to determine~~
371 ~~whether the state's approach to the provision of data center~~
372 ~~services is the most effective and cost-efficient manner by~~
373 ~~which its customer entities can acquire such services, based on~~
374 ~~federal, state, and local government trends; best practices in~~
375 ~~service provision; and the acquisition of new and emerging~~
376 ~~technologies. The results of the market analysis shall assist~~
377 ~~the state data center in making adjustments to its data center~~
378 ~~service offerings.~~

379 (1)(11) Recommend other information technology services
380 that should be designed, delivered, and managed as enterprise
381 information technology services. Recommendations must include
382 the identification of existing information technology resources
383 associated with the services, if existing services must be

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384 transferred as a result of being delivered and managed as
385 enterprise information technology services.

386 ~~(m)-(12)~~ In consultation with state agencies, propose a
387 methodology and approach for identifying and collecting both
388 current and planned information technology expenditure data at
389 the state agency level.

390 ~~(n)1.(13)(a)~~ Notwithstanding any other law, provide
391 project oversight on any information technology project of the
392 Department of Financial Services, the Department of Legal
393 Affairs, and the Department of Agriculture and Consumer Services
394 which has a total project cost of \$25 million or more and which
395 impacts one or more other agencies. Such information technology
396 projects must also comply with the applicable information
397 technology architecture, project management and oversight, and
398 reporting standards established by the department, acting
399 through the Florida Digital Service.

400 ~~2.(b)~~ When performing the project oversight function
401 specified in subparagraph 1. paragraph (a), report at least
402 quarterly to the Executive Office of the Governor, the President
403 of the Senate, and the Speaker of the House of Representatives
404 on any information technology project that the department,
405 acting through the Florida Digital Service, identifies as high-
406 risk due to the project exceeding acceptable variance ranges
407 defined and documented in the project plan. The report shall
408 include a risk assessment, including fiscal risks, associated

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409 with proceeding to the next stage of the project and a
410 recommendation for corrective actions required, including
411 suspension or termination of the project.

412 ~~(o)-(14)~~ If an information technology project implemented
413 by a state agency must be connected to or otherwise accommodated
414 by an information technology system administered by the
415 Department of Financial Services, the Department of Legal
416 Affairs, or the Department of Agriculture and Consumer Services,
417 consult with these departments regarding the risks and other
418 effects of such projects on their information technology systems
419 and work cooperatively with these departments regarding the
420 connections, interfaces, timing, or accommodations required to
421 implement such projects.

422 ~~(p)-(15)~~ If adherence to standards or policies adopted by
423 or established pursuant to this section causes conflict with
424 federal regulations or requirements imposed on an entity within
425 the enterprise ~~a state agency~~ and results in adverse action
426 against an entity ~~the state agency~~ or federal funding, work with
427 the entity ~~state agency~~ to provide alternative standards,
428 policies, or requirements that do not conflict with the federal
429 regulation or requirement. The department, acting through the
430 Florida Digital Service, shall annually report such alternative
431 standards to the Executive Office of the Governor, the President
432 of the Senate, and the Speaker of the House of Representatives.

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433 ~~(q) 1. (16) (a)~~ Establish an information technology policy
434 for all information technology-related state contracts,
435 including state term contracts for information technology
436 commodities, consultant services, and staff augmentation
437 services. The information technology policy must include:
438 ~~a. 1.~~ Identification of the information technology product
439 and service categories to be included in state term contracts.
440 ~~b. 2.~~ Requirements to be included in solicitations for
441 state term contracts.
442 ~~c. 3.~~ Evaluation criteria for the award of information
443 technology-related state term contracts.
444 ~~d. 4.~~ The term of each information technology-related state
445 term contract.
446 ~~e. 5.~~ The maximum number of vendors authorized on each
447 state term contract.
448 ~~2. (b)~~ Evaluate vendor responses for information
449 technology-related state term contract solicitations and
450 invitations to negotiate.
451 ~~3. (e)~~ Answer vendor questions on information technology-
452 related state term contract solicitations.
453 ~~4. (d)~~ Ensure that the information technology policy
454 established pursuant to subparagraph 1. ~~paragraph (a)~~ is
455 included in all solicitations and contracts that are
456 administratively executed by the department.

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457 (r) ~~(17)~~ Recommend potential methods for standardizing data
458 across state agencies which will promote interoperability and
459 reduce the collection of duplicative data.

460 (s) ~~(18)~~ Recommend open data technical standards and
461 terminologies for use by the enterprise state agencies.

462 (t) Ensure that enterprise information technology
463 solutions are capable of utilizing an electronic credential and
464 comply with the enterprise architecture standards.

465 (2) (a) The Secretary of Management Services shall
466 designate a state chief information officer, who shall
467 administer the Florida Digital Service. The state chief
468 information officer, prior to appointment, must have at least 5
469 years of experience in the development of information system
470 strategic planning and development or information technology
471 policy, and, preferably, have leadership-level experience in the
472 design, development, and deployment of interoperable software
473 and data solutions.

474 (b) The state chief information officer, in consultation
475 with the Secretary of Management Services, shall designate a
476 state chief data officer. The chief data officer must be a
477 proven and effective administrator who must have significant and
478 substantive experience in data management, data governance,
479 interoperability, and security.

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480 (3) The department, acting through the Florida Digital
481 Service and from funds appropriated to the Florida Digital
482 Service, shall:

483 (a) Create, not later than October 1, 2021, and maintain a
484 comprehensive indexed data catalog in collaboration with the
485 enterprise that lists the data elements housed within the
486 enterprise and the legacy system or application in which these
487 data elements are located. The data catalog must, at a minimum,
488 specifically identify all data that is restricted from public
489 disclosure based on federal or state laws and regulations and
490 require that all such information be protected in accordance
491 with s. 282.318.

492 (b) Develop and publish, not later than October 1, 2021,
493 in collaboration with the enterprise, a data dictionary for each
494 agency that reflects the nomenclature in the comprehensive
495 indexed data catalog.

496 (c) Adopt, by rule, standards that support the creation
497 and deployment of an application programming interface to
498 facilitate integration throughout the enterprise.

499 (d) Adopt, by rule, standards necessary to facilitate a
500 secure ecosystem of data interoperability that is compliant with
501 the enterprise architecture.

502 (e) Adopt, by rule, standards that facilitate the
503 deployment of applications or solutions to the existing
504 enterprise system in a controlled and phased approach.

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505 (f) After submission of documented use cases developed in
506 conjunction with the affected agencies, assist the affected
507 agencies with the deployment, contingent upon a specific
508 appropriation therefor, of new interoperable applications and
509 solutions:

510 1. For the Department of Health, the Agency for Health
511 Care Administration, the Agency for Persons with Disabilities,
512 the Department of Education, the Department of Elderly Affairs,
513 and the Department of Children and Families.

514 2. To support military members, veterans, and their
515 families.

516 (4) Upon the adoption of the enterprise architecture
517 standards in rule, the department, acting through the Florida
518 Digital Service, may develop a process to:

519 (a) Receive written notice from the entities within the
520 enterprise of any planned procurement of an information
521 technology project that is subject to enterprise architecture
522 standards.

523 (b) Participate in the development of specifications and
524 recommend modifications to any planned procurement by state
525 agencies so that the procurement complies with the enterprise
526 architecture.

527 (5) The department, acting through the Florida Digital
528 Service, may not retrieve or disclose any data without a shared-
529 data agreement in place between the department and the

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530 enterprise entity that has primary custodial responsibility of,
531 or data-sharing responsibility for, that data.

532 (6) The department, acting through the Florida Digital
533 Service, shall adopt rules to administer this section.

534 ~~(19) Adopt rules to administer this section.~~

535 Section 5. Section 282.00515, Florida Statutes, is amended
536 to read:

537 282.00515 Duties of Cabinet agencies.—

538 (1) The Department of Legal Affairs, the Department of
539 Financial Services, and the Department of Agriculture and
540 Consumer Services shall adopt the standards established in s.
541 282.0051(1)(b), (c), and (s) and (3)(e) s. 282.0051(2), (3), and
542 ~~(7)~~ or adopt alternative standards based on best practices and
543 industry standards that allow for open data interoperability.

544 (2) If the Department of Legal Affairs, the Department of
545 Financial Services, or the Department of Agriculture and
546 Consumer Services adopts alternative standards in lieu of the
547 enterprise architecture standards adopted pursuant to s.
548 282.0051, such department must notify the Governor, the
549 President of the Senate, and the Speaker of the House of
550 Representatives in writing of the adoption of the alternative
551 standards and provide a justification for adoption of the
552 alternative standards and explain how the agency will achieve
553 open data interoperability.

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554 (3) The Department of Legal Affairs, the Department of
555 Financial Services, and the Department of Agriculture and
556 Consumer Services, and may contract with the department to
557 provide or perform any of the services and functions described
558 in s. 282.0051 ~~for the Department of Legal Affairs, the~~
559 ~~Department of Financial Services, or the Department of~~
560 ~~Agriculture and Consumer Services.~~

561 (4) (a) Nothing in this section or in s. 282.0051 requires
562 the Department of Legal Affairs, the Department of Financial
563 Services, or the Department of Agriculture and Consumer Services
564 to integrate with information technology outside its own
565 department or with the Florida Digital Service.

566 (b) The department, acting through the Florida Digital
567 Service, may not retrieve or disclose any data without a shared-
568 data agreement in place between the department and the
569 Department of Legal Affairs, the Department of Financial
570 Services, or the Department of Agriculture and Consumer
571 Services.

572 Section 6. Paragraph (a) of subsection (3), paragraphs
573 (d), (e), (g), and (j) of subsection (4), and subsection (5) of
574 section 282.318, Florida Statutes, are amended to read:

575 282.318 Security of data and information technology.—

576 (3) The department is responsible for establishing
577 standards and processes consistent with generally accepted best
578 practices for information technology security, to include

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579 | cybersecurity, and adopting rules that safeguard an agency's
580 | data, information, and information technology resources to
581 | ensure availability, confidentiality, and integrity and to
582 | mitigate risks. The department shall also:

583 | (a) Designate an employee of the Florida Digital Service
584 | as the a state chief information security officer. The state
585 | chief information security officer ~~who~~ must have experience and
586 | expertise in security and risk management for communications and
587 | information technology resources.

588 | (4) Each state agency head shall, at a minimum:

589 | (d) Conduct, and update every 3 years, a comprehensive
590 | risk assessment, which may be completed by a private sector
591 | vendor, to determine the security threats to the data,
592 | information, and information technology resources, including
593 | mobile devices and print environments, of the agency. The risk
594 | assessment must comply with the risk assessment methodology
595 | developed by the department and is confidential and exempt from
596 | s. 119.07(1), except that such information shall be available to
597 | the Auditor General, the Florida Digital Service ~~Division of~~
598 | ~~State Technology~~ within the department, the Cybercrime Office of
599 | the Department of Law Enforcement, and, for state agencies under
600 | the jurisdiction of the Governor, the Chief Inspector General.

601 | (e) Develop, and periodically update, written internal
602 | policies and procedures, which include procedures for reporting
603 | information technology security incidents and breaches to the

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604 Cybercrime Office of the Department of Law Enforcement and the
605 Florida Digital Service ~~Division of State Technology~~ within the
606 department. Such policies and procedures must be consistent with
607 the rules, guidelines, and processes established by the
608 department to ensure the security of the data, information, and
609 information technology resources of the agency. The internal
610 policies and procedures that, if disclosed, could facilitate the
611 unauthorized modification, disclosure, or destruction of data or
612 information technology resources are confidential information
613 and exempt from s. 119.07(1), except that such information shall
614 be available to the Auditor General, the Cybercrime Office of
615 the Department of Law Enforcement, the Florida Digital Service
616 ~~Division of State Technology~~ within the department, and, for
617 state agencies under the jurisdiction of the Governor, the Chief
618 Inspector General.

619 (g) Ensure that periodic internal audits and evaluations
620 of the agency's information technology security program for the
621 data, information, and information technology resources of the
622 agency are conducted. The results of such audits and evaluations
623 are confidential information and exempt from s. 119.07(1),
624 except that such information shall be available to the Auditor
625 General, the Cybercrime Office of the Department of Law
626 Enforcement, the Florida Digital Service ~~Division of State~~
627 ~~Technology~~ within the department, and, for agencies under the
628 jurisdiction of the Governor, the Chief Inspector General.

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629 (j) Develop a process for detecting, reporting, and
630 responding to threats, breaches, or information technology
631 security incidents which is consistent with the security rules,
632 guidelines, and processes established by the department Agency
633 ~~for State Technology~~.

634 1. All information technology security incidents and
635 breaches must be reported to the Florida Digital Service
636 ~~Division of State Technology~~ within the department and the
637 Cybercrime Office of the Department of Law Enforcement and must
638 comply with the notification procedures and reporting timeframes
639 established pursuant to paragraph (3) (c).

640 2. For information technology security breaches, state
641 agencies shall provide notice in accordance with s. 501.171.

642 3. Records held by a state agency which identify
643 detection, investigation, or response practices for suspected or
644 confirmed information technology security incidents, including
645 suspected or confirmed breaches, are confidential and exempt
646 from s. 119.07(1) and s. 24(a), Art. I of the State
647 Constitution, if the disclosure of such records would facilitate
648 unauthorized access to or the unauthorized modification,
649 disclosure, or destruction of:

650 a. Data or information, whether physical or virtual; or

651 b. Information technology resources, which includes:

652 (I) Information relating to the security of the agency's
653 technologies, processes, and practices designed to protect

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654 networks, computers, data processing software, and data from
655 attack, damage, or unauthorized access; or

656 (II) Security information, whether physical or virtual,
657 which relates to the agency's existing or proposed information
658 technology systems.

659

660 Such records shall be available to the Auditor General, the
661 Florida Digital Service ~~Division of State Technology~~ within the
662 department, the Cybercrime Office of the Department of Law
663 Enforcement, and, for state agencies under the jurisdiction of
664 the Governor, the Chief Inspector General. Such records may be
665 made available to a local government, another state agency, or a
666 federal agency for information technology security purposes or
667 in furtherance of the state agency's official duties. This
668 exemption applies to such records held by a state agency before,
669 on, or after the effective date of this exemption. This
670 subparagraph is subject to the Open Government Sunset Review Act
671 in accordance with s. 119.15 and shall stand repealed on October
672 2, 2021, unless reviewed and saved from repeal through
673 reenactment by the Legislature.

674 (5) The portions of risk assessments, evaluations,
675 external audits, and other reports of a state agency's
676 information technology security program for the data,
677 information, and information technology resources of the state
678 agency which are held by a state agency are confidential and

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679 exempt from s. 119.07(1) and s. 24(a), Art. I of the State
680 Constitution if the disclosure of such portions of records would
681 facilitate unauthorized access to or the unauthorized
682 modification, disclosure, or destruction of:

683 (a) Data or information, whether physical or virtual; or

684 (b) Information technology resources, which include:

685 1. Information relating to the security of the agency's
686 technologies, processes, and practices designed to protect
687 networks, computers, data processing software, and data from
688 attack, damage, or unauthorized access; or

689 2. Security information, whether physical or virtual,
690 which relates to the agency's existing or proposed information
691 technology systems.

692

693 Such portions of records shall be available to the Auditor
694 General, the Cybercrime Office of the Department of Law
695 Enforcement, the Florida Digital Service ~~Division of State~~
696 ~~Technology~~ within the department, and, for agencies under the
697 jurisdiction of the Governor, the Chief Inspector General. Such
698 portions of records may be made available to a local government,
699 another state agency, or a federal agency for information
700 technology security purposes or in furtherance of the state
701 agency's official duties. For purposes of this subsection,
702 "external audit" means an audit that is conducted by an entity
703 other than the state agency that is the subject of the audit.

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704 This exemption applies to such records held by a state agency
705 before, on, or after the effective date of this exemption. This
706 subsection is subject to the Open Government Sunset Review Act
707 in accordance with s. 119.15 and shall stand repealed on October
708 2, 2021, unless reviewed and saved from repeal through
709 reenactment by the Legislature.

710 Section 7. Subsection (4) of section 287.0591, Florida
711 Statutes, is amended to read:

712 287.0591 Information technology.—

713 (4) If the department issues a competitive solicitation
714 for information technology commodities, consultant services, or
715 staff augmentation contractual services, the Florida Digital
716 Service Division of State Technology within the department shall
717 participate in such solicitations.

718 Section 8. Paragraph (a) of subsection (3) of section
719 365.171, Florida Statutes, is amended to read:

720 365.171 Emergency communications number E911 state plan.—

721 (3) DEFINITIONS.—As used in this section, the term:

722 (a) "Office" means the Division of Telecommunications
723 ~~State Technology~~ within the Department of Management Services,
724 as designated by the secretary of the department.

725 Section 9. Paragraph (s) of subsection (3) of section
726 365.172, Florida Statutes, is amended to read:

727 365.172 Emergency communications number "E911."—

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728 (3) DEFINITIONS.—Only as used in this section and ss.
729 365.171, 365.173, 365.174, and 365.177, the term:

730 (s) "Office" means the Division of Telecommunications
731 ~~State Technology~~ within the Department of Management Services,
732 as designated by the secretary of the department.

733 Section 10. Paragraph (a) of subsection (1) of section
734 365.173, Florida Statutes, is amended to read:

735 365.173 Communications Number E911 System Fund.—

736 (1) REVENUES.—

737 (a) Revenues derived from the fee levied on subscribers
738 under s. 365.172(8) must be paid by the board into the State
739 Treasury on or before the 15th day of each month. Such moneys
740 must be accounted for in a special fund to be designated as the
741 Emergency Communications Number E911 System Fund, a fund created
742 in the Division of Telecommunications ~~State Technology~~, or other
743 office as designated by the Secretary of Management Services.

744 Section 11. Subsection (5) of section 943.0415, Florida
745 Statutes, is amended to read:

746 943.0415 Cybercrime Office.—There is created within the
747 Department of Law Enforcement the Cybercrime Office. The office
748 may:

749 (5) Consult with the Florida Digital Service ~~Division of~~
750 ~~State Technology~~ within the Department of Management Services in
751 the adoption of rules relating to the information technology
752 security provisions in s. 282.318.

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753 Section 12. Effective January 1, 2021, section 559.952,
754 Florida Statutes, is created to read:

755 559.952 Financial Technology Sandbox.-

756 (1) SHORT TITLE.-This section may be cited as the
757 "Financial Technology Sandbox."

758 (2) CREATION OF THE FINANCIAL TECHNOLOGY SANDBOX.-There is
759 created the Financial Technology Sandbox within the Office of
760 Financial Regulation to allow financial technology innovators to
761 test new products and services in a supervised, flexible
762 regulatory sandbox using exceptions to specified general law and
763 waivers of the corresponding rule requirements under defined
764 conditions. The creation of a supervised, flexible regulatory
765 sandbox provides a welcoming business environment for technology
766 innovators and may lead to significant business growth.

767 (3) DEFINITIONS.-As used in this section, the term:

768 (a) "Business entity" means a domestic corporation or
769 other organized domestic entity with a physical presence, other
770 than that of a registered office or agent or virtual mailbox, in
771 this state.

772 (b) "Commission" means the Financial Services Commission.

773 (c) "Consumer" means a person in this state, whether a
774 natural person or a business organization, who purchases, uses,
775 receives, or enters into an agreement to purchase, use, or
776 receive an innovative financial product or service made
777 available through the Financial Technology Sandbox.

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778 (d) "Control person" means an individual, a partnership, a
779 corporation, a trust, or other organization that possesses the
780 power, directly or indirectly, to direct the management or
781 policies of a company, whether through ownership of securities,
782 by contract, or through other means. A person is presumed to
783 control a company if, with respect to a particular company, that
784 person:

785 1. Is a director, a general partner, or an officer
786 exercising executive responsibility or having similar status or
787 functions;

788 2. Directly or indirectly may vote 10 percent or more of a
789 class of a voting security or sell or direct the sale of 10
790 percent or more of a class of voting securities; or

791 3. In the case of a partnership, may receive upon
792 dissolution or has contributed 10 percent or more of the
793 capital.

794 (e) "Corresponding rule requirements" means the commission
795 rules, or portions thereof, which implement the general laws
796 enumerated in paragraph (4) (a).

797 (f) "Financial product or service" means a product or
798 service related to a consumer finance loan, as defined in s.
799 516.01, or a money transmitter or payment instrument seller, as
800 those terms are defined in s. 560.103, including mediums of
801 exchange that are in electronic or digital form, which is
802 subject to the general laws enumerated in paragraph (4) (a) and

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803 corresponding rule requirements and which is under the
804 jurisdiction of the office.

805 (g) "Financial Technology Sandbox" means the program
806 created by this section which allows a licensee to make an
807 innovative financial product or service available to consumers
808 during a sandbox period through exceptions to general laws and
809 waivers of corresponding rule requirements.

810 (h) "Innovative" means new or emerging technology, or new
811 uses of existing technology, which provide a product, service,
812 business model, or delivery mechanism to the public and which
813 are not known to have a comparable offering in this state
814 outside the Financial Technology Sandbox.

815 (i) "Licensee" means a business entity that has been
816 approved by the office to participate in the Financial
817 Technology Sandbox.

818 (j) "Office" means, unless the context clearly indicates
819 otherwise, the Office of Financial Regulation.

820 (k) "Sandbox period" means the initial 24-month period in
821 which the office has authorized a licensee to make an innovative
822 financial product or service available to consumers, and any
823 extension granted pursuant to subsection (7).

824 (4) EXCEPTIONS TO GENERAL LAW AND WAIVERS OF RULE
825 REQUIREMENTS.—

826 (a) Notwithstanding any other law, upon approval of a
827 Financial Technology Sandbox application, the following

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828 provisions and corresponding rule requirements are not
829 applicable to the licensee during the sandbox period:

830 1. Section 516.03(1), except for the application fee, the
831 investigation fee, the requirement to provide the social
832 security numbers of control persons, evidence of liquid assets
833 of at least \$25,000, and the office's authority to investigate
834 the applicant's background. The office may prorate the license
835 renewal fee for an extension granted under subsection (7).

836 2. Section 516.05(1) and (2), except that the office shall
837 investigate the applicant's background.

838 3. Section 560.109, only to the extent that the section
839 requires the office to examine a licensee at least once every 5
840 years.

841 4. Section 560.118(2).

842 5. Section 560.125(1), only to the extent that subsection
843 would prohibit a licensee from engaging in the business of a
844 money transmitter or payment instrument seller during the
845 sandbox period.

846 6. Section 560.125(2), only to the extent that subsection
847 would prohibit a licensee from appointing an authorized vendor
848 during the sandbox period. Any authorized vendor of such a
849 licensee during the sandbox period remains liable to the holder
850 or remitter.

851 7. Section 560.128.

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852 8. Section 560.141, except for s. 560.141(1)(a)1., 3., 7.-
853 10. and (b), (c), and (d).

854 9. Section 560.142(1) and (2), except that the office may
855 prorate, but may not entirely eliminate, the license renewal
856 fees in s. 560.143 for an extension granted under subsection
857 (7).

858 10. Section 560.143(2), only to the extent necessary for
859 proration of the renewal fee under subparagraph 9.

860 11. Section 560.204(1), only to the extent that subsection
861 would prohibit a licensee from engaging in, or advertising that
862 it engages in, the selling or issuing of payment instruments or
863 in the activity of a money transmitter during the sandbox
864 period.

865 12. Section 560.205(2).

866 13. Section 560.208(2).

867 14. Section 560.209, only to the extent that the office
868 may modify, but may not entirely eliminate, the net worth,
869 corporate surety bond, and collateral deposit amounts required
870 under that section. The modified amounts must be in such lower
871 amounts that the office determines to be commensurate with the
872 factors under paragraph (5)(c) and the maximum number of
873 consumers authorized to receive the financial product or service
874 under this section.

875 (b) The office may approve a Financial Technology Sandbox
876 application if one or more of the general laws enumerated in

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877 paragraph (a) currently prevent the innovative financial product
878 or service from being made available to consumers and if all
879 other requirements of this section are met.

880 (c) A licensee may conduct business through electronic
881 means, including through the Internet or a software application.

882 (5) FINANCIAL TECHNOLOGY SANDBOX APPLICATION; STANDARDS
883 FOR APPROVAL.—

884 (a) Before filing an application for licensure under this
885 section, a substantially affected person may seek a declaratory
886 statement pursuant to s. 120.565 regarding the applicability of
887 a statute, a rule, or an agency order to the petitioner's
888 particular set of circumstances or a variance or waiver of a
889 rule pursuant to s. 120.542.

890 (b) Before making an innovative financial product or
891 service available to consumers in the Financial Technology
892 Sandbox, a business entity must file with the office an
893 application for licensure under the Financial Technology
894 Sandbox. The commission shall, by rule, prescribe the form and
895 manner of the application and how the office will evaluate and
896 apply each of the factors specified in paragraph (c).

897 1. The application must specify each general law
898 enumerated in paragraph (4) (a) which currently prevents the
899 innovative financial product or service from being made
900 available to consumers and the reasons why those provisions of

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901 general law prevent the innovative financial product or service
902 from being made available to consumers.

903 2. The application must contain sufficient information for
904 the office to evaluate the factors specified in paragraph (c).

905 3. An application submitted on behalf of a business entity
906 must include evidence that the business entity has authorized
907 the person to submit the application on behalf of the business
908 entity intending to make an innovative financial product or
909 service available to consumers.

910 4. The application must specify the maximum number of
911 consumers, which may not exceed the number of consumers
912 specified in paragraph (f), to whom the applicant proposes to
913 provide the innovative financial product or service.

914 5. The application must include a proposed draft of the
915 statement or statements meeting the requirements of paragraph
916 (6) (b) which the applicant proposes to provide to consumers.

917 (c) The office shall approve or deny in writing a
918 Financial Technology Sandbox application within 60 days after
919 receiving the completed application. The office and the
920 applicant may jointly agree to extend the time beyond 60 days.
921 Consistent with this section, the office may impose conditions
922 on any approval. In deciding whether to approve or deny an
923 application for licensure, the office must consider each of the
924 following:

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925 1. The nature of the innovative financial product or
926 service proposed to be made available to consumers in the
927 Financial Technology Sandbox, including all relevant technical
928 details.

929 2. The potential risk to consumers and the methods that
930 will be used to protect consumers and resolve complaints during
931 the sandbox period.

932 3. The business plan proposed by the applicant, including
933 company information, market analysis, and financial projections
934 or pro forma financial statements, and evidence of the financial
935 viability of the applicant.

936 4. Whether the applicant has the necessary personnel,
937 adequate financial and technical expertise, and a sufficient
938 plan to test, monitor, and assess the innovative financial
939 product or service.

940 5. Whether any control person of the applicant, regardless
941 of adjudication, has pled no contest to, has been convicted or
942 found guilty of, or is currently under investigation for fraud,
943 a state or federal securities violation, a property-based
944 offense, or a crime involving moral turpitude or dishonest
945 dealing, in which case the application to the Financial
946 Technology Sandbox must be denied.

947 6. A copy of the disclosures that will be provided to
948 consumers under paragraph (6) (b).

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949 7. The financial responsibility of the applicant and any
950 control person, including whether the applicant or any control
951 person has a history of unpaid liens, unpaid judgments, or other
952 general history of nonpayment of legal debts, including, but not
953 limited to, having been the subject of a petition for bankruptcy
954 under the United States Bankruptcy Code within the past 7
955 calendar years.

956 8. Any other factor that the office determines to be
957 relevant.

958 (d) The office may not approve an application if:

959 1. The applicant had a prior Financial Technology Sandbox
960 application that was approved and that related to a
961 substantially similar financial product or service;

962 2. Any control person of the applicant was substantially
963 involved in the development, operation, or management with
964 another Financial Technology Sandbox applicant whose application
965 was approved and whose application related to a substantially
966 similar financial product or service; or

967 3. The applicant or any control person has failed to
968 affirmatively demonstrate financial responsibility.

969 (e) Upon approval of an application, the office shall
970 notify the licensee that the licensee is exempt from the
971 provisions of general law enumerated in paragraph (4) (a) and the
972 corresponding rule requirements during the sandbox period. The
973 office shall post on its website notice of the approval of the

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974 application, a summary of the innovative financial product or
975 service, and the contact information of the licensee.

976 (f) The office, on a case-by-case basis, shall specify the
977 maximum number of consumers authorized to receive an innovative
978 financial product or service, after consultation with the
979 Financial Technology Sandbox applicant. The office may not
980 authorize more than 15,000 consumers to receive the financial
981 product or service until the licensee has filed the first report
982 required under subsection (8). After the filing of that report,
983 if the licensee demonstrates adequate financial capitalization,
984 risk management processes, and management oversight, the office
985 may authorize up to 25,000 consumers to receive the financial
986 product or service.

987 (g) A licensee has a continuing obligation to promptly
988 inform the office of any material change to the information
989 provided under paragraph (b).

990 (6) OPERATION OF THE FINANCIAL TECHNOLOGY SANDBOX.-

991 (a) A licensee may make an innovative financial product or
992 service available to consumers during the sandbox period.

993 (b)1. Before a consumer purchases, uses, receives, or
994 enters into an agreement to purchase, use, or receive an
995 innovative financial product or service through the Financial
996 Technology Sandbox, the licensee must provide a written
997 statement of all of the following to the consumer:

998 a. The name and contact information of the licensee.

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999 b. That the financial product or service has been
1000 authorized to be made available to consumers for a temporary
1001 period by the office, under the laws of this state.

1002 c. That the state does not endorse the financial product
1003 or service.

1004 d. That the financial product or service is undergoing
1005 testing, may not function as intended, and may entail financial
1006 risk.

1007 e. That the licensee is not immune from civil liability
1008 for any losses or damages caused by the financial product or
1009 service.

1010 f. The expected end date of the sandbox period.

1011 g. The contact information for the office and notification
1012 that suspected legal violations, complaints, or other comments
1013 related to the financial product or service may be submitted to
1014 the office.

1015 h. Any other statements or disclosures required by rule of
1016 the commission which are necessary to further the purposes of
1017 this section.

1018 2. The written statement under subparagraph 1. must
1019 contain an acknowledgment from the consumer, which must be
1020 retained for the duration of the sandbox period by the licensee.

1021 (c) The office may enter into an agreement with a state,
1022 federal, or foreign regulatory agency to allow licensees under
1023 the Financial Technology Sandbox to make their products or

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1024 services available in other jurisdictions. The commission shall
1025 adopt rules to implement this paragraph.

1026 (d) The office may examine the records of a licensee at
1027 any time, with or without prior notice.

1028 (7) EXTENSION AND CONCLUSION OF SANDBOX PERIOD.-

1029 (a) A licensee may apply for one extension of the initial
1030 24-month sandbox period for 12 additional months for a purpose
1031 specified in subparagraph (b)1. or subparagraph (b)2. A complete
1032 application for an extension must be filed with the office at
1033 least 90 days before the conclusion of the initial sandbox
1034 period. The office shall approve or deny the application for
1035 extension in writing at least 35 days before the conclusion of
1036 the initial sandbox period. In determining whether to approve or
1037 deny an application for extension of the sandbox period, the
1038 office must, at a minimum, consider the current status of the
1039 factors previously considered under paragraph (5) (c).

1040 (b) An application for an extension under paragraph (a)
1041 must cite one of the following reasons as the basis for the
1042 application and must provide all relevant supporting
1043 information:

1044 1. Amendments to general law or rules are necessary to
1045 offer the innovative financial product or service in this state
1046 permanently.

1047 2. An application for a license that is required in order
1048 to offer the innovative financial product or service in this

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1049 state permanently has been filed with the office and approval is
1050 pending.

1051 (c) At least 30 days before the conclusion of the initial
1052 24-month sandbox period or the extension, whichever is later, a
1053 licensee shall provide written notification to consumers
1054 regarding the conclusion of the initial sandbox period or the
1055 extension and may not make the financial product or service
1056 available to any new consumers after the conclusion of the
1057 initial sandbox period or the extension, whichever is later,
1058 until legal authority outside of the Financial Technology
1059 Sandbox exists for the licensee to make the financial product or
1060 service available to consumers. After the conclusion of the
1061 sandbox period or the extension, whichever is later, the
1062 business entity formerly licensed under the Financial Technology
1063 Sandbox may:

1064 1. Collect and receive money owed to the business entity
1065 or pay money owed by the business entity, based on agreements
1066 with consumers made before the conclusion of the sandbox period
1067 or the extension.

1068 2. Take necessary legal action.

1069 3. Take other actions authorized by commission rule which
1070 are not inconsistent with this section.

1071 (8) REPORT.—A licensee shall submit a report to the office
1072 twice a year as prescribed by commission rule. The report must,

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1073 at a minimum, include financial reports and the number of
1074 consumers who have received the financial product or service.

1075 (9) CONSTRUCTION.—A business entity whose Financial
1076 Technology Sandbox application is approved under this section:

1077 (a) Is licensed under chapter 516, chapter 560, or both
1078 chapters 516 and 560, as applicable to the business entity's
1079 activities.

1080 (b) Is subject to any provision of chapter 516 or chapter
1081 560 not specifically excepted under paragraph (4) (a), as
1082 applicable to the business entity's activities, and must comply
1083 with such provisions.

1084 (c) May not engage in activities authorized under part III
1085 of chapter 560, notwithstanding s. 560.204(2).

1086 (10) VIOLATIONS AND PENALTIES.—

1087 (a) A licensee who makes an innovative financial product
1088 or service available to consumers in the Financial Technology
1089 Sandbox remains subject to:

1090 1. Civil damages for acts and omissions arising from or
1091 related to any innovative financial product or services provided
1092 or made available by the licensee or relating to this section.

1093 2. All criminal and consumer protection laws and any other
1094 statute not specifically excepted under paragraph (4) (a).

1095 (b)1. The office may, by order, revoke or suspend a
1096 licensee's approval to participate in the Financial Technology
1097 Sandbox if:

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1098 a. The licensee has violated or refused to comply with
1099 this section, any statute not specifically excepted under
1100 paragraph (4) (a), a rule of the commission that has not been
1101 waived, an order of the office, or a condition placed by the
1102 office on the approval of the licensee's Financial Technology
1103 Sandbox application;

1104 b. A fact or condition exists that, if it had existed or
1105 become known at the time that the Financial Technology Sandbox
1106 application was pending, would have warranted denial of the
1107 application or the imposition of material conditions;

1108 c. A material error, false statement, misrepresentation,
1109 or material omission was made in the Financial Technology
1110 Sandbox application; or

1111 d. After consultation with the licensee, the office
1112 determines that continued testing of the innovative financial
1113 product or service would:

1114 (I) Be likely to harm consumers; or

1115 (II) No longer serve the purposes of this section because
1116 of the financial or operational failure of the financial product
1117 or service.

1118 2. Written notice of a revocation or suspension order made
1119 under subparagraph 1. must be served using any means authorized
1120 by law. If the notice relates to a suspension, the notice must
1121 include any condition or remedial action that the licensee must
1122 complete before the office lifts the suspension.

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1123 (c) The office may refer any suspected violation of law to
1124 an appropriate state or federal agency for investigation,
1125 prosecution, civil penalties, and other appropriate enforcement
1126 action.

1127 (d) If service of process on a licensee is not feasible,
1128 service on the office is deemed service on the licensee.

1129 (11) RULES AND ORDERS.—

1130 (a) The commission shall adopt rules to administer this
1131 section before approving any application under this section.

1132 (b) The office may issue all necessary orders to enforce
1133 this section and may enforce these orders in accordance with
1134 chapter 120 or in any court of competent jurisdiction. These
1135 orders include, but are not limited to, orders for payment of
1136 restitution for harm suffered by consumers as a result of an
1137 innovative financial product or service.

1138 Section 13. For the 2020-2021 fiscal year, the sum of
1139 \$50,000 in nonrecurring funds is appropriated from the
1140 Administrative Trust Fund to the Office of Financial Regulation
1141 to implement s. 559.952, Florida Statutes, as created by this
1142 act.

1143 Section 14. The creation of s. 559.952, Florida Statutes,
1144 and the appropriation to implement s. 559.952, Florida Statutes,
1145 by this act shall take effect only if CS/CS/HB 1393 or similar
1146 legislation takes effect and if such legislation is adopted in

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1147 | the same legislative session or an extension thereof and becomes
1148 | a law.

1149 | Section 15. Except as otherwise expressly provided in this
1150 | act, this act shall take effect July 1, 2020.

1151 |

1152 | -----

1153 | **T I T L E A M E N D M E N T**

1154 | Remove everything before the enacting clause and insert:

1155 | A bill to be entitled

1156 | An act relating to technology innovation; amending s.
1157 | 20.22, F.S.; establishing the Florida Digital Service
1158 | and the Division of Telecommunications within the
1159 | Department of Management Services; abolishing the
1160 | Division of State Technology within the department;
1161 | amending s. 110.205, F.S.; exempting the state chief
1162 | data officer and the state chief information security
1163 | officer within the Florida Digital Service from the
1164 | Career Service System; providing for the salary and
1165 | benefits of such positions to be set by the
1166 | department; amending s. 282.0041, F.S.; defining
1167 | terms; revising the definition of the term "open
1168 | data"; amending s. 282.0051, F.S.; revising
1169 | information technology-related powers, duties, and
1170 | functions of the department acting through the Florida
1171 | Digital Service; specifying the designation of the

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1172 state chief information officer and the state chief
1173 data officer; specifying qualifications for such
1174 positions; specifying requirements, contingent upon
1175 legislative appropriation, for the department;
1176 authorizing the department to develop a certain
1177 process; prohibiting the department from retrieving or
1178 disclosing any data without a certain shared-data
1179 agreement in place; specifying rulemaking authority
1180 for the department; amending s. 282.00515, F.S.;
1181 requiring the Department of Legal Affairs, the
1182 Department of Financial Services, or the Department of
1183 Agriculture and Consumer Services to notify the
1184 Governor and the Legislature and provide a certain
1185 justification and explanation if such agency adopts
1186 alternative standards to certain enterprise
1187 architecture standards; providing construction;
1188 prohibiting the department from retrieving or
1189 disclosing any data without a certain shared-data
1190 agreement in place; conforming a cross-reference;
1191 amending ss. 282.318, 287.0591, 365.171, 365.172,
1192 365.173, and 943.0415, F.S.; conforming provisions to
1193 changes made by the act; creating s. 559.952, F.S.;
1194 providing a short title; creating the Financial
1195 Technology Sandbox within the Office of Financial
1196 Regulation; defining terms; requiring the office, if

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1197 certain conditions are met, to grant a license to a
1198 Financial Technology Sandbox applicant, grant
1199 exceptions to specified provisions of general law
1200 relating to consumer finance loans and money services
1201 businesses, and grant waivers of certain rules;
1202 authorizing a substantially affected person to seek a
1203 declaratory statement before applying to the Financial
1204 Technology Sandbox; specifying application
1205 requirements and procedures; specifying requirements
1206 and procedures for the office in reviewing and
1207 approving or denying applications; providing
1208 requirements for the office in specifying the number
1209 of the consumers authorized to receive an innovative
1210 financial product or service; specifying authorized
1211 actions of, limitations on, and requirements for
1212 licensees operating in the Financial Technology
1213 Sandbox; requiring licensees to make a specified
1214 disclosure to consumers; authorizing the office to
1215 enter into certain agreements with other regulatory
1216 agencies; authorizing the office to examine licensee
1217 records; authorizing a licensee to apply for one
1218 extension of an initial sandbox period for a certain
1219 timeframe; specifying requirements and procedures for
1220 applying for an extension; specifying requirements and
1221 procedures for, and authorized actions of, licensees

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1222 when concluding a sandbox period or extension;
1223 requiring licensees to submit certain reports to the
1224 office at specified intervals; providing construction;
1225 specifying the liability of a licensee; authorizing
1226 the office to take certain disciplinary actions
1227 against a licensee under certain circumstances;
1228 providing construction relating to service of process;
1229 specifying the rulemaking authority of the Financial
1230 Services Commission; providing the office authority to
1231 issue orders and enforce the orders; providing an
1232 appropriation; providing that specified provisions of
1233 the act are contingent upon passage of other
1234 provisions addressing public records; providing
1235 effective dates.

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