

Amendment No.1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u> </u>	(Y/N)
ADOPTED AS AMENDED	<u> </u>	(Y/N)
ADOPTED W/O OBJECTION	<u> </u>	(Y/N)
FAILED TO ADOPT	<u> </u>	(Y/N)
WITHDRAWN	<u> </u>	(Y/N)
OTHER	<u> </u>	

1 Committee/Subcommittee hearing bill: Commerce Committee
2 Representative Rommel offered the following:

Amendment (with title amendment)

Remove lines 439-1139 and insert:

the risk or returns of an investment based on appropriate investment horizons consistent with applicable investment objectives and funding policy. The term does not include the consideration or furtherance of any social, political, or ideological interests.

(b) Notwithstanding any other law except for ss. 215.472, 215.4725, and 215.473, when deciding whether to invest and when investing the assets of any fund, the State Board of Administration must make decisions based solely on pecuniary factors and may not subordinate the interests of the participants and beneficiaries of the fund to other objectives,

Amendment No.1

17 including sacrificing investment return or undertaking
18 additional investment risk to promote any nonpecuniary factor.
19 The weight given to any pecuniary factor must appropriately
20 reflect a prudent assessment of its impact on risk or returns.

21 (c) Investments made by the State Board of Administration
22 shall be designed to maximize the financial return to the fund
23 consistent with the risks incumbent in each investment and shall
24 be designed to preserve an appropriate diversification of the
25 portfolio. The board shall discharge its duties with respect to
26 a plan solely in the interest of its participants and
27 beneficiaries. The board in performing the above investment
28 duties shall comply with the fiduciary standards set forth in
29 the Employee Retirement Income Security Act of 1974 at 29 U.S.C.
30 s. 1104(a) (1) (A) through (C). Except as provided in paragraph
31 (b), in case of conflict with other provisions of law
32 authorizing investments, the investment and fiduciary standards
33 set forth in this paragraph ~~subsection~~ shall prevail.

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

36 215.475 Investment policy statement.—

37 (1) In making investments for the System Trust Fund
38 pursuant to ss. 215.44-215.53, the board shall make no
39 investment which is not in conformance with the Florida
40 Retirement System Defined Benefit Plan Investment Policy
41 Statement, hereinafter referred to as "the IPS," as developed by

Amendment No.1

42 the executive director and approved by the board. The IPS must
43 comply with s. 215.47(10) and include, among other items, the
44 investment objectives of the System Trust Fund; permitted types
45 of securities in which the board may invest; and evaluation
46 criteria necessary to measure the investment performance of the
47 fund. As required from time to time, the executive director of
48 the board may present recommended changes in the IPS to the
49 board for approval.

50 Section 10. Present paragraphs (b), (c), and (d) of
51 subsection (1) of section 215.4755, Florida Statutes, are
52 redesignated as paragraphs (c), (d), and (e), respectively, a
53 new paragraph (b) is added to that subsection, and subsection
54 (3) of that section is amended, to read:

55 215.4755 Certification and disclosure requirements for
56 investment advisers and managers.—

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

61 (b) All investment decisions made on behalf of the trust
62 funds and the board are made based solely on pecuniary factors
63 as defined in s. 215.47(10)(a) and do not subordinate the
64 interests of the participants and beneficiaries of the funds to
65 other objectives, including sacrificing investment return or
66 undertaking additional investment risk to promote any

Amendment No.1

67 nonpecuniary factor. This paragraph applies to any contract
68 executed, amended, or renewed on or after July 1, 2023.

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

73 (b) Failure to timely file the certification required
74 under subsection (1) is grounds for termination of any contract
75 between the board and the investment adviser or manager.

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

79 (d) If an investment adviser or manager fails to comply
80 with the fiduciary standard described in paragraph (1)(b) while
81 providing services to the board, the board must report such
82 noncompliance to the Attorney General, who may bring a civil or
83 administrative action for damages, injunctive relief, and such
84 other relief as may be appropriate. If such action is
85 successful, the Attorney General is entitled to reasonable
86 attorney fees and costs.

87 Section 11. Section 215.681, Florida Statutes, is created
88 to read:

89 215.681 ESG bonds; prohibitions.—

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

91 (a) "Bonds" means any note, general obligation bond,

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Amendment No.1

92 revenue bond, special assessment bond, special obligation bond,
93 private activity bond, certificate of participation, or other
94 evidence of indebtedness or obligation, in either temporary or
95 definitive form.

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

97 (c) "ESG bonds" means any bonds that have been designated
98 or labeled as bonds that will be used to finance a project with
99 an ESG purpose, including, but not limited to, green bonds,
100 Certified Climate Bonds, GreenStar designated bonds, and other
101 environmental bonds marketed as promoting an environmental
102 objective; social bonds marketed as promoting a social
103 objective; and sustainability bonds and sustainable development
104 goal bonds marketed as promoting both environmental and social
105 objectives. The term includes those bonds self-designated by the
106 issuer as ESG-labeled bonds and those designated as ESG-labeled
107 bonds by a third-party verifier.

108 (d) "Issuer" means the division, acting on behalf of any
109 entity; any local government, educational entity, or entity of
110 higher education as defined in s. 215.89(2) (c), (d), and (e),
111 respectively, or other political subdivision granted the power
112 to issue bonds; any public body corporate and politic authorized
113 or created by general or special law and granted the power to
114 issue bonds, including, but not limited to, a water and sewer
115 district created under chapter 153, a health facilities
116 authority as defined in s. 154.205, an industrial development

Amendment No.1

117 authority created under chapter 159, a housing financing
118 authority as defined in s. 159.603(3), a research and
119 development authority as defined in s. 159.702(1)(c), a legal or
120 administrative entity created by interlocal agreement pursuant
121 to s. 163.01(7), a community redevelopment agency as defined in
122 s. 163.340(1), a regional transportation authority created under
123 chapter 163, a community development district as defined in s.
124 190.003, an educational facilities authority as defined in s.
125 243.52(1), the Higher Educational Facilities Financing Authority
126 created under s. 243.53, the Florida Development Finance
127 Corporation created under s. 288.9604, a port district or port
128 authority as defined in s. 315.02(1) and (2), respectively, the
129 South Florida Regional Transportation Authority created under s.
130 343.53, the Central Florida Regional Transportation Authority
131 created under s. 343.63, the Tampa Bay Area Regional Transit
132 Authority created under s. 343.92, the Greater Miami Expressway
133 Agency created under s. 348.0304, the Tampa-Hillsborough County
134 Expressway Authority created under s. 348.52, the Central
135 Florida Expressway Authority created under s. 348.753, the
136 Jacksonville Transportation Authority created under s. 349.03,
137 and the Florida Housing Finance Corporation created under s.
138 420.504.

139 (e) "Rating agency" means any nationally recognized rating
140 service or nationally recognized statistical rating
141 organization.

485905 - h0003-line 439.docx

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Amendment No.1

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

147 (2) Notwithstanding any other provision of law relating to
148 the issuance of bonds, it is a violation of this section and it
149 is prohibited for any issuer to:

150 (a) Issue ESG bonds.

151 (b) Expend public funds as defined in s. 215.85(3) or use
152 moneys derived from the issuance of bonds to pay for the
153 services of a third-party verifier related to the designation or
154 labeling of bonds as ESG bonds, including, but not limited to,
155 certifying or verifying that bonds may be designated or labeled
156 as ESG bonds, rendering a second-party opinion or producing a
157 verifier's report as to the compliance of proposed ESG bonds
158 with applicable ESG standards and metrics, complying with post-
159 issuance reporting obligations, or other services that are only
160 provided due to the designation or labeling of bonds as ESG
161 bonds.

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

165 (3) Notwithstanding s. 655.0323, a financial institution
166 as defined in s. 655.005(1) may purchase and underwrite bonds

Amendment No.1

167 issued by a governmental entity.

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

171 Section 12. Section 215.855, Florida Statutes, is created
172 to read:

173 215.855 Investment manager external communication.-

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

175 (a) "Governmental entity" means a state, regional, county,
176 municipal, special district, or other political subdivision
177 whether executive, judicial, or legislative, including, but not
178 limited to, a department, division, board, bureau, commission,
179 authority, district, or agency thereof, or a public school,
180 Florida College System institution, state university, or
181 associated board.

182 (b) "Investment manager" means a private sector company
183 that offers one or more investment products or services to a
184 governmental entity and that has the discretionary investment
185 authority for direct holdings.

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

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

Amendment No.1

192 (a) That any written communication made by the investment
193 manager to a company in which such manager invests public funds
194 on behalf of a governmental entity must include the following
195 disclaimer in a conspicuous location if such communication
196 discusses social, political, or ideological interests;
197 subordinates the interests of the company's shareholders to the
198 interest of another entity; or advocates for the interest of an
199 entity other than the company's shareholders:

200
201 The views and opinions expressed in this communication are those
202 of the sender and do not reflect the views and opinions of the
203 people of the State of Florida.

204
205 (b) That the contract may be unilaterally terminated at
206 the option of the governmental entity if the investment manager
207 does not include the disclaimer required in paragraph (a).

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

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

213 218.415 Local government investment policies.—Investment
214 activity by a unit of local government must be consistent with a
215 written investment plan adopted by the governing body, or in the
216 absence of the existence of a governing body, the respective

Amendment No.1

217 principal officer of the unit of local government and maintained
218 by the unit of local government or, in the alternative, such
219 activity must be conducted in accordance with subsection (17).
220 Any such unit of local government shall have an investment
221 policy for any public funds in excess of the amounts needed to
222 meet current expenses as provided in subsections (1)-(16), or
223 shall meet the alternative investment guidelines contained in
224 subsection (17). Such policies shall be structured to place the
225 highest priority on the safety of principal and liquidity of
226 funds. The optimization of investment returns shall be secondary
227 to the requirements for safety and liquidity. Each unit of local
228 government shall adopt policies that are commensurate with the
229 nature and size of the public funds within its custody.

230 (24) INVESTMENT DECISIONS.-

231 (a) As used in this subsection, the term "pecuniary
232 factor" means a factor that the governing body of the unit of
233 local government, or in the absence of the existence of a
234 governing body, the respective principal officer of the unit of
235 local government, prudently determines is expected to have a
236 material effect on the risk or returns of an investment based on
237 appropriate investment horizons consistent with applicable
238 investment objectives and funding policy. The term does not
239 include the consideration or furtherance of any social,
240 political, or ideological interests.

241 (b) Notwithstanding any other law, when deciding whether

Amendment No.1

242 to invest and when investing public funds pursuant to this
243 section, the unit of local government must make decisions based
244 solely on pecuniary factors and may not subordinate the
245 interests of the people of this state to other objectives,
246 including sacrificing investment return or undertaking
247 additional investment risk to promote any nonpecuniary factor.
248 The weight given to any pecuniary factor must appropriately
249 reflect a prudent assessment of its impact on risk or returns.

250 Section 14. Present paragraphs (e) and (f) of subsection
251 (26) of section 280.02, Florida Statutes, are redesignated as
252 paragraphs (g) and (h), respectively, and new paragraphs (e) and
253 (f) are added to that subsection, to read:

254 280.02 Definitions.—As used in this chapter, the term:

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

257 (e) Makes determinations about the provision of services
258 or the denial of services based on an analysis of risk factors
259 unique to each customer or member. This paragraph does not
260 restrict a qualified public depository that claims a religious
261 purpose from making such determinations based on the religious
262 beliefs, religious exercise, or religious affiliations of a
263 customer or member.

264 (f) Does not engage in the unsafe and unsound practice of
265 denying or canceling its services to a person, or otherwise
266 discriminating against a person in making available such

Amendment No.1

267 services or in the terms or conditions of such services, on the
268 basis of:

269 1. The person's political opinions, speech, or
270 affiliations;

271 2. Except as provided in paragraph (e), the person's
272 religious beliefs, religious exercise, or religious
273 affiliations;

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

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

280 a. The person's political opinions, speech, or
281 affiliations.

282 b. The person's religious beliefs, religious exercise, or
283 religious affiliations.

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

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

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

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

Amendment No.1

292 trafficking.

293 g. The person's engagement with, facilitation of,
294 employment by, support of, business relationship with,
295 representation of, or advocacy for any person described in this
296 subparagraph.

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

300 (I) Environmental standards, including emissions
301 standards, benchmarks, requirements, or disclosures;

302 (II) Social governance standards, benchmarks, or
303 requirements, including, but not limited to, environmental or
304 social justice;

305 (III) Corporate board or company employment composition
306 standards, benchmarks, requirements, or disclosures based on
307 characteristics protected under the Florida Civil Rights Act of
308 1992; or

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

312 Section 15. Section 280.025, Florida Statutes, is created
313 to read:

314 280.025 Attestation required.—

315 (1) Beginning July 1, 2023, the following entities must
316 attest, under penalty of perjury, on a form prescribed by the

Amendment No.1

317 Chief Financial Officer, whether the entity is in compliance
318 with s. 280.02(26)(e) and (f):

319 (a) A bank, savings bank, or savings association, upon
320 application or reapplication for designation as a qualified
321 public depository.

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

324 (2) If an application or reapplication for designation as
325 a qualified public depository is pending on July 1, 2023, the
326 bank, savings bank, or savings association must file the
327 attestation required under subsection (1) before being
328 designated or redesignated a qualified public depository.

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

332 280.05 Powers and duties of the Chief Financial Officer.—
333 In fulfilling the requirements of this act, the Chief Financial
334 Officer has the power to take the following actions he or she
335 deems necessary to protect the integrity of the public deposits
336 program:

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

339 (d)1. Any related documents, reports, records, or other
340 information deemed necessary by the Chief Financial Officer in
341 order to ascertain compliance with this chapter, including, but

Amendment No.1

342 not limited to, verifying the attestation required under s.
343 280.025.

344 2. If the Chief Financial Officer determines that the
345 attestation required under s. 280.025 is materially false, he or
346 she must report such determination to the Attorney General, who
347 may bring a civil or administrative action for damages,
348 injunctive relief, and such other relief as may be appropriate.
349 If such action is successful, the Attorney General is entitled
350 to reasonable attorney fees and costs.

351 3. As related to federally chartered financial
352 institutions, this paragraph may not be construed to create a
353 power exceeding the visitorial powers of the Chief Financial
354 Officer allowed under federal law.

355 (17) Suspend or disqualify or disqualify after suspension
356 any qualified public depository that has violated ~~any of the~~
357 ~~provisions of~~ this chapter or ~~of~~ rules adopted hereunder or that
358 no longer meets the definition of a qualified public depository
359 under s. 280.02.

360 (a) Any qualified public depository that is suspended or
361 disqualified pursuant to this subsection is subject to the
362 provisions of s. 280.11(2) governing withdrawal from the public
363 deposits program and return of pledged collateral. Any
364 suspension shall not exceed a period of 6 months. Any qualified
365 public depository which has been disqualified may not reapply
366 for qualification until after the expiration of 1 year from the

Amendment No.1

367 date of the final order of disqualification or the final
368 disposition of any appeal taken therefrom.

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

372 (c) If the Chief Financial Officer has reason to believe
373 that any qualified public depository or any other financial
374 institution holding public deposits is or has been violating ~~any~~
375 ~~of the provisions of~~ this chapter or ~~of~~ rules adopted hereunder
376 or no longer meets the definition of a qualified public
377 depository under s. 280.02, he or she may issue to the qualified
378 public depository or other financial institution an order to
379 cease and desist from the violation or to correct the condition
380 giving rise to or resulting from the violation. If any qualified
381 public depository or other financial institution violates a
382 cease-and-desist or corrective order, the Chief Financial
383 Officer may impose an administrative penalty upon the qualified
384 public depository or other financial institution as provided in
385 s. 280.054 or s. 280.055. In addition to the administrative
386 penalty, the Chief Financial Officer may suspend or disqualify
387 any qualified public depository for violation of any order
388 issued pursuant to this paragraph.

389 Section 17. Subsections (14) and (15) are added to section
390 280.051, Florida Statutes, to read:

391 280.051 Grounds for suspension or disqualification of a

Amendment No.1

392 qualified public depository.—A qualified public depository may
393 be suspended or disqualified or both if the Chief Financial
394 Officer determines that the qualified public depository has:

395 (14) Failed to file the attestation required under s.
396 280.025.

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

399 Section 18. Paragraph (b) of subsection (1) of section
400 280.054, Florida Statutes, is amended to read:

401 280.054 Administrative penalty in lieu of suspension or
402 disqualification.—

403 (1) If the Chief Financial Officer finds that one or more
404 grounds exist for the suspension or disqualification of a
405 qualified public depository, the Chief Financial Officer may, in
406 lieu of suspension or disqualification, impose an administrative
407 penalty upon the qualified public depository.

408 (b) With respect to any knowing and willful violation of a
409 lawful order or rule, the Chief Financial Officer may impose a
410 penalty upon the qualified public depository in an amount not
411 exceeding \$1,000 for each violation. If restitution is due, the
412 qualified public depository shall make restitution upon the
413 order of the Chief Financial Officer and shall pay interest on
414 such amount at the legal rate. Each day a violation continues
415 constitutes a separate violation. Failure to timely file the
416 attestation required under s. 280.025 is deemed a knowing and

Amendment No.1

417 willful violation.

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

421 280.055 Cease and desist order; corrective order;
422 administrative penalty.—

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

425 (e) A qualified public depository or a custodian has not
426 furnished to the Chief Financial Officer, when the Chief
427 Financial Officer requested, a power of attorney or bond power
428 or bond assignment form required by the bond agent or bond
429 trustee for each issue of registered certificated securities
430 pledged and registered in the name, or nominee name, of the
431 qualified public depository or custodian; ~~or~~

432 (f) A qualified public depository; a bank, savings
433 association, or other financial institution; or a custodian has
434 committed any other violation of this chapter or any rule
435 adopted pursuant to this chapter that the Chief Financial
436 Officer determines may be remedied by a cease and desist order
437 or corrective order; or

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

440 Section 20. Section 287.05701, Florida Statutes, is
441 created to read:

485905 - h0003-line 439.docx

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Amendment No.1

442 287.05701 Prohibition against considering social,
443 political, or ideological interests in government contracting.-

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

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

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

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

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

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

461 Section 21. Section 516.037, Florida Statutes, is created
462 to read:

463 516.037 Unsafe and unsound practices.-

464 (1) Licensees must make determinations about the provision
465 or denial of services based on an analysis of risk factors
466 unique to each current or prospective customer and may not

Amendment No.1

467 engage in an unsafe and unsound practice as provided in
468 subsection (2). This subsection does not restrict a licensee
469 that claims a religious purpose from making such determinations
470 based on the current or prospective customer's religious
471 beliefs, religious exercise, or religious affiliations.

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

476 (a) The person's political opinions, speech, or
477 affiliations;

478 (b) Except as provided in subsection (1), the person's
479 religious beliefs, religious exercise, or religious
480 affiliations;

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

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

487 1. The person's political opinions, speech, or
488 affiliations.

489 2. The person's religious beliefs, religious exercise, or
490 religious affiliations.

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

485905 - h0003-line 439.docx

Published On: 3/7/2023 6:28:20 PM

Amendment No.1

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

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

497 6. The person's support of the state or Federal Government
498 in combatting illegal immigration, drug trafficking, or human
499 trafficking.

500 7. The person's engagement with, facilitation of,
501 employment by, support of, business relationship with,
502 representation of, or advocacy for any person described in this
503 paragraph.

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

507 a. Environmental standards, including emissions standards,
508 benchmarks, requirements, or disclosures;

509 b. Social governance standards, benchmarks, or
510 requirements, including, but not limited to, environmental or
511 social justice;

512 c. Corporate board or company employment composition
513 standards, benchmarks, requirements, or disclosures based on
514 characteristics protected under the Florida Civil Rights Act of
515 1992; or

516 d. Policies or procedures requiring or encouraging

Amendment No.1

517 employee participation in social justice programming, including,
518 but not limited to, diversity, equity, or inclusion training.

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

524 (4) In addition to any sanctions and penalties under this
525 chapter, a failure to comply with subsection (1) or engaging in
526 a practice described in subsection (2) constitutes a violation
527 of the Florida Deceptive and Unfair Trade Practices Act under
528 part II of chapter 501. Notwithstanding s. 501.211, violations
529 must be enforced only by the enforcing authority, as defined in
530 s. 501.203(2), and subject the violator to the sanctions and
531 penalties provided for in that part. If such action is
532 successful, the enforcing authority is entitled to reasonable
533 attorney fees and costs.

534 Section 22. Section 560.1115, Florida Statutes, is created
535 to read:

536 560.1115 Unsafe and unsound practices.-

537 (1) Licensees must make determinations about the provision
538 or denial of services based on an analysis of risk factors
539 unique to each current or prospective customer and may not
540 engage in an unsafe and unsound practice as provided in
541 subsection (2). This subsection does not restrict a licensee

Amendment No.1

542 that claims a religious purpose from making such determinations
543 based on the current or prospective customer's religious
544 beliefs, religious exercise, or religious affiliations.

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

549 (a) The person's political opinions, speech, or
550 affiliations;

551 (b) Except as provided in subsection (1), the person's
552 religious beliefs, religious exercise, or religious
553 affiliations;

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

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

560 1. The person's political opinions, speech, or
561 affiliations.

562 2. The person's religious beliefs, religious exercise, or
563 religious affiliations.

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

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

485905 - h0003-line 439.docx

Published On: 3/7/2023 6:28:20 PM

Amendment No.1

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

570 6. The person's support of the state or Federal Government
571 in combatting illegal immigration, drug trafficking, or human
572 trafficking.

573 7. The person's engagement with, facilitation of,
574 employment by, support of, business relationship with,
575 representation of, or advocacy for any person described in this
576 paragraph.

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

580 a. Environmental standards, including emissions standards,
581 benchmarks, requirements, or disclosures;

582 b. Social governance standards, benchmarks, or
583 requirements, including, but not limited to, environmental or
584 social justice;

585 c. Corporate board or company employment composition
586 standards, benchmarks, requirements, or disclosures based on
587 characteristics protected under the Florida Civil Rights Act of
588 1992; or

589 d. Policies or procedures requiring or encouraging
590 employee participation in social justice programming, including,
591 but not limited to, diversity, equity, or inclusion training.

485905 - h0003-line 439.docx

Published On: 3/7/2023 6:28:20 PM

Amendment No.1

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

597 (4) In addition to any sanctions and penalties under this
598 chapter, a failure to comply with subsection (1) or engaging in
599 a practice described in subsection (2) constitutes a violation
600 of the Florida Deceptive and Unfair Trade Practices Act under
601 part II of chapter 501. Notwithstanding s. 501.211, violations
602 must be enforced only by the enforcing authority, as defined in
603 s. 501.203(2), and subject the violator to the sanctions and
604 penalties provided for in that part. If such action is
605 successful, the enforcing authority is entitled to reasonable
606 attorney fees and costs.

607 Section 23. Paragraph (h) of subsection (1) of section
608 560.114, Florida Statutes, is amended to read:

609 560.114 Disciplinary actions; penalties.—

610 (1) The following actions by a money services business,
611 authorized vendor, or affiliated party constitute grounds for
612 the issuance of a cease and desist order; the issuance of a
613 removal order; the denial, suspension, or revocation of a
614 license; or taking any other action within the authority of the
615 office pursuant to this chapter:

616 (h) Engaging in an act prohibited under s. 560.111 or s.

485905 - h0003-line 439.docx

Published On: 3/7/2023 6:28:20 PM

Amendment No.1

617 560.1115.

618 Section 24. Paragraph (y) of subsection (1) of section
619 655.005, Florida Statutes, is amended to read:

620 655.005 Definitions.—

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

623 (y) "Unsafe or unsound practice" or "unsafe and unsound
624 practice" means:

625 1. Any practice or conduct found by the office to be
626 contrary to generally accepted standards applicable to a
627 financial institution, or a violation of any prior agreement in
628 writing or order of a state or federal regulatory agency, which
629 practice, conduct, or violation creates the likelihood of loss,
630 insolvency, or dissipation of assets or otherwise prejudices the
631 interest of the financial institution or its depositors or
632 members. In making this determination, the office must consider
633 the size and condition of the financial institution, the gravity
634 of the violation, and the prior conduct of the person or
635 institution involved; or

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

638 Section 25. Section 655.0323, Florida Statutes, is created
639 to read:

640 655.0323 Unsafe and unsound practices.—

641 (1) Financial institutions must make determinations about

Amendment No.1

642 the provision or denial of services based on an analysis of risk
643 factors unique to each current or prospective customer or member
644 and may not engage in an unsafe and unsound practice as provided
645 in subsection (2). This subsection does not restrict a financial
646 institution that claims a religious purpose from making such
647 determinations based on the current or prospective customer's or
648 member's religious beliefs, religious exercise, or religious
649 affiliations.

650 (2) It is an unsafe and unsound practice for a financial
651 institution to deny or cancel its services to a person, or to
652 otherwise discriminate against a person in making available such
653 services or in the terms or conditions of such services, on the
654 basis of:

655 (a) The person's political opinions, speech, or
656 affiliations;

657 (b) Except as provided in subsection (1), the person's
658 religious beliefs, religious exercise, or religious
659 affiliations;

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

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

666 1. The person's political opinions, speech, or

Amendment No.1

667 affiliations.

668 2. The person's religious beliefs, religious exercise, or
669 religious affiliations.

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

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

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

676 6. The person's support of the state or Federal Government
677 in combatting illegal immigration, drug trafficking, or human
678 trafficking.

679 7. The person's engagement with, facilitation of,
680 employment by, support of, business relationship with,
681 representation of, or advocacy for any person described in this
682 paragraph.

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

686 a. Environmental standards, including emissions standards,
687 benchmarks, requirements, or disclosures;

688 b. Social governance standards, benchmarks, or
689 requirements, including, but not limited to, environmental or
690 social justice;

691 c. Corporate board or company employment composition

Amendment No.1

692 standards, benchmarks, requirements, or disclosures based on
693 characteristics protected under the Florida Civil Rights Act of
694 1992; or

695 d. Policies or procedures requiring or encouraging
696 employee participation in social justice programming, including,
697 but not limited to, diversity, equity, or inclusion training.

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

703 (4) Engaging in a practice described in subsection (2) is
704 a failure to comply with this chapter, constitutes a violation
705 of the financial institutions codes, and is subject to the
706 applicable sanctions and penalties provided for in the financial
707 institutions codes.

708 (5) Notwithstanding ss. 501.211 and 501.212, a failure to
709 comply with subsection (1) or a practice described in subsection
710 (2) constitutes a violation of the Florida Deceptive and Unfair
711 Trade Practices Act under part II of chapter 501. Violations
712 must be enforced only by the enforcing authority, as defined in
713 s. 501.203(2), and subject the violator to the sanctions and
714 penalties provided for in that part. If such action is
715 successful, the enforcing authority is entitled to reasonable
716 attorney fees and costs.

Amendment No.1

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T I T L E A M E N D M E N T

Remove lines 26-107 and insert:
by the act; amending s. 215.47, F.S.; defining the term
"pecuniary factor"; requiring the State Board of Administration
to make investment decisions based solely on pecuniary factors;
providing an exception to current investment and fiduciary
standards in the event of a conflict; amending s. 215.475, F.S.;
requiring the Florida Retirement System Defined Benefit Plan
Investment Policy Statement to comply with the requirement that
only pecuniary interests be considered in investment decisions;
amending s. 215.4755, F.S.; requiring certain investment
advisors or managers to certify in writing that investment
decisions are based solely on pecuniary factors; providing
applicability; providing that failure to file a required
certification is grounds for termination of certain contracts;
providing that a submission of a materially false certification
is deemed a willful refusal to comply with a certain fiduciary
standard; requiring that certain noncompliance be reported to
the Attorney General, who is authorized to bring certain civil
or administrative actions; providing that if the Attorney
General is successful in those proceedings, he or she is
entitled to reasonable attorney fees and costs; creating s.

Amendment No.1

742 215.681, F.S.; defining terms; prohibiting bond issuers from
743 issuing environmental, social, and governance bonds and taking
744 other related actions; authorizing certain financial
745 institutions to purchase and underwrite specified bonds;
746 providing applicability; creating s. 215.855, F.S.; defining
747 terms; requiring that contracts between governmental entities
748 and investment managers contain certain provisions and a
749 specified disclaimer; providing applicability; amending s.
750 218.415, F.S.; defining the term "pecuniary factor"; requiring
751 units of local government to make investment decisions based
752 solely on pecuniary factors; amending s. 280.02, F.S.; revising
753 the definition of the term "qualified public depository";
754 creating s. 280.025, F.S.; requiring a specified attestation,
755 under penalty of perjury, from certain entities; amending s.
756 280.05, F.S.; requiring the Chief Financial Officer to verify
757 such attestations; requiring the Chief Financial Officer to
758 report materially false attestations to the Attorney General,
759 who is authorized to bring certain civil and administrative
760 actions; providing that if the Attorney General is successful in
761 those proceedings, he or she is entitled to reasonable attorney
762 fees and costs; providing construction; authorizing the Chief
763 Financial Officer to suspend or disqualify a qualified public
764 depository that no longer meets the definition of that term;
765 amending s. 280.051, F.S.; adding grounds for suspension or
766 disqualification of a qualified public depository; amending s.

485905 - h0003-line 439.docx

Published On: 3/7/2023 6:28:20 PM

Amendment No.1

767 280.054, F.S.; providing that failure to timely file a required
768 attestation is deemed a knowing and willful violation; amending
769 s. 280.055, F.S.; adding a circumstance under which the Chief
770 Financial Officer may issue certain orders against a qualified
771 public depository; creating s. 287.05701, F.S.; defining the
772 term "awarding body"; prohibiting an awarding body from
773 requesting certain documentation or giving preference to vendors
774 based on their social, political, or ideological interests;
775 requiring that solicitations for the procurement of commodities
776 or contractual services by an awarding body contain a specified
777 notification, beginning on a specified date; creating s.
778 516.037, F.S.; requiring licensees to make certain
779 determinations based on an analysis of certain risk factors;
780 prohibiting such licensees from engaging in unsafe and unsound
781 practices; providing construction; providing that certain
782 actions on the part of licensees are an unsafe and unsound
783 practice; requiring a specified attestation, under penalty of
784 perjury, from applicants and licensees beginning on a specified
785 date; providing that a failure to comply with specified
786 requirements or engaging in unsafe and unsound practices
787 constitutes a violation of the Florida Deceptive and Unfair
788 Trade Practices Act, subject to specified sanctions and
789 penalties; providing that only the enforcing authority can
790 enforce such violations; providing that an enforcing authority
791 that brings a successful action for violations is entitled to

485905 - h0003-line 439.docx

Published On: 3/7/2023 6:28:20 PM

Amendment No.1

792 reasonable attorney fees and costs; creating s. 560.1115, F.S.;

793 requiring licensees to make determinations about the provision

794 or denial of services based on an analysis of certain risk

795 factors; prohibiting the licensees from engaging in unsafe and

796 unsound practices; providing construction; providing that

797 certain actions are an unsafe and unsound practice; requiring a

798 specified attestation, under penalty of perjury, from applicants

799 and licensees beginning on a specified date; providing that a

800 failure to comply with specified requirements or engaging in

801 unsafe and unsound practices constitutes a violation of the

802 Florida Deceptive and Unfair Trade Practices Act, subject to

803 specified sanctions and penalties; providing that only the

804 enforcing authority can enforce such violations; providing that

805 an enforcing authority that brings a successful action for

806 violations is entitled to reasonable attorney fees and costs;

807 amending s. 560.114, F.S.; revising the actions that constitute

808 grounds for specified disciplinary action of a money services

809 business, an authorized vendor, or an affiliated party; amending

810 s. 655.005, F.S.; revising a definition; creating s. 655.0323,

811 F.S.; requiring financial institutions to make determinations

812 about the provision or denial of services based on an analysis

813 of specified risk factors; prohibiting financial institutions

814 from engaging in unsafe and unsound practices; providing

815 construction; providing that certain actions are an unsafe and

816 unsound practice; requiring a specified attestation, under

485905 - h0003-line 439.docx

Published On: 3/7/2023 6:28:20 PM

Amendment No.1

817 penalty of perjury, from financial institutions annually,
818 beginning on a specified date; providing that engaging in unsafe
819 and unsound practices constitutes a violation of the Florida
820 Deceptive and Unfair Trade Practices Act, subject to specified
821 sanctions and penalties; providing that only the enforcing
822 authority can enforce such violations; providing that an
823 enforcing authority that brings a successful action for
824 violations is entitled to reasonable attorney fees and costs;
825 prohibiting certain entities from exercising specified
826 authority; amending s. 1010.04, F.S.; prohibiting
827