

1                   A bill to be entitled  
2           An act relating to government and corporate activism;  
3           amending s. 17.57, F.S.; defining the term "pecuniary  
4           factor"; requiring that the Chief Financial Officer,  
5           or a party authorized to invest on his or her behalf,  
6           make investment decisions based solely on pecuniary  
7           factors; amending s. 20.058, F.S.; requiring a  
8           specified attestation, under penalty of perjury, from  
9           certain organizations; defining the term "pecuniary  
10          factor"; requiring citizen support organizations and  
11          direct-support organizations to make investment  
12          decisions based solely on pecuniary factors; amending  
13          s. 112.656, F.S.; requiring that investment decisions  
14          comply with a specified requirement related to the  
15          consideration of pecuniary factors; amending s.  
16          112.661, F.S.; conforming a provision to changes made  
17          by the act; creating s. 112.662, F.S.; defining the  
18          term "pecuniary factor"; providing that only pecuniary  
19          factors may be considered in investment decisions for  
20          retirement systems or plans; providing that the  
21          interests of participants and beneficiaries of such  
22          systems or plans may not be subordinated to other  
23          objectives; requiring shareholder rights to be  
24          exercised considering only pecuniary factors;  
25          requiring specified reports; providing requirements

26 | for such reports; requiring the Department of  
27 | Management Services to report certain noncompliance to  
28 | the Attorney General; authorizing certain proceedings  
29 | to be brought by the Attorney General who, if  
30 | successful in those proceedings, is entitled to  
31 | reasonable attorney fees and costs; requiring the  
32 | department to adopt rules; providing applicability;  
33 | amending ss. 175.071 and 185.06, F.S.; specifying that  
34 | certain public boards of trustees are subject to the  
35 | requirement that only pecuniary factors be considered  
36 | in investment decisions; amending s. 215.47, F.S.;  
37 | defining the term "pecuniary factor"; requiring the  
38 | State Board of Administration to make investment  
39 | decisions based solely on pecuniary factors; providing  
40 | an exception to current investment and fiduciary  
41 | standards in the event of a conflict; amending s.  
42 | 215.475, F.S.; requiring the Florida Retirement System  
43 | Defined Benefit Plan Investment Policy Statement to  
44 | comply with the requirement that only pecuniary  
45 | factors be considered in investment decisions;  
46 | amending s. 215.4755, F.S.; requiring certain  
47 | investment advisors or managers to certify in writing  
48 | that investment decisions are based solely on  
49 | pecuniary factors; providing applicability; providing  
50 | that failure to file a required certification is

51 grounds for termination of certain contracts;  
52 providing that a submission of a materially false  
53 certification is deemed a willful refusal to comply  
54 with a certain fiduciary standard; requiring that  
55 certain noncompliance be reported to the Attorney  
56 General, who is authorized to bring certain civil or  
57 administrative actions; providing that if the Attorney  
58 General is successful in those proceedings, he or she  
59 is entitled to reasonable attorney fees and costs;  
60 creating s. 215.681, F.S.; defining terms; prohibiting  
61 bond issuers from issuing environmental, social, and  
62 governance bonds and taking other related actions;  
63 authorizing certain financial institutions to purchase  
64 and underwrite specified bonds; providing  
65 applicability; creating s. 215.855, F.S.; defining  
66 terms; requiring that contracts between governmental  
67 entities and investment managers contain certain  
68 provisions and a specified disclaimer; providing  
69 applicability; amending s. 218.415, F.S.; defining the  
70 term "pecuniary factor"; requiring units of local  
71 government to make investment decisions based solely  
72 on pecuniary factors; amending s. 280.02, F.S.;  
73 revising the definition of the term "qualified public  
74 depository"; creating s. 280.025, F.S.; requiring a  
75 specified attestation, under penalty of perjury, from

76 certain entities; amending s. 280.05, F.S.; requiring  
77 the Chief Financial Officer to verify such  
78 attestations; requiring the Chief Financial Officer to  
79 report materially false attestations to the Attorney  
80 General, who is authorized to bring certain civil and  
81 administrative actions; providing that if the Attorney  
82 General is successful in those proceedings, he or she  
83 is entitled to reasonable attorney fees and costs;  
84 providing construction; authorizing the Chief  
85 Financial Officer to suspend or disqualify a qualified  
86 public depository that no longer meets the definition  
87 of that term; amending s. 280.051, F.S.; adding  
88 grounds for suspension or disqualification of a  
89 qualified public depository; amending s. 280.054,  
90 F.S.; providing that failure to timely file a required  
91 attestation is deemed a knowing and willful violation;  
92 amending s. 280.055, F.S.; adding a circumstance under  
93 which the Chief Financial Officer may issue certain  
94 orders against a qualified public depository; creating  
95 s. 287.05701, F.S.; defining the term "awarding body";  
96 prohibiting an awarding body from requesting certain  
97 documentation or giving preference to vendors based on  
98 their social, political, or ideological interests;  
99 requiring that solicitations for the procurement of  
100 commodities or contractual services by an awarding

101 body contain a specified notification, beginning on a  
102 specified date; creating s. 516.037, F.S.; requiring  
103 licensees to make certain determinations based on an  
104 analysis of certain risk factors; prohibiting such  
105 licensees from engaging in unsafe and unsound  
106 practices; providing construction; providing that  
107 certain actions on the part of licensees are an unsafe  
108 and unsound practice; requiring a specified  
109 attestation, under penalty of perjury, from applicants  
110 and licensees, beginning on a specified date;  
111 providing that a failure to comply with specified  
112 requirements or engaging in unsafe and unsound  
113 practices constitutes a violation of the Florida  
114 Deceptive and Unfair Trade Practices Act, subject to  
115 specified sanctions and penalties; providing that only  
116 the enforcing authority can enforce such violations;  
117 providing that an enforcing authority that brings a  
118 successful action for violations is entitled to  
119 reasonable attorney fees and costs; creating s.  
120 560.1115, F.S.; requiring licensees to make  
121 determinations about the provision or denial of  
122 services based on an analysis of certain risk factors;  
123 prohibiting the licensees from engaging in unsafe and  
124 unsound practices; providing construction; providing  
125 that certain actions are an unsafe and unsound

126 practice; requiring a specified attestation, under  
127 penalty of perjury, from applicants and licensees,  
128 beginning on a specified date; providing that a  
129 failure to comply with specified requirements or  
130 engaging in unsafe and unsound practices constitutes a  
131 violation of the Florida Deceptive and Unfair Trade  
132 Practices Act, subject to specified sanctions and  
133 penalties; providing that only the enforcing authority  
134 can enforce such violations; providing that an  
135 enforcing authority that brings a successful action  
136 for violations is entitled to reasonable attorney fees  
137 and costs; amending s. 560.114, F.S.; revising the  
138 actions that constitute grounds for specified  
139 disciplinary action of a money services business, an  
140 authorized vendor, or an affiliated party; amending s.  
141 655.005, F.S.; revising a definition; creating s.  
142 655.0323, F.S.; requiring financial institutions to  
143 make determinations about the provision or denial of  
144 services based on an analysis of specified risk  
145 factors; prohibiting financial institutions from  
146 engaging in unsafe and unsound practices; providing  
147 construction; providing that certain actions are an  
148 unsafe and unsound practice; requiring a specified  
149 attestation, under penalty of perjury, from financial  
150 institutions annually, beginning on a specified date;

151 providing that a failure to comply with specified  
152 requirements or engaging in unsafe and unsound  
153 practices constitutes a violation of the Florida  
154 Deceptive and Unfair Trade Practices Act, subject to  
155 specified sanctions and penalties; providing that only  
156 the enforcing authority can enforce such violations;  
157 providing that an enforcing authority that brings a  
158 successful action for violations is entitled to  
159 reasonable attorney fees and costs; prohibiting  
160 certain entities from exercising specified authority;  
161 amending s. 1010.04, F.S.; prohibiting school  
162 districts, Florida College System Institutions, and  
163 state universities from requesting certain  
164 documentation from vendors and giving preference to  
165 vendors based on their social, political, or  
166 ideological interests; requiring that solicitations  
167 for purchases or leases include a specified notice;  
168 reenacting s. 17.61(1), F.S., relating to powers and  
169 duties of the Chief Financial Officer in the  
170 investment of certain funds, to incorporate the  
171 amendment made to s. 17.57, F.S., in references  
172 thereto; reenacting s. 215.44(3), F.S., relating to  
173 the powers and duties of the Board of Administration  
174 in the investment of trust funds, to incorporate the  
175 amendment made to s. 215.47, F.S., in a reference

176 thereto; providing an effective date.

177

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

179

180 Section 1. Subsection (1) of section 17.57, Florida  
 181 Statutes, is amended to read:

182 17.57 Deposits and investments of state money.—

183 (1) (a) As used in this subsection, the term "pecuniary  
 184 factor" means a factor that the Chief Financial Officer, or  
 185 other party authorized to invest on his or her behalf, prudently  
 186 determines is expected to have a material effect on the risk or  
 187 returns of an investment based on appropriate investment  
 188 horizons consistent with applicable investment objectives and  
 189 funding policy. The term does not include the consideration of  
 190 the furtherance of any social, political, or ideological  
 191 interests.

192 (b) The Chief Financial Officer, or other parties with the  
 193 permission of the Chief Financial Officer, shall deposit the  
 194 money of the state or any money in the State Treasury in such  
 195 qualified public depositories of the state as will offer  
 196 satisfactory collateral security for such deposits, pursuant to  
 197 chapter 280. It is the duty of the Chief Financial Officer,  
 198 consistent with the cash requirements of the state, to keep such  
 199 money fully invested or deposited as provided herein in order  
 200 that the state may realize maximum earnings and benefits.



201        (c) Notwithstanding any other law except for s. 215.472,  
 202 when deciding whether to invest and when investing, the Chief  
 203 Financial Officer, or other party authorized to invest on his or  
 204 her behalf, must make decisions based solely on pecuniary  
 205 factors and may not subordinate the interests of the people of  
 206 this state to other objectives, including sacrificing investment  
 207 return or undertaking additional investment risk to promote any  
 208 nonpecuniary factor. The weight given to any pecuniary factor  
 209 must appropriately reflect a prudent assessment of its impact on  
 210 risk or returns.

211        Section 2. Present subsections (4) and (5) of section  
 212 20.058, Florida Statutes, are redesignated as subsections (5)  
 213 and (6), respectively, and paragraph (g) is added to subsection  
 214 (1) and a new subsection (4) is added to that section, to read:

215        20.058 Citizen support and direct-support organizations.—

216        (1) By August 1 of each year, a citizen support  
 217 organization or direct-support organization created or  
 218 authorized pursuant to law or executive order and created,  
 219 approved, or administered by an agency, shall submit the  
 220 following information to the appropriate agency:

221        (g) An attestation, under penalty of perjury, stating that  
 222 the organization has complied with subsection (4).

223        (4) (a) As used in this section, the term "pecuniary  
 224 factor" means a factor that the citizen support organization or  
 225 direct-support organization prudently determines is expected to

226 have a material effect on the risk or returns of an investment  
227 based on appropriate investment horizons consistent with  
228 applicable investment objectives and funding policy. The term  
229 does not include the consideration of the furtherance of any  
230 social, political, or ideological interests.

231 (b) Notwithstanding any other law, when deciding whether  
232 to invest and when investing funds on behalf of an agency, the  
233 citizen support organization or direct-support organization must  
234 make decisions based solely on pecuniary factors and may not  
235 subordinate the interests of the people of this state to other  
236 objectives, including sacrificing investment return or  
237 undertaking additional investment risk to promote any  
238 nonpecuniary factor. The weight given to any pecuniary factor  
239 must appropriately reflect a prudent assessment of its impact on  
240 risk or returns.

241 Section 3. Subsection (1) of section 112.656, Florida  
242 Statutes, is amended to read:

243 112.656 Fiduciary duties; certain officials included as  
244 fiduciaries.—

245 (1) A fiduciary shall discharge his or her duties with  
246 respect to a plan solely in the interest of the participants and  
247 beneficiaries for the exclusive purpose of providing benefits to  
248 participants and their beneficiaries and defraying reasonable  
249 expenses of administering the plan. Investment decisions must  
250 comply with s. 112.662.

251 Section 4. Subsection (4) of section 112.661, Florida  
 252 Statutes, is amended to read:

253 112.661 Investment policies.—Investment of the assets of  
 254 any local retirement system or plan must be consistent with a  
 255 written investment policy adopted by the board. Such policies  
 256 shall be structured to maximize the financial return to the  
 257 retirement system or plan consistent with the risks incumbent in  
 258 each investment and shall be structured to establish and  
 259 maintain an appropriate diversification of the retirement system  
 260 or plan's assets.

261 (4) INVESTMENT AND FIDUCIARY STANDARDS.—The investment  
 262 policy shall describe the level of prudence and ethical  
 263 standards to be followed by the board in carrying out its  
 264 investment activities with respect to funds described in this  
 265 section. The board in performing its investment duties shall  
 266 comply with the fiduciary standards set forth in the Employee  
 267 Retirement Income Security Act of 1974 at 29 U.S.C. s.  
 268 1104(a)(1)(A)–(C). Except as provided in s. 112.662, in case of  
 269 conflict with other provisions of law authorizing investments,  
 270 the investment and fiduciary standards set forth in this section  
 271 ~~shall~~ prevail.

272 Section 5. Section 112.662, Florida Statutes, is created  
 273 to read:

274 112.662 Investments; exercising shareholder rights.—

275 (1) As used in this section, the term "pecuniary factor"

276 means a factor that the plan administrator, named fiduciary,  
277 board, or board of trustees prudently determines is expected to  
278 have a material effect on the risk or returns of an investment  
279 based on appropriate investment horizons consistent with the  
280 investment objectives and funding policy of the retirement  
281 system or plan. The term does not include the consideration of  
282 the furtherance of any social, political, or ideological  
283 interests.

284 (2) Notwithstanding any other law, when deciding whether  
285 to invest and when investing the assets of any retirement system  
286 or plan, only pecuniary factors may be considered and the  
287 interests of the participants and beneficiaries of the system or  
288 plan may not be subordinated to other objectives, including  
289 sacrificing investment return or undertaking additional  
290 investment risk to promote any nonpecuniary factor. The weight  
291 given to any pecuniary factor must appropriately reflect a  
292 prudent assessment of its impact on risk or returns.

293 (3) Notwithstanding any other law, when deciding whether  
294 to exercise shareholder rights or when exercising such rights on  
295 behalf of a retirement system or plan, including the voting of  
296 proxies, only pecuniary factors may be considered and the  
297 interests of the participants and beneficiaries of the system or  
298 plan may not be subordinated to other objectives, including  
299 sacrificing investment return or undertaking additional  
300 investment risk to promote any nonpecuniary factor.

301 (4) (a) By December 15, 2023, and by December 15 of each  
302 odd-numbered year thereafter, each retirement system or plan  
303 shall file a comprehensive report detailing and reviewing the  
304 governance policies concerning decisionmaking in vote decisions  
305 and adherence to the fiduciary standards required of such  
306 retirement system or plan under this section, including the  
307 exercise of shareholder rights.

308 1. The State Board of Administration, on behalf of the  
309 Florida Retirement System, shall submit its report to the  
310 Governor, the Attorney General, the Chief Financial Officer, the  
311 President of the Senate, and the Speaker of the House of  
312 Representatives.

313 2. All other retirement systems or plans shall submit  
314 their reports to the Department of Management Services.

315 (b) By January 15, 2024, and by January 15 of each even-  
316 numbered year thereafter, the Department of Management Services  
317 shall submit a summary report to the Governor, the Attorney  
318 General, the Chief Financial Officer, the President of the  
319 Senate, and the Speaker of the House of Representatives that  
320 includes a summary of the reports submitted under paragraph (a)  
321 and identifies any relevant trends among such systems and plans.

322 (c) The Department of Management Services shall report  
323 incidents of noncompliance to the Attorney General, who may  
324 institute proceedings to enjoin any person found violating this  
325 section. If such action is successful, the Attorney General is

326 entitled to reasonable attorney fees and costs.

327 (d) The Department of Management Services shall adopt  
 328 rules to implement this subsection.

329 (5) This section does not apply to individual member-  
 330 directed investment accounts established as part of a defined  
 331 contribution plan under s. 401(a), s. 403(b), or s. 457 of the  
 332 Internal Revenue Code.

333 Section 6. Subsection (1) of section 175.071, Florida  
 334 Statutes, is amended to read:

335 175.071 General powers and duties of board of trustees.-  
 336 For any municipality, special fire control district, chapter  
 337 plan, local law municipality, local law special fire control  
 338 district, or local law plan under this chapter:

339 (1) The board of trustees, subject to the fiduciary  
 340 standards in ss. 112.656, 112.661, and 518.11, ~~and~~ and the Code of  
 341 Ethics in ss. 112.311-112.3187, and the requirements in s.  
 342 112.662, may:

343 (a) Invest and reinvest the assets of the firefighters'  
 344 pension trust fund in annuity and life insurance contracts of  
 345 life insurance companies in amounts sufficient to provide, in  
 346 whole or in part, the benefits to which all of the participants  
 347 in the firefighters' pension trust fund are entitled under this  
 348 chapter and pay the initial and subsequent premiums thereon.

349 (b) Invest and reinvest the assets of the firefighters'  
 350 pension trust fund in:

351           1. Time or savings accounts of a national bank, a state  
352 bank insured by the Bank Insurance Fund, or a savings, building,  
353 and loan association insured by the Savings Association  
354 Insurance Fund administered by the Federal Deposit Insurance  
355 Corporation or a state or federal chartered credit union whose  
356 share accounts are insured by the National Credit Union Share  
357 Insurance Fund.

358           2. Obligations of the United States or obligations  
359 guaranteed as to principal and interest by the government of the  
360 United States.

361           3. Bonds issued by the State of Israel.

362           4. Bonds, stocks, or other evidences of indebtedness  
363 issued or guaranteed by a corporation organized under the laws  
364 of the United States, any state or organized territory of the  
365 United States, or the District of Columbia, if:

366           a. The corporation is listed on any one or more of the  
367 recognized national stock exchanges or on the National Market  
368 System of the NASDAQ Stock Market and, in the case of bonds  
369 only, holds a rating in one of the three highest classifications  
370 by a major rating service; and

371           b. The board of trustees may not invest more than 5  
372 percent of its assets in the common stock or capital stock of  
373 any one issuing company, nor may the aggregate investment in any  
374 one issuing company exceed 5 percent of the outstanding capital  
375 stock of that company or the aggregate of its investments under

376 | this subparagraph at cost exceed 50 percent of the assets of the  
 377 | fund.

378 |  
 379 | This paragraph applies to all boards of trustees and  
 380 | participants. However, if a municipality or special fire control  
 381 | district has a duly enacted pension plan pursuant to, and in  
 382 | compliance with, s. 175.351, and the trustees desire to vary the  
 383 | investment procedures, the trustees of such plan must request a  
 384 | variance of the investment procedures as outlined herein only  
 385 | through a municipal ordinance, special act of the Legislature,  
 386 | or resolution by the governing body of the special fire control  
 387 | district; if a special act, or a municipality by ordinance  
 388 | adopted before July 1, 1998, permits a greater than 50-percent  
 389 | equity investment, such municipality is not required to comply  
 390 | with the aggregate equity investment provisions of this  
 391 | paragraph. Notwithstanding any other provision of law, this  
 392 | section may not be construed to take away any preexisting legal  
 393 | authority to make equity investments that exceed the  
 394 | requirements of this paragraph. Notwithstanding any other  
 395 | provision of law, the board of trustees may invest up to 25  
 396 | percent of plan assets in foreign securities on a market-value  
 397 | basis. The investment cap on foreign securities may not be  
 398 | revised, amended, increased, or repealed except as provided by  
 399 | general law.

400 | (c) Issue drafts upon the firefighters' pension trust fund



401 pursuant to this act and rules prescribed by the board of  
 402 trustees. All such drafts must be consecutively numbered, be  
 403 signed by the chair and secretary, or by two individuals  
 404 designated by the board who are subject to the same fiduciary  
 405 standards as the board of trustees under this subsection, and  
 406 state upon their faces the purpose for which the drafts are  
 407 drawn. The treasurer or depository of each municipality or  
 408 special fire control district shall retain such drafts when  
 409 paid, as permanent vouchers for disbursements made, and no money  
 410 may be otherwise drawn from the fund.

411 (d) Convert into cash any securities of the fund.

412 (e) Keep a complete record of all receipts and  
 413 disbursements and the board's acts and proceedings.

414 Section 7. Subsection (1) of section 185.06, Florida  
 415 Statutes, is amended to read:

416 185.06 General powers and duties of board of trustees.—For  
 417 any municipality, chapter plan, local law municipality, or local  
 418 law plan under this chapter:

419 (1) The board of trustees, subject to the fiduciary  
 420 standards in ss. 112.656, 112.661, and 518.11, ~~and~~ the Code of  
 421 Ethics in ss. 112.311-112.3187, and the requirements in s.  
 422 112.662, may:

423 (a) Invest and reinvest the assets of the retirement trust  
 424 fund in annuity and life insurance contracts of life insurance  
 425 companies in amounts sufficient to provide, in whole or in part,

426 | the benefits to which all of the participants in the municipal  
 427 | police officers' retirement trust fund are entitled under this  
 428 | chapter, and pay the initial and subsequent premiums thereon.

429 |       (b) Invest and reinvest the assets of the retirement trust  
 430 | fund in:

431 |       1. Time or savings accounts of a national bank, a state  
 432 | bank insured by the Bank Insurance Fund, or a savings and loan  
 433 | association insured by the Savings Association Insurance Fund  
 434 | administered by the Federal Deposit Insurance Corporation or a  
 435 | state or federal chartered credit union whose share accounts are  
 436 | insured by the National Credit Union Share Insurance Fund.

437 |       2. Obligations of the United States or obligations  
 438 | guaranteed as to principal and interest by the United States.

439 |       3. Bonds issued by the State of Israel.

440 |       4. Bonds, stocks, or other evidences of indebtedness  
 441 | issued or guaranteed by a corporation organized under the laws  
 442 | of the United States, any state or organized territory of the  
 443 | United States, or the District of Columbia, provided:

444 |       a. The corporation is listed on any one or more of the  
 445 | recognized national stock exchanges or on the National Market  
 446 | System of the NASDAQ Stock Market and, in the case of bonds  
 447 | only, holds a rating in one of the three highest classifications  
 448 | by a major rating service; and

449 |       b. The board of trustees may not invest more than 5  
 450 | percent of its assets in the common stock or capital stock of

451 any one issuing company, nor shall the aggregate investment in  
452 any one issuing company exceed 5 percent of the outstanding  
453 capital stock of the company or the aggregate of its investments  
454 under this subparagraph at cost exceed 50 percent of the fund's  
455 assets.

456  
457 This paragraph applies to all boards of trustees and  
458 participants. However, if a municipality has a duly enacted  
459 pension plan pursuant to, and in compliance with, s. 185.35 and  
460 the trustees desire to vary the investment procedures, the  
461 trustees of such plan shall request a variance of the investment  
462 procedures as outlined herein only through a municipal ordinance  
463 or special act of the Legislature; if a special act, or a  
464 municipality by ordinance adopted before July 1, 1998, permits a  
465 greater than 50-percent equity investment, such municipality is  
466 not required to comply with the aggregate equity investment  
467 provisions of this paragraph. Notwithstanding any other  
468 provision of law, this section may not be construed to take away  
469 any preexisting legal authority to make equity investments that  
470 exceed the requirements of this paragraph. Notwithstanding any  
471 other provision of law, the board of trustees may invest up to  
472 25 percent of plan assets in foreign securities on a market-  
473 value basis. The investment cap on foreign securities may not be  
474 revised, amended, repealed, or increased except as provided by  
475 general law.

476 (c) Issue drafts upon the municipal police officers'  
 477 retirement trust fund pursuant to this act and rules prescribed  
 478 by the board of trustees. All such drafts shall be consecutively  
 479 numbered, be signed by the chair and secretary or by two  
 480 individuals designated by the board who are subject to the same  
 481 fiduciary standards as the board of trustees under this  
 482 subsection, and state upon their faces the purposes for which  
 483 the drafts are drawn. The city treasurer or other depository  
 484 shall retain such drafts when paid, as permanent vouchers for  
 485 disbursements made, and no money may otherwise be drawn from the  
 486 fund.

487 (d) Finally decide all claims to relief under the board's  
 488 rules and regulations and pursuant to the provisions of this  
 489 act.

490 (e) Convert into cash any securities of the fund.

491 (f) Keep a complete record of all receipts and  
 492 disbursements and of the board's acts and proceedings.

493 Section 8. Subsection (10) of section 215.47, Florida  
 494 Statutes, is amended to read:

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

500 (10) (a) As used in this subsection, the term "pecuniary

501 factor" means a factor that the State Board of Administration  
502 prudently determines is expected to have a material effect on  
503 the risk or returns of an investment based on appropriate  
504 investment horizons consistent with applicable investment  
505 objectives and funding policy. The term does not include the  
506 consideration of the furtherance of any social, political, or  
507 ideological interests.

508 (b) Notwithstanding any other law except for ss. 215.471,  
509 215.4725, and 215.473, when deciding whether to invest and when  
510 investing the assets of any fund, the State Board of  
511 Administration must make decisions based solely on pecuniary  
512 factors and may not subordinate the interests of the  
513 participants and beneficiaries of the fund to other objectives,  
514 including sacrificing investment return or undertaking  
515 additional investment risk to promote any nonpecuniary factor.  
516 The weight given to any pecuniary factor must appropriately  
517 reflect a prudent assessment of its impact on risk or returns.

518 (c) Investments made by the State Board of Administration  
519 shall be designed to maximize the financial return to the fund  
520 consistent with the risks incumbent in each investment and shall  
521 be designed to preserve an appropriate diversification of the  
522 portfolio. The board shall discharge its duties with respect to  
523 a plan solely in the interest of its participants and  
524 beneficiaries. The board in performing the above investment  
525 duties shall comply with the fiduciary standards set forth in

526 the Employee Retirement Income Security Act of 1974 at 29 U.S.C.  
527 s. 1104(a)(1)(A) through (C). Except as provided in paragraph  
528 (b), in case of conflict with other provisions of law  
529 authorizing investments, the investment and fiduciary standards  
530 set forth in this paragraph ~~subsection~~ shall prevail.

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

533 215.475 Investment policy statement.—

534 (1) In making investments for the System Trust Fund  
535 pursuant to ss. 215.44-215.53, the board shall make no  
536 investment which is not in conformance with the Florida  
537 Retirement System Defined Benefit Plan Investment Policy  
538 Statement, hereinafter referred to as "the IPS," as developed by  
539 the executive director and approved by the board. The IPS must  
540 comply with s. 215.47(10) and include, among other items, the  
541 investment objectives of the System Trust Fund; permitted types  
542 of securities in which the board may invest; and evaluation  
543 criteria necessary to measure the investment performance of the  
544 fund. As required from time to time, the executive director of  
545 the board may present recommended changes in the IPS to the  
546 board for approval.

547 Section 10. Present paragraphs (b), (c), and (d) of  
548 subsection (1) of section 215.4755, Florida Statutes, are  
549 redesignated as paragraphs (c), (d), and (e), respectively, a  
550 new paragraph (b) is added to that subsection, and subsection

551 (3) of that section is amended, to read:

552 215.4755 Certification and disclosure requirements for  
553 investment advisers and managers.—

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

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

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

570 (b) Failure to timely file the certification required  
571 under subsection (1) is grounds for termination of any contract  
572 between the board and the investment advisor or manager.

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

576 (d) If an investment advisor or manager fails to comply  
 577 with the fiduciary standard described in paragraph (1)(b) while  
 578 providing services to the board, the board must report such  
 579 noncompliance to the Attorney General, who may bring a civil or  
 580 administrative action for damages, injunctive relief, and such  
 581 other relief as may be appropriate. If such action is  
 582 successful, the Attorney General is entitled to reasonable  
 583 attorney fees and costs.

584 Section 11. Section 215.681, Florida Statutes, is created  
 585 to read:

586 215.681 ESG bonds; prohibitions.—

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

588 (a) "Bonds" means any note, general obligation bond,  
 589 revenue bond, special assessment bond, special obligation bond,  
 590 private activity bond, certificate of participation, or other  
 591 evidence of indebtedness or obligation, in either temporary or  
 592 definitive form.

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

594 (c) "ESG bonds" means any bonds that have been designated  
 595 or labeled as bonds that will be used to finance a project with  
 596 an ESG purpose, including, but not limited to, green bonds,  
 597 Certified Climate Bonds, GreenStar designated bonds, and other  
 598 environmental bonds marketed as promoting a generalized or  
 599 global environmental objective; social bonds marketed as  
 600 promoting a social objective; and sustainability bonds and



601 sustainable development goal bonds marketed as promoting both  
602 environmental and social objectives. The term includes those  
603 bonds self-designated by the issuer as ESG-labeled bonds and  
604 those designated as ESG-labeled bonds by a third-party verifier.

605 (d) "Issuer" means the division, acting on behalf of any  
606 entity; any local government, educational entity, or entity of  
607 higher education as defined in s. 215.89(2)(c), (d), and (e),  
608 respectively, or other political subdivision granted the power  
609 to issue bonds; any public body corporate and politic authorized  
610 or created by general or special law and granted the power to  
611 issue bonds, including, but not limited to, a water and sewer  
612 district created under chapter 153, a health facilities  
613 authority as defined in s. 154.205, an industrial development  
614 authority created under chapter 159, a housing financing  
615 authority as defined in s. 159.603(3), a research and  
616 development authority as defined in s. 159.702(1)(c), a legal or  
617 administrative entity created by interlocal agreement pursuant  
618 to s. 163.01(7), a community redevelopment agency as defined in  
619 s. 163.340(1), a regional transportation authority created under  
620 chapter 163, a community development district as defined in s.  
621 190.003, an educational facilities authority as defined in s.  
622 243.52(1), the Higher Educational Facilities Financing Authority  
623 created under s. 243.53, the Florida Development Finance  
624 Corporation created under s. 288.9604, a port district or port  
625 authority as defined in s. 315.02(1) and (2), respectively, the

626 South Florida Regional Transportation Authority created under s.  
 627 343.53, the Central Florida Regional Transportation Authority  
 628 created under s. 343.63, the Tampa Bay Area Regional Transit  
 629 Authority created under s. 343.92, the Greater Miami Expressway  
 630 Agency created under s. 348.0304, the Tampa-Hillsborough County  
 631 Expressway Authority created under s. 348.52, the Central  
 632 Florida Expressway Authority created under s. 348.753, the  
 633 Jacksonville Transportation Authority created under s. 349.03,  
 634 and the Florida Housing Finance Corporation created under s.  
 635 420.504.

636 (e) "Rating agency" means any nationally recognized rating  
 637 service or nationally recognized statistical rating  
 638 organization.

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

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

647 (a) Issue ESG bonds.

648 (b) Expend public funds as defined in s. 215.85(3) or use  
 649 moneys derived from the issuance of bonds to pay for the  
 650 services of a third-party verifier related to the designation or

651 labeling of bonds as ESG bonds, including, but not limited to,  
652 certifying or verifying that bonds may be designated or labeled  
653 as ESG bonds, rendering a second-party opinion or producing a  
654 verifier's report as to the compliance of proposed ESG bonds  
655 with applicable ESG standards and metrics, complying with post-  
656 issuance reporting obligations, or other services that are only  
657 provided due to the designation or labeling of bonds as ESG  
658 bonds.

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

662 (3) Notwithstanding s. 655.0323, a financial institution  
663 as defined in s. 655.005(1) may purchase and underwrite bonds  
664 issued by a governmental entity.

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

668 Section 12. Section 215.855, Florida Statutes, is created  
669 to read:

670 215.855 Investment manager external communication.-

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

672 (a) "Governmental entity" means a state, regional, county,  
673 municipal, special district, or other political subdivision  
674 whether executive, judicial, or legislative, including, but not  
675 limited to, a department, division, board, bureau, commission,

676 authority, district, or agency thereof, or a public school,  
677 Florida College System institution, state university, or  
678 associated board.

679 (b) "Investment manager" means a private sector company  
680 that offers one or more investment products or services to a  
681 governmental entity and that has the discretionary investment  
682 authority for direct holdings.

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

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

689 (a) That any written communication made by the investment  
690 manager to a company in which such manager invests public funds  
691 on behalf of a governmental entity must include the following  
692 disclaimer in a conspicuous location if such communication  
693 discusses social, political, or ideological interests;  
694 subordinates the interests of the company's shareholders to the  
695 interest of another entity; or advocates for the interest of an  
696 entity other than the company's shareholders:

697  
698 The views and opinions expressed in this communication are those  
699 of the sender and do not reflect the views and opinions of the  
700 people of the State of Florida.

701  
 702       (b) That the contract may be unilaterally terminated at  
 703 the option of the governmental entity if the investment manager  
 704 does not include the disclaimer required in paragraph (a).

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

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

710       218.415 Local government investment policies.—Investment  
 711 activity by a unit of local government must be consistent with a  
 712 written investment plan adopted by the governing body, or in the  
 713 absence of the existence of a governing body, the respective  
 714 principal officer of the unit of local government and maintained  
 715 by the unit of local government or, in the alternative, such  
 716 activity must be conducted in accordance with subsection (17).  
 717 Any such unit of local government shall have an investment  
 718 policy for any public funds in excess of the amounts needed to  
 719 meet current expenses as provided in subsections (1)-(16), or  
 720 shall meet the alternative investment guidelines contained in  
 721 subsection (17). Such policies shall be structured to place the  
 722 highest priority on the safety of principal and liquidity of  
 723 funds. The optimization of investment returns shall be secondary  
 724 to the requirements for safety and liquidity. Each unit of local  
 725 government shall adopt policies that are commensurate with the

726 nature and size of the public funds within its custody.

727 (24) INVESTMENT DECISIONS.—

728 (a) As used in this subsection, the term "pecuniary  
729 factor" means a factor that the governing body of the unit of  
730 local government, or in the absence of the existence of a  
731 governing body, the respective principal officer of the unit of  
732 local government, prudently determines is expected to have a  
733 material effect on the risk or returns of an investment based on  
734 appropriate investment horizons consistent with applicable  
735 investment objectives and funding policy. The term does not  
736 include the consideration of the furtherance of any social,  
737 political, or ideological interests.

738 (b) Notwithstanding any other law, when deciding whether  
739 to invest and when investing public funds pursuant to this  
740 section, the unit of local government must make decisions based  
741 solely on pecuniary factors and may not subordinate the  
742 interests of the people of this state to other objectives,  
743 including sacrificing investment return or undertaking  
744 additional investment risk to promote any nonpecuniary factor.  
745 The weight given to any pecuniary factor must appropriately  
746 reflect a prudent assessment of its impact on risk or returns.

747 Section 14. Present paragraphs (e) and (f) of subsection  
748 (26) of section 280.02, Florida Statutes, are redesignated as  
749 paragraphs (g) and (h), respectively, and new paragraphs (e) and  
750 (f) are added to that subsection, to read:

751 280.02 Definitions.—As used in this chapter, the term:

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

754 (e) Makes determinations about the provision of services  
755 or the denial of services based on an analysis of risk factors  
756 unique to each customer or member. This paragraph does not  
757 restrict a qualified public depository that claims a religious  
758 purpose from making such determinations based on the religious  
759 beliefs, religious exercise, or religious affiliations of a  
760 customer or member.

761 (f) Does not engage in the unsafe and unsound practice of  
762 denying or canceling its services to a person, or otherwise  
763 discriminating against a person in making available such  
764 services or in the terms or conditions of such services, on the  
765 basis of:

766 1. The person's political opinions, speech, or  
767 affiliations;

768 2. Except as provided in paragraph (e), the person's  
769 religious beliefs, religious exercise, or religious  
770 affiliations;

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

774 4. The use of any rating, scoring, analysis, tabulation,  
775 or action that considers a social credit score based on factors

776 including, but not limited to:

777 a. The person's political opinions, speech, or

778 affiliations.

779 b. The person's religious beliefs, religious exercise, or

780 religious affiliations.

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

782 d. The person's engagement in the lawful manufacture,

783 distribution, sale, purchase, or use of firearms or ammunition.

784 e. The person's engagement in the exploration, production,

785 utilization, transportation, sale, or manufacture of fossil

786 fuel-based energy, timber, mining, or agriculture.

787 f. The person's support of the state or Federal Government

788 in combatting illegal immigration, drug trafficking, or human

789 trafficking.

790 g. The person's engagement with, facilitation of,

791 employment by, support of, business relationship with,

792 representation of, or advocacy for any person described in this

793 subparagraph.

794 h. The person's failure to meet or commit to meet, or

795 expected failure to meet, any of the following as long as such

796 person is in compliance with applicable state or federal law:

797 (I) Environmental standards, including emissions

798 standards, benchmarks, requirements, or disclosures;

799 (II) Social governance standards, benchmarks, or

800 requirements, including, but not limited to, environmental or



801 social justice;  
 802 (III) Corporate board or company employment composition  
 803 standards, benchmarks, requirements, or disclosures based on  
 804 characteristics protected under the Florida Civil Rights Act of  
 805 1992; or  
 806 (IV) Policies or procedures requiring or encouraging  
 807 employee participation in social justice programming, including,  
 808 but not limited to, diversity, equity, or inclusion training.  
 809 Section 15. Section 280.025, Florida Statutes, is created  
 810 to read:  
 811 280.025 Attestation required.-  
 812 (1) Beginning July 1, 2023, the following entities must  
 813 attest, under penalty of perjury, on a form prescribed by the  
 814 Chief Financial Officer, whether the entity is in compliance  
 815 with s. 280.02(26) (e) and (f):  
 816 (a) A bank, savings bank, or savings association, upon  
 817 application or reapplication for designation as a qualified  
 818 public depository.  
 819 (b) A qualified public depository, upon filing the report  
 820 required by s. 280.16(1) (d).  
 821 (2) If an application or reapplication for designation as  
 822 a qualified public depository is pending on July 1, 2023, the  
 823 bank, savings bank, or savings association must file the  
 824 attestation required under subsection (1) before being  
 825 designated or redesignated a qualified public depository.

826 Section 16. Paragraph (d) of subsection (13) and  
 827 subsection (17) of section 280.05, Florida Statutes, are amended  
 828 to read:

829 280.05 Powers and duties of the Chief Financial Officer.—  
 830 In fulfilling the requirements of this act, the Chief Financial  
 831 Officer has the power to take the following actions he or she  
 832 deems necessary to protect the integrity of the public deposits  
 833 program:

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

836 (d)1. Any related documents, reports, records, or other  
 837 information deemed necessary by the Chief Financial Officer in  
 838 order to ascertain compliance with this chapter, including, but  
 839 not limited to, verifying the attestation required under s.  
 840 280.025.

841 2. If the Chief Financial Officer determines that the  
 842 attestation required under s. 280.025 is materially false, he or  
 843 she must report such determination to the Attorney General, who  
 844 may bring a civil or administrative action for damages,  
 845 injunctive relief, and such other relief as may be appropriate.  
 846 If such action is successful, the Attorney General is entitled  
 847 to reasonable attorney fees and costs.

848 3. As related to federally chartered financial  
 849 institutions, this paragraph may not be construed to create a  
 850 power exceeding the visitorial powers of the Chief Financial

851 Officer allowed under federal law.

852 (17) Suspend or disqualify or disqualify after suspension  
 853 any qualified public depository that has violated ~~any of the~~  
 854 ~~provisions of~~ this chapter or ~~of~~ rules adopted hereunder or that  
 855 no longer meets the definition of a qualified public depository  
 856 under s. 280.02.

857 (a) Any qualified public depository that is suspended or  
 858 disqualified pursuant to this subsection is subject to the  
 859 provisions of s. 280.11(2) governing withdrawal from the public  
 860 deposits program and return of pledged collateral. Any  
 861 suspension shall not exceed a period of 6 months. Any qualified  
 862 public depository which has been disqualified may not reapply  
 863 for qualification until after the expiration of 1 year from the  
 864 date of the final order of disqualification or the final  
 865 disposition of any appeal taken therefrom.

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

869 (c) If the Chief Financial Officer has reason to believe  
 870 that any qualified public depository or any other financial  
 871 institution holding public deposits is or has been violating ~~any~~  
 872 ~~of the provisions of~~ this chapter or ~~of~~ rules adopted hereunder  
 873 or no longer meets the definition of a qualified public  
 874 depository under s. 280.02, he or she may issue to the qualified  
 875 public depository or other financial institution an order to

876 | cease and desist from the violation or to correct the condition  
877 | giving rise to or resulting from the violation. If any qualified  
878 | public depository or other financial institution violates a  
879 | cease-and-desist or corrective order, the Chief Financial  
880 | Officer may impose an administrative penalty upon the qualified  
881 | public depository or other financial institution as provided in  
882 | s. 280.054 or s. 280.055. In addition to the administrative  
883 | penalty, the Chief Financial Officer may suspend or disqualify  
884 | any qualified public depository for violation of any order  
885 | issued pursuant to this paragraph.

886 |       Section 17. Subsections (14) and (15) are added to section  
887 | 280.051, Florida Statutes, to read:

888 |       280.051 Grounds for suspension or disqualification of a  
889 | qualified public depository.—A qualified public depository may  
890 | be suspended or disqualified or both if the Chief Financial  
891 | Officer determines that the qualified public depository has:

892 |       (14) Failed to file the attestation required under s.  
893 | 280.025.

894 |       (15) No longer meets the definition of a qualified public  
895 | depository under s. 280.02.

896 |       Section 18. Paragraph (b) of subsection (1) of section  
897 | 280.054, Florida Statutes, is amended to read:

898 |       280.054 Administrative penalty in lieu of suspension or  
899 | disqualification.—

900 |       (1) If the Chief Financial Officer finds that one or more

901 grounds exist for the suspension or disqualification of a  
 902 qualified public depository, the Chief Financial Officer may, in  
 903 lieu of suspension or disqualification, impose an administrative  
 904 penalty upon the qualified public depository.

905 (b) With respect to any knowing and willful violation of a  
 906 lawful order or rule, the Chief Financial Officer may impose a  
 907 penalty upon the qualified public depository in an amount not  
 908 exceeding \$1,000 for each violation. If restitution is due, the  
 909 qualified public depository shall make restitution upon the  
 910 order of the Chief Financial Officer and shall pay interest on  
 911 such amount at the legal rate. Each day a violation continues  
 912 constitutes a separate violation. Failure to timely file the  
 913 attestation required under s. 280.025 is deemed a knowing and  
 914 willful violation.

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

918 280.055 Cease and desist order; corrective order;  
 919 administrative penalty.—

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

922 (e) A qualified public depository or a custodian has not  
 923 furnished to the Chief Financial Officer, when the Chief  
 924 Financial Officer requested, a power of attorney or bond power  
 925 or bond assignment form required by the bond agent or bond

926 trustee for each issue of registered certificated securities  
 927 pledged and registered in the name, or nominee name, of the  
 928 qualified public depository or custodian; ~~or~~

929 (f) A qualified public depository; a bank, savings  
 930 association, or other financial institution; or a custodian has  
 931 committed any other violation of this chapter or any rule  
 932 adopted pursuant to this chapter that the Chief Financial  
 933 Officer determines may be remedied by a cease and desist order  
 934 or corrective order; or

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

937 Section 20. Section 287.05701, Florida Statutes, is  
 938 created to read:

939 287.05701 Prohibition against considering social,  
 940 political, or ideological interests in government contracting.-

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

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

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

947 (2)(a) An awarding body may not request documentation of  
 948 or consider a vendor's social, political, or ideological  
 949 interests when determining if the vendor is a responsible  
 950 vendor.

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

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

958 Section 21. Section 516.037, Florida Statutes, is created  
 959 to read:

960 516.037 Unsafe and unsound practices.—

961 (1) Licensees must make determinations about the provision  
 962 or denial of services based on an analysis of risk factors  
 963 unique to each current or prospective customer and may not  
 964 engage in an unsafe and unsound practice as provided in  
 965 subsection (2). This subsection does not restrict a licensee  
 966 that claims a religious purpose from making such determinations  
 967 based on the current or prospective customer's religious  
 968 beliefs, religious exercise, or religious affiliations.

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

973 (a) The person's political opinions, speech, or  
 974 affiliations;

975 (b) Except as provided in subsection (1), the person's

976 religious beliefs, religious exercise, or religious  
977 affiliations;

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

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

984 1. The person's political opinions, speech, or  
985 affiliations.

986 2. The person's religious beliefs, religious exercise, or  
987 religious affiliations.

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

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

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

994 6. The person's support of the state or Federal Government  
995 in combatting illegal immigration, drug trafficking, or human  
996 trafficking.

997 7. The person's engagement with, facilitation of,  
998 employment by, support of, business relationship with,  
999 representation of, or advocacy for any person described in this  
1000 paragraph.



1001 8. The person's failure to meet or commit to meet, or  
 1002 expected failure to meet, any of the following as long as such  
 1003 person is in compliance with applicable state or federal law:

1004 a. Environmental standards, including emissions standards,  
 1005 benchmarks, requirements, or disclosures;

1006 b. Social governance standards, benchmarks, or  
 1007 requirements, including, but not limited to, environmental or  
 1008 social justice;

1009 c. Corporate board or company employment composition  
 1010 standards, benchmarks, requirements, or disclosures based on  
 1011 characteristics protected under the Florida Civil Rights Act of  
 1012 1992; or

1013 d. Policies or procedures requiring or encouraging  
 1014 employee participation in social justice programming, including,  
 1015 but not limited to, diversity, equity, or inclusion training.

1016 (3) Beginning July 1, 2023, and upon application for a  
 1017 license or license renewal, applicants and licensees must  
 1018 attest, under penalty of perjury, on a form prescribed by the  
 1019 commission whether the applicant or licensee is acting in  
 1020 compliance with subsections (1) and (2).

1021 (4) In addition to any sanctions and penalties under this  
 1022 chapter, a failure to comply with subsection (1) or engaging in  
 1023 a practice described in subsection (2) constitutes a violation  
 1024 of the Florida Deceptive and Unfair Trade Practices Act under  
 1025 part II of chapter 501. Notwithstanding s. 501.211, violations

1026 must be enforced only by the enforcing authority, as defined in  
 1027 s. 501.203(2), and subject the violator to the sanctions and  
 1028 penalties provided for in that part. If such action is  
 1029 successful, the enforcing authority is entitled to reasonable  
 1030 attorney fees and costs.

1031 Section 22. Section 560.1115, Florida Statutes, is created  
 1032 to read:

1033 560.1115 Unsafe and unsound practices.—

1034 (1) Licensees must make determinations about the provision  
 1035 or denial of services based on an analysis of risk factors  
 1036 unique to each current or prospective customer and may not  
 1037 engage in an unsafe and unsound practice as provided in  
 1038 subsection (2). This subsection does not restrict a licensee  
 1039 that claims a religious purpose from making such determinations  
 1040 based on the current or prospective customer's religious  
 1041 beliefs, religious exercise, or religious affiliations.

1042 (2) It is an unsafe and unsound practice for a licensee to  
 1043 deny or cancel its services to a person, or to otherwise  
 1044 discriminate against a person in making available such services  
 1045 or in the terms or conditions of such services, on the basis of:

1046 (a) The person's political opinions, speech, or  
 1047 affiliations;

1048 (b) Except as provided in subsection (1), the person's  
 1049 religious beliefs, religious exercise, or religious  
 1050 affiliations;

1051 (c) Any factor if it is not a quantitative, impartial, and  
1052 risk-based standard, including any such factor related to the  
1053 person's business sector; or

1054 (d) The use of any rating, scoring, analysis, tabulation,  
1055 or action that considers a social credit score based on factors  
1056 including, but not limited to:

1057 1. The person's political opinions, speech, or  
1058 affiliations.

1059 2. The person's religious beliefs, religious exercise, or  
1060 religious affiliations.

1061 3. The person's lawful ownership of a firearm.

1062 4. The person's engagement in the lawful manufacture,  
1063 distribution, sale, purchase, or use of firearms or ammunition.

1064 5. The person's engagement in the exploration, production,  
1065 utilization, transportation, sale, or manufacture of fossil  
1066 fuel-based energy, timber, mining, or agriculture.

1067 6. The person's support of the state or Federal Government  
1068 in combatting illegal immigration, drug trafficking, or human  
1069 trafficking.

1070 7. The person's engagement with, facilitation of,  
1071 employment by, support of, business relationship with,  
1072 representation of, or advocacy for any person described in this  
1073 paragraph.

1074 8. The person's failure to meet or commit to meet, or  
1075 expected failure to meet, any of the following as long as such

1076 person is in compliance with applicable state or federal law:  
 1077 a. Environmental standards, including emissions standards,  
 1078 benchmarks, requirements, or disclosures;  
 1079 b. Social governance standards, benchmarks, or  
 1080 requirements, including, but not limited to, environmental or  
 1081 social justice;  
 1082 c. Corporate board or company employment composition  
 1083 standards, benchmarks, requirements, or disclosures based on  
 1084 characteristics protected under the Florida Civil Rights Act of  
 1085 1992; or  
 1086 d. Policies or procedures requiring or encouraging  
 1087 employee participation in social justice programming, including,  
 1088 but not limited to, diversity, equity, or inclusion training.  
 1089 (3) Beginning July 1, 2023, and upon application for a  
 1090 license or license renewal, applicants and licensees, as  
 1091 applicable, must attest, under penalty of perjury, on a form  
 1092 prescribed by the commission whether the applicant or licensee  
 1093 is acting in compliance with subsections (1) and (2).  
 1094 (4) In addition to any sanctions and penalties under this  
 1095 chapter, a failure to comply with subsection (1) or engaging in  
 1096 a practice described in subsection (2) constitutes a violation  
 1097 of the Florida Deceptive and Unfair Trade Practices Act under  
 1098 part II of chapter 501. Notwithstanding s. 501.211, violations  
 1099 must be enforced only by the enforcing authority, as defined in  
 1100 s. 501.203(2), and subject the violator to the sanctions and

1101 penalties provided for in that part. If such action is  
 1102 successful, the enforcing authority is entitled to reasonable  
 1103 attorney fees and costs.

1104 Section 23. Paragraph (h) of subsection (1) of section  
 1105 560.114, Florida Statutes, is amended to read:

1106 560.114 Disciplinary actions; penalties.—

1107 (1) The following actions by a money services business,  
 1108 authorized vendor, or affiliated party constitute grounds for  
 1109 the issuance of a cease and desist order; the issuance of a  
 1110 removal order; the denial, suspension, or revocation of a  
 1111 license; or taking any other action within the authority of the  
 1112 office pursuant to this chapter:

1113 (h) Engaging in an act prohibited under s. 560.111 or s.  
 1114 560.1115.

1115 Section 24. Paragraph (y) of subsection (1) of section  
 1116 655.005, Florida Statutes, is amended to read:

1117 655.005 Definitions.—

1118 (1) As used in the financial institutions codes, unless  
 1119 the context otherwise requires, the term:

1120 (y) "Unsafe or unsound practice" or "unsafe and unsound  
 1121 practice" means:

1122 1. Any practice or conduct found by the office to be  
 1123 contrary to generally accepted standards applicable to a  
 1124 financial institution, or a violation of any prior agreement in  
 1125 writing or order of a state or federal regulatory agency, which

1126 | practice, conduct, or violation creates the likelihood of loss,  
 1127 | insolvency, or dissipation of assets or otherwise prejudices the  
 1128 | interest of the financial institution or its depositors or  
 1129 | members. In making this determination, the office must consider  
 1130 | the size and condition of the financial institution, the gravity  
 1131 | of the violation, and the prior conduct of the person or  
 1132 | institution involved; or

1133 | 2. Failure to comply with s. 655.0323(1), or engaging in a  
 1134 | practice described in s. 655.0323(2).

1135 | Section 25. Section 655.0323, Florida Statutes, is created  
 1136 | to read:

1137 | 655.0323 Unsafe and unsound practices.—

1138 | (1) Financial institutions must make determinations about  
 1139 | the provision or denial of services based on an analysis of risk  
 1140 | factors unique to each current or prospective customer or member  
 1141 | and may not engage in an unsafe and unsound practice as provided  
 1142 | in subsection (2). This subsection does not restrict a financial  
 1143 | institution that claims a religious purpose from making such  
 1144 | determinations based on the current or prospective customer's or  
 1145 | member's religious beliefs, religious exercise, or religious  
 1146 | affiliations.

1147 | (2) It is an unsafe and unsound practice for a financial  
 1148 | institution to deny or cancel its services to a person, or to  
 1149 | otherwise discriminate against a person in making available such  
 1150 | services or in the terms or conditions of such services, on the

1151 basis of:

1152 (a) The person's political opinions, speech, or

1153 affiliations;

1154 (b) Except as provided in subsection (1), the person's

1155 religious beliefs, religious exercise, or religious

1156 affiliations;

1157 (c) Any factor if it is not a quantitative, impartial, and

1158 risk-based standard, including any such factor related to the

1159 person's business sector; or

1160 (d) The use of any rating, scoring, analysis, tabulation,

1161 or action that considers a social credit score based on factors

1162 including, but not limited to:

1163 1. The person's political opinions, speech, or

1164 affiliations.

1165 2. The person's religious beliefs, religious exercise, or

1166 religious affiliations.

1167 3. The person's lawful ownership of a firearm.

1168 4. The person's engagement in the lawful manufacture,

1169 distribution, sale, purchase, or use of firearms or ammunition.

1170 5. The person's engagement in the exploration, production,

1171 utilization, transportation, sale, or manufacture of fossil

1172 fuel-based energy, timber, mining, or agriculture.

1173 6. The person's support of the state or Federal Government

1174 in combatting illegal immigration, drug trafficking, or human

1175 trafficking.

1176 7. The person's engagement with, facilitation of,  
 1177 employment by, support of, business relationship with,  
 1178 representation of, or advocacy for any person described in this  
 1179 paragraph.

1180 8. The person's failure to meet or commit to meet, or  
 1181 expected failure to meet, any of the following as long as such  
 1182 person is in compliance with applicable state or federal law:

1183 a. Environmental standards, including emissions standards,  
 1184 benchmarks, requirements, or disclosures;

1185 b. Social governance standards, benchmarks, or  
 1186 requirements, including, but not limited to, environmental or  
 1187 social justice;

1188 c. Corporate board or company employment composition  
 1189 standards, benchmarks, requirements, or disclosures based on  
 1190 characteristics protected under the Florida Civil Rights Act of  
 1191 1992; or

1192 d. Policies or procedures requiring or encouraging  
 1193 employee participation in social justice programming, including,  
 1194 but not limited to, diversity, equity, or inclusion training.

1195 (3) Beginning July 1, 2023, and by July 1 of each year  
 1196 thereafter, financial institutions subject to the financial  
 1197 institutions codes must attest, under penalty of perjury, on a  
 1198 form prescribed by the commission whether the entity is acting  
 1199 in compliance with subsections (1) and (2).

1200 (4) Engaging in a practice described in subsection (2) or



1201 failing to timely provide the attestation under subsection (3)  
 1202 is a failure to comply with this chapter, constitutes a  
 1203 violation of the financial institutions codes, and is subject to  
 1204 the applicable sanctions and penalties provided for in the  
 1205 financial institutions codes.

1206 (5) Notwithstanding ss. 501.211 and 501.212, a failure to  
 1207 comply with subsection (1) or engaging in a practice described  
 1208 in subsection (2) constitutes a violation of the Florida  
 1209 Deceptive and Unfair Trade Practices Act under part II of  
 1210 chapter 501. Violations must be enforced only by the enforcing  
 1211 authority, as defined in s. 501.203(2), and subject the violator  
 1212 to the sanctions and penalties provided for in that part. If  
 1213 such action is successful, the enforcing authority is entitled  
 1214 to reasonable attorney fees and costs.

1215 (6) The office and the commission may not exercise  
 1216 authority pursuant to s. 655.061 in relation to this section.

1217 Section 26. Subsection (5) is added to section 1010.04,  
 1218 Florida Statutes, to read:

1219 1010.04 Purchasing.—

1220 (5) Beginning July 1, 2023, school districts, Florida  
 1221 College System institutions, and state universities may not:

1222 (a) Request documentation of or consider a vendor's  
 1223 social, political, or ideological interests.

1224 (b) Give preference to a vendor based on the vendor's  
 1225 social, political, or ideological interests.

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Any solicitation for purchases and leases must include a provision notifying vendors of the provisions of this subsection.

Section 27. For the purpose of incorporating the amendment made by this act to section 17.57, Florida Statutes, in references thereto, subsection (1) of section 17.61, Florida Statutes, is reenacted to read:

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

(1) The Chief Financial Officer shall invest all general revenue funds and all the trust funds and all agency funds of each state agency, and of the judicial branch, as defined in s. 216.011, and may, upon request, invest funds of any board, association, or entity created by the State Constitution or by law, except for the funds required to be invested pursuant to ss. 215.44-215.53, by the procedure and in the authorized securities prescribed in s. 17.57; for this purpose, the Chief Financial Officer may open and maintain one or more demand and safekeeping accounts in any bank or savings association for the investment and reinvestment and the purchase, sale, and exchange of funds and securities in the accounts. Funds in such accounts used solely for investments and reinvestments shall be considered investment funds and not funds on deposit, and such funds shall be exempt from the provisions of chapter 280. In

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1251 addition, the securities or investments purchased or held under  
1252 the provisions of this section and s. 17.57 may be loaned to  
1253 securities dealers and banks and may be registered by the Chief  
1254 Financial Officer in the name of a third-party nominee in order  
1255 to facilitate such loans, provided the loan is collateralized by  
1256 cash or United States government securities having a market  
1257 value of at least 100 percent of the market value of the  
1258 securities loaned. The Chief Financial Officer shall keep a  
1259 separate account, designated by name and number, of each fund.  
1260 Individual transactions and totals of all investments, or the  
1261 share belonging to each fund, shall be recorded in the accounts.

1262 Section 28. For the purpose of incorporating the amendment  
1263 made by this act to section 215.47, Florida Statutes, in a  
1264 reference thereto, subsection (3) of section 215.44, Florida  
1265 Statutes, is reenacted to read:

1266 215.44 Board of Administration; powers and duties in  
1267 relation to investment of trust funds.—

1268 (3) Notwithstanding any law to the contrary, all  
1269 investments made by the State Board of Administration pursuant  
1270 to ss. 215.44-215.53 shall be subject to the restrictions and  
1271 limitations contained in s. 215.47, except that investments made  
1272 by the State Board of Administration under a trust agreement  
1273 pursuant to subsection (1) shall be subject only to the  
1274 restrictions and limitations contained in the trust agreement.

1275 Section 29. This act shall take effect July 1, 2023.