

By Senator Grall

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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

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30 successful in those proceedings, is entitled to
31 reasonable attorney fees and costs; requiring the
32 department to adopt rules; amending ss. 175.071 and
33 185.06, F.S.; specifying that certain public boards of
34 trustees are subject to the requirement that only
35 pecuniary interests be considered in investment
36 decisions; amending s. 215.47, F.S.; defining the term
37 "pecuniary factor"; requiring the State Board of
38 Administration to make investment decisions based
39 solely on pecuniary factors; providing an exception to
40 current investment and fiduciary standards in the
41 event of a conflict; amending s. 215.475, F.S.;
42 requiring the Florida Retirement System Defined
43 Benefit Plan Investment Policy Statement to comply
44 with the requirement that only pecuniary interests be
45 considered in investment decisions; amending s.
46 215.4755, F.S.; requiring certain investment advisors
47 or managers to certify in writing that investment
48 decisions are based solely on pecuniary factors;
49 providing applicability; providing that failure to
50 file a required certification is grounds for
51 termination of certain contracts; providing that a
52 submission of a materially false certification is
53 deemed a willful refusal to comply with a certain
54 fiduciary standard; requiring that certain
55 noncompliance be reported to the Attorney General, who
56 is authorized to bring certain civil or administrative
57 actions; providing that if the Attorney General is
58 successful in those proceedings, he or she is entitled

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59 to reasonable attorney fees and costs; creating s.
60 215.681, F.S.; defining terms; prohibiting bond
61 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

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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; providing
111 that a failure to comply with specified requirements
112 or engaging in unsafe and unsound practices
113 constitutes a violation of the Florida Deceptive and
114 Unfair Trade Practices Act, subject to specified
115 sanctions and penalties; providing that only the
116 enforcing authority can enforce such violations;

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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

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

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175 thereto; providing an effective date.

176
177 Be It Enacted by the Legislature of the State of Florida:

178
179 Section 1. Subsection (1) of section 17.57, Florida
180 Statutes, is amended to read:

181 17.57 Deposits and investments of state money.—

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

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

199 (c) Notwithstanding any other law, when deciding whether to
200 invest and when investing, the Chief Financial Officer, or other
201 party authorized to invest on his or her behalf, must make
202 decisions based solely on pecuniary factors and may not
203 subordinate the interests of the people of this state to other

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204 objectives, including sacrificing investment return or
205 undertaking additional investment risk to promote any
206 nonpecuniary factor. The weight given to any pecuniary factor
207 must appropriately reflect a prudent assessment of its impact on
208 risk or returns.

209 Section 2. Present subsections (4) and (5) of section
210 20.058, Florida Statutes, are redesignated as subsections (5)
211 and (6), respectively, and paragraph (g) is added to subsection
212 (1) and a new subsection (4) is added to that section, to read:

213 20.058 Citizen support and direct-support organizations.—

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

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

221 (4) (a) As used in this section, the term "pecuniary factor"
222 means a factor that the citizen support organization or direct-
223 support organization prudently determines is expected to have a
224 material effect on the risk or returns of an investment based on
225 appropriate investment horizons consistent with applicable
226 investment objectives and funding policy. The term does not
227 include the consideration or furtherance of any social,
228 political, or ideological interests.

229 (b) Notwithstanding any other law, when deciding whether to
230 invest and when investing funds on behalf of an agency, the
231 citizen support organization or direct-support organization must
232 make decisions based solely on pecuniary factors and may not

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233 subordinate the interests of the people of this state to other
234 objectives, including sacrificing investment return or
235 undertaking additional investment risk to promote any
236 nonpecuniary factor. The weight given to any pecuniary factor
237 must appropriately reflect a prudent assessment of its impact on
238 risk or returns.

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

241 112.656 Fiduciary duties; certain officials included as
242 fiduciaries.—

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

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

251 112.661 Investment policies.—Investment of the assets of
252 any local retirement system or plan must be consistent with a
253 written investment policy adopted by the board. Such policies
254 shall be structured to maximize the financial return to the
255 retirement system or plan consistent with the risks incumbent in
256 each investment and shall be structured to establish and
257 maintain an appropriate diversification of the retirement system
258 or plan's assets.

259 (4) INVESTMENT AND FIDUCIARY STANDARDS.—The investment
260 policy shall describe the level of prudence and ethical
261 standards to be followed by the board in carrying out its

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262 investment activities with respect to funds described in this
263 section. The board in performing its investment duties shall
264 comply with the fiduciary standards set forth in the Employee
265 Retirement Income Security Act of 1974 at 29 U.S.C. s.
266 1104(a)(1)(A)-(C). Except as provided in s. 112.662, in case of
267 conflict with other provisions of law authorizing investments,
268 the investment and fiduciary standards set forth in this section
269 ~~shall~~ prevail.

270 Section 5. Section 112.662, Florida Statutes, is created to
271 read:

272 112.662 Investments; exercising shareholder rights.-

273 (1) As used in this section, the term "pecuniary factor"
274 means a factor that the plan administrator, named fiduciary,
275 board, or board of trustees prudently determines is expected to
276 have a material effect on the risk or returns of an investment
277 based on appropriate investment horizons consistent with the
278 investment objectives and funding policy of the retirement
279 system or plan. The term does not include the consideration or
280 furtherance of any social, political, or ideological interests.

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

290 (3) Notwithstanding any other law, when deciding whether to

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

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

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

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

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

319 (c) The Department of Management Services shall report

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320 incidents of noncompliance to the Attorney General, who may
321 institute proceedings to enjoin any person found violating this
322 section. If such action is successful, the Attorney General is
323 entitled to reasonable attorney fees and costs.

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

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

328 175.071 General powers and duties of board of trustees.—For
329 any municipality, special fire control district, chapter plan,
330 local law municipality, local law special fire control district,
331 or local law plan under this chapter:

332 (1) The board of trustees, subject to the fiduciary
333 standards in ss. 112.656, 112.661, and 518.11, ~~and~~ the Code of
334 Ethics in ss. 112.311-112.3187, and the requirements in s.
335 112.662, may:

336 (a) Invest and reinvest the assets of the firefighters'
337 pension trust fund in annuity and life insurance contracts of
338 life insurance companies in amounts sufficient to provide, in
339 whole or in part, the benefits to which all of the participants
340 in the firefighters' pension trust fund are entitled under this
341 chapter and pay the initial and subsequent premiums thereon.

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

344 1. Time or savings accounts of a national bank, a state
345 bank insured by the Bank Insurance Fund, or a savings, building,
346 and loan association insured by the Savings Association
347 Insurance Fund administered by the Federal Deposit Insurance
348 Corporation or a state or federal chartered credit union whose

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349 share accounts are insured by the National Credit Union Share
350 Insurance Fund.

351 2. Obligations of the United States or obligations
352 guaranteed as to principal and interest by the government of the
353 United States.

354 3. Bonds issued by the State of Israel.

355 4. Bonds, stocks, or other evidences of indebtedness issued
356 or guaranteed by a corporation organized under the laws of the
357 United States, any state or organized territory of the United
358 States, or the District of Columbia, if:

359 a. The corporation is listed on any one or more of the
360 recognized national stock exchanges or on the National Market
361 System of the NASDAQ Stock Market and, in the case of bonds
362 only, holds a rating in one of the three highest classifications
363 by a major rating service; and

364 b. The board of trustees may not invest more than 5 percent
365 of its assets in the common stock or capital stock of any one
366 issuing company, nor may the aggregate investment in any one
367 issuing company exceed 5 percent of the outstanding capital
368 stock of that company or the aggregate of its investments under
369 this subparagraph at cost exceed 50 percent of the assets of the
370 fund.

371
372 This paragraph applies to all boards of trustees and
373 participants. However, if a municipality or special fire control
374 district has a duly enacted pension plan pursuant to, and in
375 compliance with, s. 175.351, and the trustees desire to vary the
376 investment procedures, the trustees of such plan must request a
377 variance of the investment procedures as outlined herein only

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378 through a municipal ordinance, special act of the Legislature,
379 or resolution by the governing body of the special fire control
380 district; if a special act, or a municipality by ordinance
381 adopted before July 1, 1998, permits a greater than 50-percent
382 equity investment, such municipality is not required to comply
383 with the aggregate equity investment provisions of this
384 paragraph. Notwithstanding any other provision of law, this
385 section may not be construed to take away any preexisting legal
386 authority to make equity investments that exceed the
387 requirements of this paragraph. Notwithstanding any other
388 provision of law, the board of trustees may invest up to 25
389 percent of plan assets in foreign securities on a market-value
390 basis. The investment cap on foreign securities may not be
391 revised, amended, increased, or repealed except as provided by
392 general law.

393 (c) Issue drafts upon the firefighters' pension trust fund
394 pursuant to this act and rules prescribed by the board of
395 trustees. All such drafts must be consecutively numbered, be
396 signed by the chair and secretary, or by two individuals
397 designated by the board who are subject to the same fiduciary
398 standards as the board of trustees under this subsection, and
399 state upon their faces the purpose for which the drafts are
400 drawn. The treasurer or depository of each municipality or
401 special fire control district shall retain such drafts when
402 paid, as permanent vouchers for disbursements made, and no money
403 may be otherwise drawn from the fund.

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

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

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

409 185.06 General powers and duties of board of trustees.—For
410 any municipality, chapter plan, local law municipality, or local
411 law plan under this chapter:

412 (1) The board of trustees, subject to the fiduciary
413 standards in ss. 112.656, 112.661, and 518.11, ~~and~~ the Code of
414 Ethics in ss. 112.311-112.3187, and the requirements in s.
415 112.662, may:

416 (a) Invest and reinvest the assets of the retirement trust
417 fund in annuity and life insurance contracts of life insurance
418 companies in amounts sufficient to provide, in whole or in part,
419 the benefits to which all of the participants in the municipal
420 police officers' retirement trust fund are entitled under this
421 chapter, and pay the initial and subsequent premiums thereon.

422 (b) Invest and reinvest the assets of the retirement trust
423 fund in:

424 1. Time or savings accounts of a national bank, a state
425 bank insured by the Bank Insurance Fund, or a savings and loan
426 association insured by the Savings Association Insurance Fund
427 administered by the Federal Deposit Insurance Corporation or a
428 state or federal chartered credit union whose share accounts are
429 insured by the National Credit Union Share Insurance Fund.

430 2. Obligations of the United States or obligations
431 guaranteed as to principal and interest by the United States.

432 3. Bonds issued by the State of Israel.

433 4. Bonds, stocks, or other evidences of indebtedness issued
434 or guaranteed by a corporation organized under the laws of the
435 United States, any state or organized territory of the United

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436 States, or the District of Columbia, provided:

437 a. The corporation is listed on any one or more of the
438 recognized national stock exchanges or on the National Market
439 System of the NASDAQ Stock Market and, in the case of bonds
440 only, holds a rating in one of the three highest classifications
441 by a major rating service; and

442 b. The board of trustees may not invest more than 5 percent
443 of its assets in the common stock or capital stock of any one
444 issuing company, nor shall the aggregate investment in any one
445 issuing company exceed 5 percent of the outstanding capital
446 stock of the company or the aggregate of its investments under
447 this subparagraph at cost exceed 50 percent of the fund's
448 assets.

449
450 This paragraph applies to all boards of trustees and
451 participants. However, if a municipality has a duly enacted
452 pension plan pursuant to, and in compliance with, s. 185.35 and
453 the trustees desire to vary the investment procedures, the
454 trustees of such plan shall request a variance of the investment
455 procedures as outlined herein only through a municipal ordinance
456 or special act of the Legislature; if a special act, or a
457 municipality by ordinance adopted before July 1, 1998, permits a
458 greater than 50-percent equity investment, such municipality is
459 not required to comply with the aggregate equity investment
460 provisions of this paragraph. Notwithstanding any other
461 provision of law, this section may not be construed to take away
462 any preexisting legal authority to make equity investments that
463 exceed the requirements of this paragraph. Notwithstanding any
464 other provision of law, the board of trustees may invest up to

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465 25 percent of plan assets in foreign securities on a market-
466 value basis. The investment cap on foreign securities may not be
467 revised, amended, repealed, or increased except as provided by
468 general law.

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

480 (d) Finally decide all claims to relief under the board's
481 rules and regulations and pursuant to the provisions of this
482 act.

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

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

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

488 215.47 Investments; authorized securities; loan of
489 securities.—Subject to the limitations and conditions of the
490 State Constitution or of the trust agreement relating to a trust
491 fund, moneys available for investments under ss. 215.44-215.53
492 may be invested as follows:

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

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494 factor” means a factor that the State Board of Administration
495 prudently determines is expected to have a material effect on
496 the risk or returns of an investment based on appropriate
497 investment horizons consistent with applicable investment
498 objectives and funding policy. The term does not include the
499 consideration or furtherance of any social, political, or
500 ideological interests.

501 (b) Notwithstanding any other law except for ss. 215.472,
502 215.4725, and 215.473, when deciding whether to invest and when
503 investing the assets of any fund, the State Board of
504 Administration must make decisions based solely on pecuniary
505 factors and may not subordinate the interests of the
506 participants and beneficiaries of the fund to other objectives,
507 including sacrificing investment return or undertaking
508 additional investment risk to promote any nonpecuniary factor.
509 The weight given to any pecuniary factor must appropriately
510 reflect a prudent assessment of its impact on risk or returns.

511 (c) Investments made by the State Board of Administration
512 shall be designed to maximize the financial return to the fund
513 consistent with the risks incumbent in each investment and shall
514 be designed to preserve an appropriate diversification of the
515 portfolio. The board shall discharge its duties with respect to
516 a plan solely in the interest of its participants and
517 beneficiaries. The board in performing the above investment
518 duties shall comply with the fiduciary standards set forth in
519 the Employee Retirement Income Security Act of 1974 at 29 U.S.C.
520 s. 1104(a) (1) (A) through (C). Except as provided in paragraph
521 (b), in case of conflict with other provisions of law
522 authorizing investments, the investment and fiduciary standards

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523 set forth in this paragraph ~~subsection~~ shall prevail.

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

526 215.475 Investment policy statement.—

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

540 Section 10. Present paragraphs (b), (c), and (d) of
541 subsection (1) of section 215.4755, Florida Statutes, are
542 redesignated as paragraphs (c), (d), and (e), respectively, a
543 new paragraph (b) is added to that subsection, and subsection
544 (3) of that section is amended, to read:

545 215.4755 Certification and disclosure requirements for
546 investment advisers and managers.—

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

551 (b) All investment decisions made on behalf of the trust

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552 funds and the board are made based solely on pecuniary factors
553 as defined in s. 215.47(10) (a) and do not subordinate the
554 interests of the participants and beneficiaries of the funds to
555 other objectives, including sacrificing investment return or
556 undertaking additional investment risk to promote any
557 nonpecuniary factor. This paragraph applies to any contract
558 executed, amended, or renewed on or after July 1, 2023.

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

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

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

569 (d) If an investment adviser or manager fails to comply
570 with the fiduciary standard described in paragraph (1) (b) while
571 providing services to the board, the board must report such
572 noncompliance to the Attorney General, who may bring a civil or
573 administrative action for damages, injunctive relief, and such
574 other relief as may be appropriate. If such action is
575 successful, the Attorney General is entitled to reasonable
576 attorney fees and costs.

577 Section 11. Section 215.681, Florida Statutes, is created
578 to read:

579 215.681 ESG bonds; prohibitions.-

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

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581 (a) "Bonds" means any note, general obligation bond,
582 revenue bond, special assessment bond, special obligation bond,
583 private activity bond, certificate of participation, or other
584 evidence of indebtedness or obligation, in either temporary or
585 definitive form.

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

587 (c) "ESG bonds" means any bonds that have been designated
588 or labeled as bonds that will be used to finance a project with
589 an ESG purpose, including, but not limited to, green bonds,
590 Certified Climate Bonds, GreenStar designated bonds, and other
591 environmental bonds marketed as promoting an environmental
592 objective; social bonds marketed as promoting a social
593 objective; and sustainability bonds and sustainable development
594 goal bonds marketed as promoting both environmental and social
595 objectives. The term includes those bonds self-designated by the
596 issuer as ESG-labeled bonds and those designated as ESG-labeled
597 bonds by a third-party verifier.

598 (d) "Issuer" means the division, acting on behalf of any
599 entity; any local government, educational entity, or entity of
600 higher education as defined in s. 215.89(2)(c), (d), and (e),
601 respectively, or other political subdivision granted the power
602 to issue bonds; any public body corporate and politic authorized
603 or created by general or special law and granted the power to
604 issue bonds, including, but not limited to, a water and sewer
605 district created under chapter 153, a health facilities
606 authority as defined in s. 154.205, an industrial development
607 authority created under chapter 159, a housing financing
608 authority as defined in s. 159.603(3), a research and
609 development authority as defined in s. 159.702(1)(c), a legal or

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610 administrative entity created by interlocal agreement pursuant
611 to s. 163.01(7), a community redevelopment agency as defined in
612 s. 163.340(1), a regional transportation authority created under
613 chapter 163, a community development district as defined in s.
614 190.003, an educational facilities authority as defined in s.
615 243.52(1), the Higher Educational Facilities Financing Authority
616 created under s. 243.53, the Florida Development Finance
617 Corporation created under s. 288.9604, a port district or port
618 authority as defined in s. 315.02(1) and (2), respectively, the
619 South Florida Regional Transportation Authority created under s.
620 343.53, the Central Florida Regional Transportation Authority
621 created under s. 343.63, the Tampa Bay Area Regional Transit
622 Authority created under s. 343.92, the Greater Miami Expressway
623 Agency created under s. 348.0304, the Tampa-Hillsborough County
624 Expressway Authority created under s. 348.52, the Central
625 Florida Expressway Authority created under s. 348.753, the
626 Jacksonville Transportation Authority created under s. 349.03,
627 and the Florida Housing Finance Corporation created under s.
628 420.504.

629 (e) "Rating agency" means any nationally recognized rating
630 service or nationally recognized statistical rating
631 organization.

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

637 (2) Notwithstanding any other provision of law relating to
638 the issuance of bonds, it is a violation of this section and it

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639 is prohibited for any issuer to:

640 (a) Issue ESG bonds.

641 (b) Expend public funds as defined in s. 215.85(3) or use
642 moneys derived from the issuance of bonds to pay for the
643 services of a third-party verifier, including, but not limited
644 to, certifying or verifying that bonds may be designated or
645 labeled as ESG bonds, rendering a second-party opinion or
646 producing a verifier's report as to the compliance of proposed
647 ESG bonds with applicable ESG standards and metrics, complying
648 with post-issuance reporting obligations, or other services that
649 are only provided due to the designation or labeling of bonds as
650 ESG bonds.

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

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

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

660 Section 12. Section 215.855, Florida Statutes, is created
661 to read:

662 215.855 Investment manager external communication.—

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

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

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668 authority, district, or agency thereof, or a public school,
669 Florida College System institution, state university, or
670 associated board.

671 (b) "Investment manager" means a private sector company
672 that offers one or more investment products or services to a
673 governmental entity and that has the discretionary investment
674 authority for direct holdings.

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

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

681 (a) That any written communication made by the investment
682 manager to a company in which such manager invests public funds
683 on behalf of a governmental entity must include the following
684 disclaimer in a conspicuous location if such communication
685 discusses social, political, or ideological interests;
686 subordinates the interests of the company's shareholders to the
687 interest of another entity; or advocates for the interest of an
688 entity other than the company's shareholders:

689
690 The views and opinions expressed in this communication are those
691 of the sender and do not reflect the views and opinions of the
692 people of the State of Florida.

694 (b) That the contract may be unilaterally terminated at the
695 option of the governmental entity if the investment manager does
696 not include the disclaimer required in paragraph (a).

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

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

702 218.415 Local government investment policies.—Investment
703 activity by a unit of local government must be consistent with a
704 written investment plan adopted by the governing body, or in the
705 absence of the existence of a governing body, the respective
706 principal officer of the unit of local government and maintained
707 by the unit of local government or, in the alternative, such
708 activity must be conducted in accordance with subsection (17).
709 Any such unit of local government shall have an investment
710 policy for any public funds in excess of the amounts needed to
711 meet current expenses as provided in subsections (1)-(16), or
712 shall meet the alternative investment guidelines contained in
713 subsection (17). Such policies shall be structured to place the
714 highest priority on the safety of principal and liquidity of
715 funds. The optimization of investment returns shall be secondary
716 to the requirements for safety and liquidity. Each unit of local
717 government shall adopt policies that are commensurate with the
718 nature and size of the public funds within its custody.

719 (24) INVESTMENT DECISIONS.—

720 (a) As used in this subsection, the term "pecuniary factor"
721 means a factor that the governing body of the unit of local
722 government, or in the absence of the existence of a governing
723 body, the respective principal officer of the unit of local
724 government, prudently determines is expected to have a material
725 effect on the risk or returns of an investment based on

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726 appropriate investment horizons consistent with applicable
727 investment objectives and funding policy. The term does not
728 include the consideration or furtherance of any social,
729 political, or ideological interests.

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

739 Section 14. Present paragraphs (e) and (f) of subsection
740 (26) of section 280.02, Florida Statutes, are redesignated as
741 paragraphs (g) and (h), respectively, and new paragraphs (e) and
742 (f) are added to that subsection, to read:

743 280.02 Definitions.—As used in this chapter, the term:

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

746 (e) Makes determinations about the provision of services or
747 the denial of services based on an analysis of risk factors
748 unique to each customer or member. This paragraph does not
749 restrict a qualified public depository that claims a religious
750 purpose from making such determinations based on the religious
751 beliefs, religious exercise, or religious affiliations of a
752 customer or member.

753 (f) Does not engage in the unsafe and unsound practice of
754 denying or canceling its services to a person, or otherwise

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755 discriminating against a person in making available such
756 services or in the terms or conditions of such services, on the
757 basis of:

758 1. The person's political opinions, speech, or
759 affiliations;

760 2. Except as provided in paragraph (e), the person's
761 religious beliefs, religious exercise, or religious
762 affiliations;

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

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

769 a. The person's political opinions, speech, or
770 affiliations.

771 b. The person's religious beliefs, religious exercise, or
772 religious affiliations.

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

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

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

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

782 g. The person's engagement with, facilitation of,
783 employment by, support of, business relationship with,

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784 representation of, or advocacy for any person described in this
785 subparagraph.

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

789 (I) Environmental standards, including emissions standards,
790 benchmarks, requirements, or disclosures;

791 (II) Social governance standards, benchmarks, or
792 requirements, including, but not limited to, environmental or
793 social justice;

794 (III) Corporate board or company employment composition
795 standards, benchmarks, requirements, or disclosures based on
796 characteristics protected under the Florida Civil Rights Act of
797 1992; or

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

801 Section 15. Section 280.025, Florida Statutes, is created
802 to read:

803 280.025 Attestation required.—

804 (1) Beginning July 1, 2023, the following entities must
805 attest, under penalty of perjury, on a form prescribed by the
806 Chief Financial Officer, whether the entity is in compliance
807 with s. 280.02(26) (e) and (f):

808 (a) A bank, savings bank, or savings association, upon
809 application or reapplication for designation as a qualified
810 public depository.

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

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813 (2) If an application or reapplication for designation as a
814 qualified public depository is pending on July 1, 2023, the
815 bank, savings bank, or savings association must file the
816 attestation required under subsection (1) before being
817 designated or redesignated a qualified public depository.

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

820 280.05 Powers and duties of the Chief Financial Officer.—In
821 fulfilling the requirements of this act, the Chief Financial
822 Officer has the power to take the following actions he or she
823 deems necessary to protect the integrity of the public deposits
824 program:

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

827 (d)1. Any related documents, reports, records, or other
828 information deemed necessary by the Chief Financial Officer in
829 order to ascertain compliance with this chapter, including, but
830 not limited to, verifying the attestation required under s.
831 280.025.

832 2. If the Chief Financial Officer determines that the
833 attestation required under s. 280.025 is materially false, he or
834 she must report such determination to the Attorney General, who
835 may bring a civil or administrative action for damages,
836 injunctive relief, and such other relief as may be appropriate.
837 If such action is successful, the Attorney General is entitled
838 to reasonable attorney fees and costs.

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

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842 Officer allowed under federal law.

843 (17) Suspend or disqualify or disqualify after suspension
844 any qualified public depository that has violated ~~any of the~~
845 ~~provisions of~~ this chapter or ~~of~~ rules adopted hereunder or that
846 no longer meets the definition of a qualified public depository
847 under s. 280.02.

848 (a) Any qualified public depository that is suspended or
849 disqualified pursuant to this subsection is subject to the
850 provisions of s. 280.11(2) governing withdrawal from the public
851 deposits program and return of pledged collateral. Any
852 suspension shall not exceed a period of 6 months. Any qualified
853 public depository which has been disqualified may not reapply
854 for qualification until after the expiration of 1 year from the
855 date of the final order of disqualification or the final
856 disposition of any appeal taken therefrom.

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

860 (c) If the Chief Financial Officer has reason to believe
861 that any qualified public depository or any other financial
862 institution holding public deposits is or has been violating ~~any~~
863 ~~of the provisions of~~ this chapter or ~~of~~ rules adopted hereunder
864 or no longer meets the definition of a qualified public
865 depository under s. 280.02, he or she may issue to the qualified
866 public depository or other financial institution an order to
867 cease and desist from the violation or to correct the condition
868 giving rise to or resulting from the violation. If any qualified
869 public depository or other financial institution violates a
870 cease-and-desist or corrective order, the Chief Financial

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871 Officer may impose an administrative penalty upon the qualified
872 public depository or other financial institution as provided in
873 s. 280.054 or s. 280.055. In addition to the administrative
874 penalty, the Chief Financial Officer may suspend or disqualify
875 any qualified public depository for violation of any order
876 issued pursuant to this paragraph.

877 Section 17. Subsections (14) and (15) are added to section
878 280.051, Florida Statutes, to read:

879 280.051 Grounds for suspension or disqualification of a
880 qualified public depository.—A qualified public depository may
881 be suspended or disqualified or both if the Chief Financial
882 Officer determines that the qualified public depository has:

883 (14) Failed to file the attestation required under s.
884 280.025.

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

887 Section 18. Paragraph (b) of subsection (1) of section
888 280.054, Florida Statutes, is amended to read:

889 280.054 Administrative penalty in lieu of suspension or
890 disqualification.—

891 (1) If the Chief Financial Officer finds that one or more
892 grounds exist for the suspension or disqualification of a
893 qualified public depository, the Chief Financial Officer may, in
894 lieu of suspension or disqualification, impose an administrative
895 penalty upon the qualified public depository.

896 (b) With respect to any knowing and willful violation of a
897 lawful order or rule, the Chief Financial Officer may impose a
898 penalty upon the qualified public depository in an amount not
899 exceeding \$1,000 for each violation. If restitution is due, the

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900 qualified public depository shall make restitution upon the
 901 order of the Chief Financial Officer and shall pay interest on
 902 such amount at the legal rate. Each day a violation continues
 903 constitutes a separate violation. Failure to timely file the
 904 attestation required under s. 280.025 is deemed a knowing and
 905 willful violation.

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

909 280.055 Cease and desist order; corrective order;
 910 administrative penalty.—

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

913 (e) A qualified public depository or a custodian has not
 914 furnished to the Chief Financial Officer, when the Chief
 915 Financial Officer requested, a power of attorney or bond power
 916 or bond assignment form required by the bond agent or bond
 917 trustee for each issue of registered certificated securities
 918 pledged and registered in the name, or nominee name, of the
 919 qualified public depository or custodian; ~~or~~

920 (f) A qualified public depository; a bank, savings
 921 association, or other financial institution; or a custodian has
 922 committed any other violation of this chapter or any rule
 923 adopted pursuant to this chapter that the Chief Financial
 924 Officer determines may be remedied by a cease and desist order
 925 or corrective order; or

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

928 Section 20. Section 287.05701, Florida Statutes, is created

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929 to read:

930 287.05701 Prohibition against considering social,
931 political, or ideological interests in government contracting.-

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

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

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

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

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

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

948 Section 21. Section 516.037, Florida Statutes, is created
949 to read:

950 516.037 Unsafe and unsound practices.-

951 (1) Licensees must make determinations about the provision
952 or denial of services based on an analysis of risk factors
953 unique to each current or prospective customer and may not
954 engage in an unsafe and unsound practice as provided in
955 subsection (2). This subsection does not restrict a licensee
956 that claims a religious purpose from making such determinations
957 based on the current or prospective customer's religious

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958 beliefs, religious exercise, or religious affiliations.

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

963 (a) The person's political opinions, speech, or
964 affiliations;

965 (b) Except as provided in subsection (1), the person's
966 religious beliefs, religious exercise, or religious
967 affiliations;

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

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

974 1. The person's political opinions, speech, or
975 affiliations.

976 2. The person's religious beliefs, religious exercise, or
977 religious affiliations.

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

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

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

984 6. The person's support of the state or Federal Government
985 in combatting illegal immigration, drug trafficking, or human
986 trafficking.

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987 7. The person's engagement with, facilitation of,
988 employment by, support of, business relationship with,
989 representation of, or advocacy for any person described in this
990 paragraph.

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

994 a. Environmental standards, including emissions standards,
995 benchmarks, requirements, or disclosures;

996 b. Social governance standards, benchmarks, or
997 requirements, including, but not limited to, environmental or
998 social justice;

999 c. Corporate board or company employment composition
1000 standards, benchmarks, requirements, or disclosures based on
1001 characteristics protected under the Florida Civil Rights Act of
1002 1992; or

1003 d. Policies or procedures requiring or encouraging employee
1004 participation in social justice programming, including, but not
1005 limited to, diversity, equity, or inclusion training.

1006 (3) Beginning July 1, 2023, and upon application for a
1007 license or license renewal, applicants and licensees must
1008 attest, under penalty of perjury, on a form prescribed by the
1009 commission whether the applicant or licensee is acting in
1010 compliance with subsections (1) and (2).

1011 (4) In addition to any sanctions and penalties under this
1012 chapter, a failure to comply with subsection (1) or engaging in
1013 a practice described in subsection (2) constitutes a violation
1014 of the Florida Deceptive and Unfair Trade Practices Act under
1015 part II of chapter 501. Notwithstanding s. 501.211, violations

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1016 must be enforced only by the enforcing authority, as defined in
1017 s. 501.203(2), and subject the violator to the sanctions and
1018 penalties provided for in that part. If such action is
1019 successful, the enforcing authority is entitled to reasonable
1020 attorney fees and costs.

1021 Section 22. Section 560.1115, Florida Statutes, is created
1022 to read:

1023 560.1115 Unsafe and unsound practices.-

1024 (1) Licensees must make determinations about the provision
1025 or denial of services based on an analysis of risk factors
1026 unique to each current or prospective customer and may not
1027 engage in an unsafe and unsound practice as provided in
1028 subsection (2). This subsection does not restrict a licensee
1029 that claims a religious purpose from making such determinations
1030 based on the current or prospective customer's religious
1031 beliefs, religious exercise, or religious affiliations.

1032 (2) It is an unsafe and unsound practice for a licensee to
1033 deny or cancel its services to a person, or to otherwise
1034 discriminate against a person in making available such services
1035 or in the terms or conditions of such services, on the basis of:

1036 (a) The person's political opinions, speech, or
1037 affiliations;

1038 (b) Except as provided in subsection (1), the person's
1039 religious beliefs, religious exercise, or religious
1040 affiliations;

1041 (c) Any factor if it is not a quantitative, impartial, and
1042 risk-based standard, including any such factor related to the
1043 person's business sector; or

1044 (d) The use of any rating, scoring, analysis, tabulation,

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1045 or action that considers a social credit score based on factors
1046 including, but not limited to:

1047 1. The person's political opinions, speech, or
1048 affiliations.

1049 2. The person's religious beliefs, religious exercise, or
1050 religious affiliations.

1051 3. The person's lawful ownership of a firearm.

1052 4. The person's engagement in the lawful manufacture,
1053 distribution, sale, purchase, or use of firearms or ammunition.

1054 5. The person's engagement in the exploration, production,
1055 utilization, transportation, sale, or manufacture of fossil
1056 fuel-based energy, timber, mining, or agriculture.

1057 6. The person's support of the state or Federal Government
1058 in combatting illegal immigration, drug trafficking, or human
1059 trafficking.

1060 7. The person's engagement with, facilitation of,
1061 employment by, support of, business relationship with,
1062 representation of, or advocacy for any person described in this
1063 paragraph.

1064 8. The person's failure to meet or commit to meet, or
1065 expected failure to meet, any of the following as long as such
1066 person is in compliance with applicable state or federal law:

1067 a. Environmental standards, including emissions standards,
1068 benchmarks, requirements, or disclosures;

1069 b. Social governance standards, benchmarks, or
1070 requirements, including, but not limited to, environmental or
1071 social justice;

1072 c. Corporate board or company employment composition
1073 standards, benchmarks, requirements, or disclosures based on

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1074 characteristics protected under the Florida Civil Rights Act of
1075 1992; or

1076 d. Policies or procedures requiring or encouraging employee
1077 participation in social justice programming, including, but not
1078 limited to, diversity, equity, or inclusion training.

1079 (3) Beginning July 1, 2023, and upon application for a
1080 license or license renewal, applicants and licensees, as
1081 applicable, must attest, under penalty of perjury, on a form
1082 prescribed by the commission whether the applicant or licensee
1083 is acting in compliance with subsections (1) and (2).

1084 (4) In addition to any sanctions and penalties under this
1085 chapter, a failure to comply with subsection (1) or engaging in
1086 a practice described in subsection (2) constitutes a violation
1087 of the Florida Deceptive and Unfair Trade Practices Act under
1088 part II of chapter 501. Notwithstanding s. 501.211, violations
1089 must be enforced only by the enforcing authority, as defined in
1090 s. 501.203(2), and subject the violator to the sanctions and
1091 penalties provided for in that part. If such action is
1092 successful, the enforcing authority is entitled to reasonable
1093 attorney fees and costs.

1094 Section 23. Paragraph (h) of subsection (1) of section
1095 560.114, Florida Statutes, is amended to read:

1096 560.114 Disciplinary actions; penalties.—

1097 (1) The following actions by a money services business,
1098 authorized vendor, or affiliated party constitute grounds for
1099 the issuance of a cease and desist order; the issuance of a
1100 removal order; the denial, suspension, or revocation of a
1101 license; or taking any other action within the authority of the
1102 office pursuant to this chapter:

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1103 (h) Engaging in an act prohibited under s. 560.111 or s.
1104 560.1115.

1105 Section 24. Paragraph (y) of subsection (1) of section
1106 655.005, Florida Statutes, is amended to read:
1107 655.005 Definitions.—

1108 (1) As used in the financial institutions codes, unless the
1109 context otherwise requires, the term:

1110 (y) “Unsafe or unsound practice” or “unsafe and unsound
1111 practice” means:

1112 1. Any practice or conduct found by the office to be
1113 contrary to generally accepted standards applicable to a
1114 financial institution, or a violation of any prior agreement in
1115 writing or order of a state or federal regulatory agency, which
1116 practice, conduct, or violation creates the likelihood of loss,
1117 insolvency, or dissipation of assets or otherwise prejudices the
1118 interest of the financial institution or its depositors or
1119 members. In making this determination, the office must consider
1120 the size and condition of the financial institution, the gravity
1121 of the violation, and the prior conduct of the person or
1122 institution involved; or

1123 2. Failure to comply with s. 655.0323(1), or engaging in a
1124 practice described in s. 655.0323(2).

1125 Section 25. Section 655.0323, Florida Statutes, is created
1126 to read:

1127 655.0323 Unsafe and unsound practices.—

1128 (1) Financial institutions must make determinations about
1129 the provision or denial of services based on an analysis of risk
1130 factors unique to each current or prospective customer or member
1131 and may not engage in an unsafe and unsound practice as provided

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1132 in subsection (2). This subsection does not restrict a financial
1133 institution that claims a religious purpose from making such
1134 determinations based on the current or prospective customer's or
1135 member's religious beliefs, religious exercise, or religious
1136 affiliations.

1137 (2) It is an unsafe and unsound practice for a financial
1138 institution to deny or cancel its services to a person, or to
1139 otherwise discriminate against a person in making available such
1140 services or in the terms or conditions of such services, on the
1141 basis of:

1142 (a) The person's political opinions, speech, or
1143 affiliations;

1144 (b) Except as provided in subsection (1), the person's
1145 religious beliefs, religious exercise, or religious
1146 affiliations;

1147 (c) Any factor if it is not a quantitative, impartial, and
1148 risk-based standard, including any such factor related to the
1149 person's business sector; or

1150 (d) The use of any rating, scoring, analysis, tabulation,
1151 or action that considers a social credit score based on factors
1152 including, but not limited to:

1153 1. The person's political opinions, speech, or
1154 affiliations.

1155 2. The person's religious beliefs, religious exercise, or
1156 religious affiliations.

1157 3. The person's lawful ownership of a firearm.

1158 4. The person's engagement in the lawful manufacture,
1159 distribution, sale, purchase, or use of firearms or ammunition.

1160 5. The person's engagement in the exploration, production,

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1161 utilization, transportation, sale, or manufacture of fossil
1162 fuel-based energy, timber, mining, or agriculture.

1163 6. The person's support of the state or Federal Government
1164 in combatting illegal immigration, drug trafficking, or human
1165 trafficking.

1166 7. The person's engagement with, facilitation of,
1167 employment by, support of, business relationship with,
1168 representation of, or advocacy for any person described in this
1169 paragraph.

1170 8. The person's failure to meet or commit to meet, or
1171 expected failure to meet, any of the following as long as such
1172 person is in compliance with applicable state or federal law:

1173 a. Environmental standards, including emissions standards,
1174 benchmarks, requirements, or disclosures;

1175 b. Social governance standards, benchmarks, or
1176 requirements, including, but not limited to, environmental or
1177 social justice;

1178 c. Corporate board or company employment composition
1179 standards, benchmarks, requirements, or disclosures based on
1180 characteristics protected under the Florida Civil Rights Act of
1181 1992; or

1182 d. Policies or procedures requiring or encouraging employee
1183 participation in social justice programming, including, but not
1184 limited to, diversity, equity, or inclusion training.

1185 (3) Beginning July 1, 2023, and by July 1 of each year
1186 thereafter, financial institutions subject to the financial
1187 institutions codes must attest, under penalty of perjury, on a
1188 form prescribed by the commission whether the entity is acting
1189 in compliance with subsections (1) and (2).

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1190 (4) Engaging in a practice described in subsection (2) is a
1191 failure to comply with this chapter, constitutes a violation of
1192 the financial institutions codes, and is subject to the
1193 applicable sanctions and penalties provided for in the financial
1194 institutions codes.

1195 (5) Notwithstanding ss. 501.211 and 501.212, a failure to
1196 comply with subsection (1) or a practice described in subsection
1197 (2) constitutes a violation of the Florida Deceptive and Unfair
1198 Trade Practices Act under part II of chapter 501. Violations
1199 must be enforced only by the enforcing authority, as defined in
1200 s. 501.203(2), and subject the violator to the sanctions and
1201 penalties provided for in that part. If such action is
1202 successful, the enforcing authority is entitled to reasonable
1203 attorney fees and costs.

1204 (6) The office and the commission may not exercise
1205 authority pursuant to s. 655.061 in relation to this section.

1206 Section 26. Subsection (5) is added to section 1010.04,
1207 Florida Statutes, to read:

1208 1010.04 Purchasing.—

1209 (5) Beginning July 1, 2023, school districts, Florida
1210 College System institutions, and state universities may not:

1211 (a) Request documentation of or consider a vendor's social,
1212 political, or ideological interests.

1213 (b) Give preference to a vendor based on the vendor's
1214 social, political, or ideological interests.

1215
1216 Any solicitation for purchases and leases must include a
1217 provision notifying vendors of the provisions of this
1218 subsection.

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1219 Section 27. For the purpose of incorporating the amendment
1220 made by this act to section 17.57, Florida Statutes, in
1221 references thereto, subsection (1) of section 17.61, Florida
1222 Statutes, is reenacted to read:

1223 17.61 Chief Financial Officer; powers and duties in the
1224 investment of certain funds.—

1225 (1) The Chief Financial Officer shall invest all general
1226 revenue funds and all the trust funds and all agency funds of
1227 each state agency, and of the judicial branch, as defined in s.
1228 216.011, and may, upon request, invest funds of any board,
1229 association, or entity created by the State Constitution or by
1230 law, except for the funds required to be invested pursuant to
1231 ss. 215.44-215.53, by the procedure and in the authorized
1232 securities prescribed in s. 17.57; for this purpose, the Chief
1233 Financial Officer may open and maintain one or more demand and
1234 safekeeping accounts in any bank or savings association for the
1235 investment and reinvestment and the purchase, sale, and exchange
1236 of funds and securities in the accounts. Funds in such accounts
1237 used solely for investments and reinvestments shall be
1238 considered investment funds and not funds on deposit, and such
1239 funds shall be exempt from the provisions of chapter 280. In
1240 addition, the securities or investments purchased or held under
1241 the provisions of this section and s. 17.57 may be loaned to
1242 securities dealers and banks and may be registered by the Chief
1243 Financial Officer in the name of a third-party nominee in order
1244 to facilitate such loans, provided the loan is collateralized by
1245 cash or United States government securities having a market
1246 value of at least 100 percent of the market value of the
1247 securities loaned. The Chief Financial Officer shall keep a

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1248 separate account, designated by name and number, of each fund.
1249 Individual transactions and totals of all investments, or the
1250 share belonging to each fund, shall be recorded in the accounts.

1251 Section 28. For the purpose of incorporating the amendment
1252 made by this act to section 215.47, Florida Statutes, in a
1253 reference thereto, subsection (3) of section 215.44, Florida
1254 Statutes, is reenacted to read:

1255 215.44 Board of Administration; powers and duties in
1256 relation to investment of trust funds.-

1257 (3) Notwithstanding any law to the contrary, all
1258 investments made by the State Board of Administration pursuant
1259 to ss. 215.44-215.53 shall be subject to the restrictions and
1260 limitations contained in s. 215.47, except that investments made
1261 by the State Board of Administration under a trust agreement
1262 pursuant to subsection (1) shall be subject only to the
1263 restrictions and limitations contained in the trust agreement.

1264 Section 29. This act shall take effect July 1, 2023.