FLORIDA HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS

This bill analysis was prepared by nonpartisan committee staff and does not constitute an official statement of legislative intent.

BILL #: CS/CS/HB 1519	**COMPANION BILL:** CS/CS/SB 1678 (Leek)
TITLE: Entities that Boycott Israel	**LINKED BILLS:** None
SPONSOR(S): Cassel	**RELATED BILLS:** None

FINAL HOUSE FLOOR ACTION: 111 **Y's** 3 **N's** **GOVERNOR'S ACTION:** Approved

SUMMARY

Effect of the Bill:

The bill expands Florida's public investment and contracting prohibitions on entities that boycott Israel to include educational institutions, nonprofits, government entities, and academic boycotts. The bill also requires universities in the State University System to follow the same divestment and investment restrictions as the State Board of Administration with respect to companies and other entities that boycott Israel. Additionally, it imposes new compliance requirements for arts and cultural grants, with penalties and prohibitions for applicants who engage in boycotts or antisemitic discrimination.

Fiscal or Economic Impact:

The bill may have an indeterminate negative fiscal impact on the state and local governments due to its public investment and contracting requirements, as well as new compliance and enforcement provisions for arts and cultural grants.

JUMP TO **SUMMARY** **ANALYSIS** **RELEVANT INFORMATION**

ANALYSIS

EFFECT OF THE BILL:

CS/CS/HB 1519 passed as CS/CS/SB 1678. (Please note that bill section parentheticals do not contain hyperlinks to bill sections for Senate bills.)

The bill expands Florida's public investment and contracting prohibitions on entities that boycott Israel to include not only companies that boycott Israel, but also educational institutions, nonprofits, executive branch agencies, local governments, and foreign governments. Actions that are deemed to boycott Israel for purposes of the investment and contracting prohibition now include academic boycotts where educational institutions enact restrictive policies or take actions that limit academic relationships based on ties to Israel or hold students and faculty collectively liable for alleged actions of the Israeli government. An educational institution is deemed to engage in an academic boycott of Israel if any of its departments, or in the case of foreign institutions, faculty unions, participate in such a boycott. Under current law companies are subject to the investment and contracting prohibitions in law; however, the bill narrows the definition of "company" by excluding natural persons and sole proprietorships and specifying that only business entities with more than 10 full-time employees qualify under these provisions. (Section 1)

The bill requires the State Board of Administration (SBA) to determine which "other entities" boycott Israel and, if necessary, place them on the Scrutinized Companies or Other Entities that Boycott Israel List (Boycott Israel List). The bill defines "other entity" to mean an educational institution, a nonprofit organization, an agency, a local government, including any of its public investment funds, public pension funds, sovereign wealth funds, or other government-sponsored investment funds. (Section 1)

The bill requires the Department of Management Services (DMS) to collaborate with the SBA to identify companies and other entities with which the state currently contracts or has a grant agreement. If any of those entities are placed on the Boycott Israel List, DMS must notify them that they may be barred from receiving future state contracts or grant awards. (Section 1)

The bill prohibits the SBA and specified State University System (SUS) funds from acquiring or holding the debt of a foreign government or a foreign government controlled sovereign wealth fund if such government or fund is on the Boycott Israel List. The bill requires SUS university endowment and retirement funds to follow the same divestment and investment restrictions as the SBA with respect to companies and other entities on the Boycott Israel List. (Section 1)

The bill modifies state and local government contracting and procurement restrictions by prohibiting contracts of $100,000 or more with companies or other entities engaged in a boycott of Israel. Contracts entered into or renewed on or after July 1, 2025, must contain a provision allowing for termination if a company or other entity is found to be engaged in such a boycott. (Section 3)

The bill revises Florida's arts and cultural grants process by adding new compliance and enforcement measures related to anti-boycott and antisemitism laws. Under the new provisions, grant applicants must certify that they comply with all relevant anti-discrimination laws, including the state's anti-boycott of Israel statutes. Grant applicants must attest that they will not engage in antisemitic discrimination, including refusing to deal with another individual or entity based on their real or perceived connection to the State of Israel, or engage in antisemitic speech in conjunction with the program or project for which the grant is awarded. The bill grants individuals the right to file a complaint with the Attorney General (AG) if a violation occurs and the AG has not already acted within 90 days. The AG must respond to the complaint within 30 days. (Section 2)

Any grant applicant found to have engaged in a boycott of Israel, antisemitic discrimination, or antisemitic speech in conjunction with a funded project will be disqualified from grant eligibility for 10 years. If a grant recipient is found to have engaged in such boycott or antisemitic activity during the duration of a funded project, he or she will be required to pay a penalty equal to three times the amount of the grant to the State Treasury. (Section 2)

The bill was approved by the Governor on June 26, 2025, ch. 2025-192, L.O.F., and will become effective on July 1, 2025. (Section 4)

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

The SBA will likely incur increased costs related to its expanded responsibilities to identify, monitor, and notify other entities placed on the Boycott Israel List. Additionally, the Department of State and AG may experience administrative costs relating to their responsibilities in reviewing, processing, or enforcing arts and cultural grants under the bill. DMS may also incur costs associated with identifying state contractors and grant recipients and issuing required notifications to those entities. However, these costs can likely be absorbed within existing resources.

LOCAL GOVERNMENT:

The bill may result in an indeterminate negative fiscal impact on local governments by prohibiting contracts of $100,000 or more with entities engaged in a boycott of Israel. This could result in higher prices for commodities or services if competitive bidders are disqualified. The fiscal impact is indeterminate at this time as it depends on the number and value of contracts that would have been awarded absent this restriction.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Antisemitism

In 2024, the Legislature adopted a definition of "antisemitism" that closely aligns with the working definition established by the International Holocaust Remembrance Alliance.[1] This definition was implemented to enhance the monitoring and reporting of antisemitic hate crimes and discrimination while also raising public awareness

[1] Ch. 2024-262, L.O.F., codified in s. 1.015, F.S.

and combating such incidents. However, the law explicitly states that it cannot be interpreted in a way that diminishes or infringes upon First Amendment rights or conflicts with federal or state antidiscrimination laws.

Current law provides that "antisemitism" is a particular perception of Jewish individuals that can manifest as hatred toward them. Both rhetorical and physical expressions of antisemitism target Jewish and non-Jewish individuals, their property, and Jewish community institutions, including religious facilities. Examples of antisemitic behavior include:

- Advocating for or justifying harm against Jewish individuals.
- Spreading dehumanizing or stereotypical myths about Jewish people (e.g., allegations of global Jewish conspiracies or control over media, government, and financial institutions).
- Falsely attributing collective blame to Jewish people for real or imagined offenses.
- Denying or distorting the Holocaust.
- Accusing Israel or Jewish people of having fabricated or exaggerated the Holocaust.
- Claiming that Jewish individuals are more loyal to Israel than their home countries.
- Denying Jewish people the right to self-determination by characterizing Israel as a racist endeavor.
- Applying unfair double standards to Israel.
- Using classic antisemitic imagery to depict Israel or Israelis.
- Comparing Israeli policies to those of the Nazis.
- Holding Jewish individuals collectively accountable for Israel's actions.[2]

State Board of Administration

The State Board of Administration (SBA) is established in the State Constitution and serves as the state's investment arm.[3] The SBA is governed by the Governor, the Attorney General, and the Chief Financial Officer, sitting as its Board of Trustees, with the Governor serving as chair. The SBA is responsible for investing the assets of the Florida Retirement System (FRS) Pension Plan[4] and administering the FRS Investment Plan,[5] which combined represent approximately $220.1 billion, or approximately 81.4 percent, of the $270.4 billion in assets managed by the SBA.[6] The SBA also manages over 25 other investment portfolios, with combined assets of approximately $50.3 billion, including the Florida Hurricane Catastrophe Fund, the Florida Lottery Fund, the Florida Prepaid College Plan, and various debt-service accounts for state bond issues.

Investment decisions for the pension plan are made by fiduciaries hired by the state. Under Florida law, an SBA fiduciary charged with an investment decision must act as a prudent expert would under similar circumstances, considering all relevant substantive factors. Investment decisions must be based exclusively on pecuniary factors, meaning only material effects on investment risk or returns may be considered. Nonpecuniary interests, such as social, political, or ideological objectives, cannot influence investment decisions.[7] A nine-member Investment Advisory Council provides recommendations to the SBA on investment policy, strategy, and procedures and serves as a resource to the Board of Trustees.[8]

The Legislature has established statutory exceptions to the SBA's fiduciary standards, allowing the SBA to make investment decisions without regard to pecuniary factors in cases involving companies with certain business operations in Cuba, Syria, Venezuela, Sudan, Iran, or companies that are majority owned by China or that engage in an economic boycott against Israel.[9] These exceptions enable divestment from these "scrutinized companies," a

---

[2] *See* s. 1.015(3), F.S.
[3] Art. IV, s. 4(e), FLA. CONST.
[4] S. 121.151, F.S.
[5] S. 121.4501(8), F.S.; *see also*, r. 19-13.001, F.A.C.
[6] SBA, *Performance Report Month Ending: December 31, 2024* (last visited March 19, 2025).
[7] S. 215.47(10), F.S.
[8] S. 215.444(1), F.S.
[9] S. 215.47(10)(b), F.S.

category that not only includes the company itself but also parent companies, majority-owned subsidiaries, and wholly-owned subsidiaries engaged in the specified activities.[10]

Companies that Boycott Israel

In 2016, the Legislature prohibited the SBA from investing in companies that engage in a boycott against Israel,[11] and in 2023, required the SBA to divest from such companies.[12] The law defines a boycott of Israel as actions taken to limit commercial relations with Israel or businesses operating in Israeli-controlled territories in a discriminatory manner.[13] This includes adverse financial actions intended to harm Israel, as well as trade practices prohibited under federal law.

To enforce this requirement, the SBA must identify and compile a list of scrutinized companies engaged in such boycotts. This list must be updated quarterly based on information from nonprofit organizations, research firms, government entities, and asset managers. Companies identified as boycotting Israel receive written notice giving them 90 days to cease their boycott activities. If they fail to do so, the SBA must divest from all securities of those companies within 12 months and is prohibited from acquiring additional securities of those companies.[14]

The law includes exceptions for indirect holdings in commingled funds or exchange-traded funds, though the SBA must request that fund managers remove scrutinized companies or offer alternative investment options.[15] The SBA must report quarterly to the Board of Trustees, the Legislature, and the public, detailing engagement efforts, divestments, and compliance actions.[16]

Florida's Arts and Cultural Grants

The Department of State (DOS) oversees arts and cultural grants through its Division of Historical Resources, Division of Arts and Culture, and Division of Library and Information Services.[17] The Secretary of State, as the head of these divisions, is designated as Florida's Chief Arts and Culture Officer and is encouraged to establish relationships with foreign governmental officials to promote Florida as a center of American creativity.[18]

The Division of Arts and Culture supports artistic and cultural activities that enhance the quality of life for Floridians. It administers grants for various programs, including arts education, local arts agencies, museums, theater, dance, folk art, literature, media arts, music, and visual arts. The division is responsible for adopting rules governing the grant review process, including criteria related to artistic quality, public benefit, fiscal stability, and nondiscrimination compliance. The Florida Arts and Cultural Act provides state support for Florida artists, arts organizations, and museums, with the Division of Arts and Culture responsible for overseeing related programs and adopting rules to administer funding. The Florida Council on Arts and Culture evaluates grant applications and submits recommendations for funding.[19]

To qualify for state arts and culture grants, applicants must meet specific eligibility criteria established by the Division of Arts and Culture. Eligible applicants include public entities and Florida-based nonprofits. Applicants must demonstrate at least one year of experience in arts and cultural programing, register as vendors with the Department of Financial Services, and comply with state and federal laws.

---

10 *See* ss. 215.471, 215.4725, 215.473, and 215.4735, F.S.
11 Ch. 2016-36, L.O.F.
12 Ch. 2023-111, L.O.F.
13 *See* s. 215.4725(1)(a), F.S.
14 S. 215.4725(2) and (3), F.S.
15 *See* s. 215.4725(3)(d), F.S.
16 S. 215.4725(4), F.S.
17 *See* ch. 265, F.S.
18 S. 15.18, F.S.
19 Ss. 265.285 and 265.286, F.S.; *see also* DOS, *Florida Division of Arts & Culture* (last visited March 19, 2025).

Government Contracting and Procurement

Current law requires a competitive solicitation[20] process when state agencies wish to procure commodities or contractual services that cost more than $35,000.[21] Depending on the type of contract and scope of work or goods sought, an agency may use one of three procurement methods:

- Invitation to bid (ITB): An agency must use an ITB when the agency is capable of specifically defining the scope of work for which a contractual service is required or when the agency is capable of establishing precise specifications defining the actual commodity or group of commodities required.[22]
- Request for proposals (RFP): An agency must use an RFP when the purposes and uses for which the commodity, group of commodities, or contractual service being sought can be specifically defined and the agency is capable of identifying necessary deliverables.[23]
- Invitation to negotiate (ITN): An ITN is a solicitation used by an agency that is intended to determine the best method for achieving a specific goal or solving a particular problem and identifies one or more responsive vendors with which the agency may negotiate in order to receive the best value.[24]

The Department of Management Services (DMS) is statutorily designated as the primary state agency overseeing procurement[25] and its responsibilities include creating uniform agency procurement rules,[26] implementing the online procurement program,[27] and procuring state term contracts.[28] DMS is also responsible for registering vendors that wish to provide goods or services to the state[29] and maintaining lists of vendors who may not submit bids, proposals, or replies to agency solicitations.[30]

Contracting with Companies Engaged in a Boycott of Israel

Current law prohibits state and local government entities from contracting with companies that engage in a boycott of Israel.[31] A company is ineligible to bid on, submit a proposal for, or enter into contracts of any amount if it is on the Scrutinized Companies that Boycott Israel List (Boycott Israel List) or is otherwise determined to be engaged in a boycott of Israel. Contracts entered into or renewed on or after July 1, 2018, must contain a provision allowing for termination if a company is found to be engaged in such a boycott.[32]

Companies seeking government contracts must certify compliance with these requirements. If a company falsely certifies compliance, the contracting agency may bring a civil action, which can result in a penalty of $2 million or twice the contract amount, whichever is greater. Companies that submit false certifications are also barred from bidding on contracts for three years.[33]

State University System

The State University System (SUS) of Florida consists of 12 public universities,[34] each governed by a board of trustees.[35] The Board of Governors (BOG) is responsible for overseeing, regulating, and managing the entire SUS.[36] Through its authority, the BOG ensures affordable access to higher education, promotes articulation with other

---

[20] A "competitive solicitation" is the process of requesting and receiving two or more sealed bids, proposals, or replies submitted by responsive vendors in accordance with the terms of a competitive process, regardless of the method of procurement. S. 287.012(6), F.S.
[21] Ss. 287.057 and 287.017, F.S.
[22] S. 287.057(1)(a), F.S.
[23] S. 287.057(1)(b), F.S.
[24] S. 287.057(1)(c), F.S.
[25] *See* ss. 287.032 and 287.042, F.S.
[26] *See* ss. 287.032(2) and 287.042(3), (4), and (12), F.S.
[27] *See* s. 287.057(24), F.S.
[28] *See* ss. 287.042(2) and 287.056, F.S.
[29] *See* ss. 287.032 and 287.042, F.S.; *see also* DMS, *Vendor Registration and Vendor Lists* (last visited March 19, 2025).
[30] Ss 287.1351, 287.133, 287.134, and 287.137, F.S.
[31] S. 287.135(2)(a), F.S.
[32] S. 287.135(3)(b), F.S.
[33] S. 287.135(5), F.S.
[34] S. 1000.21(9), F.S.; *see also* State University System, *Universities* (last visited Feb. 26, 2025).
[35] Art. IX, s. 7(b), FLA. CONST.; s. 1001.71, F.S.
[36] *See* art. IX, s. 7(d), FLA. CONST.

educational institutions, and upholds fiscal responsibility and accountability across Florida's public universities.[37] The BOG consists of 17 members, 14 of which are citizens appointed by the Governor, subject to Senate confirmation.[38] The commissioner of education, the chair of the advisory council of faculty senates, and the president of the Florida student association are also members.[39]

SUS universities manage various endowment funds to support academic and institutional initiatives. These funds are typically invested to generate returns that finance scholarships, fellowships, research, professorships, and other educational purposes.[40]

For purposes of retirement, employees of the SUS participate in either the FRS or the State University System Optional Retirement Program (SUSORP), depending on their position and eligibility.[41] The SUSORP is a defined contribution plan managed through contracts with private investment providers selected by DMS.[42] SUS universities also offer voluntary, tax-advantaged savings plans that can be useful for supplementing core retirement benefits, such as 403(b) savings plans and the Florida Deferred Compensation Plan.[43] These plans allow employees to invest a portion of their salary through certain investment providers.

RECENT LEGISLATION:

YEAR	BILL #	HOUSE SPONSOR(S)	SENATE SPONSOR	OTHER INFORMATION
2024	HB 187	Gottlieb, Fine	Berman	The bill became law on July 1, 2024.
2023	CS/CS/SB 110	Stevenson	Hooper	The bill became law on May 24, 2025.

[37] S. 20.155(4)(b), F.S.
[38] Art. IX, s. 7(d), FLA. CONST.; *see also* s. 1001.70, F.S.
[39] Art. IX, s. 7(d), FLA. CONST.
[40] *See* Florida State University College of Fine Arts, *Legacy Giving* (last visited March 25, 2025); University of Florida College of Education, *Alumni and Giving* (last visited March 25, 2025).
[41] Ss. 121.051(1) and 121.35(1) and (2), F.S.
[42] S. 121.35(6), F.S.; *see also* DMS, *State University System Optional Retirement Program* (last visited March 25, 2025).
[43] *See* Florida State University, *Voluntary Retirement Plans* (last visited March 26, 2015); University of South Florida, *Voluntary Retirement Plans* (last visited March 26, 2025); University of Central Florida, *Retirement Benefits* (last visited March 26, 2025); Florida International University, *Benefits* (last visited March 26, 2025); University of North Florida, *Retirement Options* (last visited March 26, 2025).