

1                           A bill to be entitled  
2       An act relating to charitable giving; creating s.  
3       496.432, F.S.; providing legislative findings;  
4       defining terms; prohibiting a charitable organization  
5       that accepts a contribution pursuant to a written  
6       donor-imposed restriction from violating the terms of  
7       that restriction without potential penalty;  
8       authorizing a donor, or a donor's legal  
9       representative, to file a complaint within a specified  
10      timeframe if a charitable organization violates a  
11      donor-imposed restriction contained in an endowment  
12      agreement; specifying the venue where the complaint  
13      may be filed; providing that the complaint may be  
14      filed regardless of whether the endowment agreement  
15      expressly reserves a right to sue or enforce the  
16      agreement; prohibiting a donor or donor representative  
17      from seeking a judgment awarding damages; requiring a  
18      charitable organization to notify a donor, or a  
19      donor's legal representative, if it cannot fulfill a  
20      term in the endowment agreement and offer the donor,  
21      or the donor's legal representative, an alternative  
22      solution that closely matches the initial term in such  
23      endowment agreement; authorizing a charitable  
24      organization to obtain a judicial declaration of the  
25      rights and duties expressed in an endowment agreement;

requiring the charitable organization to seek a  
judicial declaration in any suit brought under the act  
or by filing a complaint; authorizing a court to order  
one or more remedies consistent with the charitable  
purposes expressed in the endowment agreement if the  
court determines that a charitable organization  
violated a donor-imposed restriction in the endowment  
agreement; prohibiting the court from ordering the  
return of the donated funds to the donor or the  
donor's legal representative; providing construction;  
providing severability; creating s. 496.433, F.S.;  
providing legislative findings; prohibiting a state  
agency or a state official from imposing any annual  
filing or reporting requirements on certain  
organizations regulated or exempted from regulation  
under ch. 496, F.S., which are more burdensome than  
the requirements authorized by state law; providing  
applicability and construction; providing an effective  
date.

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

**Section 1.   Section 496.432, Florida Statutes, is created  
to read:**

496.432   Safeguarding Endowment Gifts Act.—

51        (1) LEGISLATIVE FINDINGS.—The Legislature finds that it is  
52        necessary to provide legal recourse to individual charitable  
53        donors when their giving restrictions are not followed by a  
54        recipient charitable organization according to an endowment  
55        agreement.

56        (2) DEFINITIONS.—As used in this section, the term:

57        (a) "Charitable organization" means an organization  
58        organized and operated exclusively for religious, charitable,  
59        scientific, literary, educational, testing for public safety or  
60        other specified purpose and that is tax exempt from federal  
61        income tax as an entity described in s. 501(c)(3) of the  
62        Internal Revenue Code.

63        (b) "Donor" means an individual or entity that has made a  
64        contribution of property or money to an existing endowment fund  
65        or a new endowment fund of a charitable organization or of a  
66        charitable trust pursuant to the terms of an endowment agreement  
67        that may include donor-imposed restrictions or conditions  
68        governing the use of the contribution.

69        (c) "Donor-imposed restriction" means a written statement  
70        within an endowment agreement which specifies requirements for  
71        the management or use of endowment funds.

72        (d) "Endowment agreement" means a written agreement  
73        between a charitable organization and a donor or between a  
74        charitable trust and a donor regarding the contribution made by  
75        the donor and accepted by the charitable organization or the

76 charitable trust, which agreement may include donor-imposed  
77 restrictions or other conditions governing the use of the  
78 contribution.

79 (e) "Endowment fund" means an institutional fund or part  
80 thereof which, under the terms of a gift instrument, is not  
81 wholly expendable by the institution on a current basis. The  
82 term does not include assets that an institution designates as  
83 an endowment fund for its own use.

84 (f) "Gift instrument" means a record or records, including  
85 an institutional solicitation, under which property is granted  
86 to, transferred to, or held by an institution as an  
87 institutional fund.

88 (g) "Legal representative" means the administrator or  
89 executor of a person's estate; a surviving spouse if a court  
90 judgment has settled the accounts of the estate; or a person  
91 designated in an endowment agreement, whether or not born at the  
92 time of such designation, to act in place of a party to the  
93 agreement for all matters expressed in the agreement and all of  
94 the actions it contemplates, including, but not limited to,  
95 interpreting, performing, and enforcing the agreement and  
96 defending its validity.

97 (h) "Property" means real property, personal property, or  
98 money, cryptocurrency, stocks, bonds, or any other asset or  
99 financial instrument.

100 (3) PROTECTIONS AFFORDED.—

101        (a) Except where specifically required or authorized by  
102        federal or state law, a charitable organization that accepts a  
103        contribution pursuant to a written donor-imposed restriction may  
104        not violate the terms of that restriction without potential  
105        penalty.

106        (b) If a charitable organization violates a donor-imposed  
107        restriction contained in an endowment agreement, the donor, or  
108        the donor's legal representative, 90 days after notifying the  
109        charitable organization of the breach, may file a complaint  
110        within 6 years after discovery for breach of such agreement. The  
111        complaint may be filed in a court of general jurisdiction in the  
112        county where a charitable organization named as a party has its  
113        principal office or principal place of carrying out its  
114        charitable purpose, or in a court of the United States whose  
115        district includes such county. The complaint may be filed  
116        regardless of whether the endowment agreement expressly reserves  
117        a right to sue or enforce the agreement, and it may not seek a  
118        judgment awarding damages to the donor or donor representative.

119        (c) If a charitable organization is unable to fulfill a  
120        term in the endowment agreement, the charitable organization  
121        must notify the donor, or the donor's legal representative,  
122        within 30 days after discovering it is unable to fulfill the  
123        terms and offer an alternative solution that closely matches the  
124        initial term in the endowment agreement.

125        (d) A charitable organization may obtain a judicial

declaration of the rights and duties expressed in an endowment agreement containing donor restrictions as to all of the actions the endowment agreement contemplates, including, but not limited to, the interpretation, performance, or enforcement of the agreement, and a determination of its validity. The charitable organization shall seek a judicial declaration in any suit brought under this section, or by filing a complaint.

(e) If the court determines that a charitable organization violated a donor-imposed restriction in an endowment agreement, the court may order one or more remedies consistent with the charitable purposes expressed in the endowment agreement. The court may not order the return of donated funds to the donor or the donor's legal representative.

(f) This act does not affect the authority of the Attorney General to enforce any restriction in an endowment agreement; limit the application of the judicial power of cy pres; or alter the right of an institution to modify a restriction on the management, investment, purpose, or use of an endowment fund in a manner permitted by the endowment agreement and by the Florida Uniform Prudent Management of Institutional Funds Act created in s. 617.2104.

(4) SEVERABILITY.—If any provision of this section or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the section which can be given effect without the invalid

151 provision or application, and to this end the provisions of this  
152 section are declared severable.

153 **Section 2. Section 496.433, Florida Statutes, is created**  
154 **to read:**

155 496.433 Charity Protection Act.—

156 (1) LEGISLATIVE FINDINGS.—The Legislature finds that it is  
157 necessary to minimize burdens on the charitable sector and to  
158 create a grantmaking environment centered on effectiveness and  
159 fiscal impact on charitable organizations.

160 (2) PROTECTIONS AFFORDED.—

161 (a) Except where specifically required or authorized by  
162 federal law, a state agency or state official may not impose any  
163 annual filing or reporting requirements on an organization  
164 regulated or specifically exempted from regulation under this  
165 chapter which are more burdensome than the requirements  
166 authorized by Florida law.

167 (b) This subsection does not apply to state grants or  
168 contracts or to fraud investigations.

169 (c) This subsection does not restrict enforcement actions  
170 against specific nonprofit organizations.

171 **Section 3. This act shall take effect July 1, 2026.**