

Housing, Agriculture & Tourism Subcommittee

Tuesday, April 1, 2025
4:00 PM - 7:00 PM
Morris Hall (17 HOB)

Meeting Packet

Daniel Perez
Speaker

Michelle Salzman
Chair

The Florida House of Representatives

Commerce Committee

Housing, Agriculture & Tourism Subcommittee

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Meeting Agenda

Tuesday, April 1, 2025
4:00 pm – 7:00 pm
Morris Hall (17 HOB)

I. Call to Order

II. Roll Call

III. Welcome and Opening Remarks

IV. **Consideration of the following bill(s):**

- CS/HB 43 Reusable Tenant Screening Reports by Civil Justice & Claims Subcommittee, Edmonds
- HB 203 Transportation Concurrency by Grow
- HB 211 Farm Products by Cobb
- HB 897 Timeshare Plan Management by Berfield
- HJR 1215 Ad Valorem Tax Exemption by Alvarez, D.
- CS/HJR 1257 Property Tax Benefits for Certain Residential Properties Subject to a Long-term Lease by Ways & Means Committee, Busatta
- CS/HB 1259 Property Tax Exemption and Assessment Limitation on Long-term Leased Property by Ways & Means Committee, Busatta

Consideration of the following bill(s) with proposed committee substitute(s):

- PCS for HB 561 – Manufacturing
- PCS for HB 563 -- Fees/Florida Manufacturing Promotional Campaign

Consideration of the following proposed committee bill(s):

- PCB HAT 25-01 -- Hemp Consumable THC Products
- PCB HAT 25-02 -- Taxation of Hemp Consumable THC Products

V. Closing Remarks

VI. Adjournment

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FLORIDA HOUSE OF REPRESENTATIVES
BILL ANALYSIS

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

BILL #: CS/HB 43	**COMPANION BILL:** CS/SB 362 (Osgood)
TITLE: Reusable Tenant Screening Reports	**LINKED BILLS:** None
SPONSOR(S): Edmonds	**RELATED BILLS:** None

Committee References

Civil Justice & Claims	➤	Housing, Agriculture & Tourism	➤	Judiciary
18 Y, 0 N, As CS				

SUMMARY

Effect of the Bill:

CS/HB 43 authorizes, but does not require, a landlord to accept a reusable tenant screening report from a prospective tenant and specifies the information such a report must include. The bill further prohibits a landlord who has accepted a reusable tenant screening report from a prospective tenant from charging the prospective tenant an application screening fee or other fee associated with accessing the report.

Fiscal or Economic Impact:

The bill may have an indeterminate positive fiscal impact on the private sector.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

CS/HB 43 authorizes, but does not require, a landlord to accept a reusable tenant screening report from a prospective tenant. (Section 1)

The bill defines a "reusable tenant screening report" as a consumer report that:

- Has been prepared within the previous 30 days by a consumer reporting agency at the request and expense of a prospective tenant.
- Is made directly available to a landlord for use in the rental application process or is provided through a third-party website that regularly engages in the business of providing a reusable tenant screening report and complies with all the state and federal laws pertaining to use and disclosure of information contained in a consumer report by a consumer reporting agency.
- Is available to the landlord at no cost to access or use. (Section 1)

The bill requires a reusable tenant screening report to include the following information:

- The prospective tenant's full name.
- The prospective tenant's contact information, including mailing address, e-mail address, and telephone number.
- Verification of the prospective tenant's employment.
- The prospective tenant's last known address.
- The results of an eviction history check.
- The date through which the information contained in the report is current. (Section 1)

The bill authorizes a landlord to request confirmation from a prospective tenant that there has been no material change to the information in the reusable tenant screening report since it was generated. (Section 1)

The bill prohibits a landlord who has accepted a reusable tenant screening report from a prospective tenant from charging the prospective tenant an application screening fee or other fee associated with accessing the report. (Section 1)

The bill provides an effective date of July 1, 2025. (Section 2)

FISCAL OR ECONOMIC IMPACT:

PRIVATE SECTOR:

This bill may have an indeterminate positive fiscal impact on prospective rental tenants as the authorization for landlords to accept reusable tenant screening reports may decrease application costs for such prospective tenants.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

State Preemption of the Residential Landlord and Tenant Act

In 2023, the Legislature expressly preempted the regulation of residential tenancies, the landlord-tenant relationship, and all other matters covered under the Residential Landlord and Tenant Act to the state.[1] This preemption supersedes any local government regulations on such matters, including, but not limited to, the screening process used by a landlord in approving tenancies; security deposits; rental agreement applications and fees associated with such applications; terms and conditions of rental agreements; the rights and responsibilities of the landlord and the tenant; disclosures concerning the premises, the dwelling unit, the rental agreement, or the rights and responsibilities of the landlord and tenant; fees charged by the landlord; or notice requirements.[2]

The Residential Landlord and Tenant Act is, however, currently silent as to the screening process used by a landlord in approving tenancies and as to applications and fees associated with such applications generally.[3, 4]

Federal Fair Credit Reporting Act

There are hundreds of companies engaged in employment and tenant background screening across the United States.[5] These companies are defined as "consumer reporting agencies" (CRAs), pursuant to the federal Fair Credit Reporting Act (FCRA) and are regulated by both the Federal Trade Commission and Consumer Financial Protection Bureau.[6]

The FCRA defines "consumer reporting agency" as any person which, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages in whole or in part in the practice of assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing consumer reports to third parties, and which uses any means or facility of interstate commerce for the purpose of preparing or furnishing consumer reports.[7]

It further defines "consumer report" generally as any written, oral, or other communication of any information by a consumer reporting agency bearing on a consumer's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living which is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing the consumer's eligibility for:

- Credit or insurance to be used primarily for personal, family, or household purposes;
- Employment purposes; or

[1] Ch. 2023-314, L.O.F.
[2] S. 83.425, F.S.
[3] Pt. II, Ch. 83, F.S.
[4] There is some discussion in s. 83.683, F.S., regarding rental applications by servicemembers.
[5] Professional Background Screening Association (PBSA), *About PBSA*, https://thepbsa.org/about-us/about-pbsa/ (last visited Mar. 13, 2025.)
[6] *Id.*
[7] 15 U.S.C. § 1681a(f).

- Any other purpose authorized in 15 U.S.C. s. 1681b.[8]

Section 1681b, U.S.C., provides specific circumstances under which a CRA may furnish a consumer report, including, but not limited to:

- In accordance with the written instructions of the consumer to who it relates.[9]
- To a person who has a legitimate business need for the information in connection with a business transaction that is initiated by the consumer.[10]

The FCRA promotes the accuracy, fairness, and privacy of information that CRAs collect.[11] The FCRA governs the acts of CRAs, entities that furnish information to CRAs (furnishers), and individuals who use credit reports issued by CRAs.[12] Specifically, CRAs and their furnishers must adopt methods to ensure the information they collect and report is accurate.[13] Individuals may request to review the information a CRA has in his or her file, the sources of the information, and the identity of those to whom the information was disclosed to ensure that it is accurate, and may dispute its accuracy which triggers a CRA's duty to reinvestigate the information.[14]

Additionally, if any person takes any adverse action against an individual based in whole or in part on any information contained in a consumer report, he or she must provide specified information to the individual, including:

- Notice of the adverse action to the individual.
- The name, address, and telephone number of the CRA that furnished the consumer report the person relied on.
- Notice of the individual's right to obtain a free copy of a consumer report on themselves from the CRA that issued such a report to the person taking the adverse action.
- Notice of the individual's right to dispute the accuracy or completeness of any information in a consumer report with the CRA who produced it.[15]

Portable Tenant Screening Reports

Currently, some companies specialize in online tenant background screening reports, which include information such as a:

- ResidentScore, a renter credit score.
- Criminal background report.
- Credit report.
- Eviction related report.
- Income insights report.
- Identity check report.[16]

On such a website, either a landlord or property manager or a tenant can create an account to either request screening of a potential tenant or to screen themselves.[17] Such companies typically provide several tiers of reports that are available for purchase to provide a prospective tenant or property manager or landlord with control over the cost of the report which will impact how much information the report includes.[18] However, even for a top tier

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[8] 15 U.S.C. § 1681a(d).
[9] 15 U.S.C. § 1681b(a)(2).
[10] 15 U.S.C. § 1681b(a)(3)(F)(i).
[11] Federal Trade Commission, *A Summary of Your Rights Under the Fair Credit Reporting Act* (Sept. 18, 2018), 12 CFR 1022, https://www.consumer.ftc.gov/sites/default/files/articles/pdf/pdf-0096-fair-credit-reporting-act.pdf (last visited Mar. 13, 2025).
[12] 15 U.S.C. § 1681, et. seq.
[13] 15 U.S.C. § 1681s-2.
[14] 15 U.S.C. §§ 1681g and 1681i.
[15] 15 U.S.C. § 1681m(a).
[16] TransUnion SmartMove, *Tenant Background Screening Reports*, https://www.mysmartmove.com/tenant-screening-services (last visited Mar. 13, 2025).
[17] *Id*.
[18] TransUnion SmartMove, *Pricing*, https://www.mysmartmove.com/pricing (last visited Mar. 13, 2025).

tenant screening report, which includes all of the information listed above, the total cost is $47, and a prospective tenant may grant permission for a property owner to access his or her report.[19]

RECENT LEGISLATION:

YEAR	BILL #	HOUSE SPONSOR(S)	SENATE SPONSOR	OTHER INFORMATION
2023	CS/HB 1417	Esposito, McClure	Trumbull	Took effect July 1, 2023.

OTHER RESOURCES:

Tenant Background Screening Reports

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Civil Justice & Claims Subcommittee	18 Y, 0 N, As CS	3/13/2025	Jones	Leshko
THE CHANGES ADOPTED BY THE COMMITTEE:	• Removed provisions that conflict with current law which expressly preempts the regulation of all matters covered under the Residential Landlord and Tenant Act to the state.			
Housing, Agriculture & Tourism Subcommittee			Curtin	Fletcher
Judiciary Committee				

THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.

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[19] *Id.*; TransUnion SmartMove, *Tenant Frequently Asked Questions*, https://www.mysmartmove.com/transunion-smartmove-frequently-asked-questions/tenant-frequently-asked-questions#accordiongroup-338a6660be-item-bf9b64ac40 (last visited Mar. 13, 2025).

A bill to be entitled

An act relating to reusable tenant screening reports; creating s. 83.471, F.S.; providing definitions; authorizing a landlord to accept reusable tenant screening reports and require a specified statement; requiring that certain information be included in reusable tenant screening reports; prohibiting a landlord from charging certain fees to an applicant using a reusable tenant screening report; providing applicability; providing an effective date.

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

Section 1. Section 83.471, Florida Statutes, is created to read:

83.471 Reusable tenant screening reports.—

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

(a)1. "Consumer report" means any written, oral, or other communication of information by a consumer reporting agency bearing on a consumer's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living which is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing the consumer's eligibility for credit or insurance to be used primarily for personal,

CODING: Words stricken are deletions; words underlined are additions.

family, or household purposes; employment purposes; or any other purpose authorized under 15 U.S.C. s. 1681b.

2. Except for the restrictions provided in 15 U.S.C. s. 1681a(d)(3), the term "consumer report" does not include:

a. Subject to 15 U.S.C. s. 1681s-3, any report containing information solely as to transactions or experiences between the consumer and the person making the report; communication of such information among persons related by common ownership or affiliated by corporate control; or communication of other information among persons related by common ownership or affiliated by corporate control, if it is clearly and conspicuously disclosed to the consumer that the information may be communicated among such persons and the consumer is given the opportunity, before the time that the information is initially communicated, to direct that such information not be communicated among such persons;

b. Any authorization or approval of a specific extension of credit directly or indirectly by the issuer of a credit card or similar device;

c. Any report in which a person who has been requested by a third party to make a specific extension of credit directly or indirectly to a consumer conveys his or her decision with respect to such request, if the third party advises the consumer of the name and address of the person to whom the request was made, and such person makes the disclosures to the consumer

required under 15 U.S.C. s. 1681m; or

d. A communication described in 15 U.S.C. s. 1681a(o) or s. 1681a(x).

(b) "Consumer reporting agency" means any person who, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages in whole or in part in the practice of assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing consumer reports to third parties, and which uses any means or facility of interstate commerce for the purpose of preparing or furnishing consumer reports.

(c) "Reusable tenant screening report" means a consumer report that:

1. Is prepared within the previous 30 days by a consumer reporting agency at the request and expense of an applicant.

2. Is made directly available to a landlord for use in the rental application process or is provided through a third-party website that regularly engages in the business of providing a reusable tenant screening report and complies with all state and federal laws pertaining to use and disclosure of information contained in a consumer report by a consumer reporting agency.

3. Is available to the landlord at no cost to access or use.

(2) A landlord may accept reusable tenant screening reports and may require an applicant to state that there has not

been a material change to the information in the reusable tenant screening report.

(3) A reusable tenant screening report must include all of the following information:

(a) The applicant's full name.

(b) The applicant's contact information, including mailing address, e-mail address, and telephone number.

(c) Verification of the applicant's employment.

(d) The applicant's last known address.

(e) The results of an eviction history check in a manner and for a period of time consistent with applicable law related to the consideration of eviction history in housing.

(f) The date through which the information contained in the report is current.

(4) If an applicant provides a reusable tenant screening report to a landlord who accepts such reports, the landlord may not charge the applicant a fee to access the report or an application screening fee.

(5) This section does not:

(a) Affect any other applicable law related to the consideration of criminal history information in housing; or

(b) Require a landlord to accept reusable tenant screening reports.

Section 2. This act shall take effect July 1, 2025.

HB 203

FLORIDA HOUSE OF REPRESENTATIVES
BILL ANALYSIS

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

BILL #: HB 203	**COMPANION BILLS:** SB 1074 (McClain), SB 1738 (Ingolia)
TITLE: Transportation Concurrency	**LINKED BILLS:** None
SPONSOR(S): Grow	**RELATED BILLS:** None

Committee References

Housing, Agriculture & Tourism ➤ Intergovernmental Affairs ➤ Commerce

SUMMARY

Effect of the Bill:

The bill allows a local government's comprehensive plan for transportation concurrency to identify facilities necessary to either meet adopted levels of service or maintain current levels of service.

Fiscal or Economic Impact:

The bill has an indeterminate negative impact on local governments.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill amends Florida's Community Planning Act. Specifically, for local governments that require transportation concurrency, the bill provides that the capital improvement element of their respective comprehensive plans must identify facilities necessary to meet adopted levels of service during a 5-year period ***or*** to maintain current levels of service. (Section 1.)

In effect, the bill allows a local government that has imposed transportation concurrency requirements to identify in its comprehensive plan only those facilities necessary to maintain ***current*** levels of service, not adopted levels of service.

The bill has an effective date of July 1, 2025. (Section 2.)

FISCAL OR ECONOMIC IMPACT:

LOCAL GOVERNMENT:

The bill has an indeterminate fiscal or economic impact on local governments.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Community Planning Act

Under Florida's Community Planning Act (CPA),[1] every local government[2] is required to plan for future development and growth by adopting, implementing, and amending as necessary a comprehensive plan.[3] All

[1] Pt. II, Ch. 163, F.S.
[2] Local government means any county or municipality. S. 163.3164(29), F.S.
[3] Ss. 163.3167(2), F.S. and 163.3177, F.S.

elements of a plan or plan amendment must be based on relevant, appropriate data[4] and an analysis by the local government which may include surveys, studies, the respective community's goals and visions, and other data available at the time of adopting the plan or amendment.[5]

Among other requirements, each comprehensive plan must include a transportation element that addresses mobility issues in relation to the size and character of the local government.[6] The purpose of the transportation element is for the local government to plan a multimodal transportation system with an emphasis on public transportation systems, where feasible.[7]

The transportation element must:

- Provide for a safe, convenient multimodal transportation system, coordinated with the future land use map or map series and designed to support all elements of the comprehensive plan; and
- Be coordinated with the plans and programs of any applicable metropolitan planning organization, transportation authority, the Florida Transportation Plan, and the Department of Transportation adopted work program.[8]

Transportation Concurrency

Under Florida's concurrency laws, certain public facilities and services must be in place and available to serve new development no later than the issuance of a certificate of occupancy or its functional equivalent by a local government.[9] "At its core, concurrency is a state requirement that development is not to proceed unless infrastructure capacity and specific urban services are in place to service the new development."[10] Sanitary sewer, solid waste, drainage, and potable water are the only public facilities and services subject to the concurrency requirement on a statewide basis;[11] however, any local government may extend the concurrency requirement to additional public facilities, such as transportation.[12]

If a local government chooses to apply concurrency to transportation facilities, the local government's comprehensive plan must provide the principles, guidelines, standards, and strategies, including adopted levels of service to guide the local government's application of concurrency to the transportation facilities.[13] Level of service means an indicator of the extent or degree of service provided by, or proposed to be provided by, a facility based on and related to the operational characteristics of the facility; it must indicate the capacity per unit of demand for each public facility.[14]

Further, the premise of concurrency is that the public facilities will be provided in order to achieve and maintain the adopted level of service standard.[15] A local government's comprehensive plan that imposes transportation

[4] To be based on data means to react to it in an appropriate way and to the extent necessary indicated by the data available on that particular subject at the time of adoption of the plan or plan amendment at issue. S. 163.3177(1)(f), F.S.
[5] S. 163.3177(1)(f), F.S.
[6] S. 163.3177(6)(b), F.S.
[7] *Id.*
[8] *Id.*
[9] S. 163.3180(2), F.S.
[10] Chapin, Timothy S., T. Gregory, & J. Brown, *Rethinking the Florida Transportation Concurrency Mandate* (Aug. 2007), https://gradschool.fsu.edu/sites/g/files/imported/storage/original/application/d4bd2fba3ffe3f180a973d0d838aac7c.pdf (last visited Mar. 27, 2025).
[11] S. 163.3180(1), F.S.
[12] *Id.*
[13] S. 163.3180(5)(a), F.S.
[14] S. 163.3164(28), F.S.
[15] S. 163.3180(5)(d), F.S.

concurrency must contain appropriate amendments to the capital improvements element[16] of its comprehensive plan.[17]

Under current law, for a local government that imposes transportation concurrency, the capital improvement element of its comprehensive plan must identify facilities necessary to meet adopted levels of service during a 5-year period.[18]

RECENT LEGISLATION:

YEAR	BILL #	HOUSE SPONSOR(S)	SENATE SPONSOR	OTHER INFORMATION
2024	CS/CS/CS/HB 1177	Duggan	DiCeglie	Died in the House. Among other things, modified requirements for local governments implementing transportation concurrency requirements.

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Housing, Agriculture & Tourism Subcommittee			Curtin	Fletcher
Intergovernmental Affairs Subcommittee				
Commerce Committee				

[16] "Capital improvement" means physical assets constructed or purchased to provide, improve, or replace a public facility and which are typically large scale and high in cost. The cost of a capital improvement is generally nonrecurring and may require multiyear financing. For the purposes of the CPA, physical assets that have been identified as existing or projected needs in the individual comprehensive plan elements are considered capital improvements. S. 163.3164(7), F.S.

[17] S. 163.3180(5)(d), F.S.

[18] *Id.*

A bill to be entitled

An act relating to transportation concurrency; amending s. 163.3180, F.S.; revising facilities required to be identified in the capital improvements element of a comprehensive plan that imposes transportation concurrency; providing an effective date.

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

Section 1. Paragraph (d) of subsection (5) of section 163.3180, Florida Statutes, is amended to read:

163.3180 Concurrency.—

(5)

(d) The premise of concurrency is that the public facilities will be provided in order to achieve and maintain the adopted level of service standard. A comprehensive plan that imposes transportation concurrency shall contain appropriate amendments to the capital improvements element of the comprehensive plan, consistent with the requirements of s. 163.3177(3). The capital improvements element shall identify facilities necessary to meet adopted levels of service during a 5-year period or to maintain current levels of service.

Section 2. This act shall take effect July 1, 2025.

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HOUSING, AGRICULTURE, AND TOURISM SUBCOMMITTEE

HB 203 by Rep. Grow
Relating to Transportation Concurrency

AMENDMENT SUMMARY
April 1, 2025

Amendment 1 by Rep. Grow (Line 23): The amendment limits the authorization for a local government's comprehensive plan for transportation concurrency to identify facilities necessary to either meet adopted levels of service or maintain current levels of service to counties with a population of 200,000 or less.

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	__	(Y/N)
ADOPTED AS AMENDED	__	(Y/N)
ADOPTED W/O OBJECTION	__	(Y/N)
FAILED TO ADOPT	__	(Y/N)
WITHDRAWN	__	(Y/N)
OTHER	_____	

Committee/Subcommittee hearing bill: Housing, Agriculture & Tourism Subcommittee

Representative Grow offered the following:

Amendment (with title amendment)

Remove line 23 and insert:

5-year period or to maintain current levels of service for small counties, as defined in s. 339.2818(2).

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

Remove line 6 and insert:

transportation concurrency for small counties; providing an effective

HB 211

FLORIDA HOUSE OF REPRESENTATIVES
BILL ANALYSIS

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

BILL #: HB 211	**COMPANION BILL:** SB 374 (Truenow)
TITLE: Farm Products	**LINKED BILLS:** None
SPONSOR(S): Cobb	**RELATED BILLS:** None

Committee References

Housing, Agriculture & Tourism ➤ Intergovernmental Affairs ➤ Commerce

SUMMARY

Effect of the Bill:

The bill amends the definition of "farm product" to include plants and plant products, regardless of whether the plants and plant products are edible or nonedible.

The bill prohibits a governmental entity from prohibiting, restricting, or regulating a bona fide farm operation that involves the collection, storage, processing, and distribution of a farm product on agricultural land.

Fiscal or Economic Impact:

None.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill amends the definition of "farm product" to mean plants and plant products,[1] regardless of whether the plants and plant products are edible or nonedible, or any animal use to humans and includes, but is not limited to, any product derived therefrom. (Section 1.)

The bill prohibits a governmental entity[2] from adopting or enforcing any ordinance, resolution, regulation, rule, or policy to prohibit, restrict, regulate, or otherwise limit an activity of a bona fide farm operation that involves the collection, storage, processing, and distribution of a farm product on agricultural land. (Section 1.)

The bill has an effective date of July 1, 2025. (Section 3.)

[1] For purposes of these provisions, "plants and plant products" mean tress, shrubs, vines, forage and cereal plants, and all other plants and plant parts, including cuttings, grafts, scions, buds, fruit, vegetables, roots, bulbs, seeds, wood, lumber, and all products made from them, unless specifically excluded by the rules of the Department of Agriculture and Consumer Services. S. 581.011(27), F.S.

[2] For purposes of these provisions, "governmental entity" means local and regional government entities but does not include a water management district, a water control district established under ch. 298, F.S., or a special district created by special act for water management purposes. Ss. 164.1031(3) and 163.3162(d), F.S.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Agriculture in Florida

As of 2024, Florida has 44,400 farm operations[3] covering 9.7 million acres of farmland.[4] In 2023, Florida ranked first in the United States in the value of production for floriculture, Valencia oranges, sugarcane, watermelons and sweet corn. The state ranked second in value of production for bell peppers, all oranges, strawberries, tomatoes grown in the open, and non-Valencia oranges; ranked third nationally in cabbage and grapefruit; and ranked fourth nationally in peanuts.[5]

Regulation of Bona Fide Farm Operations

To prevent duplication of regulation, a Florida governmental entity[6] is prohibited from exercising any of its powers to adopt or enforce any ordinance, resolution, regulation, rule, or policy to prohibit, restrict, regulate, or otherwise limit an activity of a bona fide farm operation on land classified as agriculture land,[7] if such activity is:

- Regulated through implemented best management practices, interim measures, or regulations adopted as rules under ch. 120, F.S.,[8] by the Department of Environmental Protection, the Department of Agriculture and Consumer Services, or a water management district as part of a statewide or regional program; or
- Regulated by the U.S. Department of Agriculture, the U.S. Army Corps of Engineers, or the U.S. Environmental Protection Agency.[9]

Classification of Agricultural Land

Under Florida law, a property appraiser must, on an annual basis, classify all lands within a county for tax assessment purposes as either agricultural or nonagricultural.[10] Subject to certain restrictions, only lands that are used primarily for bona fide agricultural purposes may be classified as agricultural.[11] For purposes of this classification, the term "bona fide agricultural purposes" means good faith commercial agricultural use of the land, which includes horticulture, floriculture, viticulture, forestry, dairy, livestock, poultry, bee, pisciculture, aquaculture, algaculture, sod farming, and all forms of farm products and farm production.[12]

Currently, Florida law defines "farm product" as any plant[13] or animal useful to humans and includes, but is not limited to, any product derived therefrom.[14]

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[3] "Farm operations" means all conditions or activities by the owner, lessee, agent, independent contractor, or supplier which occur on a farm in connection with the production of farm, honeybee, or apiculture products or in connection with complementary agritourism activities. These conditions and activities include, but are not limited to, the marketing of farm products at roadside stands or farm markets; the operation of machinery and irrigation pumps; the generation of noise, odors, dust, fumes, and particle emissions; ground or aerial seeding and spraying; the placement and operation of an apiary; the application of chemical fertilizers, conditioners, insecticides, pesticides, and herbicides; agritourism activities; and the employment and use of labor. S. 823.14(3)(d), F.S.

[4] USDA's National Agricultural Statistics Service Florida Field Office, *2024 State Agricultural Overview*, https://www.nass.usda.gov/Quick_Stats/Ag_Overview/stateOverview.php?state=FLORIDA (last visited Mar. 27, 2025).

[5] Department of Agriculture and Consumer Services, *Florida Agriculture Overview and Statistics*, https://www.fdacs.gov/Agriculture-Industry/Florida-Agriculture-Overview-and-Statistics (last visited Mar. 27, 2025).

[6] *Supra* note 2.

[7] *See* s. 193.461, F.S.

[8] Ch. 120, F.S., is the Administrative Procedure Act. *See* s. 210.51, F.S.

[9] S. 163.3162(3)(a), F.S.

[10] S. 193.461(1), F.S.

[11] S. 193.461(3)(b), F.S.

[12] Ss. 193.461(3)(b) and 193.461(5), F.S.

[13] *Supra* note 1.

[14] S. 163.3162(2)(c), F.S.

RECENT LEGISLATION:

YEAR	BILL #	HOUSE SPONSOR(S)	SENATE SPONSOR	OTHER INFORMATION
2024	CS/CS/HB 1051	Tuck, Alvarez, D.	Collins	It prohibited governmental entities from restricting housing construction for legally verified agricultural workers on certain agricultural land, among other things. The Senate companion was vetoed.
2023	CS/CS/CS/HB 1343	Tuck, Truenow	Collins	It prohibited counties from imposing special assessments on agricultural lands, among other things. It died in House returning messages, but a related Senate bill passed.
2023	CS/HB 1361	Truenow	Bradley	It prohibited local governments from regulating the collection, storage, processing, or distribution of organic material products. It died on the House Second Reading calendar.

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Housing, Agriculture & Tourism Subcommittee			Curtin	Fletcher
Intergovernmental Affairs Subcommittee				
Commerce Committee				

A bill to be entitled

An act relating to farm products; amending s. 163.3162, F.S.; revising the definition of the term "farm product"; providing that the collection, storage, processing, and distribution of a farm product is an activity of a bona fide farm operation which a governmental entity may not prohibit, restrict, regulate, or otherwise limit; reenacting s. 163.3177(7)(b), F.S., relating to the definition of the term "rural agricultural industrial center," to incorporate the amendment made to s. 163.3162, F.S., in a reference thereto; providing an effective date.

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

Section 1. Paragraph (c) of subsection (2) and paragraph (a) of subsection (3) of section 163.3162, Florida Statutes, are amended to read:

163.3162 Agricultural lands and practices.—

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

(c) "Farm product" means plants and plant products ~~any plant,~~ as defined in s. 581.011, regardless of whether such plants and plant products are edible or nonedible, or any animal useful to humans and includes, but is not limited to, any product derived therefrom.

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

(3) DUPLICATION OF REGULATION.—Except as otherwise provided in this section and s. 487.051(2), and notwithstanding any other law, including any provision of chapter 125 or this chapter:

(a) A governmental entity may not exercise any of its powers to adopt or enforce any ordinance, resolution, regulation, rule, or policy to prohibit, restrict, regulate, or otherwise limit an activity of a bona fide farm operation, including, but not limited to, the collection, storage, processing, and distribution of a farm product, on land classified as agricultural land pursuant to s. 193.461, if such activity is regulated through implemented best management practices, interim measures, or regulations adopted as rules under chapter 120 by the Department of Environmental Protection, the Department of Agriculture and Consumer Services, or a water management district as part of a statewide or regional program; or if such activity is expressly regulated by the United States Department of Agriculture, the United States Army Corps of Engineers, or the United States Environmental Protection Agency.

Section 2. For the purpose of incorporating the amendment made by this act to section 163.3162, Florida Statutes, in a reference thereto, paragraph (b) of subsection (7) of section 163.3177, Florida Statutes, is reenacted to read:

163.3177 Required and optional elements of comprehensive plan; studies and surveys.—

(7)

(b) As used in this subsection, the term "rural agricultural industrial center" means a developed parcel of land in an unincorporated area on which there exists an operating agricultural industrial facility or facilities that employ at least 200 full-time employees in the aggregate and process and prepare for transport a farm product, as defined in s. 163.3162, or any biomass material that could be used, directly or indirectly, for the production of fuel, renewable energy, bioenergy, or alternative fuel as defined by law. The center may also include land contiguous to the facility site which is not used for the cultivation of crops, but on which other existing activities essential to the operation of such facility or facilities are located or conducted. The parcel of land must be located within, or within 10 miles of, a rural area of opportunity.

Section 3. This act shall take effect July 1, 2025.

FLORIDA HOUSE OF REPRESENTATIVES
BILL ANALYSIS

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

BILL #: HB 897	**COMPANION BILL:** SB 496 (McClain)
TITLE: Timeshare Plan Management	**LINKED BILLS:** None
SPONSOR(S): Berfield	**RELATED BILLS:** None

Committee References

Housing, Agriculture & Tourism ➤ Civil Justice & Claims ➤ Commerce

SUMMARY

Effect of the Bill:

The bill exempts community association managers (CAMs) and CAM firms that manage timeshare plans from certain requirements relating to conflicts of interest. The bill specifies that timeshare management firms and licensed CAMs who are employed by a timeshare management firm are governed by certain provisions in the Vacation Plan and Timesharing Act.

Additionally, the bill requires:

- Timeshare management firms and licensed CAMs that are employed by a timeshare management firm to discharge their duties in good faith, and exempts such firms and licensed CAMs from certain liability for monetary damages.
- The board of administration of a timeshare condominium to meet only once a year, but does not prohibit additional board meetings from being called.
- Requires that, if a timeshare management firm that is an agent of an owners' association or an owners' association provides goods or services through arrangements with a parent, affiliate, or subsidiary of the timeshare management firm, the existence of the arrangement must be disclosed annually to the members of the owners' association as part of the common expense budgeting process, as an explanatory note to the annual budget, or otherwise.

Fiscal or Economic Impact:

None.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill exempts community association managers (CAMs) and CAM firms that manage a timeshare plan governed by the Vacation Plan and Timesharing Act[1] from certain requirements and prohibitions relating to conflicts of interest[2] for CAMs and CAM firms. (Section 2.)

The bill specifies that timeshare management firms and licensed CAMs that are employed by a timeshare management firm are governed by s. 468.438, F.S.,[3] and s. 721.13, F.S.[4] (Section 3.)

[1] Ch. 721, F.S.
[2] *See* s. 468.4335, F.S.
[3] S. 468.438, F.S., governs the licensure and regulation of timeshare management firms by Florida's Department of Business and Professional Regulation.
[4] S. 721.13, F.S., governs the management of timeshare plans under the Florida Vacation Plan and Timesharing Act.

The bill requires timeshare management firms and licensed CAMs who are employed by a timeshare management firm to discharge their duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner they reasonably believe to be in the interests of the owners' association. (Section 4.)

The bill also exempts timeshare management firms and licensed CAMs that are employed by a timeshare management firm from certain liability for monetary damages,[5] unless the firm or licensed CAM breached or failed to perform their duties and the breach of, or failure to perform, such duties constitutes:

- A violation of criminal law as provided in s. 617.0834, F.S.;[6]
- A transaction from which the firm or licensed CAM derived an improper personal benefit, either directly or indirectly; or
- Constitutes recklessness or an act or omission that was in bad faith, with malicious purpose, or in a manner exhibiting wanton and willful disregard of human rights, safety, or property. (Section 4.)

The bill requires[7] a board of administration of a timeshare condominium to meet only once a year, unless additional board meetings are called. Additionally, if a timeshare management firm that is an agent of an owners' association or an owners' association provides goods or services through arrangements with a parent, affiliate, or subsidiary of the timeshare management firm, the bill requires the existence of such arrangements to be disclosed annually to the members of that owners' association as part of the common expense budgeting process, as an explanatory note to the annual budget, or otherwise. (Section 4.)

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Community Association Managers and Firms

Under Florida law, a community association is a residential homeowners' association in which membership is a condition of ownership of a unit in a planned unit development, or of a lot for a home or a mobile home, or of a townhouse, villa, condominium, cooperative, or other residential unit which is part of a residential development scheme and which is authorized to impose a fee which may become a lien on the parcel.[8]

Community association managers[9] (CAMs) and community association management firms[10] (CAM firms) provide community association management services, which means any of the following practices that require substantial specialized knowledge, judgement, and managerial skill when done for compensation and when the community association served contains more than 10 units or has an annual budget in excess of $100,000:

- Controlling or disbursing funds of an association;
- Preparing budgets or other financial documents for an association;
- Assisting in the noticing or conduct of association meetings;
- Determining the number of days required for statutory notices;
- Determining amounts due to the association;
- Collecting amounts due to the association before the filing of a civil action;
- Calculating the votes required for a quorum or to approve a proposition or amendment;
- Completing forms related to the management of an association;
- Drafting meeting notices and agendas;
- Calculating and preparing certificates of assessment and estoppel certificates;
- Responding to requests for certificates of assessment and estoppel certificates;

[5] *See* s. 617.0834, F.S.
[6] s. 617.0834, F.S., governs activities relating to officers and directors of certain non-profit corporations and associations and their immunity from civil liability.
[7] This requirement is notwithstanding the other provisions of ch. 718, F.S., the Florida Condominium Act.
[8] S. 468.431(1), F.S.
[9] *See* s. 468.431(4), F.S.
[10] *See* s. 468.432(3), F.S.

- Negotiating monetary or performance terms of a contract subject to approval by an association;
- Drafting pre-arbitration demands;
- Coordinating or performing maintenance for real or personal property and other related routine services involved in the operation of an association; and
- Complying with an association's governing documents and the requirements of law as necessary to perform any of the above activities.[11]

Licensure and Regulation

CAMs and CAM firms are licensed and regulated by the Department of Business and Professional Regulation (DBPR), and the seven-member Regulatory Council of Community Association Managers within DBPR, pursuant to part VIII of chapter 468, F.S.[12] A person may not manage (or hold herself or himself out to the public as being able to manage) a community association in the state unless he or she is licensed by DBPR.[13] Similarly, a CAM firm or other organization responsible for the management of more than 10 units or an association budget of $100,000 or greater may not engage (or hold itself out to the public as being able to engage) in the business of community association management in the state unless it is licensed by DBPR.[14]

Under Florida law, a CAM or CAM firm is deemed to act as an agent of a community association when performing duties within the scope of authority authorized by a written contract with the association or chapter 468, F.S. Additionally, a CAM or CAM firm must discharge duties authorized to be performed on behalf of an association:

- Loyally, skillfully, and diligently;
- Dealing honestly and fairly;
- In good faith;
- With care and full disclosure to the community association;
- Accounting for all funds; and
- Not charging unreasonable or excessive fees.[15]

Florida law requires a CAM or CAM firm to return all official records of a community association within its possession to the association with 20 business days after termination of an agreement to provide community association management services to the association or receipt of a written request for return of the official records, whichever occurs first.[16]

Conflicts of Interest

A CAM or CAM firm, including directors, officers, and persons with a financial interest in a CAM firm, or a relative[17] of such persons, must disclose to the board of a community association any activity that may reasonably be construed to be a conflict of interest.[18] There is a rebuttable presumption that a conflict of interest exists if any of the following occurs without prior notice:

- A CAM or CAM firm, including directors, officers, and persons with a financial interest in a CAM firm, or a relative of such persons, enters into a contract for goods or services with the association.[19]
- A CAM or CAM firm, including directors, officers, and persons with a financial interest in a CAM firm, or a relative of such persons, holds an interest in or receives compensation or anything of value from a corporation, limited liability corporation, partnership, limited liability partnership, or other business entity

[11] S. 468.431(2), F.S.
[12] *See* ss. 468.432(1) and 468.4315, F.S.
[13] S. 468.432(1), F.S.
[14] S. 468.432(2), F.S.
[15] S. 468.4334(1)(a), F.S.
[16] S. 468.4334(4), F.S.
[17] For purposes of these provisions, "relative" means a relative within the third degree of consanguinity by blood or marriage. S. 468.4335(6), F.S.
[18] S. 468.4335(1), F.S.
[19] S. 468.4335(1)(a), F.S.

that conducts business with the association or proposes to enter into a contract or other transaction with the association.[20]

If a CAM or CAM firm, including directors, officers, and persons with a financial interest in a CAM firm, or a relative of such persons, proposes to engage in an activity that is a conflict of interest described above, the proposed activity must be listed on, and all contracts and transactional documents related to the proposed activity must be attached to, the meeting agenda of the next board of administration meeting.[21]

In the event a community association's board discovers that a CAM or CAM firm, including directors, officers, and persons with a financial interest in a CAM firm, or a relative of such persons, has violated Florida's laws relating to conflicts of interests for CAMs and CAM firms, the association may cancel its community association management contract with the CAM or CAM firm.[22] If the contract is canceled, the association is liable only for the reasonable value of the management services provided up to the time of cancellation and is not liable for any termination fees, liquidated damages, or other form of penalty for such cancellation.[23]

Florida Vacation Plan and Timesharing Act

The Florida Vacation Plan and Timesharing Act[24] (Timeshare Act), administered by the Division of Florida Condominiums, Timeshares, and Mobile Homes (Division) within DBPR, governs vacation plans and timeshare plans in the state. A timeshare plan is any arrangement, plan, scheme, or similar device (other than an exchange program), whether by membership, agreement, tenancy in common, sale, lease, deed, rental agreement, license, or right-to-use agreement or by any other means, whereby a purchaser, for consideration, receives ownership rights in or a right to use accommodations, and facilities, if any, for a period of time less than a full year during any given year, but not necessarily for consecutive years.[25]

The purpose of the Timeshare Act is to:

- Recognize real and personal property timeshare plans in the state;
- Establish procedures for the creation, sale, exchange, promotion and operation of timeshare plans;
- Provide full and fair disclosure to purchasers and prospective purchasers of timeshare plans;
- Require every timeshare plan in the state to be subjected to the provisions of the chapter;
- Require full and fair disclosure of terms, conditions, and services by resale service providers; and
- Recognize that a uniform and consistent method of regulation is necessary to safeguard Florida's tourism industry and the state's economic well-being.[26]

The Timeshare Act applies to all timeshare plans consisting of more than seven timeshare periods over a period of at least three years when the accommodations and facilities are located or offered within this state.[27] The Timeshare Act governs vacation plans and timesharing,[28] and multisite vacation and timeshare plans known as vacation clubs.[29]

[20] S. 468.4335(1)(b), F.S.
[21] S. 468.4335(3), F.S.
[22] S. 468.4335(4), F.S.
[23] *Id.*
[24] Ch. 721, F.S.
[25] S. 721.05(39), F.S.
[26] S. 721.02, F.S.
[27] S. 721.03(1), F.S.
[28] *See* p. I of ch. 721, F.S.
[29] *See* pt. II of ch. 721, F.S.

Managing Entity of a Timeshare

The Timeshare Act requires a developer to provide a managing entity for each timeshare plan.[30] The managing entity is the person or organization responsible for operating and maintaining the timeshare plan.[31] The managing entity may be the developer, a separate manager or management firm, or an owners' association,[32] and must be created prior to the first closing of the sale of a timeshare interest.[33]

The duties of a managing entity of a timeshare plan include, but are not limited to:

- Management and maintenance of all accommodations and facilities constituting the timeshare plan.
- Collection of all assessments for common expenses.
- Providing annually to all purchasers of the timeshare plan an itemized annual budget that includes estimated revenues and expenses.
- Maintenance of books and records concerning the timeshare plan, so that all such books and records are reasonably available for inspection by any purchaser or their authorized agent.
- Arranging for an annual audit of the financial statements of the timeshare plan by a certified public accountant licensed by the Board of Accountancy of DBPR, in accordance with generally accepted auditing standards as defined by the rules of the Board of Accountancy.
- Making available for inspection by the Division any books and records of the timeshare plan upon the request of the Division.
- Scheduling occupancy of the timeshare units, when purchasers are not entitled to use specific timeshare periods, so that all purchasers will be provided the use and possession of the accommodations and facilities of the timeshare plan which they have purchased.
- Performing any other functions and duties which are necessary and proper to maintain the accommodations or facilities of the timeshare plan, as provided in the contract and as advertised.
- Entering into an ad valorem tax escrow agreement prior to the receipt of any ad valorem tax escrow payments into the ad valorem tax escrow account, if an independent escrow agent is required by s. 192.037, F.S., and submitting to the Division the statement of receipts and disbursements regarding the ad valorem tax escrow account.[34]

Under the Timeshare Act, a managing entity that is an officer, director, or agent of an owners' association must discharge his or her duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner he or she reasonably believes to be in the interests of the owners' association.[35] An officer, director, or agent of an owners' association is exempt from liability for monetary damages, unless the officer, director, or agent breached or failed to perform his or her duties and the breach of, or failure to perform, his or her duties constitutes:

- A violation of criminal law as provided in s. 617.0834, F.S.;
- A transaction from which the officer or director derived an improper personal benefit, either directly or indirectly; or
- An act or omission that was reckless, in bad faith, with malicious purpose, or in a manner exhibiting wanton and willful disregard of human rights, safety, or property.[36]

[30] S. 721.13(1)(a), F.S.
[31] *See* s. 721.05(22), F.S.
[32] An owners' association is an association made up of all owners of timeshare interests in a timeshare plan, including developers and purchasers of the timeshare plan. S. 721.105(27), F.S.
[33] S. 721.13(1)(a), F.S.
[34] S. 721.13(3), F.S.
[35] S. 721.13(13), F.S.
[36] *Id.*

RECENT LEGISLATION:

YEAR	BILL #	HOUSE SPONSOR(S)	SENATE SPONSOR	OTHER INFORMATION
2024	CS/HB 429	Robinson, W.	Perry	Amended several provisions in the Timeshare Act. Approved by the Governor.
2024	CS/CS/CS/HB 1021	Lopez, V.	Bradley	Amended certain laws relating to CAMs and CAM firms. Approved by the Governor.

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Housing, Agriculture & Tourism Subcommittee			Curtin	Fletcher
Civil Justice & Claims Subcommittee				
Commerce Committee				

A bill to be entitled

An act relating to timeshare plan management; amending s. 468.4334, F.S.; conforming provisions to changes made by the act; amending s. 468.4335, F.S.; revising applicability for provisions governing conflicts of interest between community association managers or community association management firms and certain persons with a financial interest in such associations; amending s. 468.438, F.S.; providing construction; amending s. 721.13, F.S.; deleting a provision requiring managing entities that perform community association management to comply with certain provisions related to community association management firms; requiring timeshare management firms and individuals employed by timeshare management firms to discharge their duties in good faith; exempting such firms and individuals from liability for monetary damages; requiring the board of administration of a timeshare condominium to meet once per year; providing an exception; requiring disclosure of certain information annually to certain persons if a timeshare management firm or an owners' association provides goods and services through arrangements with specified entities; providing construction; reenacting s. 721.14(2), F.S., relating to discharge of a managing

entity, to incorporate the amendment made to s. 721.13, F.S., in a reference thereto; providing an effective date.

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

Section 1. Subsection (4) of section 468.4334, Florida Statutes, is amended to read:

468.4334 Professional practice standards; liability; community association manager requirements; return of records after termination of contract.—

(4) A community association manager or a community association management firm shall return all community association official records within its possession to the community association within 20 business days after termination of a contractual agreement to provide community association management services to the community association or receipt of a written request for return of the official records, whichever occurs first. A notice of termination of a contractual agreement to provide community association management services must be sent by certified mail, return receipt requested, or in the manner required under such contractual agreement. The community association manager or community association management firm may retain, for up to 20 business days, those records necessary to complete an ending financial statement or report. If an

association fails to provide access to or retention of the accounting records to prepare an ending financial statement or report, the community association manager or community association management firm is relieved from any further responsibility or liability relating to the preparation of such ending financial statement or report. Failure of a community association manager or a community association management firm to timely return all of the official records within its possession to the community association creates a rebuttable presumption that the community association manager or community association management firm willfully failed to comply with this subsection. A community association manager or a community association management firm that fails to timely return community association records is subject to suspension of its license under s. 468.436, and a civil penalty of $1,000 per day for up to 10 business days, assessed beginning on the 21st business day after termination of a contractual agreement to provide community association management services to the community association or receipt of a written request from the association for return of the records, whichever occurs first. However, for a timeshare plan governed by ~~created under~~ chapter 721, s. 721.14(4) applies ~~the time periods provided in s. 721.14(4)(b) apply~~.

Section 2. Subsection (7) is added to section 468.4335, Florida Statutes, to read:

468.4335 Conflicts of interest.—

(7) This section does not apply to a community association manager or a community association management firm that manages a timeshare plan governed by chapter 721.

Section 3. Subsection (3) is added to section 468.438, Florida Statutes, to read:

468.438 Timeshare management firms.—

(3) A timeshare management firm and any individual licensed under this part who is employed by a timeshare management firm are governed by s. 721.13.

Section 4. Paragraph (e) of subsection (1) and subsections (4), (10), and (13) of section 721.13, Florida Statutes, are amended to read:

721.13 Management.—

(1)

~~(e) Any managing entity performing community association management must comply with part VIII of chapter 468.~~

(4) The managing entity shall maintain among its records and provide to the division upon request a complete list of the names and addresses of all purchasers and owners of timeshare units in the timeshare plan. The managing entity shall update this list no less frequently than quarterly. Pursuant to paragraph (3)(d), the managing entity may not publish this owner's list or provide a copy of it to any purchaser or to any third party other than the division. However, the managing

entity shall mail to those persons listed on the owner's list materials provided by any purchaser, upon the written request of that purchaser, if the purpose of the mailing is to advance legitimate owners' association business, such as a proxy solicitation for any purpose, including the recall of one or more board members elected by the owners or the discharge of the manager or management firm. The use of any proxies solicited in this manner must comply with the provisions of the timeshare instrument and this chapter. A mailing requested for the purpose of advancing legitimate owners' association business shall occur within 30 days after receipt of a request from a purchaser. The board of administration of the owners' association shall be responsible for determining the appropriateness of any mailing requested pursuant to this subsection. The purchaser who requests the mailing must reimburse the owners' association in advance for the owners' association's actual costs in performing the mailing. It is ~~shall be~~ a violation of this chapter ~~and, if applicable, of part VIII of chapter 468,~~ for the board of administration or the manager or management firm to refuse to mail any material requested by the purchaser to be mailed, provided the sole purpose of the materials is to advance legitimate owners' association business. If the purpose of the mailing is a proxy solicitation to recall one or more board members elected by the owners or to discharge the manager or management firm and the managing entity does not mail the

materials within 30 days after receipt of a request from a purchaser, the circuit court in the county where the timeshare plan is located may, upon application from the requesting purchaser, summarily order the mailing of the materials solely related to the recall of one or more board members elected by the owners or the discharge of the manager or management firm. The court shall dispose of an application on an expedited basis. In the event of such an order, the court may order the managing entity to pay the purchaser's costs, including attorney's fees reasonably incurred to enforce the purchaser's rights, unless the managing entity can prove it refused the mailing in good faith because of a reasonable basis for doubt about the legitimacy of the mailing.

(10) Any failure of the managing entity to faithfully discharge the fiduciary duty to purchasers imposed by this section or to otherwise comply with ~~the provisions of~~ this section is ~~shall be~~ a violation of this chapter ~~and of part VIII of chapter 468~~.

(13)(a) Notwithstanding any provisions of chapter 607, chapter 617, or chapter 718, an officer, director, or agent of an owners' association, including a timeshare management firm and any individual licensed under part VIII of chapter 468 employed by the timeshare management firm, shall discharge its ~~his or her~~ duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

circumstances, and in a manner it ~~he or she~~ reasonably believes to be in the interests of the owners' association. An officer, director, or agent of an owners' association, including a timeshare management firm and any individual licensed under part VIII of chapter 468 employed by the timeshare management firm, are ~~shall be~~ exempt from liability for monetary damages in the same manner as provided in s. 617.0834 unless such officer, director, ~~or~~ agent, or firm breached or failed to perform its ~~his or her~~ duties and the breach of, or failure to perform, its ~~his or her~~ duties constitutes a violation of criminal law as provided in s. 617.0834; constitutes a transaction from which the officer or director derived an improper personal benefit, either directly or indirectly; or constitutes recklessness or an act or omission that was in bad faith, with malicious purpose, or in a manner exhibiting wanton and willful disregard of human rights, safety, or property.

(b) Notwithstanding chapter 718, the board of administration of a timeshare condominium is required to meet only once each year, unless additional board meetings are called pursuant to a timeshare instrument.

(c)1. If a timeshare management firm that is an agent of an owners' association or an owners' association provides goods or services through arrangements with a parent, affiliate, or subsidiary of the timeshare management firm, the existence of such arrangements must be disclosed annually to the members of

that owners' association as part of the common expense budgeting process, as an explanatory note to the annual budget, or otherwise.

2. A timeshare management firm and any individual licensed under part VIII of chapter 468 employed by the timeshare management firm are governed by this section and s. 468.438.

Section 5. For the purpose of incorporating the amendment made by this act to section 721.13, Florida Statutes, in a reference thereto, subsection (2) of section 721.14, Florida Statutes, is reenacted to read:

721.14 Discharge of managing entity.—

(2) In the event the manager or management firm is discharged, the board of administration of the owners' association shall remain responsible for operating and maintaining the timeshare plan pursuant to the timeshare instrument and s. 721.13(1). If the board of administration fails to do so, any timeshare owner may apply to the circuit court within the jurisdiction of which the accommodations and facilities lie for the appointment of a receiver to manage the affairs of the owners' association and the timeshare plan. At least 30 days before applying to the circuit court, the timeshare owner shall mail to the owners' association and post in a conspicuous place on the timeshare property a notice describing the intended action. If a receiver is appointed, the owners' association shall be responsible as a common expense of

the timeshare plan, for payment of the salary and expenses of the receiver, relating to the discharge of her or his duties and obligations as receiver, together with the receiver's court costs, and reasonable attorney's fees. The receiver shall have all powers and duties of a duly constituted board of administration and shall serve until discharged by the circuit court.

Section 6. This act shall take effect July 1, 2025.

HOUSING, AGRICULTURE, AND TOURISM SUBCOMMITTEE

HB 897 by Rep. Berfield
Relating to Timeshare Plan Management

AMENDMENT SUMMARY
April 1, 2025

Amendment 1 by Rep. Berfield (Strike-All): The amendment clarifies disclosure requirements for timeshare management firms and owners' associations that provide goods and services through a related party to the owners' association and makes other clarifying, technical changes.

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	___	(Y/N)
FAILED TO ADOPT	___	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

Committee/Subcommittee hearing bill: Housing, Agriculture & Tourism Subcommittee

Representative Berfield offered the following:

Amendment (with title amendment)

Remove everything after the enacting clause and insert:

Section 1. Subsection (4) of section 468.4334, Florida Statutes, is amended to read:

468.4334 Professional practice standards; liability; community association manager requirements; return of records after termination of contract.—

(4) A community association manager or a community association management firm shall return all community association official records within its possession to the community association within 20 business days after termination of a contractual agreement to provide community association

management services to the community association or receipt of a written request for return of the official records, whichever occurs first. A notice of termination of a contractual agreement to provide community association management services must be sent by certified mail, return receipt requested, or in the manner required under such contractual agreement. The community association manager or community association management firm may retain, for up to 20 business days, those records necessary to complete an ending financial statement or report. If an association fails to provide access to or retention of the accounting records to prepare an ending financial statement or report, the community association manager or community association management firm is relieved from any further responsibility or liability relating to the preparation of such ending financial statement or report. Failure of a community association manager or a community association management firm to timely return all of the official records within its possession to the community association creates a rebuttable presumption that the community association manager or community association management firm willfully failed to comply with this subsection. A community association manager or a community association management firm that fails to timely return community association records is subject to suspension of its license under s. 468.436, and a civil penalty of $1,000 per day for up to 10 business days, assessed beginning on the 21st

business day after termination of a contractual agreement to provide community association management services to the community association or receipt of a written request from the association for return of the records, whichever occurs first. However, for a timeshare plan governed by ~~created under~~ chapter 721, s. 721.14(4) applies ~~the time periods provided in s. 721.14(4)(b) apply~~.

Section 2. Subsection (7) is added to section 468.4335, Florida Statutes, to read:

468.4335 Conflicts of interest.—

(7) This section does not apply to a community association manager or a community association management firm that manages a timeshare plan governed by chapter 721 who provides disclosure under s. 721.13(13)(c)1.

Section 3. Subsection (3) is added to section 468.438, Florida Statutes, to read:

468.438 Timeshare management firms.—

(3) A timeshare management firm and any individual licensed under this part who is employed by a timeshare management firm are governed by s. 721.13 and not by the provisions of s. 468.4335.

Section 4. Paragraph (e) of subsection (1) and subsections (4), (10), and (13) of section 721.13, Florida Statutes, are amended to read:

721.13 Management.—

(1)

~~(c) Any managing entity performing community association management must comply with part VIII of chapter 468.~~

(4) The managing entity shall maintain among its records and provide to the division upon request a complete list of the names and addresses of all purchasers and owners of timeshare units in the timeshare plan. The managing entity shall update this list no less frequently than quarterly. Pursuant to paragraph (3)(d), the managing entity may not publish this owner's list or provide a copy of it to any purchaser or to any third party other than the division. However, the managing entity shall mail to those persons listed on the owner's list materials provided by any purchaser, upon the written request of that purchaser, if the purpose of the mailing is to advance legitimate owners' association business, such as a proxy solicitation for any purpose, including the recall of one or more board members elected by the owners or the discharge of the manager or management firm. The use of any proxies solicited in this manner must comply with the provisions of the timeshare instrument and this chapter. A mailing requested for the purpose of advancing legitimate owners' association business shall occur within 30 days after receipt of a request from a purchaser. The board of administration of the owners' association shall be responsible for determining the appropriateness of any mailing requested pursuant to this subsection. The purchaser who

requests the mailing must reimburse the owners' association in advance for the owners' association's actual costs in performing the mailing. It is ~~shall be~~ a violation of this chapter ~~and, if applicable, of part VIII of chapter 468,~~ for the board of administration or the manager or management firm to refuse to mail any material requested by the purchaser to be mailed, provided the sole purpose of the materials is to advance legitimate owners' association business. If the purpose of the mailing is a proxy solicitation to recall one or more board members elected by the owners or to discharge the manager or management firm and the managing entity does not mail the materials within 30 days after receipt of a request from a purchaser, the circuit court in the county where the timeshare plan is located may, upon application from the requesting purchaser, summarily order the mailing of the materials solely related to the recall of one or more board members elected by the owners or the discharge of the manager or management firm. The court shall dispose of an application on an expedited basis. In the event of such an order, the court may order the managing entity to pay the purchaser's costs, including attorney's fees reasonably incurred to enforce the purchaser's rights, unless the managing entity can prove it refused the mailing in good faith because of a reasonable basis for doubt about the legitimacy of the mailing.

(10) Any failure of the managing entity to faithfully discharge the fiduciary duty to purchasers imposed by this section or to otherwise comply with ~~the provisions of~~ this section is ~~shall be~~ a violation of this chapter ~~and of part VIII of chapter 468~~.

(13)(a) Notwithstanding any provisions of chapter 607, chapter 617, or chapter 718, an officer, director, or agent of an owners' association, including a timeshare management firm and any individual licensed under part VIII of chapter 468 employed by the timeshare management firm, shall discharge its ~~his or her~~ duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner it ~~he or she~~ reasonably believes to be in the interests of the owners' association. An officer, director, or agent of an owners' association, including a timeshare management firm and any individual licensed under part VIII of chapter 468 employed by the timeshare management firm, are ~~shall be~~ exempt from liability for monetary damages in the same manner as provided in s. 617.0834 unless such officer, director, ~~or~~ agent, or firm breached or failed to perform its ~~his or her~~ duties and the breach of, or failure to perform, its ~~his or her~~ duties constitutes a violation of criminal law as provided in s. 617.0834; constitutes a transaction from which the officer or director derived an improper personal benefit, either directly or indirectly; or constitutes recklessness or an

act or omission that was in bad faith, with malicious purpose, or in a manner exhibiting wanton and willful disregard of human rights, safety, or property.

(b) Notwithstanding chapter 718, the board of administration of a timeshare condominium is required to meet only once each year, unless additional board meetings are called pursuant to a timeshare instrument.

(c)1. If a timeshare management firm or an owners' association provides goods or services through a parent, affiliate, or subsidiary of the timeshare management firm, the fact that a related party provides goods or services must be disclosed annually to the members of that owners' association as an explanatory note to the annual budget pursuant to subsection (3)(c)1., in the management contract, by mail sent to each owner’s notice address, in the notice of an annual or special meeting of the owners, by posting on the website of the applicable timeshare plan, or by any owner communication used by the managing entity.

2. A timeshare management firm and any individual licensed under part VIII of chapter 468 employed by the timeshare management firm are governed by this section and s. 468.438.

Section 5. For the purpose of incorporating the amendment made by this act to section 721.13, Florida Statutes, in a reference thereto, subsection (2) of section 721.14, Florida Statutes, is reenacted to read:

721.14 Discharge of managing entity.—

(2) In the event the manager or management firm is discharged, the board of administration of the owners' association shall remain responsible for operating and maintaining the timeshare plan pursuant to the timeshare instrument and s. 721.13(1). If the board of administration fails to do so, any timeshare owner may apply to the circuit court within the jurisdiction of which the accommodations and facilities lie for the appointment of a receiver to manage the affairs of the owners' association and the timeshare plan. At least 30 days before applying to the circuit court, the timeshare owner shall mail to the owners' association and post in a conspicuous place on the timeshare property a notice describing the intended action. If a receiver is appointed, the owners' association shall be responsible as a common expense of the timeshare plan, for payment of the salary and expenses of the receiver, relating to the discharge of her or his duties and obligations as receiver, together with the receiver's court costs, and reasonable attorney's fees. The receiver shall have all powers and duties of a duly constituted board of administration and shall serve until discharged by the circuit court.

Section 6. This act shall take effect July 1, 2025.

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

Remove line 23 and insert:
goods and services through specified

FLORIDA HOUSE OF REPRESENTATIVES
BILL ANALYSIS

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

BILL #: HJR 1215	**COMPANION BILL:** SJR 318 (Truenow)
TITLE: Ad Valorem Tax Exemption	**LINKED BILLS:** None
SPONSOR(S): Alvarez, D.	**RELATED BILLS:** None

Committee References

Ways & Means (16 Y, 1 N) ➤ Housing, Agriculture & Tourism ➤ State Affairs

SUMMARY

Effect of the Bill:

HJR 1215 proposes an amendment to the Florida Constitution to authorize the Legislature to exempt tangible personal property from ad valorem taxes when the tangible personal property is located on agricultural land, used in the production of agricultural products or for agritourism activities, and owned by the landowner or leaseholder of the agricultural land.

Fiscal or Economic Impact:

The Revenue Estimating Conference has not estimated the impact of this joint resolution on local government revenues. Staff estimates that joint resolution has no impact on local government revenues. The impact on local government revenues would come from legislation implementing the proposed constitutional amendment.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

HJR 1215 proposes an amendment to the Florida Constitution to authorize the Legislature to exempt tangible personal property from ad valorem taxes when the tangible personal property is located on agricultural land, used in the production of agricultural products or for agritourism activities, and owned by the landowner or leaseholder of the agricultural land.

If adopted by the Legislature, the proposed amendment will be submitted to Florida's electors at the next general election in November 2026.

A joint resolution proposing an amendment to the Florida Constitution must be passed by three-fifths of the membership of each house of the Legislature.

Subject to approval by 60 percent of voters during the 2026 general election, the amendment proposed in the joint resolution will take effect on January 1, 2027. The joint resolution is not subject to the Governor's veto powers.

FISCAL OR ECONOMIC IMPACT:

LOCAL GOVERNMENT:

The Revenue Estimating Conference has not estimated the impact of this joint resolution on local government revenues. Staff estimates that joint resolution has no impact on local government revenues. The impact on local government revenues would come from legislation implementing the proposed constitutional amendment.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

General Overview of Property Taxation

The ad valorem tax or "property tax" is an annual tax levied by counties, municipalities, school districts, and some special districts. The tax is based on the taxable value of property as of January 1 of each year.[1] The property appraiser annually determines the "just value"[2] of property within the taxing jurisdiction and then applies relevant exclusions, assessment limitations, and exemptions to determine the property's "taxable value."[3] Property tax bills are mailed in November of each year based on the previous January 1 valuation, and payment is due by March 31 of the following year.[4]

The Florida Constitution prohibits the state from levying ad valorem taxes on real and tangible personal property,[5] and it limits the Legislature's authority to provide for property valuations at less than just value, unless expressly authorized.[6]

Ad Valorem Taxation of Tangible Personal Property

Article VII, section 1, grants exclusive authority to local governments to levy ad valorem taxes on tangible personal property.[7] The Florida Constitution includes the following exemptions and authorization for exemptions for tangible personal property:

- Article VII, section 1 specifies that motor vehicles, boats, airplanes, trailers, trailer coaches, and mobile homes are subject to license taxes, but may not be subject to ad valorem taxes.
- Under Article VII, section 3,
  - Household goods and personal effects are granted an exemption of at least $1,000.
  - Local governments are authorized to grant community and economic development ad valorem tax exemptions to new businesses and expansions of existing businesses, which may apply to tangible personal property.
  - $25,000 of the assessed value of tangible personal property is exempt[8], and the assessed value of solar or renewable energy devices may be exempt pursuant to general law[9].
- Under Article VII, section 4, tangible personal property "held for sale as stock in trade" may be exempted from taxation.[10]

The just value of tangible personal property in Florida in 2024 was $239.3 billion.[11]

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[1] Both real property and tangible personal property are subject to tax. Section 192.001(12), F.S., defines "real property" as land, buildings, fixtures, and all other improvements to land. Section 192.001(11)(d), F.S., defines "tangible personal property" as all goods, chattels, and other articles of value capable of manual possession and whose chief value is intrinsic to the article itself.

[2] Property must be valued at "just value" for purposes of property taxation, unless the Florida Constitution provides otherwise. FLA. CONST. art VII, s. 4. Just value has been interpreted by the courts to mean the fair market value that a willing buyer would pay a willing seller for the property in an arm's-length transaction. *See, e.g., Walter v. Schuler*, 176 So. 2d 81 (Fla. 1965); *Deltona Corp. v. Bailey*, 336 So. 2d 1163 (Fla. 1976); *S. Bell Tel. & Tel. Co. v. Dade Cnty.*, 275 So. 2d 4 (Fla. 1973).

[3] *See* s. 192.001(2), F.S. and s. 192.001(16), F.S.

[4] Sections nd 197.322, F.S.; *see also* FLA. DEP'T OF REVENUE, *Florida Property Tax Calendar* (Dec. 2016), *available* at: https://floridarevenue.com/property/Documents/taxcalendar.pdf.

[5] FLA. CONST. art. VII, s. 1(a)

[6] FLA. CONST. art. VII, s. 4.

[7] *See also* FLA. CONST. art. VII, s. 9(a).

[8] Section 196.183, F.S., specifies the conditions for the general exemption of $25,000 of the assessed value of tangible personal property.

[9] Section 196.182, F.S., specifies the conditions for exemption of renewable energy source devices.

[10] This exemption for inventory is restated at section 196.185, F.S., and inventory is defined at section 192.001(11)(c), F.S.

[11] Florida Department of Revenue 2024 Statewide Just, Assessed, Exemption and Taxable Values by Property Tax

Agricultural Land Valuation

Property appraisers annually classify, for assessment purposes, all lands within a county as either agricultural or nonagricultural.[12] Only lands that are used primarily for "bona fide agricultural purposes" shall be classified agricultural.[13] In determining whether the use of the land for agricultural purposes is bona fide, the following factors may be taken into consideration:

- The length of time the land has been so used.
- Whether the use has been continuous.
- The purchase price paid.
- Size, as it relates to specific agricultural use, but a minimum acreage may not be required for agricultural assessment.
- Whether an indicated effort has been made to care sufficiently and adequately for the land in accordance with accepted commercial agricultural practices, including, without limitation, fertilizing, liming, tilling, mowing, reforesting, and other accepted agricultural practices.
- Whether the land is under lease and, if so, the effective length, terms, and conditions of the lease.
- Such other factors as may become applicable.

When the land is classified as agricultural, the property appraiser shall consider the following use factors only:

- The quantity and size of the property;
- The condition of the property;
- The present market value of the property as agricultural land;
- The income produced by the property;
- The productivity of land in its present use;
- The economic merchantability of the agricultural product.
- Such other agricultural factors as may from time to time become applicable, which are reflective of the standard present practices of agricultural use and production.[14]

Agricultural real property accounts for 2.0 percent of the just value of all real property in Florida.[15]

RECENT LEGISLATION:

YEAR	BILL #	HOUSE SPONSOR(S)	SENATE SPONSOR	OTHER INFORMATION
2024	CS/SJR 1560	Alvarez, D.	Collins	Died in Messages

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Ways & Means Committee	16 Y, 1 N		Aldridge	Hallaian
Housing, Agriculture & Tourism Subcommittee			Curtin	Rodriguez
State Affairs Committee				

[12] Section 193.461(1), F.S.
[13] Section 193.461(3)(b), F.S.
[14] Section 193.461(6)(a), F.S.
[15] Ad Valorem Revenue Estimating Conference Results, March 5, 2025

House Joint Resolution

A joint resolution proposing an amendment to Section 3 of Article VII and the creation of a new section in Article XII of the State Constitution to authorize the Legislature, by general law, to exempt certain tangible personal property from ad valorem taxation.

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

That the following amendment to Section 3 of Article VII and the creation of a new section in Article XII of the State Constitution are agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE VII

FINANCE AND TAXATION

SECTION 3. Taxes; exemptions.—

(a) All property owned by a municipality and used exclusively by it for municipal or public purposes shall be exempt from taxation. A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such portions of property as are used predominantly for educational, literary, scientific, religious or charitable purposes may be

exempted by general law from taxation.

(b) There shall be exempt from taxation, cumulatively, to every head of a family residing in this state, household goods and personal effects to the value fixed by general law, not less than one thousand dollars, and to every widow or widower or person who is blind or totally and permanently disabled, property to the value fixed by general law not less than five hundred dollars.

(c) Any county or municipality may, for the purpose of its respective tax levy and subject to the provisions of this subsection and general law, grant community and economic development ad valorem tax exemptions to new businesses and expansions of existing businesses, as defined by general law. Such an exemption may be granted only by ordinance of the county or municipality, and only after the electors of the county or municipality voting on such question in a referendum authorize the county or municipality to adopt such ordinances. An exemption so granted shall apply to improvements to real property made by or for the use of a new business and improvements to real property related to the expansion of an existing business and shall also apply to tangible personal property of such new business and tangible personal property related to the expansion of an existing business. The amount or limits of the amount of such exemption shall be specified by general law. The period of time for which such exemption may be

granted to a new business or expansion of an existing business shall be determined by general law. The authority to grant such exemption shall expire ten years from the date of approval by the electors of the county or municipality, and may be renewable by referendum as provided by general law.

(d) Any county or municipality may, for the purpose of its respective tax levy and subject to the provisions of this subsection and general law, grant historic preservation ad valorem tax exemptions to owners of historic properties. This exemption may be granted only by ordinance of the county or municipality. The amount or limits of the amount of this exemption and the requirements for eligible properties must be specified by general law. The period of time for which this exemption may be granted to a property owner shall be determined by general law.

(e) By general law and subject to conditions specified therein:

(1) Twenty-five thousand dollars of the assessed value of property subject to tangible personal property tax shall be exempt from ad valorem taxation.

(2) The assessed value of solar devices or renewable energy source devices subject to tangible personal property tax may be exempt from ad valorem taxation, subject to limitations provided by general law.

(3) Tangible personal property that meets all of the

following conditions shall be exempt from ad valorem taxation:

a. Located on property classified as agricultural land, as specified by general law.

b. Used in the production of agricultural products or for agritourism activities.

c. Owned by the landowner or leaseholder of the agricultural land.

(f) There shall be granted an ad valorem tax exemption for real property dedicated in perpetuity for conservation purposes, including real property encumbered by perpetual conservation easements or by other perpetual conservation protections, as defined by general law.

(g) By general law and subject to the conditions specified therein, each person who receives a homestead exemption as provided in section 6 of this article; who was a member of the United States military or military reserves, the United States Coast Guard or its reserves, or the Florida National Guard; and who was deployed during the preceding calendar year on active duty outside the continental United States, Alaska, or Hawaii in support of military operations designated by the legislature shall receive an additional exemption equal to a percentage of the taxable value of his or her homestead property. The applicable percentage shall be calculated as the number of days during the preceding calendar year the person was deployed on active duty outside the continental United States, Alaska, or

Hawaii in support of military operations designated by the legislature divided by the number of days in that year.

ARTICLE XII

SCHEDULE

Ad valorem exemption for tangible personal property on land classified as agricultural.—This section and the amendment to Section 3 of Article VII, which authorizes the legislature to provide for a tax exemption for certain tangible personal property, apply beginning with the 2027 tax roll.

BE IT FURTHER RESOLVED that the following statement be placed on the ballot:

CONSTITUTIONAL AMENDMENT

ARTICLE VII, SECTION 3

ARTICLE XII

AUTHORIZING THE LEGISLATURE TO EXEMPT TANGIBLE PERSONAL PROPERTY ON AGRICULTURAL LAND FROM TAXATION.—Proposing an amendment to the State Constitution to authorize the Legislature, beginning with the 2027 tax roll, to exempt tangible personal property located on land classified as agricultural, used in the production of agricultural products or for agritourism activities, and owned by the landowner or leaseholder of the agricultural land from ad valorem taxation.

FLORIDA HOUSE OF REPRESENTATIVES
BILL ANALYSIS

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

BILL #: CS/HJR 1257	**COMPANION BILL:** SJR 1510 (Avila)
TITLE: Property Tax Benefits for Certain Residential Properties Subject to a Long-term Lease	**LINKED BILLS:** CS/HB 1259 Busatta
SPONSOR(S): Busatta	**RELATED BILLS:** SB 1512 (Avila)

Committee References

Ways & Means	➤	Housing, Agriculture & Tourism	➤	Commerce
14 Y, 4 N, As CS				

SUMMARY

Effect of the Bill:

The joint resolution proposes an amendment to the Florida Constitution to authorize the Legislature to provide two $25,000 ad valorem tax exemptions, and to limit the increase in ad valorem tax assessments to the lesser of 3% or the percent change in the consumer price index, for any property that is under a residential lease of at least 6 months on January 1 of each year, is owned by a person who also owns a homestead property in this state, and could qualify as a homestead property if it was the primary residence of the owner.

The amendment takes effect on January 1, 2027, if approved by 60 percent of voters in the November 2026 general election, and first applies to the 2027 tax roll.

Fiscal or Economic Impact:

The Revenue Estimating Conference estimated that the joint resolution has no impact on state or local government revenues as the amendment it proposes is not self-executing.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The joint resolution proposes amendments to Sections 3 and 4 of Article VII of the Florida Constitution to authorize the Legislature to provide certain ad valorem taxation exemptions and assessment limitations for nonhomestead residential real property, if the property is subject to a long-term residential lease, the property could qualify for a homestead exemption if it was the owner's primary residence, and the property is owned by a person who also has a homestead exemption on another parcel of real estate.

If those conditions are met, the Legislature is authorized to provide by general law that qualifying nonhomestead property:

- Receives an exemption on the value of the property between $0 and $25,000 (for all levies) and between $50,000 and $75,000 (for all levies other than school levies);
- Cannot have the assessed value increase more than the lesser of three percent or the change in the consumer price index for the year; and
- Generally retains accumulated benefits if the property changes from year to year among qualifying nonhomestead, property, nonqualifying nonhomestead property, and homestead property.

The bill provides through a new section of Article XII of the Florida Constitution, that the changes first apply to the 2027 tax roll. The changes take effect on January 1, 2027, if approved by 60 percent of voters in the November 2026 general election.

FISCAL OR ECONOMIC IMPACT:

LOCAL GOVERNMENT:

The Revenue Estimating Conference estimated that the joint resolution has no impact on state or local government revenues as the amendment it proposes is not self-executing.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Ad Valorem Taxation

The ad valorem tax or "property tax" is an annual tax levied by counties, municipalities, school districts, and some special districts. The Florida Constitution reserves to local governments the authority to levy ad valorem taxes on real and tangible personal property.[1] Ad valorem taxes are levied annually by local governments based on the value of real and tangible personal property as of January 1 of each year.[2]

The Florida Constitution requires that all property be assessed at just value for ad valorem tax purposes,[3] and provides for specified assessment limitations, property classifications, and exemptions.[4] After the property appraiser considers any assessment limitation or use classification affecting the just value of a parcel of real property, an assessed value is produced. The assessed value is then reduced by any exemptions to produce the taxable value.[5]

Unless expressly exempted from taxation, all real and personal property and leasehold interests in the state are subject to taxation.[6] The Florida Constitution limits the Legislature's authority to grant an exemption or assessment limitation from taxes,[7] and any modifications to existing ad valorem tax exemptions or limitations must be consistent with the constitutional provision authorizing the exemption or limitation.[8]

Homestead Property

"Homestead" property is defined in section 6 of Article VII of the Florida Constitution, and in s. 196.031, F.S., as property for which a person, on January 1, has the legal or beneficial title and who in good faith makes the property his or her permanent residence (or the permanent residence of another legally or naturally dependent on him or her). The property may be owned jointly, as tenancy by the entireties, or otherwise in common with others, and can be apportioned among such shared owners.[9] Only one homestead exemption is allowed to any one person or on any one dwelling house.[10] Individual condominium owners, however, can each qualify for a separate homestead designation.[11]

Homestead Exemption

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[1] FLA. CONST. art VII, ss. 1(a), 9(a)
[2] S. 192.001(12), F.S., defines "real property" as land, buildings, fixtures, and all other improvements to land. The terms "land," "real estate," "realty," and "real property" may be used interchangeably. S. 192.001(11)(d), F.S., defines "tangible personal property" as all goods, chattels, and other articles of value (but does not include the vehicular items enumerated in Art. VII, s. 1(b) of the Florida Constitution and elsewhere defined) capable of manual possession and whose chief value is intrinsic to the article itself.
[3] FLA. CONST. art VII, s. 4
[4] FLA. CONST. art VII, ss. 3, 4, and 6
[5] S. 196.031, F.S.
[6] Section 196.001, F.S.; *see also Sebring Airport Authority v. McIntyre*, 642 So. 2d 1072, 1073 (Fla. 1994), noting exemptions are strictly construed against the party claiming them.
[7] *Archer v. Marshall*, 355 So. 2d 781, 784 (Fla. 1978).
[8] *Sebring Airport Auth. v. McIntyre,* 783, So. 2d 238, 248 (Fla. 2001); *Archer v. Marshall,* 355 So. 2d 781, 784. (Fla. 1978); *Am Fi Inv. Corp v. Kinney,* 360 So. 2d 415 (Fla. 1978); *see also Sparkman v. State,* 58 So. 2d 431, 432 (Fla. 1952).
[9] S. 196.031(1)(a), F.S.
[10] *Id.*
[11] *Id.*

Every person having legal and equitable title to real estate and who maintains a permanent residence on the real estate (homestead property) is eligible for a $25,000 tax exemption applicable to all ad valorem tax levies, including levies by school districts.[12] An additional $25,000 exemption applies to homestead property value between $50,000 and $75,000.[13] This exemption does not apply to ad valorem taxes levied by school districts.

Limitation on Annual Increases in Assessments for Homestead Properties

The Florida Constitution[14] provides that, for those entitled to a homestead exemption, the assessed value of the homestead for all levies shall be changed annually on January 1st of each year. Those changes in assessments cannot exceed the lesser of three percent of the prior year's assessment or the percent change in the Consumer Price Index[15] for the preceding calendar year.[16]

Nonhomestead Property

Property that is residential real property but does not qualify as homestead property is assessed at just value on January 1 of the year the property is purchased or becomes non-homestead property.[17] In each subsequent year, for purposes of all levies other than school district levies, the property is reassessed each January 1, but cannot increase by more than 10 percent over the prior year's assessed value.[18] Property is generally reassessed at just value on the January 1 following a change of ownership,[19] and changes, additions, or improvements are also generally assessed at just value on the January 1 following the change.[20] The assessed value of nonhomestead property is not limited by the 10 percent cap for purposes of school levies.

Long-Term Residential Leases

Under current law, there is no specific ad valorem benefit for properties used for residential leases of longer than 6 months. For sales tax purposes in Chapter 212, F.S., however, any person who rents property through a bona fide written agreement for continuous residence for longer than six months in duration at that property is exempt from sales tax and any applicable transient rental taxes (e.g., tourist development taxes[21]) for that lease.[22]

[12] FLA. CONST. art VII, s. 6(a) and s. 196.031, F.S.
[13] Section 196.031(1)(b), F.S.
[14] As amended by Constitutional Amendment 10 (1992), commonly referred to as the "Save Our Homes" initiative.
[15] Specifically, the Consumer Price Index for All Urban Consumers, U.S. City Average, all items 1967=100, or successor reports.
[16] FLA. CONST. art. VII, s. 4(d)(1), implemented by section 193.155, F.S.
[17] S. 193.1554(2), F.S., and s. 193.1555(2), F.S.
[18] FLA. CONST. art. VII, s. 4(g)(1) and 4(h)(1), implemented by s. 193.1554(3), F.S., and s. 193.1555(3), F.S.
[19] FLA. CONST. art. VII, s. 4(g)(3 and 4(h)(4), implemented by s. 193.1554(5), F.S., and s. 193.1555(5), F.S.
[20] FLA. CONST. art. VII, s. 4(g)(4) and 4(h)(5), implemented by s. 193.1554(6), F.S., and s. 193.1555(6), F.S.
[21] Section 125.0104, F.S.
[22] Section 212.03(1)(a), F.S.

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Ways & Means Committee	14 Y, 4 N, As CS	3/27/2025	Aldridge	Berg
THE CHANGES ADOPTED BY THE COMMITTEE:	• Moved language in the joint resolution from Section 6 (Homestead) of Article VII of the Florida Constitution to Sections 3 (Exemptions) and 4 (Assessment Limitations), as applicable. • Clarified that the benefits only apply to properties that could qualify as homestead property if occupied by the owner.			
Housing, Agriculture & Tourism Subcommittee			Curtin	Fletcher
Commerce Committee				

THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.

House Joint Resolution

A joint resolution proposing amendments to Sections 3 and 4 of Article VII and the creation of a new section in Article XII of the State Constitution to authorize the Legislature to provide two $25,000 exemptions and an assessment limitation to certain real property subject to a long-term lease and to provide an effective date.

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

That the following amendments to Section 3 and 4 of Article VII and the creation of a new section in Article XII of the State Constitution are agreed to and shall be submitted to the electors of this state for approval or rejection at the next general election or at an earlier special election specifically authorized by law for that purpose:

ARTICLE VII

FINANCE AND TAXATION

SECTION 3. Taxes; exemptions.—

(a) All property owned by a municipality and used exclusively by it for municipal or public purposes shall be exempt from taxation. A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such

portions of property as are used predominantly for educational, literary, scientific, religious or charitable purposes may be exempted by general law from taxation.

(b) There shall be exempt from taxation, cumulatively, to every head of a family residing in this state, household goods and personal effects to the value fixed by general law, not less than one thousand dollars, and to every widow or widower or person who is blind or totally and permanently disabled, property to the value fixed by general law not less than five hundred dollars.

(c) Any county or municipality may, for the purpose of its respective tax levy and subject to the provisions of this subsection and general law, grant community and economic development ad valorem tax exemptions to new businesses and expansions of existing businesses, as defined by general law. Such an exemption may be granted only by ordinance of the county or municipality, and only after the electors of the county or municipality voting on such question in a referendum authorize the county or municipality to adopt such ordinances. An exemption so granted shall apply to improvements to real property made by or for the use of a new business and improvements to real property related to the expansion of an existing business and shall also apply to tangible personal property of such new business and tangible personal property related to the expansion of an existing business. The amount or

limits of the amount of such exemption shall be specified by general law. The period of time for which such exemption may be granted to a new business or expansion of an existing business shall be determined by general law. The authority to grant such exemption shall expire ten years from the date of approval by the electors of the county or municipality, and may be renewable by referendum as provided by general law.

(d) Any county or municipality may, for the purpose of its respective tax levy and subject to the provisions of this subsection and general law, grant historic preservation ad valorem tax exemptions to owners of historic properties. This exemption may be granted only by ordinance of the county or municipality. The amount or limits of the amount of this exemption and the requirements for eligible properties must be specified by general law. The period of time for which this exemption may be granted to a property owner shall be determined by general law.

(e) By general law and subject to conditions specified therein:

(1) Twenty-five thousand dollars of the assessed value of property subject to tangible personal property tax shall be exempt from ad valorem taxation.

(2) The assessed value of solar devices or renewable energy source devices subject to tangible personal property tax may be exempt from ad valorem taxation, subject to limitations

provided by general law.

(f) There shall be granted an ad valorem tax exemption for real property dedicated in perpetuity for conservation purposes, including real property encumbered by perpetual conservation easements or by other perpetual conservation protections, as defined by general law.

(g) By general law and subject to the conditions specified therein, each person who receives a homestead exemption as provided in section 6 of this article; who was a member of the United States military or military reserves, the United States Coast Guard or its reserves, or the Florida National Guard; and who was deployed during the preceding calendar year on active duty outside the continental United States, Alaska, or Hawaii in support of military operations designated by the legislature shall receive an additional exemption equal to a percentage of the taxable value of his or her homestead property. The applicable percentage shall be calculated as the number of days during the preceding calendar year the person was deployed on active duty outside the continental United States, Alaska, or Hawaii in support of military operations designated by the legislature divided by the number of days in that year.

(h) By general law and subject to conditions and provisions specified therein, the legislature may provide that every person who holds the legal or equitable title to real estate that is currently receiving the benefits available for

homestead properties under subsection (a) of Section 6, and holds the legal or equitable title to a separate parcel of real estate and maintains thereon the residence of a lessee under a single written lease of six months or more, if such lease is in effect on January 1 of the taxable year, and if such parcel could qualify for the benefits afforded homestead properties under subsection (a) of Section 6, if the owner maintained that property as his or her permanent residence, shall be exempt from taxation on such leased property up to the assessed valuation of twenty-five thousand dollars; and, for all levies other than school district levies, on the assessed valuation greater than fifty thousand dollars and up to seventy-five thousand dollars.

SECTION 4. Taxation; assessments.—By general law regulations shall be prescribed which shall secure a just valuation of all property for ad valorem taxation, provided:

(a) Agricultural land, land producing high water recharge to Florida's aquifers, or land used exclusively for noncommercial recreational purposes may be classified by general law and assessed solely on the basis of character or use.

(b) As provided by general law and subject to conditions, limitations, and reasonable definitions specified therein, land used for conservation purposes shall be classified by general law and assessed solely on the basis of character or use.

(c) Pursuant to general law tangible personal property held for sale as stock in trade and livestock may be valued for

taxation at a specified percentage of its value, may be classified for tax purposes, or may be exempted from taxation.

(d) All persons entitled to a homestead exemption under Section 6 of this Article shall have their homestead assessed at just value as of January 1 of the year following the effective date of this amendment. This assessment shall change only as provided in this subsection.

(1) Assessments subject to this subsection shall be changed annually on January 1st of each year; but those changes in assessments shall not exceed the lower of the following:

a. Three percent (3%) of the assessment for the prior year.

b. The percent change in the Consumer Price Index for all urban consumers, U.S. City Average, all items 1967=100, or successor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics.

(2) No assessment shall exceed just value.

(3) After any change of ownership, as provided by general law, homestead property shall be assessed at just value as of January 1 of the following year, unless the provisions of paragraph (8) apply. Thereafter, the homestead shall be assessed as provided in this subsection.

(4) New homestead property shall be assessed at just value as of January 1st of the year following the establishment of the

homestead, unless the provisions of paragraph (8) apply. That assessment shall only change as provided in this subsection.

(5) Changes, additions, reductions, or improvements to homestead property shall be assessed as provided for by general law; provided, however, after the adjustment for any change, addition, reduction, or improvement, the property shall be assessed as provided in this subsection.

(6) In the event of a termination of homestead status, the property shall be assessed as provided by general law.

(7) The provisions of this amendment are severable. If any of the provisions of this amendment shall be held unconstitutional by any court of competent jurisdiction, the decision of such court shall not affect or impair any remaining provisions of this amendment.

(8)a. A person who establishes a new homestead as of January 1 and who has received a homestead exemption pursuant to Section 6 of this Article as of January 1 of any of the three years immediately preceding the establishment of the new homestead is entitled to have the new homestead assessed at less than just value. The assessed value of the newly established homestead shall be determined as follows:

1. If the just value of the new homestead is greater than or equal to the just value of the prior homestead as of January 1 of the year in which the prior homestead was abandoned, the assessed value of the new homestead shall be the just value of

the new homestead minus an amount equal to the lesser of $500,000 or the difference between the just value and the assessed value of the prior homestead as of January 1 of the year in which the prior homestead was abandoned. Thereafter, the homestead shall be assessed as provided in this subsection.

2. If the just value of the new homestead is less than the just value of the prior homestead as of January 1 of the year in which the prior homestead was abandoned, the assessed value of the new homestead shall be equal to the just value of the new homestead divided by the just value of the prior homestead and multiplied by the assessed value of the prior homestead. However, if the difference between the just value of the new homestead and the assessed value of the new homestead calculated pursuant to this sub-subparagraph is greater than $500,000, the assessed value of the new homestead shall be increased so that the difference between the just value and the assessed value equals $500,000. Thereafter, the homestead shall be assessed as provided in this subsection.

b. By general law and subject to conditions specified therein, the legislature shall provide for application of this paragraph to property owned by more than one person.

(e) The legislature may, by general law, for assessment purposes and subject to the provisions of this subsection, allow counties and municipalities to authorize by ordinance that historic property may be assessed solely on the basis of

character or use. Such character or use assessment shall apply only to the jurisdiction adopting the ordinance. The requirements for eligible properties must be specified by general law.

(f) A county may, in the manner prescribed by general law, provide for a reduction in the assessed value of homestead property to the extent of any increase in the assessed value of that property which results from the construction or reconstruction of the property for the purpose of providing living quarters for one or more natural or adoptive grandparents or parents of the owner of the property or of the owner's spouse if at least one of the grandparents or parents for whom the living quarters are provided is 62 years of age or older. Such a reduction may not exceed the lesser of the following:

(1) The increase in assessed value resulting from construction or reconstruction of the property.

(2) Twenty percent of the total assessed value of the property as improved.

(g) For all levies other than school district levies, assessments of residential real property, as defined by general law, which contains nine units or fewer and which is not subject to the assessment limitations set forth in subsections (a) through (d) shall change only as provided in this subsection.

(1) Assessments subject to this subsection shall be changed annually on the date of assessment provided by law; but

those changes in assessments shall not exceed ten percent (10%) of the assessment for the prior year.

(2) No assessment shall exceed just value.

(3) After a change of ownership or control, as defined by general law, including any change of ownership of a legal entity that owns the property, such property shall be assessed at just value as of the next assessment date. Thereafter, such property shall be assessed as provided in this subsection.

(4) Changes, additions, reductions, or improvements to such property shall be assessed as provided for by general law; however, after the adjustment for any change, addition, reduction, or improvement, the property shall be assessed as provided in this subsection.

(h) For all levies other than school district levies, assessments of real property that is not subject to the assessment limitations set forth in subsections (a) through (d) and (g) shall change only as provided in this subsection.

(1) Assessments subject to this subsection shall be changed annually on the date of assessment provided by law; but those changes in assessments shall not exceed ten percent (10%) of the assessment for the prior year.

(2) No assessment shall exceed just value.

(3) The legislature must provide that such property shall be assessed at just value as of the next assessment date after a qualifying improvement, as defined by general law, is made to

such property. Thereafter, such property shall be assessed as provided in this subsection.

(4) The legislature may provide that such property shall be assessed at just value as of the next assessment date after a change of ownership or control, as defined by general law, including any change of ownership of the legal entity that owns the property. Thereafter, such property shall be assessed as provided in this subsection.

(5) Changes, additions, reductions, or improvements to such property shall be assessed as provided for by general law; however, after the adjustment for any change, addition, reduction, or improvement, the property shall be assessed as provided in this subsection.

(i) The legislature, by general law and subject to conditions specified therein, may prohibit the consideration of the following in the determination of the assessed value of real property:

(1) Any change or improvement to real property used for residential purposes made to improve the property's resistance to wind damage.

(2) The installation of a solar or renewable energy source device.

(j)(1) The assessment of the following working waterfront properties shall be based upon the current use of the property:

a. Land used predominantly for commercial fishing

purposes.

b. Land that is accessible to the public and used for vessel launches into waters that are navigable.

c. Marinas and drystacks that are open to the public.

d. Water-dependent marine manufacturing facilities, commercial fishing facilities, and marine vessel construction and repair facilities and their support activities.

(2) The assessment benefit provided by this subsection is subject to conditions and limitations and reasonable definitions as specified by the legislature by general law.

(k) All persons entitled to the exemptions on real property under subsection (h) of Section 3 of this Article shall have such property assessed as follows:

(1) Assessments shall be changed annually on January 1 of each year; but those changes in assessments shall not exceed the lower of: three percent (3%) of the assessment for the prior year, or the percent change in the Consumer Price Index for all urban consumers, U.S. City Average, all items 1967=100, or successor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics.

(2) No assessment shall exceed just value.

(3) After any change of ownership, as provided by general law, or termination of homestead pursuant to paragraph (6) of subsection (d) of this section, the property shall be assessed

at just value as of January 1 of the following year. Thereafter, the property shall be assessed as provided in this paragraph.

(4) Changes, additions, reductions, or improvements to such property shall be assessed as provided for by general law; provided, however, after the adjustment for any change, addition, reduction, or improvement, the property shall be assessed as provided in this subsection.

(5) The legislature may also provide that if any property receiving the assessment limitation authorized under this subsection subsequently becomes ineligible for the assessment limitation authorized under this subsection for reasons other than a change of ownership or control, as defined by general law; or termination of homestead pursuant to paragraph (6) of subsection (d) of this section; such property shall be assessed, without reassessment at just value, pursuant to subsection (g) of this section, unless such property is assessed under subsection (d) of this section for that year.

ARTICLE XII

SCHEDULE

Tax exemptions and an assessment limitation for long-term leased residential property.—This section and the amendments to Sections 3 and 4 of Article VII, which authorize the legislature to provide two $25,000 exemptions and an assessment limitation to real property that, on January 1, is subject to a written lease of six months or more and is owned by a person who holds

legal or equitable title to real estate receiving a homestead exemption, apply beginning with the 2027 tax roll.

BE IT FURTHER RESOLVED that the following statement be placed on the ballot:

CONSTITUTIONAL AMENDMENTS

ARTICLE VII, SECTIONS 3 AND 4

ARTICLE XII

PROPERTY TAX BENEFITS FOR CERTAIN RESIDENTIAL PROPERTIES SUBJECT TO A LONG-TERM LEASE.—Proposing amendments to the State Constitution to authorize the Legislature to provide two $25,000 exemptions and an assessment limitation for certain residential real property that is subject to a written lease of 6 months or more and is owned by a person who holds legal or equitable title to property receiving a homestead exemption. These amendments shall take effect January 1, 2027.

CS/HB 1259

FLORIDA HOUSE OF REPRESENTATIVES
BILL ANALYSIS

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

BILL #: CS/HB 1259	**COMPANION BILL:** SB 1512 (Avila)
TITLE: Property Tax Exemption and Assessment Limitation on Long-term Leased Property	**LINKED BILLS:** CS/HJR 1257 Busatta
SPONSOR(S): Busatta	**RELATED BILLS:** SJR 1510 (Avila)

Committee References

Ways & Means	➤	Housing, Agriculture & Tourism	➤	Commerce
14 Y, 4 N, As CS				

SUMMARY

Effect of the Bill:

The bill implements the amendments to Article VII, Sections 3 and 4 of the Florida Constitution, proposed by HJR 1257, to create new ad valorem taxation benefits for certain nonhomestead residential real property. For real property that is subject to a bona fide long-term residential lease, is owned by a person or persons who also have a homestead exemption on another parcel of real estate, and the property could qualify as a homestead if it was the permanent residence of the owner, the qualifying nonhomestead property:

- Receives an exemption on the assessed value of the property between $0 and $25,000 and between $50,000 and $75,000; and
- Cannot have the assessed value increase more than the lesser of three percent or the change in the consumer price index for the year.

The bill also specifies application procedures and the tax treatment for when the property's status changes among qualifying nonhomestead property, nonqualifying nonhomestead property, and homestead property.

The bill takes effect on January 1, 2027, if the constitutional amendment proposed by HJR 1257 (2025), or a similar joint resolution, is approved by 60 percent of voters in the November 2026 general election.

Fiscal or Economic Impact:

The Revenue Estimating Conference has not estimated the impact of the bill. Staff estimates that the bill will have no direct impact on state revenues, and will have a recurring impact on local government revenues of -$1.572 Billion if the constitutional amendment proposed by HJR 1257 is approved by the voters.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill creates new ad valorem taxation benefits for certain nonhomestead residential real property. For real property that could qualify as a homestead property if it was the permanent residence of the owner, that is under a bona fide long-term residential lease, and is owned by a person or persons who also have a homestead exemption on another parcel of real estate, the qualifying nonhomestead property:

- Receives an exemption on the assessed value of the property between $0 and $25,000 (for all levies) and between $50,000 and $75,000 (for all levies other than school district levies); (Section 3) and
- Cannot have the assessed value increase more than the lesser of three percent or the change in the consumer price index for the year. (Section 1)

The bill also provides specifies the tax treatment for when the property's status changes among qualifying nonhomestead property, nonqualifying nonhomestead property, and homestead property. Generally speaking, the bill provides that property that qualifies for this treatment retains the benefit of the assessment limitation in future years, and does not reset to just value if the property transitions among property types. For example, a property that receives qualifying nonhomestead treatment under the bill in one year, but does not in the following year (as would happen if it is not subject to a bona fide long-term lease on January 1), will revert to the standard 10% assessment limitation for nonhomestead residential property under s. 193.1554, F.S., but the 10% assessment increase will be based on the prior year's assessed value (which was capped at 3%) and will not reset to just value.

The exceptions to the rule about not resetting to just value are when there is a change in ownership, or the owner decides to make the rental to become his or her homestead. In the latter instance, the assessed value of the property resets to just value so that the owner does not (in essence) retain the homestead benefits on two properties: instead, the new homestead property (which will reset to just value and then receive a reduction of any transferred "Save Our Homes" benefit) will receive the two $25,000 exemptions and assessment limitations for homestead property, and the new rental property (former homestead) will reset to just value and may receive the benefit of two $25,000 exemptions and the assessment limitations for rental property moving forward for years when the property qualifies for the long-term rental property tax benefits. (Section 1).

The bill includes conforming changes related to applying for the benefits (Section 2), making a definitional change (Section 4), and allowing assessments to be reviewed by the Value Adjustment Board (Section 5).

The bill takes effect on January 1, 2027, if the constitutional amendment proposed by HJR 1257 (2025), or a similar joint resolution, is approved by 60 percent of voters in the November 2026 general election. (Section 6)

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

The Revenue Estimating Conference estimated that the bill will have no direct impact on state revenues.

LOCAL GOVERNMENT:

The Revenue Estimating Conference has not estimated the impact of the bill. Staff estimates that the bill will have a recurring impact on local government revenues of -$1.572 Billion (-$533 million school taxes, -$1.039 billion non-school taxes), if the constitutional amendment proposed by HJR 1257 is approved by the voters.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Ad Valorem Taxation

The ad valorem tax or "property tax" is an annual tax levied by counties, municipalities, school districts, and some special districts. The Florida Constitution reserves to local governments the authority to levy ad valorem taxes on real and tangible personal property.[1] Ad valorem taxes are levied annually by local governments based on the value of real and tangible personal property as of January 1 of each year.[2]

[1] FLA. CONST. art VII, ss. 1(a), 9(a)

[2] S. 192.001(12), F.S., defines "real property" as land, buildings, fixtures, and all other improvements to land. The terms "land," "real estate," "realty," and "real property" may be used interchangeably. S. 192.001(11)(d), F.S., defines "tangible personal property" as all goods, chattels, and other articles of value (but does not include the vehicular items enumerated in Art. VII, s. 1(b) of the Florida Constitution and elsewhere defined) capable of manual possession and whose chief value is intrinsic to the article itself.

The Florida Constitution requires that all property be assessed at just value for ad valorem tax purposes,[3] and provides for specified assessment limitations, property classifications, and exemptions.[4] After the property appraiser considers any assessment limitation or use classification affecting the just value of a parcel of real property, an assessed value is produced. The assessed value is then reduced by any exemptions to produce the taxable value.[5]

Unless expressly exempted from taxation, all real and personal property and leasehold interests in the state are subject to taxation.[6] The Florida Constitution limits the Legislature's authority to grant an exemption or assessment limitation from taxes,[7] and any modifications to existing ad valorem tax exemptions or limitations must be consistent with the constitutional provision authorizing the exemption or limitation.[8]

Homestead Property

"Homestead" property is defined in section 6 of Article VII of the Florida Constitution, and in s. 196.031, F.S., as property for which a person, on January 1, has the legal or beneficial title and who in good faith makes the property his or her permanent residence (or the permanent residence of another legally or naturally dependent on him or her). The property may be owned jointly, as tenancy by the entireties, or otherwise in common with others, and can be apportioned among such shared owners.[9] Only one homestead exemption is allowed to any one person or on any one dwelling house.[10] Individual condominium owners, however, can each qualify for a separate homestead designation.[11]

Homestead Exemption

Every person having legal and equitable title to real estate and who maintains a permanent residence on the real estate (homestead property) is eligible for a $25,000 tax exemption applicable to all ad valorem tax levies, including levies by school districts.[12] An additional $25,000 exemption applies to homestead property value between $50,000 and $75,000.[13] This exemption does not apply to ad valorem taxes levied by school districts.

Limitation on Annual Increases in Assessments for Homestead Properties

The Florida Constitution[14] provides that, for those entitled to a homestead exemption, the assessed value of the homestead for all levies shall be changed annually on January 1st of each year. Those changes in assessments cannot exceed the lesser of three percent of the prior year's assessment or the percent change in the Consumer Price Index[15] for the preceding calendar year.[16]

"Save our Homes" Benefit

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[3] FLA. CONST. art VII, s. 4
[4] FLA. CONST. art VII, ss. 3, 4, and 6
[5] S. 196.031, F.S.
[6] Section 196.001, F.S.; *see also Sebring Airport Authority v. McIntyre*, 642 So. 2d 1072, 1073 (Fla. 1994), noting exemptions are strictly construed against the party claiming them.
[7] *Archer v. Marshall*, 355 So. 2d 781, 784 (Fla. 1978).
[8] *Sebring Airport Auth. v. McIntyre,* 783, So. 2d 238, 248 (Fla. 2001); *Archer v. Marshall,* 355 So. 2d 781, 784. (Fla. 1978); *Am Fi Inv. Corp v. Kinney,* 360 So. 2d 415 (Fla. 1978); *see also Sparkman v. State,* 58 So. 2d 431, 432 (Fla. 1952).
[9] S. 196.031(1)(a), F.S.
[10] *Id.*
[11] *Id.*
[12] FLA. CONST. art VII, s. 6(a) and s. 196.031, F.S.
[13] Section 196.031(1)(b), F.S.
[14] As amended by Constitutional Amendment 10 (1992), commonly referred to as the "Save Our Homes" initiative.
[15] Specifically, the Consumer Price Index for All Urban Consumers, U.S. City Average, all items 1967=100, or successor reports.
[16] FLA. CONST. art. VII, s. 4(d)(1), implemented by section 193.155, F.S.

After the first year a homestead property receives the benefit of the assessment limitation in s. 193.155. F.S., the difference between the assessed value and the market value due to that limitation is known as the "Save our Homes" benefit, and that differential can be transferred to a subsequent homestead property (this process is often referred to as "portability.")

Nonhomestead Property

Property that is residential real property but does not qualify as homestead property is assessed at just value on January 1 of the year the property is purchased or becomes nonhomestead property.[17] In each subsequent year, for purposes of all levies other than school district levies, the property is reassessed each January 1, but cannot increase by more than 10 percent over the prior year's assessed value.[18] Property is generally reassessed at just value on the January 1 following a change of ownership,[19] and changes, additions, or improvements are also generally assessed at just value on the January 1 following the change.[20]

Long-Term Residential Leases

Under current law, there is no specific ad valorem benefit for properties used for residential leases of longer than 6 months. For sales tax purposes in Chapter 212, F.S., however, any person who rents property through a bona fide written agreement for continuous residence for longer than six months in duration at that property is exempt from sales tax and any applicable transient rental taxes (e.g., tourist development taxes[21]) for that lease.[22]

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Ways & Means Committee	14 Y, 4 N, As CS		Aldridge	Berg
THE CHANGES ADOPTED BY THE COMMITTEE:	• Clarifies that only property that could qualify for homestead (i.e., not apartment buildings) can qualify for these benefits. • Specifies the treatment for property that becomes homestead property after being qualifying nonhomestead property. • Makes technical clarifying changes.			
Housing, Agriculture & Tourism Subcommittee			Curtin	Fletcher
Commerce Committee				

THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.

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[17] S. 193.1554(2), F.S., and s. 193.1555(2), F.S.
[18] FLA. CONST. art. VII, s. 4(g)(1) and 4(h)(1), implemented by s. 193.1554(3), F.S., and s. 193.1555(3), F.S.
[19] FLA. CONST. art. VII, s. 4(g)(3 and 4(h)(4), implemented by s. 193.1554(5), F.S., and s. 193.1555(5), F.S.
[20] FLA. CONST. art. VII, s. 4(g)(4) and 4(h)(5), implemented by s. 193.1554(6), F.S., and s. 193.1555(6), F.S.
[21] Section 125.0104, F.S.
[22] Section 212.03(1)(a), F.S.

A bill to be entitled

An act relating to a property tax exemption and assessment limitation on long-term leased property; creating s. 193.1553, F.S.; providing that property that receives a certain tax exemption shall be assessed in a specified manner; providing that changes, additions, and improvements to such property shall be assessed in a specified manner; providing exceptions and alternative assessments; providing construction; requiring property that no longer meets eligibility requirements to be assessed in an alternative manner; amending s. 196.011, F.S.; requiring the submission of an application containing specified information before receiving a specified tax exemption; amending s. 196.034, F.S.; providing specified tax exemptions for property that meets certain eligibility requirements; providing that certain damaged or destroyed property is eligible for the exemption if specified conditions are met; providing that if such conditions are not met, such property shall be considered abandoned for a specified purpose; amending ss. 193.1554 and 194.032, F.S.; conforming provisions to changes made by the act; providing a contingent effective date.

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

Section 1. Section 193.1553, Florida Statutes, is created to read:

193.1553 Assessment of certain residential property subject to a long-term lease.—

(1) Property that receives the exemption under s. 196.034 shall be assessed under this section.

(2) Except as provided in subsection (4), property that meets the conditions of subsection (1) shall be assessed pursuant to this section as of January 1 of any year for which the property is eligible for assessment under this section, using the prior year's assessed value as the basis for any change in assessment. Any change resulting from such assessment shall not exceed the lower of the following:

(a) Three percent of the assessed value of the property for the prior year; or

(b) The percentage change in the Consumer Price Index for All Urban Consumers, U.S. City Average, all items 1967=100, or successor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics.

(3) If the assessed value of the property as calculated under subsection (2) exceeds the just value, the assessed value of the property shall be lowered to the just value of the

property.

(4) Property assessed under this section shall be assessed at just value as of January 1 of the year following a change of ownership, or as of January 1 of the year following abandonment of homestead on a property that becomes eligible for assessment under this section, but no sooner than the January 1 following the certification to the property appraiser required by s. 193.155(8)(i)2. Thereafter, the annual changes in the assessed value of the property are subject to the limitations in subsections (2) and (3). For purposes of this subsection, the term "change of ownership" means any sale, foreclosure, or transfer of legal title or beneficial title in equity to any person, except if any of the provisions of s. 193.155(3)(a) apply.

(5)(a) Except as provided in paragraph (b) and s. 193.624, changes, additions, or improvements to property subject to this section shall be assessed at just value as of the first January 1 after the changes, additions, or improvements are substantially completed.

(b)1. Changes, additions, or improvements that replace all or a portion of property assessed under this section, including ancillary improvements, that are damaged or destroyed by misfortune or calamity shall be assessed upon substantial completion as provided in this paragraph. Such assessment must be calculated using the property's assessed value as of the

January 1 immediately before the date on which the damage or destruction was sustained, subject to the assessment limitations in subsections (2) and (3), when:

a. The square footage of the property as changed or improved does not exceed 110 percent of the square footage of the property before the damage or destruction; or

b. The total square footage of the property as changed or improved does not exceed 1,500 square feet.

2. The property's assessed value must be increased by the just value of that portion of the changed or improved property which is in excess of 110 percent of the square footage of the property before the damage or destruction or of that portion exceeding 1,500 square feet.

3. Property damaged or destroyed by misfortune or calamity which, after being changed or improved, has a square footage of less than 100 percent of the property's total square footage before the damage or destruction shall be assessed pursuant to subsection (6).

4. Changes, additions, or improvements assessed pursuant to this paragraph must be reassessed pursuant to subsection (2) in subsequent years. This paragraph applies to changes, additions, or improvements commenced within 5 years after the January 1 following the damage or destruction of the property.

(c) Changes, additions, or improvements include improvements made to common areas or other improvements made to

property other than to the property by the owner or by an owner association, which improvements directly benefit the property. Such changes, additions, or improvements shall be assessed at just value, and the just value shall be apportioned among the parcels benefiting from the improvement.

(6) When property is destroyed or removed and not replaced, the assessed value of the parcel shall be reduced by the assessed value attributable to the destroyed or removed property.

(7) Only property that meets the conditions of subsection (1) is subject to this section. Any portion of property that is assessed solely on the basis of character or use pursuant to s. 193.461 or s. 193.501, or assessed pursuant to s. 193.505, is not subject to this section.

(8)(a) If, after meeting the conditions of subsection (1) and receiving the benefit of the assessment limitation in subsections (2) and (3), the property does not meet the conditions of subsection (1) on January 1 of any subsequent year, the property shall instead be assessed pursuant to s. 193.155(1) and (2), or s. 193.1554(3) and (4), as applicable, beginning with such year.

1. Any change in assessment in the first year the property is assessed pursuant to s. 193.1554 shall use the most recent year's assessed value under this section as the basis for adjustment, and may not revert to just value, unless such

property experiences a change of ownership or control as provided in s. 193.1554.

2. Any change in assessment in the first year the property is assessed pursuant to s. 193.155 shall use the just value of the property, as adjusted pursuant to s. 193.155(8), if applicable.

(b)1. If the property meets the conditions of subsection (1) on January 1 of a subsequent year, this section shall apply beginning with such year, and the application of the limitation in subsection (2) shall use the most recent year's assessed value as the basis for adjustment if the property was assessed in the most recent year pursuant to s. 193.1554.

2. If the property meets the conditions of subsection (1) on January 1 of a subsequent year and the property was assessed as the homestead of the owner in the prior year pursuant to s. 193.155, then the application of the limitation in subsection (2) shall use the just value of the property, rather than the prior year's assessment, for the first year's assessment limitation in subsection (2). A property that was abandoned as a homestead is only eligible under this section if the property appraiser in the county in which the abandoned homestead property is located provides the certification to the property appraiser in the county in which the new homestead is located as required by s. 193.155(8)(i)2., stating that the property has been or will be reassessed at just value.

Section 2. Paragraph (b) of subsection (1) of section 196.011, Florida Statutes, is amended, and subsection (14) is added to that section, to read:

196.011 Annual application required for exemption.—

(1)

(b) The form to apply for an exemption under s. 196.031, s. 196.034, s. 196.081, s. 196.091, s. 196.101, s. 196.102, s. 196.173, or s. 196.202 must include a space for the applicant to list the social security number of the applicant and of the applicant's spouse, if any. If an applicant files a timely and otherwise complete application, and omits the required social security numbers, the application is incomplete. In that event, the property appraiser shall contact the applicant, who may refile a complete application by April 1. Failure to file a complete application by that date constitutes a waiver of the exemption privilege for that year, except as provided in subsection (7) or subsection (9).

(14) Notwithstanding paragraph (7)(a), an applicant who is eligible to receive an exemption under s. 196.034 must file an application each year by March 1. Such application must include the address of the property at which the owner currently receives a homestead exemption, and an executed copy of the lease for the property to be exempted under s. 196.034.

Section 3. Section 196.034, Florida Statutes, is created to read:

196.034 Exemption of certain residential property subject to a long-term lease.—

(1)(a) Property that meets the following conditions is entitled to an exemption from all taxation up to the assessed valuation of $25,000:

1. The owner of the property holds the legal or equitable title to a separate parcel that receives the exemption under s. 196.031 and such parcel is his or her permanent residence.

2. As of January 1 of the taxable year, the property is rented by the owner to one or more persons for residential use under a bona fide written lease that has a duration of 6 months or more.

3. The property would otherwise qualify for a homestead exemption under to s. 196.031 if the property were the owner's primary residence.

(b) Every property that qualifies to receive the exemption provided in paragraph (a) is entitled to an additional exemption of up to $25,000 on the assessed valuation greater than $50,000 for all levies other than school district levies.

(c) Any property that does not meet the conditions of paragraph (a) for a given year may not receive the benefits provided in paragraphs (a) and (b) for such year unless subsection (2) applies, but the property may receive the benefits in paragraphs (a) and (b) in any future year for which all conditions in paragraph (a) are met.

(2) For purposes of this section, when property exempted under this section is damaged or destroyed by misfortune or calamity and the property is uninhabitable on the January 1 after the damage or destruction occurs, the property shall be considered to be subject to a long-term lease on January 1 and an existing exemption under this section shall continue if the property is otherwise qualified and if the property owner notifies the property appraiser that he or she intends to repair or rebuild the property and the existing or another lessee will resume residency after the property is repaired or rebuilt. Failure by the property owner to commence the repair or rebuilding of the property within 5 years after the January 1 following the property's damage or destruction constitutes abandonment of the property as exempt under this section. After the 5-year period, the expiration, lapse, nonrenewal, or revocation of a building permit issued to the property owner for such repairs or rebuilding also constitutes abandonment of the property under this section.

Section 4. Subsection (1) of section 193.1554, Florida Statutes, is amended to read:

193.1554 Assessment of nonhomestead residential property.—

(1) As used in this section, the term "nonhomestead residential property" means residential real property that contains nine or fewer dwelling units, including vacant property zoned and platted for residential use, and that does not receive

the exemption under s. 196.031 or s. 196.034.

Section 5. Paragraph (a) of subsection (1) of section 194.032, Florida Statutes, is amended to read:

194.032 Hearing purposes; timetable.—

(1)(a) The value adjustment board shall meet not earlier than 30 days and not later than 60 days after the mailing of the notice provided in s. 194.011(1); however, no board hearing shall be held before approval of all or any part of the assessment rolls by the Department of Revenue. The board shall meet for the following purposes:

1. Hearing petitions relating to assessments filed pursuant to s. 194.011(3).

2. Hearing complaints relating to homestead exemptions as provided for under s. 196.151.

3. Hearing appeals from exemptions denied, or disputes arising from exemptions granted, upon the filing of exemption applications under s. 196.011.

4. Hearing appeals concerning ad valorem tax deferrals and classifications.

5. Hearing appeals from determinations that a change of ownership under s. 193.155(3), a change of ownership or control under s. 193.1553(4), s. 193.1554(5), or s. 193.1555(5), or a qualifying improvement under s. 193.1555(5) has occurred.

Section 6. This act shall take effect on the effective date of the amendment to the State Constitution proposed by HJR

1257 or a similar joint resolution having substantially the same specific intent and purpose, if such amendment is approved at the next general election.

PCS for HB 561

FLORIDA HOUSE OF REPRESENTATIVES
BILL ANALYSIS

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

BILL #: PCS for HB 561	**COMPANION BILL:** CS/SB 600 (Truenow)
TITLE: Manufacturing	**LINKED BILLS:** None
SPONSOR(S): Housing, Agriculture & Tourism Subcommittee	**RELATED BILLS:** None

Committee References

Orig. Comm.: Housing, Agriculture & Tourism

SUMMARY

Effect of the Bill:

The bill:

- Designates the Chief Manufacturing Officer among the Department of Commerce senior leadership to support, promote, and coordinate manufacturing statewide;
- Creates the Florida Manufacturer's Workforce Development Grant Program, which is subject to appropriation, to fund projects supporting small manufacturers in the deployment of new technologies or cybersecurity infrastructure and to provide workforce training; and
- The bill creates the voluntary Florida Manufacturing Promotional Campaign to increase consumer awareness of manufacturing activities in Florida and expand market exposure for products and goods manufactured in Florida.

Fiscal or Economic Impact:

The bill may have an impact on state expenditures. It does not appear to impact local government revenues and expenditures.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill expands the Department of Commerce's (Department) responsibilities to encourage and oversee manufacturing in the state in coordination with the Chief Manufacturing Officer (CMO). The CMO serves at the pleasure of the Secretary of the Department. Duties of the CMO include:

- Serving as the subject-matter expert on manufacturing;
- Promoting and coordinating manufacturing efforts in the state and identifying gaps across state-supported activities;
- Provide strategic direction for interagency and cross-disciplinary activities to support manufacturing;
- Working with federal, state, regional, and local governmental entities and nongovernmental entities to align manufacturing priorities; and
- Engaging with state agencies and water management districts to innovate processes, programs, decision frameworks, and reporting mechanisms intended to support manufacturing in the state. (Section 1).

The bill requires all state and local governmental entities to assist the CMO to the extent is consistent with law and with budgetary constraints. (Section 1).

The bill requires that the Department must prepare a report on manufacturing efforts in the state, and submit the report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 15, 2026, and every two years thereafter. (Section 1).

Florida Manufacturer's Workforce Development Grant Program (Grant Program)
The bill establishes the Grant Program within the Department, under the CMO's direction, to fund proposed projects that support small manufacturers in deploying new technologies or cybersecurity infrastructure and providing training support to the workforce. (Section 2).

The Department, in coordination with the CMO and the state Manufacturing Extension Partnership, must review applicants and select projects for awards that create strategic investments in workforce training to facilitate the deployment of new technologies or cybersecurity infrastructure. Priority must be given to projects with innovative projects focusing on workforce development for small manufacturers across the state. Final grant awards are made at the sole discretion of the Department. (Section 2).

Grants awarded under the program must be administered by the Department from the Economic Development Trust Fund. Applicants are authorized to seek workforce development and operations funding. However, grant funding may not be used to pay salary, benefits, or general business or office expenses. (Section 2).

Each year, the Department must provide the public with a list of all awarded projects, detailing how each project benefits the program's goals and objectives and the project's current status, and it must be included in the Department's annual incentives report. (Section 2).

Florida Manufacturing Promotional Campaign (Campaign)
The Legislature finds that there is a need for the Campaign to:
- Increase consumer awareness of manufacturing;
- Expand market exposure for manufactured products and goods; and
- Inspire future generations of entrepreneurs, fabricators, and skilled workers to build and grow domestic businesses and manufacturing operations. (Section 4).

The Legislature also finds that the Campaign is a partnership between industry and the state to promote and advertise such products efficiently. (Section 4).

The bill defines the following terms:
- Campaign;
- Department;
- Manufactured product; and
- Person. (Section 5).

The bill establishes the Campaign within the Department, under the Officer's supervision and in coordination with the state Manufacturing Extension Partnership. The Campaign serves as a voluntary marketing program to promote manufacturing products and businesses in Florida, including:
- Developing logos for the campaign and authorize the use of such logos as provided by rule;
- Registering campaign participants;
- Collecting rental receipts for industry promotions;
- Developing in-kind advertising programs; and
- Contracting with media representatives to disperse promotional materials. (Section 6).

The bill establishes that the Campaign's participants must register annually with the Department in a form and manner as prescribed by the Department. (Section 7).

The bill authorizes the Department to adopt rules to adopt any other necessary rules to ensure compliance with the provision, including, but not limited to, logos, rules governing participant registration, registration renewal, membership classes, application forms, and other forms and enforcement measures. (Section 8).

The bill provides an effective date of July 1, 2025. (Section 9).

RULEMAKING:

The bill provides the Department of Commerce with rulemaking authority to implement and administer the Florida Manufacturers' Workforce Development Grant Program and the Florida Manufacturing Promotional Campaign.

Lawmaking is a legislative power; however, the Legislature may delegate a portion of such power to executive branch agencies to create rules that have the force of law. To exercise this delegated power, an agency must have a grant of rulemaking authority and a law to implement.

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

The bill designates a Chief Manufacturing Officer among the Department senior leadership to promote manufacturing statewide. The Department is expected to absorb these costs within existing resources.

The Campaign created by this bill is funded by a fee authorized in CS/SB 602, a linked bill.

The bill does not appear to impact local government revenues and expenditures.

PRIVATE SECTOR:

The fiscal impact to the private sector is indeterminant. Manufacturing businesses may see increased demand due to receiving a Florida Manufacturers' Workforce Development Grant and/or participating in the Manufacturing Promotional Campaign.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Manufacturing

Florida has over 422,000 manufacturing jobs and ranks as the nation's 10th largest manufacturing employer.[1] Since 2014, Florida has increased manufacturing employment by 23.3 percent, which outpaced the other 11 states in the top 12 for manufacturing.[2] Manufacturing jobs generally pay higher wages than those in other industries. In 2022, the average annual wage for manufacturing jobs was over $74,000, a 6.6 percent increase from 2021.[3]

The North American Industry Classification System (NAICS) is the standard used by federal statistical agencies to classify businesses by industry type for the purpose of statistical data collection and analysis related to the U.S. economy.[4] NAICS Sector Codes 311-339 include unique manufacturing industries in Florida that have outpaced the nation in job growth, which include, but are not limited to, the following:[5]

- Food manufacturing
- Beverage and tobacco product manufacturing
- Textile mills and textile product mills
- Apparel manufacturing
- Leather and allied product manufacturing
- Wood product and paper manufacturing
- Printing and related support activities
- Petroleum and coal products manufacturing
- Chemical manufacturing
- Plastics and rubber products manufacturing

[1] Department of Commerce, *2023 Florida Manufacturing,* https://www.floridajobs.org/docs/default-source/communicationsfiles/2023-florida-manufacturing-report.pdf (last visited Mar. 24, 2025).
[2] *Id.* at 2.
[3] *Id.* at 10.
[4] United States Census Bureau, *North American Industry Classification System (NAICS)*, https://www.census.gov/naics/ (last visited Mar. 24, 2025).
[5] Department of Commerce, *2023 Florida Manufacturing,* https://www.floridajobs.org/docs/default-source/communicationsfiles/2023-florida-manufacturing-report.pdf (last visited Mar. 24, 2025).

- Nonmetallic mineral product manufacturing
- Primary metal manufacturing
- Fabricated metal product manufacturing
- Machinery manufacturing
- Computer and electronic product manufacturing
- Electrical equipment and appliances
- Transportation equipment manufacturing
- Furniture and related product manufacturing
- Miscellaneous manufacturing

Additionally, manufacturing sectors with a high value-added component, such as aviation and aerospace, defense, microelectronics, medical devices and equipment, marine, fabricated metal products, and industrial machinery, have helped Florida's small and mid-size manufacturers grow quickly.[6]

Under the Local Manufacturing Development Program, a local government may adopt an ordinance establishing a local manufacturing development program through which the local government may grant master development approval for developing or expanding sites operated by manufacturers.[7] Local governments may establish procedures for a manufacturing development program that allows manufacturers to submit and, upon approval of a master development plan, proceed with development without requiring additional local approvals, except for building permits.[8] The approval process must be coordinated with the Department.[9] Additionally, the Department has developed a model local manufacturing development program ordinance to guide local governments that intend to establish a local manufacturing development program.[10] Currently, only Manatee and Volusia County have adopted an ordinance.[11]

Workforce Training Programs

CareerSource Florida, a not-for-profit corporation administratively housed within the Department,[12] is the statewide workforce policy and investment board comprised of business and government leaders that helps Floridians enter, remain in, and advance in the workplace so that they may become more highly skilled and successful. The program also connects employers with qualified and skilled employees.[13] Workforce training is administered through the 21 local workforce development boards.[14]

The Florida Job Growth Grant Fund is an economic development program that improves public infrastructure and workforce training across the state.[15] Proposals are reviewed by the Department and chosen by the Governor to meet the demand for workforce or infrastructure needs in the communities they are awarded to.[16]

Manufacturing Extension Partnership (MEP)

The MEP National Network is a public-private partnership that delivers comprehensive solutions to U.S. manufacturers, fueling growth and advancing U.S. manufacturing.[17] MEP is part of the U.S. Department of

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[6] *Id*. at 47
[7] S. 163.3252, F.S.
[8] S. 163.3252(3), F.S.
[9] S. 163.3253, F.S.
[10] S. 163.3252, F.S.
[11] Department of Commerce, *Manufacturing Competitiveness Act Development Approval Program,* available at https://floridajobs.org/community-planning-and-development/programs/community-planning-table-of-contents/manufacturing-competitiveness-act-development-approval-program (last visited Mar. 24, 2025).
[12] S. 445.004(1), F.S.
[13] *See* CareerSource Florida, *About Us,* available at https://careersourceflorida.com/ (last visited Mar. 24, 2025).
[14] Florida Commerce, *Local Workforce Development Boards, https://www.floridajobs.org/local-workforce-development-board-resources/workforce-development-boards/local-workforce-development-boards? (last visited Mar. 24, 2025).*
[15] S. 288.101(1), F.S.
[16] *See* s. 288.101(2), F.S.
[17] National Institute of Standards and Technology (NIST), *MEP National Network,* https://www.nist.gov/mep/mep-national-network? (last visited Mar. 24, 2025).

Commerce's National Institute of Standards and Technology (NIST).[18] The MEP National Network, the mission of which is to strengthen and empower U.S. manufacturers, is comprised of NIST's Manufacturing Extension Partnership (NIST MEP), the 51 MEP Centers located in all 50 states and Puerto Rico, the MEP Advisory Board, MEP Center boards, and the Foundation for Manufacturing Excellence, as well as over 1,440 trusted advisors and experts at approximately 460 MEP service locations, providing any U.S. manufacturer with access to resources they need to succeed.[19] FloridaMakes is the official representative of the MEP National Network and NIST MEP in the state of Florida.[20]

The Department collaborates with FloridaMakes to promote and support the growth of Florida's manufacturing sector by providing resources, data, and partnership opportunities to manufacturers, often highlighting the industry's economic impact through initiatives like the "Florida Manufacturing Report" which is developed jointly by both entities.[21]

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Orig. Comm.: Housing, Agriculture & Tourism Subcommittee			Curtin	Rodriguez

[18] *Id.*
[19] *Id.*
[20] FloridaMakes, *About us,* https://www.floridamakes.com/about-us/how-we-help (last visited Mar. 24, 2025).
[21] FloridaMakes, *News, Blogs & Events,* https://www.floridamakes.com/blogs/frances-nevill/2024/06/04/spotlight-on-floridas-inaugural-manfucturing-repor (last visited Mar. 24, 2025).

A bill to be entitled

An act relating to manufacturing; amending s. 20.60, F.S.; revising the duties of the Department of Commerce; creating s. 20.6051, F.S.; establishing the Chief Manufacturing Officer among the senior leadership of the department; providing that the Chief Manufacturing Officer is appointed by and serves at the pleasure of the Secretary of Commerce; providing responsibilities for the Chief Manufacturing Officer; directing all state and local governmental entities to assist the Chief Manufacturing Officer; requiring the department to prepare a report regarding manufacturing efforts in this state; requiring the department to submit its report on a specified date and biennially thereafter to the Governor and the Legislature; requiring that the report include certain information; creating s. 288.103, F.S.; creating the Florida Manufacturers' Workforce Development Grant Program; providing that the grant program is created within the department and under the direction of the Chief Manufacturing Officer in consultation with the state's Manufacturing Extension Partnership; providing a specified purpose for the grant program; requiring the department, in coordination with the Chief Manufacturing Officer and the state's Manufacturing

Extension Partnership, to review applications submitted to the grant program and to select specified projects for grant awards; providing that the department has sole discretion in awarding final grants to projects; requiring that priority be given to projects that meet certain criteria; authorizing applicants to seek funding for a specified purpose; requiring the department to administer the grant awards from the Economic Development Trust Fund; requiring the department to include certain information in its annual incentives report; authorizing the department to adopt rules; creating s. 288.1031, F.S.; providing legislative findings; creating s. 288.1032, F.S.; providing definitions; creating s. 288.1033, F.S.; creating the Florida Manufacturing Promotional Campaign within the department; providing the purpose of the campaign; requiring the department to take certain actions in promoting the campaign; creating s. 288.1034, F.S.; requiring persons that participate in the campaign to register annually with the department; creating s. 288.1036, F.S.; authorizing the department to adopt rules; authorizing the department to establish, by rule, the logos or product identifiers to be depicted for use in the campaign; providing an effective date.

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

Section 1. Paragraph (m) is added to subsection (4) of section 20.60, Florida Statutes, to read:

20.60 Department of Commerce; creation; powers and duties.—

(4) The purpose of the department is to assist the Governor in working with the Legislature, state agencies, business leaders, and economic development professionals to formulate and implement coherent and consistent policies and strategies designed to promote economic opportunities for all Floridians. The department is the state's chief agency for business recruitment and expansion and economic development. To accomplish such purposes, the department shall:

(m) Encourage and oversee manufacturing in this state in coordination with the Chief Manufacturing Officer.

Section 2. Section 20.6051, Florida Statutes, is created to read:

20.6051 Chief Manufacturing Officer.—

(1) There shall be designated among the senior leadership of the Department of Commerce a Chief Manufacturing Officer for the purpose of supporting the manufacturing ecosystem statewide. The Chief Manufacturing Officer is appointed by and serves at the pleasure of the Secretary of Commerce.

(2) The Chief Manufacturing Officer shall:

(a) Serve as a subject-matter expert for the state on issues related to manufacturing.

(b) Be responsible for promoting and coordinating manufacturing efforts in this state and identifying gaps across state-supported activities.

(c) Provide strategic direction for interagency and cross-disciplinary initiatives to promote and support manufacturing in this state.

(d) Work with federal, state, regional, and local governmental entities and nongovernmental entities to align manufacturing priorities in this state.

(e) Engage with state agencies and water management districts to innovate processes, programs, decision frameworks, and reporting mechanisms intended to support manufacturing in this state.

(3) All state and local governmental entities shall assist the Chief Manufacturing Officer to the extent such assistance is consistent with law and with budgetary constraints.

(4) The department shall prepare a report, in consultation with the Chief Manufacturing Officer and the state Manufacturing Extension Partnership, regarding manufacturing efforts in this state. The department shall submit the report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 15, 2026, and every 2 years

thereafter. The report must include information regarding the strength and economic importance of the manufacturing industry in this state.

Section 3. Section 288.103, Florida Statutes, is created to read:

288.103 Florida Manufacturers' Workforce Development Grant Program.—

(1) The Florida Manufacturers' Workforce Development Grant Program is created within the Department of Commerce, under the direction of the Chief Manufacturing Officer and in consultation with the state Manufacturing Extension Partnership, to fund proposed projects, subject to appropriation by the Legislature, which support small manufacturers in this state with the deployment of new technologies or cybersecurity infrastructure and to provide training support to the workforce.

(2) The department, in coordination with the Chief Manufacturing Officer and the state Manufacturing Extension Partnership, shall review applications submitted and select projects for awards which create strategic investments in workforce training to facilitate the deployment of new technologies or cybersecurity infrastructure. Final grant awards are made at the sole discretion of the department.

(3) Priority must be given to projects with innovative plans, advanced technologies, and development strategies that focus on workforce development for small manufacturers across

this state.

(4) Applicants may seek funding for workforce development and operations, but grant funding awarded under this section may not be used to pay salary and benefits or general business or office expenses. Grants awarded under the program shall be administered by the department from the Economic Development Trust Fund established in s. 288.095.

(5) The department shall annually provide a list to the public of each project awarded a grant, the benefit of each project in meeting the goals and objectives of the program, and the current status of each project. The department shall include such information in its annual incentives report required under s. 288.0065.

(6) The department may adopt rules to implement this section.

Section 4. Section 288.1031, Florida Statutes, is created to read:

288.1031 Legislative findings.—The Legislature finds that there is a need for the Florida Manufacturing Promotional Campaign, established in s. 288.1033, to increase consumer awareness of manufacturing activities in this state, to expand market exposure for manufactured products and goods in this state, and to inspire future generations of entrepreneurs, fabricators, and skilled workers to build and grow domestic businesses and manufacturing operations in this state. The

Legislature further finds that a campaign that creates a partnership between industry and this state is necessary to promote and advertise such products efficiently.

Section 5. Section 288.1032, Florida Statutes, is created to read:

288.1032 Definitions.—As used in ss. 288.1031-288.1036, the term:

(1) "Campaign" means the Florida Manufacturing Promotional Campaign.

(2) "Department" means the Department of Commerce.

(3) "Manufactured product" means any tangible personal property that has been fabricated or produced, often through industrial or mechanical processes. The term includes items sold or leased to consumers.

(4) "Person" means an individual, a firm, a partnership, a corporation, an association, a business, a trust, a legal representative, or any other business unit.

Section 6. Section 288.1033, Florida Statutes, is created to read:

288.1033 Florida Manufacturing Promotional Campaign; purpose; duties of the department.—There is created within the department, under the supervision of the Chief Manufacturing Officer and in coordination with the state Manufacturing Extension Partnership, the Florida Manufacturing Promotional Campaign. The purpose of the campaign is to serve as a voluntary

marketing program to promote manufacturing products and businesses in this state. In promoting the campaign, the department shall do all of the following:

(1) Develop logos for the campaign and authorize the use of such logos as provided by rule.

(2) Register campaign participants.

(3) Collect rental receipts for industry promotions.

(4) Develop in-kind advertising programs.

(5) Contract with media representatives for the purpose of dispersing promotional materials.

Section 7. Section 288.1034, Florida Statutes, is created to read:

288.1034 Registration.—A person that participates in the Florida Manufacturing Promotional Campaign must register annually with the department in a form and manner as prescribed by the department.

Section 8. Section 288.1036, Florida Statutes, is created to read:

288.1036 Rulemaking authority.—The department may adopt rules to implement and administer the Florida Manufacturing Promotional Campaign. By rule, the department may establish the logos or product identifiers to be depicted for use in the campaign for advertising, publicizing, and promoting the sale of manufactured products in this state. The department may also adopt any other rules deemed necessary to ensure compliance with

the Florida Manufacturing Promotional Campaign, including, but not limited to, rules governing participant registration, renewal of registration, classes of membership, application forms, and other forms and enforcement measures.

Section 9. This act shall take effect July 1, 2025.

PCS for HB 563

FLORIDA HOUSE OF REPRESENTATIVES
BILL ANALYSIS

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

BILL #: PCS for HB 563 **TITLE:** Fees/Florida Manufacturing Promotional Campaign **SPONSOR(S):** Housing, Agriculture & Tourism Subcommittee	**COMPANION BILL:** CS/SB 602 (Truenow) **LINKED BILLS:** None **RELATED BILLS:** None

Committee References

Orig. Comm.: Housing, Agriculture & Tourism

SUMMARY

Effect of the Bill:

Requires the Department of Commerce to assess an annual fee, not exceeding $100, from those who register to participate in the voluntary Florida Manufacturing Promotional Campaign; fees must be deposited into the Economic Development Trust Fund and used solely for administering the campaign.

Fiscal or Economic Impact:

The bill may have an indeterminate impact on the Department of Commerce and the private sector.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill requires the Department of Commerce (Department) to assess and collect an annual fee not to exceed $100 per registrant to fund the costs of administering the voluntary Florida Manufacturing Promotional Campaign (Campaign). The fees must be deposited into the Economic Development Trust Fund to be used solely for administering the campaign. (Section 1).

The bill shall take effect on the same date as HB 561 or similar legislation, if adopted in the same legislative session or an extension thereof. (Section 2).

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

Creating the Florida Manufacturing Promotional Campaign may have a fiscal impact on the Department.

PRIVATE SECTOR:

There may be a positive fiscal impact on the private sector. Those who register to participate in the Florida Manufacturing Promotional Campaign may experience increased market exposure and additional business.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Manufacturing

Florida has over 422,000 manufacturing jobs and ranks as the nation's 10th largest manufacturing employer.[1] Since 2014, Florida has increased manufacturing employment by 23.3 percent, which outpaced the other 11 states in the top 12 for manufacturing.[2] Manufacturing jobs generally pay higher wages than those in other industries. In 2022, the average annual wage for manufacturing jobs was over $74,000, a 6.6 percent increase from 2021.[3]

The North American Industry Classification System (NAICS) is the standard used by federal statistical agencies to classify businesses by industry type for the purpose of statistical data collection and analysis related to the U.S. economy.[4] NAICS Sector Codes 311-339 include unique manufacturing industries in Florida that have outpaced the nation in job growth, which include, but are not limited to, the following:[5]

- Food manufacturing
- Beverage and tobacco product manufacturing
- Textile mills and textile product mills
- Apparel manufacturing
- Leather and allied product manufacturing
- Wood product and paper manufacturing
- Printing and related support activities
- Petroleum and coal products manufacturing
- Chemical manufacturing
- Plastics and rubber products manufacturing
- Nonmetallic mineral product manufacturing
- Primary metal manufacturing
- Fabricated metal product manufacturing
- Machinery manufacturing
- Computer and electronic product manufacturing
- Electrical equipment and appliances
- Transportation equipment manufacturing
- Furniture and related product manufacturing
- Miscellaneous manufacturing

Additionally, manufacturing sectors with a high value-added component, such as aviation and aerospace, defense, microelectronics, medical devices and equipment, marine, fabricated metal products, and industrial machinery, have helped Florida's small and mid-size manufacturers grow quickly.[6]

Under the Local Manufacturing Development Program, a local government may adopt an ordinance establishing a local manufacturing development program through which the local government may grant master development approval for developing or expanding sites operated by manufacturers.[7] Local governments may establish procedures for a manufacturing development program that allows manufacturers to submit and, upon approval of a master development plan, proceed with development without requiring additional local approvals, except for building permits.[8] The approval process must be coordinated with the Department.[9] Additionally, the Department has developed a model local manufacturing development program ordinance to guide local governments that

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[1] Department of Commerce, *2023 Florida Manufacturing,* https://www.floridajobs.org/docs/default-source/communicationsfiles/2023-florida-manufacturing-report.pdf (last visited Mar. 24, 2025).
[2] *Id.* at 2.
[3] *Id.* at 10.
[4] United States Census Bureau, *North American Industry Classification System (NAICS)*, https://www.census.gov/naics/ (last visited Mar. 24, 2025).
[5] Department of Commerce, *2023 Florida Manufacturing,* https://www.floridajobs.org/docs/default-source/communicationsfiles/2023-florida-manufacturing-report.pdf (last visited Mar. 24, 2025).
[6] *Id*. at 47
[7] S. 163.3252, F.S.
[8] S. 163.3252(3), F.S.
[9] S. 163.3253, F.S.

intend to establish a local manufacturing development program.[10] Currently, only Manatee and Volusia County have adopted an ordinance.[11]

Workforce Training Programs
CareerSource Florida, a not-for-profit corporation administratively housed within the Department,[12] is the statewide workforce policy and investment board comprised of business and government leaders that helps Floridians enter, remain in, and advance in the workplace so that they may become more highly skilled and successful. The program also connects employers with qualified and skilled employees.[13] Workforce training is administered through the 21 local workforce development boards.[14]

The Florida Job Growth Grant Fund is an economic development program that improves public infrastructure and workforce training across the state.[15] Proposals are reviewed by the Department and chosen by the Governor to meet the demand for workforce or infrastructure needs in the communities they are awarded to.[16]

Manufacturing Extension Partnership (MEP)
The MEP National Network is a public-private partnership that delivers comprehensive solutions to U.S. manufacturers, fueling growth and advancing U.S. manufacturing.[17] MEP is part of the U.S. Department of Commerce's National Institute of Standards and Technology (NIST).[18] The MEP National Network, the mission of which is to strengthen and empower U.S. manufacturers, is comprised of NIST's Manufacturing Extension Partnership (NIST MEP), the 51 MEP Centers located in all 50 states and Puerto Rico, the MEP Advisory Board, MEP Center boards, and the Foundation for Manufacturing Excellence, as well as over 1,440 trusted advisors and experts at approximately 460 MEP service locations, providing any U.S. manufacturer with access to resources they need to succeed.[19] FloridaMakes is the official representative of the MEP National Network and NIST MEP in the state of Florida.[20]

The Department collaborates with FloridaMakes to promote and support the growth of Florida's manufacturing sector by providing resources, data, and partnership opportunities to manufacturers, often highlighting the industry's economic impact through initiatives like the "Florida Manufacturing Report" which is developed jointly by both entities.[21]

State Constitution
Section 19 of Article VII of the State Constitution requires a "state tax or fee imposed, authorized, or raised under this section must be contained in a separate bill that contains no other subject." A "fee" is defined by the Florida Constitution to mean "any charge or payment required by law, including any fee for service, fee or cost for licenses, and charge for service."[22] Section 19 of Article VII of the State Constitution also requires that a tax or fee raised by the Legislature must be approved by two-thirds of the membership of each house of the Legislature.

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[10] S. 163.3252, F.S.
[11] Department of Commerce, *Manufacturing Competitiveness Act Development Approval Program,* available at https://floridajobs.org/community-planning-and-development/programs/community-planning-table-of-contents/manufacturing-competitiveness-act-development-approval-program (last visited Mar. 24, 2025).
[12] S. 445.004(1), F.S.
[13] *See* CareerSource Florida, *About Us,* available at https://careersourceflorida.com/ (last visited Mar. 24, 2025).
[14] Florida Commerce, *Local Workforce Development Boards, https://www.floridajobs.org/local-workforce-development-board-resources/workforce-development-boards/local-workforce-development-boards? (last visited Mar. 24, 2025).*
[15] S. 288.101(1), F.S.
[16] *See* s. 288.101(2), F.S.
[17] National Institute of Standards and Technology (NIST), *MEP National Network,* https://www.nist.gov/mep/mep-national-network? (last visited Mar. 24, 2025).
[18] *Id.*
[19] *Id.*
[20] FloridaMakes, *About us,* https://www.floridamakes.com/about-us/how-we-help (last visited Mar. 24, 2025).
[21] FloridaMakes, *News, Blogs & Events,* https://www.floridamakes.com/blogs/frances-nevill/2024/06/04/spotlight-on-floridas-inaugural-manfucturing-repor (last visited Mar. 24, 2025).
[22] FLA. CONST. art. VII, s. 19(d)(1).

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Orig. Comm.: Housing, Agriculture & Tourism Subcommittee			Curtin	Rodriguez

A bill to be entitled

An act relating to fees; creating s. 288.1035, F.S.; requiring the Department of Commerce to assess and collect a specified annual fee sufficient to fund the costs of administering the voluntary Florida Manufacturing Promotional Campaign; requiring that such fees be deposited into the Economic Development Trust Fund for a specified purpose; providing a contingent effective date.

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

Section 1. Section 288.1035, Florida Statutes, is created to read:

288.1035 Fees.—

(1) The department shall assess and collect an annual registration fee not to exceed $100 per registrant to fund the costs of administering the voluntary Florida Manufacturing Promotional Campaign.

(2) Fees must be deposited into the Economic Development Trust Fund established in s. 288.095 to be used solely for administering the campaign.

Section 2. This act shall take effect on the same date that HB 561 or other similar legislation takes effect, if such legislation is adopted in the same legislative session or an

extension thereof and becomes a law.

FLORIDA HOUSE OF REPRESENTATIVES
BILL ANALYSIS

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

BILL #: PCB HAT 25-01	**COMPANION BILL:** None
TITLE: Hemp Consumable THC Products	**LINKED BILLS:** PCB HAT 25-02
SPONSOR(S): Housing, Agriculture & Tourism Subcommittee	**RELATED BILLS:** None

Committee References

Orig. Comm.: Housing, Agriculture & Tourism

SUMMARY

Effect of the Bill:

The bill:

- Amends and creates definitions for certain terms under the state hemp program;
- Creates new regulations and limitations for the sale of hemp consumable THC products in the state;
- Creates new regulations for delivery sales of hemp consumable THC products to consumers in the state;
- Makes all hemp consumable THC products sold, offered for sale, delivered, or distributed in violation of the state hemp program and the delivery sales requirements for hemp consumable THC products, contraband;
- Prohibits the ingestion of hemp consumable THC products near schools;
- Authorizes the Division of Alcoholic Beverages, housed within the Department of Business and Professional Regulation, to take certain actions against tobacco retailers' and nicotine product dealers' permits for violating the state hemp program or the delivery sales requirements for hemp consumable THC products.

Fiscal or Economic Impact:

None.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

State Hemp Program

Definitions

The bill amends the definition of "attractive to children" under the state hemp program to mean:

- Manufactured in the shape of or packaged in containers or packages displaying humans, cartoons, animals, toys, or other features that target children;
- Manufactured in a form or packaged in a container or package that bears any reasonable resemblance to an existing candy or snack product that is familiar to the public;
- Manufactured in a form or packaged in a container or package that bears any reasonable resemblance to a branded food product such that the product could be mistaken for the branded food product, especially by children; or
- Containing any color additives. (Section 2)

The bill defines "cigarette" as any roll for smoking. (Section 2)

The bill removes the definition for the term "hemp extract" and replaces it with a definition for "hemp consumable THC product," which means a substance or compound intended for ingestion, containing more than trace amounts

of tetrahydrocannabinol derived from hemp or any other source, or for inhalation which is derived from or contains tetrahydrocannabinol derived from hemp or any other source, and which does not contain controlled substances. The term does not include synthetic cannabidiol or seeds or seed-derived ingredients that are generally recognized as safe by the U.S. Food and Drug Administration or marijuana used for medical purposes under s. 381.986, F.S. (Section 2)

The bill amends the definition of "independent testing laboratory" to mean a laboratory that:

- Does not have a direct or indirect interest in the entity whose product is being tested;
- Does not have a direct or indirect interest in a facility that cultivates, processes, distributes, dispenses, or sells hemp or hemp consumable THC products hemp extract in the state or in another jurisdiction or cultivates, processes, distributes, dispenses, or sells marijuana, as defined in s. 381.986, F.S.; and
- Is certified by the Department of Health as a medical marijuana testing laboratory pursuant to s. 381.988, F.S., or is certified by the Department of Agriculture and Consumer Services (DACS) as being substantially equivalent to a medical marijuana testing laboratory. (Section 2)

The bill creates definitions for the following terms:

- "Manufacturer" means any person or entity that engages in the process of manufacturing, preparing, or packaging hemp consumable THC products.
- "Retailer" means any person or entity who sells hemp consumable THC products to consumers.
- "Vapor-generating electronic device" means any device or product that employs an electronic, chemical, or mechanical means of producing vapor or aerosol from a hemp consumable THC product or any other substance, including, but not limited to, an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or other similar device or product; any replacement cartridge for such device or product; and any other container of a solution or other substance intended to be used with or within such device or product.
- "Wholesaler" means any person or entity located within or outside this state which delivers or sells hemp consumable THC products to retailers or other persons for purposes of resale. (Section 2)

Hemp Consumable THC Products

The bill prohibits hemp consumable THC products from being distributed and sold in the state unless the product:

- Has a certificate of analysis prepared by an independent testing laboratory that includes certain statements.
- Was tested by an independent testing laboratory, and the laboratory's certificate of analysis states:
    - The hemp consumable THC product was tested for cannabinoids, heavy metals, mycotoxins, pesticides, residual solvents, any other controlled substance, any other substance DACS deems necessary.
    - The hemp consumable THC product contained a total delta-9-tetrahydrocannabinol concentration that did not exceed 0.3 percent pursuant to the testing of a sample of the hemp consumable THC product.
    - The hemp consumable THC product contained tetrahydrocannabinol that did not exceed the limitations.
    - The product does not contain contaminants unsafe for human consumption.
- Is distributed or sold in a container and package that includes:
    - A scannable barcode or quick response code linked to the certificate of analysis of the hemp consumable THC product by an independent testing laboratory;
    - The hemp consumable THC product number;
    - The Internet address of a website where batch information may be obtained;
    - The expiration date of the hemp consumable THC product; and
    - The number of milligrams of each marketed cannabinoid per serving.

Manufacturers, wholesalers, and retailers are required to have their hemp consumable THC products tested by an independent testing laboratory. A wholesaler or retailer is not required to test its hemp consumable THC products if the product is packaged in a manner that may be sold to the ultimate consumer when the wholesaler or retailer

receives the product from the manufacturer or wholesaler; was tested by the manufacturer or wholesaler; and has not been opened by the wholesaler or retailer.

The bill specifies that hemp consumable THC products may only be distributed and sold in the state if the product is distributed or sold in a container and package that:

- Is suitable to contain products for human consumption;
- Is composed of materials designed to minimize exposure to light;
- Mitigates exposure to high temperatures;
- Is a single color and not transparent. However, the universal symbol, scannable barcode, quick response code, and any text must be a different color than the container and package;
- Does not contain any pictures or images other than a single logo, which may not be attractive to children and may not cover more than 20 percent of the container or package;
- Does not contain any text, pictures, or images that directly or indirectly say the product causes or may cause an intoxicating or psychoactive effect;
- Contains a clear and conspicuous warning on the front of the package and container that is developed by the department and states the product contains tetrahydrocannabinol;
- Contains a hemp consumable THC product universal symbol developed by DACS;
- Contains the number of milligrams of tetrahydrocannabinol in the container and package and the amount in each individual serving in a clear and conspicuous manner;
- Is not attractive to children; and
- Is compliant with the U.S. Poison Prevention Packaging Act of 1970,[1] without regard to provided exemptions. The bill specifies a beverage is complaint with that Act if the beverage is in a sealed container. (Section 2)

The bill provides that hemp consumable THC products may only be sold at retail subject to the following limitations, which are repealed December 31, 2028:

- Beverages must contain no more than 5 milligrams of tetrahydrocannabinol per 6 ounces; be in a container that holds no more than 12 ounces; and be in a package with no more than 10 containers per package.
- Cigarettes and vapor-generating electronic devices must contain no more than 2.5 milligrams of tetrahydrocannabinol per gram; be in a cigarette or vapor-generating electronic device that contains no more than 1 gram; be in a container that holds no more than 20 cigarettes or vapor-generating electronic devices; and be in a package that contains no more than one container.
- Edibles must contain no more than 2.5 milligrams of tetrahydrocannabinol per gram; be in an edible that contains no more than 2 grams and is individually wrapped; be in a container with no more than 20 edibles; and be in a package that contains no more than one container.
- Tinctures must contain no more than 100 milligrams of tetrahydrocannabinol per 35 grams; be in a container that holds no more than 35 grams; be in a package that holds no more than one container. (Section 2)

Effective January 1, 2029, the bill provides that hemp consumable THC products may only be sold at retail subject to the following limitations:

- Beverages must contain no more than 2.5 milligrams of tetrahydrocannabinol per 6 ounces; be in a container that holds no more than 12 ounces; and be in a package with no more than 10 containers per package.
- Cigarettes and vapor-generating electronic devices must contain no more than 1.25 milligrams of tetrahydrocannabinol per gram; be in a cigarette or vapor-generating electronic device that contains no more than 1 gram; be in a container that holds no more than 20 cigarettes or vapor-generating electronic devices; and be in a package that contains no more than one container.
- Edibles must contain no more than 1.25 milligrams of tetrahydrocannabinol per gram; be in an edible that contains no more than 2 grams and is individually wrapped; be in a container with no more than 20 edibles; and be in a package that contains no more than one container.

[1] 15 U.S.C. ss. 1471 et seq.

- Tinctures must contain no more than 50 milligrams of tetrahydrocannabinol per 35 grams; be in a container that holds no more than 35 grams; and be in a package that holds no more than one container. (Section 2)

The bill specifies that the above provisions do not limit the amount of cannabidiol allowed in hemp consumable THC products. (Section 2)

Under the bill, the retail sale and delivery of hemp consumable THC products is prohibited, except:
- At establishments that have a food permit from DACS and prohibit the presence of persons under 21 years of age on the establishment's premises;
- At establishments that have a food permit from DACS and have a quota license issued under s. 565.02(1)(a)-(f), F.S.;[2] or
- In accordance with the mail order, Internet, and remote sales of hemp consumable THC products requirements in s. 581.218, F.S. (Section 2)

The bill prohibits hemp consumable THC products from being sold, given, bartered, furnished, or delivered to consumers at wholesale or at festivals, fairs, trade shows, farmers markets, expositions, or pop-up retail establishments. (Section 2)

The bill also prohibits a person or entity from selling, delivering, bartering, giving, or furnishing hemp consumable THC products that total more than 100 milligrams of tetrahydrocannabinol to a person in a 24-hour period unless the person receiving the hemp consumable THC products is receiving the products on behalf of a cultivator, manufacturer, wholesaler, or retailer for resale. (Section 2)

Under current law, hemp consumable THC products that are intended for human ingestion or inhalation and that contain hemp extract, including, but not limited to, snuff, chewing gum, and other smokeless products, may not be sold, delivered, bartered, given, or furnished in this state to a person who is under 21 years of age. For purposes of this prohibition, the bill provides that:
- A first violation of the prohibition constitutes a misdemeanor of the second degree, punishable as provided in s. 775.082, F.S., or s. 775.083, F.S..
- A second violation within 12 months after the first violation constitutes a misdemeanor of the first degree, punishable as provided in s. 775.082, F.S., or s. 775.083, F.S.
- A third or subsequent violation within 12 months after the second violation constitutes a felony of the third degree, punishable as provided in s. 775.082, F.S., or s. 775.083, F.S. (Section 2)

Delivery Sales of Hemp Consumable THC Products

The bill creates requirements for the delivery of mail order, Internet, and other remote sales of hemp consumable THC products to consumers, referred to as "delivery sales" that mirror the delivery sales requirements for nicotine products. (Section 3)

Seizure and Destruction of Contraband Nicotine Dispensing Devices

The bill declares all hemp consumable THC products sold, offered for sale, delivered, or distributed in violation of the state hemp program and the delivery sales requirements for hemp consumable THC products to be contraband. The contraband may be seized and confiscated per the Florida Contraband Forfeiture Act. (Section 4)

The bill requires:

[2] For purposes of these provisions, the bill specifies that establishments with a quota licensed issued under s. 565.02(1)(a)-(f), F.S., which allow the presence of persons under 21 years of age on the establishment's premises must place hemp consumable THC products, not including beverages, in an area inaccessible to customers. Such establishments may place hemp consumable THC products, not including beverages, in an open display unit as long as the unit is located in an area that is inaccessible to customers. (Section 2)

- The cost of seizure and destruction of the contraband is to be borne by the person from whom such hemp consumable THC products are seized.
- Courts having jurisdiction must order the destruction and forfeiture of contraband hemp consumable THC products:
    - Upon a showing that more likely than not such products were sold, offered for sale, delivered, or distributed contrary to any provision of the state hemp program and the delivery sales requirements for hemp consumable THC products.
    - Once any administrative proceedings under Ch. 120, F.S. related to such devices have been completed.
- The officer who destroys the contraband must report and return under oath to the court the following information:
    - The place where the contraband was seized,
    - The kind and quantity of such contraband seized, and
    - The time, place, and manner of the destruction of such contraband. (Section 4)

The bill requires DACS or the seizing law enforcement agency to maintain a full and complete record of all seized hemp consumable THC products showing:
- The exact types, kinds, and quantities, and forms of such products.
- The persons from whom such products were seized and to whom they were delivered.
- By whose authority such the products were received, delivered, or destroyed.
- The dates of the receipt, disposal, or destruction of the products.
    - The bill requires such record to be available for inspection by all persons charged with the enforcement of the state hemp program and the delivery sales requirements of hemp consumable THC products. (Section 4)

Prohibition of Ingesting Hemp Consumable THC Products Near Schools

The bill creates a prohibition on ingesting hemp consumable THC products near schools that is similar to the Florida Clean Air Act. (Section 5)

Specifically, the bill prohibits any person from ingesting hemp consumable THC products within 1,000 feet of a public or private elementary, middle, or secondary school between the hours of 6 a.m. and midnight. Persons in a moving vehicle or within a private residence are exempt from such prohibition. (Section 5)

A person who violates the prohibition is subject to a noncriminal civil penalty not to exceed $25, 50 hours of community service or, where available, successful completion of a school approved anti-drug "alternative to suspension" program. (Section 5)

Division of Alcoholic Beverages

The bill authorizes the Department of Business and Professional Regulation's Division of Alcoholic Beverages and Tobacco to discipline tobacco retailers' and nicotine product dealers' permits for violating the state hemp program or the delivery sales requirements for hemp consumable THC products. (Section 8 and 9)

The bill clarifies that alcoholic beverage quota licensees may sell hemp consumable THC products. (Section 6 and 7)

RULEMAKING:

The bill requires DACS to adopt rules establishing:
- The standards for certification and the testing and reporting of hemp consumable THC products.
- The procedure for initial certification and biennial renewal.
- Packaging and labeling requirements that ensure that hemp consumable THC products do not violate the bill's provisions. (Section 2)

Lawmaking is a legislative power; however, the Legislature may delegate a portion of such power to executive branch agencies to create rules that have the force of law. To exercise this delegated power, an agency must have a grant of rulemaking authority and a law to implement.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Hemp

In the Agricultural Improvement Act of 2014 (2014 Farm Bill), the U.S. Congress defined industrial hemp and allowed state departments of agriculture or universities to grow and produce industrial hemp as part of research or pilot programs. Specifically, the law allowed universities and state departments of agriculture to grow or cultivate industrial hemp if:

- The industrial hemp is grown or cultivated for purposes of research conducted under an agricultural pilot program or other agricultural or academic research; and
- The growing or cultivating of industrial hemp is allowed under the laws of the state in which such institutions of higher education or state department of agriculture is located, and such research occurs.[3]

The 2014 Farm Bill defined "industrial hemp" to mean:

> [T]he plant Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.[4]

Section 1004.4473, F.S., authorized the Department of Agriculture and Consumer Services (DACS)to oversee the development of industrial hemp pilot projects for the Institute of Food and Agricultural Sciences (IFAS) at the University of Florida, Florida Agricultural and Mechanical University, any land grant university in the state that has a college of agriculture, and any Florida College System institution or state university that has an established agriculture, engineering, or pharmacy program.[5] The purpose of the pilot projects is to cultivate, process, test, research, create, and market safe and effective commercial applications for industrial hemp in the agricultural sector in this state.[6]

In the Agricultural Improvement Act of 2018 (2018 Farm Bill), the U.S. Congress legalized industrial hemp as an agricultural product by removing hemp's classification as a controlled substance.[7] The 2018 Farm Bill defined "**hemp**" to mean:

> [T]he plant Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.[8]

The 2018 Farm Bill allows a state department of agriculture or an Indian tribe to submit a plan to the United States Secretary of Agriculture and apply for primary regulatory authority over the production of hemp in their state or tribal territory. A state or tribal plan must include:

- A procedure for tracking land upon which hemp will be produced;
- Testing methods for determining THC concentration levels of hemp;
- Methods for effective disposal of noncompliant products;

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[3] Agricultural Improvement Act of 2014, Pub. L. No. 113-79, s. 7606, 128 Stat. 912 (2014) (codified at 7 U.S.C. s. 5940).
[4] *Id.*
[5] Section 1004.4473(2)(a), F.S.
[6] Fla. Admin. Code R. 5B-57.013 (2018).
[7] Agricultural Improvement Act of 2018, Pub. L. No. 115-334, s. 12619, 132 Stat. 409 (2018) (codified at 21 U.S.C 802(16)).
[8] Agricultural Improvement Act of 2018, Pub. L. No. 115-334, s. 10113, 132 Stat. 409 (2018) (codified at 7 U.S.C. s. 1639o).

- Enforcement procedures;
- Inspection procedures; and
- Certification procedures for the persons authorized to produce hemp producers, test hemp products, inspect hemp producers, and enforce the provisions of the state or tribal plan.[9]

The state hemp program was created within DACS to regulate the cultivation of hemp in Florida.[10]

Section 581.217(3)(e), F.S., defines "hemp" to mean:

> [T]he plant Cannabis sativa L. and any part of that plant, including the seeds thereof, and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers thereof, whether growing or not, that has a total delta-9-tetrahydrocannabinol concentration that does not exceed 0.3 percent on a dry-weight basis, with the exemption of **hemp extract, which may not exceed 0.3 percent total delta-9-tetrahydrocannabinol on a wet-weight basis.**

A license is required to cultivate hemp[11] and to obtain a license, a person must apply to DACS and submit a full set of fingerprints.[12] A person seeking to cultivate hemp must provide DACS with a legal land description and GPS coordinates of where the hemp will be cultivated.[13] DACS must deny an application under certain circumstances.[14]

DACS was required to seek federal approval of the state plan for the regulation of the cultivation of hemp with the United States Secretary of Agriculture in accordance with the 2018 Farm Bill within 30 days of adopting rules.[15]

Section 581.217(3)(f), F.S., defines "**hemp extract"** to mean:

> [A] substance or compound intended for **ingestion**, containing more than trace amounts of cannabinoid, or for **inhalation** which is derived from or contains hemp, and which does not contain other controlled substances." The term does not include synthetic cannabidiol or seeds or seed-derived ingredients that are generally recognized as safe by the United States Food and Drug Administration.[16] Products that are intended for inhalation and contain hemp extract may not be sold to a person who is under 21 years of age.[17]

Section 500.03(1)(n), F.S., provides that **"hemp extract" is a food product**.

Food Safety

DACS is the agency responsible for the enforcement of the production, manufacture, transportation, and sale of food. DACS's Division of Food Safety (Division)is directly responsible for assuring the public of a safe, wholesome, and properly represented food supply.[18]

The Division accomplishes this through the permitting and inspection of food establishments, the inspection and evaluation of food products, and the performance of specialized laboratory testing on a variety of food products sold or produced in Florida. The Division also proactively monitors food from manufacturing and distribution to retail.

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[9] Agricultural Improvement Act of 2018, Pub. L. No. 115-334, s. 10113, 132 Stat. 409 (2018) (codified at 7 U.S.C. s. 1639p).
[10] *See* s. 581.217, F.S.
[11] S. 581.217(5)(a), F.S.
[12] S. 581.217(5)(b), F.S.
[13] S. 581.217(5)(d), F.S.
[14] S. 581.217(5)(e), F.S.
[15] S. 581.217(4), F.S.
[16] S. 581.219(3)(f), F.S.
[17] S. 581.217(7)(d), F.S. (emphasis supplied)
[18] Department of Agriculture and Consumer Services, *Division of Food Safety*, https://www.fdacs.gov/Divisions-Offices/Food-Safety (last visited Mar. 29, 2025).

DACS, as part of its responsibilities, may impose a variety of disciplinary actions against food establishments for specified violations.[19] This includes, but is not limited to, revoking or suspending the permit of a food establishment[20] or imposing Class III[21] administrative fines.[22] DACS, or its duly authorized agent, may also issue and enforce a stop-sale, stop-use, removal, or hold order if DACS or its agent finds that any food, food processing equipment, food processing area, or food storage area is in violation of the Florida Food Safety Act.[23]

Distribution and Retail Sale

Hemp extract may be distributed and sold if the product has a certificate of analysis prepared by an independent testing laboratory that states:

- The hemp extract is the product of a batch tested by the independent testing laboratory;
- The batch contained a total delta-9-tetrahydrocannabinol concentration that did not exceed 0.3 percent pursuant to the testing of a random sample of the batch;
- The batch does not contain contaminants unsafe for human consumption; and
- The batch was processed in a facility that meets certain human health or food safety requirements.[24]

Additionally, hemp extract may only be distributed or sold in a container that includes:

- A scannable barcode or quick response code linked to the certificate of analysis of the hemp extract batch by an independent testing laboratory;
- The batch number;
- The Internet address of a website where batch information may be obtained;
- The expiration date; and
- The number of milligrams of each marketed cannabinoid per serving.[25]

Such a container must:

- Be suitable to contain products for human consumption;
- Be composed of materials designed to minimize exposure to light;
- Mitigate exposure to high temperatures;
- Not be attractive to children; and
- Be compliant with the United States Poison Prevention Packaging Act of 1970.[26]

"Attractive to children" means manufactured in the shape of humans, cartoons or animals; manufactured in a form that bears any reasonable resemblance to an existing candy product that is familiar to the public as a widely distributed, branded food product such that a product could be mistaken for the branded product, especially by children, or containing color additives.[27]

Delivery Sales of Nicotine Products

Each person who mails, ships, or otherwise delivers nicotine products or nicotine dispensing devices in connection with an order for a delivery sale to a consumer must:[28]

- Include, as part of the shipping documents, in a clear and conspicuous manner, the following statement: "Nicotine Products: Florida law prohibits shipping to individuals under 21 years of age."
- Use a method of mailing, shipping, or delivery which obligates the delivery service to:
    - Require the signature of a person 21 years of age or older who resides at the delivery address and obtain proof of the legal minimum purchase age of the individual accepting delivery.

[19] S. 500.121(1), F.S.
[20] *Id.*
[21] The fine for each Class III violation cannot exceed $10,000. S. 570.971(1)(c), F.S.
[22] S. 500.121(1), F.S.
[23] S. 500.172(1), F.S.
[24] S. 581.217(7)(a), F.S.
[25] *Id.*
[26] S. 581.217(7)(a), F.S.
[27] S. 581.217(3)(a), F.S.
[28] S. 569.45, F.S.

- Require proof that the individual accepting delivery is either the addressee or the adult designated by the addressee, in the form of a valid, government-issued identification card bearing a photograph of the individual who signs to accept delivery of the shipping container.

Before the first delivery to a consumer, the person mailing, shipping, or delivering the nicotine products must:[29]

- Obtain a certification from the person accepting delivery that includes reliable confirmation that the person accepting the delivery is 21 years of age or older, and a written statement under penalty of perjury providing the person's date of birth, address, and confirmation that the person wants to accept the delivery;
- Make a good faith effort to verify the information in the certification by checking the information against a commercially available database or obtaining a photocopy of the person's ID;
- Provide the person accepting the delivery a notice stating nicotine products are illegal for underage persons and sales of such products are restricted to individuals who provide verifiable proof of legal age to purchase;
- Receive payment by a credit card or debit card in the name of the person accepting the delivery or a personal or company check of the person accepting the delivery, if the order is made in accordance with an advertisement on the Internet;
- Submit to the credit card company necessary information so that the words "nicotine product" appear on the person's credit card statement when a purchase is made using a credit card; and
- Make a phone call to the person accepting the delivery to confirm the order before shipping the order.

A person who accepts an order for a delivery sale of nicotine products or nicotine dispensing devices and delivers such products without using a delivery service must comply with all of the delivery service requirements listed above.[30]

Any person, who is 21 years or older, who knowingly violates the delivery sale' requirements is guilty of a misdemeanor of the second degree.[31]

Florida Contraband Forfeiture Act

The Florida Contraband Forfeiture Act[32] prescribes procedures for law enforcement agencies to follow when seizing, forfeiting, and disposing of property under the act. Property may only be seized if the owner of the property is arrested for a criminal offense that forms the basis for determining that the property is a contraband article, or if one of the following circumstances apply:[33]

- The owner of the property cannot be identified after a diligent search, or the person in possession of the property denies ownership and the owner of the property cannot be identified by means that are available to the employee or agent of the seizing agency at the time of the seizure;
- The owner of the property is a fugitive from justice or is deceased;
- An individual who does not own the property is arrested for a criminal offense that forms the basis for determining that the property is a contraband article and the owner of the property had actual knowledge of the criminal activity;
- The owner of the property agrees to be a confidential informant; or
- The property is a monetary instrument.

Florida Clean Indoor Air ACT (FCIAA)

The FCIAA prohibits any person under the age of 21 from smoking tobacco or vaping within 1,000 feet of a public or private elementary, middle, or secondary school between the hours of 6 a.m. and midnight. A violation of this

[29] *Id.*
[30] *Id.*
[31] *Id.*
[32] Ss. 932.701-932.7062, F.S.,
[33] S. 932.703(1), F.S.

prohibition is punishable by a maximum noncriminal civil penalty not to exceed $25, 50 hours of community service or, where available, successful completion of a school-approved anti-tobacco "alternative to suspension."[34]

Division of Alcoholic Beverages

The Division of Alcoholic Beverages and Tobacco (Division) within the Department of Business and Professional Regulation (DBPR) is the state agency responsible for the regulation and enforcement of alcoholic beverages, tobacco products, and nicotine products.

Tobacco and Nicotine Product Retailers

In order to sell tobacco products or nicotine products at retail in Florida, a person must obtain a retail tobacco products dealer permit or retail nicotine products dealer permit from the Division. A person must obtain a permit for each place of business or premises where tobacco or nicotine products are sold. [35]

The Division may discipline a tobacco retailer or nicotine product retailer's permit for violating any of the provisions relating to the retail sale of such products. Such discipline includes administrative fines up to $1,000 and suspension or revocation of a permit.[36]

However, the Division may not discipline a tobacco retailer or nicotine product retailer's permit for other violations of the law, including violating the state hemp program.

Quota Licensees

Under current law, there is not a limit on the number of licenses the Division may issue to businesses selling malt beverages or wine. However, the law limits the number of licenses for selling distilled spirits to one license per 7,500 residents within the county with a minimum of three licenses per county for counties that have approved the sale of intoxicating liquors. These licenses are known as quota licenses and are the only type of alcoholic beverage license that is limited in number.[37]

Current law limits the types of items quota licensees may sell. Currently, quota licensees may only sell alcoholic beverages, bitters, grenadine, nonalcoholic mixer-type beverages, fruit juices, party supplies, party-type foods, miniatures of no alcoholic content, nicotine products, and tobacco products. If the quota licensee allows for the consumption of alcohol on the licensee's establishment then they may also sell items customarily sold in a restaurant.[38]

Current law does not prohibit quota licensees from selling products containing hemp; however, it also does not specifically allow it.

[34] S. 386.212, F.S.
[35] Ss. 569.003 and 569.32, F.S.
[36] Ss. 569.006 and 569.35, F.S.
[37] S. 561.20, F.S.
[38] S. 565.045, F.S.

RECENT LEGISLATION:

YEAR	BILL #	HOUSE SPONSOR(S)	SENATE SPONSOR	OTHER INFORMATION
2024	HB 1215	Skidmore	Harrell	Revised requirements for packaging and labeling of edibles. Died in both Chambers before making it to any committee.
2024	CS/CS/HB 1613	Gregory	Burton	Provided conditions for the possession, manufacture, and delivery of hemp extract; prohibited businesses from possessing hemp extract products that are attractive to children; prohibited DACS from granting permission to remove or use certain hemp extract products until it determines such products comply with state law; prohibited event organizers from promoting, advertising, or facilitating certain events where hemp extract products are sold or marketed. The House bill was laid on the table, and the Senate bill was vetoed by the Governor.
2023	CS/CS/HB 1475	Robinson, W., Cassel	Burton	Provided that hemp extract is considered a food subject to certain requirements, among other things. The House bill was laid on the table, and the Senate bill was approved by the Governor.

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Orig. Comm.: Housing, Agriculture & Tourism Subcommittee			Hamon	Curtin

A bill to be entitled

An act relating to hemp consumable THC products; amending s. 500.03, F.S.; revising the definition of the term "food"; creating s. 581.19, F.S.; providing for the seizure and destruction of contraband hemp consumable THC products; requiring the Department of Agriculture and Consumer Services and law enforcement agencies to keep specified records; providing applicability; amending s. 581.217, F.S.; revising and providing definitions; providing for the distribution and retail sale of hemp consumable THC products; authorizing the department to adopt rules; providing penalties; providing for the certification of independent laboratories by the department; requiring the Department of Health to assist the Department of Agriculture and Consumer Services in developing specified rules; authorizing the department to take certain actions against licensees and permittees; creating s. 581.218, F.S.; providing definitions; providing for mail order, Internet, and remote sales of hemp consumable THC products; providing penalties; creating s. 581.220, F.S.; prohibiting the ingestion of hemp consumable THC products near school properties; providing exceptions; providing penalties; amending ss. 565.04 and 565.045, F.S.; authorizing

specified businesses to sell hemp consumable THC products; amending ss. 569.006 and 569.35, F.S.; conforming provisions to changes made by the act; providing an appropriation; providing effective dates.

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

Section 1. Effective January 1, 2026, paragraph (n) of subsection (1) of section 500.03, Florida Statutes, is amended to read:

500.03 Definitions; construction; applicability.—

(1) For the purpose of this chapter, the term:

(n) "Food" includes:

1. Articles used for food or drink for human consumption;

2. Chewing gum;

3. Articles used for components of any such article;

4. Articles for which health claims are made, which claims are approved by the Secretary of the United States Department of Health and Human Services and which claims are made in accordance with s. 343(r) of the federal act, and which are not considered drugs solely because their labels or labeling contain health claims;

5. Dietary supplements as defined in 21 U.S.C. s. 321(ff)(1) and (2); and

6. Hemp consumable THC products ~~Hemp extract~~ as defined in

s. 581.217(3) ~~s. 581.217~~.

The term includes any raw, cooked, or processed edible substance; ice; any beverage; or any ingredient used, intended for use, or sold for human consumption.

Section 2. Effective January 1, 2026, subsections (10) through (13) of section 581.217, Florida Statutes, are renumbered as subsections (11) through (14), respectively, subsections (3) and (7) and present subsections (10), (12), and (13) are amended, and a new subsection (10) is added to that section, to read:

581.217 State hemp program.—

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

(a) "Attractive to children" means manufactured in the shape of or packaged in containers or packages displaying humans, cartoons, ~~or~~ animals, toys, or other features that target children; manufactured in a form or packaged in a container or package that bears any reasonable resemblance to an existing candy or snack product that is familiar to the public; manufactured in a form or packaged in a container or package that bears any reasonable resemblance to a ~~as a widely distributed,~~ branded food product such that the ~~a~~ product could be mistaken for the branded food product, especially by children; or containing any color additives.

(b) "Certifying agency" has the same meaning as in s.

578.011(8).

(c) "Cigarette" means any roll for smoking.

(d) ~~(c)~~ "Contaminants unsafe for human consumption" includes, but is not limited to, any microbe, fungus, yeast, mildew, herbicide, pesticide, fungicide, residual solvent, metal, or other contaminant found in any amount that exceeds any of the accepted limitations as determined by rules adopted by the Department of Health in accordance with s. 381.986, or other limitation pursuant to the laws of this state, whichever amount is less.

(e) ~~(d)~~ "Cultivate" means planting, watering, growing, or harvesting hemp.

(f) ~~(e)~~ "Hemp" means the plant Cannabis sativa L. and any part of that plant, including the seeds thereof, and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers thereof, whether growing or not, that has a total delta-9-tetrahydrocannabinol concentration that does not exceed 0.3 percent on a dry-weight basis, with the exception of hemp consumable THC products ~~hemp extract~~, which may not exceed 0.3 percent total delta-9-tetrahydrocannabinol on a wet-weight basis.

(g) "Hemp consumable THC product" means a substance or compound intended for ingestion, containing more than trace amounts of tetrahydrocannabinol derived from hemp or any other source, or for inhalation which is derived from or contains

tetrahydrocannabinol derived from hemp or any other source, and which does not contain controlled substances. The term does not include synthetic cannabidiol or seeds or seed-derived ingredients that are generally recognized as safe by the United States Food and Drug Administration or marijuana used for medical purposes under s. 381.986.

~~(f) "Hemp extract" means a substance or compound intended for ingestion, containing more than trace amounts of a cannabinoid, or for inhalation which is derived from or contains hemp and which does not contain controlled substances. The term does not include synthetic cannabidiol or seeds or seed-derived ingredients that are generally recognized as safe by the United States Food and Drug Administration.~~

(h) ~~(g)~~ "Independent testing laboratory" means a laboratory that:

1. Does not have a direct or indirect interest in the entity whose product is being tested;

2. Does not have a direct or indirect interest in a facility that cultivates, processes, distributes, dispenses, or sells hemp or hemp consumable THC products ~~hemp extract~~ in the state or in another jurisdiction or cultivates, processes, distributes, dispenses, or sells marijuana, as defined in s. 381.986; and

3. Is certified by the Department of Health as a medical marijuana testing laboratory pursuant to s. 381.988 or is

certified by the department pursuant to subsection (10) as being substantially equivalent to a medical marijuana testing laboratory ~~accredited by a third-party accrediting body as a competent testing laboratory pursuant to ISO/IEC 17025 of the International Organization for Standardization~~.

(i) "Manufacturer" means any person or entity that engages in the process of manufacturing, preparing, or packaging hemp consumable THC products.

(j) "Retailer" means any person or entity who sells hemp consumable THC products to consumers.

(k) "Vapor-generating electronic device" means any device or product that employs an electronic, chemical, or mechanical means of producing vapor or aerosol from a hemp consumable THC product or any other substance, including, but not limited to, an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or other similar device or product; any replacement cartridge for such device or product; and any other container of a solution or other substance intended to be used with or within such device or product.

(l) "Wholesaler" means any person or entity located within or outside this state which delivers or sells hemp consumable THC products to retailers or other persons for purposes of resale.

(7) DISTRIBUTION AND RETAIL SALE OF HEMP CONSUMABLE THC PRODUCTS ~~HEMP EXTRACT~~.—

(a) Hemp consumable THC products ~~Hemp extract~~ may only be distributed and sold in the state if the product:

1. Has a certificate of analysis prepared by an independent testing laboratory that states:

a. The hemp consumable THC product ~~hemp extract~~ is the product of a batch tested by the independent testing laboratory;

b. The batch contained a total delta-9-tetrahydrocannabinol concentration that did not exceed 0.3 percent pursuant to the testing of a random sample of the batch;

c. The batch does not contain contaminants unsafe for human consumption; and

d. The batch was processed in a facility that holds a current and valid permit issued by a human health or food safety regulatory entity with authority over the facility, and that facility meets the human health or food safety sanitization requirements of the regulatory entity. Such compliance must be documented by a report from the regulatory entity confirming that the facility meets such requirements.

2. Was tested by an independent testing laboratory, and the laboratory's certificate of analysis states:

a. The hemp consumable THC product was tested for:

(I) Cannabinoids.

(II) Heavy metals.

(III) Mycotoxins.

(IV) Pesticides.

(V) Residual solvents.

(VI) Any other controlled substance.

(VII) Any other substance the department deems necessary.

b. The hemp consumable THC product contained a total delta-9-tetrahydrocannabinol concentration that did not exceed 0.3 percent pursuant to the testing of a sample of the hemp consumable THC product.

c. The hemp consumable THC product contained tetrahydrocannabinol that did not exceed the limitations in this subsection.

d. The product does not contain contaminants unsafe for human consumption.

e. Manufacturers, wholesalers, and retailers are required to have their hemp consumable THC products tested by an independent testing laboratory. A wholesaler or retailer is not required to test its hemp consumable THC products if the product:

(I) Is packaged in a in a manner that may be sold to the ultimate consumer when the wholesaler or retailer receives the product from the manufacturer or wholesaler;

(II) Was tested in accordance with paragraph (a) by the manufacturer or wholesaler; and

(III) Has not been opened by the wholesaler or retailer.

3.~~2.~~ Is distributed or sold in a container and package that includes:

a. A scannable barcode or quick response code linked to the certificate of analysis of the hemp consumable THC product ~~hemp extract batch~~ by an independent testing laboratory;

b. The hemp consumable THC product ~~batch~~ number;

c. The Internet address of a website where batch information may be obtained;

d. The expiration date of the hemp consumable THC product; and

e. The number of milligrams of each marketed cannabinoid per serving.

4.~~3.~~ Is distributed or sold in a container and package that:

a. Is suitable to contain products for human consumption;

b. Is composed of materials designed to minimize exposure to light;

c. Mitigates exposure to high temperatures;

d. Is a single color and not transparent. However, the universal symbol, scannable barcode, quick response code, and any text must be a different color than the container and package;

e. Does not contain any pictures or images other than a single logo, which may not be attractive to children and may not cover more than 20 percent of the container or package;

f. Does not contain any text, pictures, or images that directly or indirectly say the product causes or may cause an

intoxicating or psychoactive effect;

g. Contains a clear and conspicuous warning on the front of the package and container that is developed by the department and states the product contains tetrahydrocannabinol;

h. Contains a hemp consumable THC product universal symbol developed by the department;

i. Contains the number of milligrams of tetrahydrocannabinol in the container and package and the amount in each individual serving in a clear and conspicuous manner;

j. ~~d.~~ Is not attractive to children; and

k. ~~e.~~ Is compliant with the United States Poison Prevention Packaging Act of 1970, 15 U.S.C. ss. 1471 et seq., without regard to provided exemptions. For purposes of this subparagraph, a beverage in a sealed container is considered compliant with the United States Poison Prevention Packaging Act of 1970, 15 U.S.C. ss. 1471 et seq.

(b) Hemp consumable THC products may only be sold at retail subject to the following limitations:

1. Beverages must:

a. Contain no more than 5 milligrams of tetrahydrocannabinol per 6 ounces.

b. Be in a container that holds no more than 12 ounces.

c. Be in a package with no more than 10 containers per package.

2. Cigarettes and vapor-generating electronic devices

must:

a. Contain no more than 2.5 milligrams of tetrahydrocannabinol per gram.

b. Be in a cigarette or vapor-generating electronic device that contains no more than 1 gram.

c. Be in a container that holds no more than 20 cigarettes or vapor-generating electronic devices.

d. Be in a package that contains no more than one container.

3. Edibles must:

a. Contain no more than 2.5 milligrams of tetrahydrocannabinol per gram.

b. Be in an edible that contains no more than 2 grams and is individually wrapped.

c. Be in a container with no more than 20 edibles.

d. Be in a package that contains no more than one container.

4. Tinctures must:

a. Contain no more than 100 milligrams of tetrahydrocannabinol per 35 grams.

b. Be in a container that holds no more than 35 grams.

c. Be in a package that holds no more than one container.

This paragraph is repealed December 31, 2028.

(c) Effective January 1, 2029, hemp consumable THC

products may only be sold at retail subject to the following limitations:

1. Beverages must:

a. Contain no more than 2.5 milligrams of tetrahydrocannabinol per 6 ounces.

b. Be in a container that holds no more than 12 ounces.

c. Be in a package with no more than 10 containers per package.

2. Cigarettes and vapor-generating electronic devices must:

a. Contain no more than 1.25 milligrams of tetrahydrocannabinol per gram.

b. Be in a cigarette or vapor-generating electronic device that contains no more than 1 gram.

c. Be in a container that holds no more than 20 cigarettes or vapor-generating electronic devices.

d. Be in a package that contains no more than one container.

3. Edibles must:

a. Contain no more than 1.25 milligrams of tetrahydrocannabinol per gram.

b. Be in an edible that contains no more than 2 grams and is individually wrapped.

c. Be in a container with no more than 20 edibles.

d. Be in a package that contains no more than one

container.

5. Tinctures must:

a. Contain no more than 50 milligrams of tetrahydrocannabinol per 35 grams.

b. Be in a container that holds no more than 35 grams.

c. Be in a package that holds no more than one container.

(d) Nothing in paragraph (c) shall limit the amount of cannabidiol allowed in hemp consumable THC products.

(e) The retail sale and delivery of hemp consumable THC products is prohibited, except:

1. At establishments that have a food permit from the department and prohibit the presence of persons under 21 years of age on the establishment's premises;

2. At establishments that have a food permit from the department and have a quota licensed issued under s. 565.02(1)(a)-(f). Establishments with a quota licensed issued under s. 565.02(1)(a)-(f) which allow the presence of persons under 21 years of age on the establishment's premises must place hemp consumable THC products, not including beverages, in an area inaccessible to customers. Such establishments may place hemp consumable THC products, not including beverages, in an open display unit as long as the unit is located in an area that is inaccessible to customers; or

3. In accordance with the mail order, Internet, and remote sales of hemp consumable THC products requirements in s.

581.218.

(f) Hemp consumable THC products may not be sold, given, bartered, furnished, or delivered to consumers at wholesale or at festivals, fairs, trade shows, farmers markets, expositions, or pop-up retail establishments.

(h) ~~(b)~~ Hemp consumable THC products ~~Hemp extract~~ may only be sold to a business in this state if that business is properly permitted as required by this section.

(i) ~~(c)~~ Hemp consumable THC products ~~Hemp extract~~ distributed or sold in this state are ~~is~~ subject to the applicable requirements of chapter 500, chapter 502, or chapter 580.

(j) A person or entity may not sell, deliver, barter, give, or furnish hemp consumable THC products that total more than 100 milligrams of tetrahydrocannabinol to a person in a 24-hour period unless the person receiving the hemp consumable THC products is receiving the products on behalf of a cultivator, manufacturer, wholesaler, or retailer for resale.

(k) ~~(d)~~ Hemp consumable THC products that are intended for human ingestion or inhalation ~~and that contain hemp extract~~, including, but not limited to, snuff, chewing gum, and other smokeless products, may not be sold, delivered, bartered, given, or furnished ~~in this state~~ to a person who is under 21 years of age. For a first violation of this subsection, a person ~~who violates this paragraph~~ commits a misdemeanor of the second

degree, punishable as provided in s. 775.082 or s. 775.083. A person who commits a second ~~or subsequent~~ violation of this subsection ~~paragraph~~ within 12 months ~~1 year~~ after the first ~~initial~~ violation commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083. A person who commits a third or subsequent violation within 12 months after the second violation commits a felony of the third degree, punishable as provided in s. 775.082 or s. 775.083.

(l) ~~(e)~~ In addition to paragraph (k), hemp consumable THC products ~~hemp extract~~ distributed or sold in violation of this subsection are ~~is~~ subject to s. 500.172 and penalties as provided in s. 500.121. Hemp consumable THC products ~~Hemp extract products~~ found to be mislabeled or in violation of subsection (7) ~~attractive to children~~ are subject to an immediate stop-sale order.

(10) CERTIFICATION OF INDEPENDENT LABORATORIES BY THE DEPARTMENT.—

(a) The department must certify any laboratory located in this state or another state which meets the qualifications of an independent testing laboratory. However, a medical marijuana testing laboratory certified pursuant to s. 381.988 is not required to receive certification by the department.

(b) The department must adopt rules establishing the standards for certification and must adopt rules for the testing and reporting of hemp consumable THC products under this

section. The Department of Health must assist the department in developing the rules for the certification of independent testing laboratories, which must include, but are not limited to:

1. Security standards.

2. Minimum standards for personnel.

3. Sample collection method and process standards.

4. Proficiency testing for tetrahydrocannabinol potency, concentration of cannabidiol, and contaminants unsafe for human consumption, as determined by department rule.

5. Reporting content, format, and frequency.

6. Audits and onsite inspections.

7. Quality assurance.

8. Equipment and methodology.

9. Chain of custody.

10. Any other standard the department deems necessary.

(c) The department shall adopt rules establishing a procedure for initial certification and biennial renewal. The department shall renew the certification biennially if the laboratory meets the requirements of this section or any rules adopted under this subsection.

(d) The department shall publish on its website a list of all laboratories that have received certification.

(e) The department may refuse to issue or renew, or may suspend or revoke, the certification of a laboratory that is

found to be in violation of this section or any rules adopted under this subsection.

(f) Any laboratory that receives certification under this subsection from the department agrees to random unannounced audits and onsite inspections by the department or agents thereof.

(11) ~~(10)~~ VIOLATIONS.—

(a) A licensee must complete a corrective action plan if the department determines that the licensee has negligently violated this section or department rules, including negligently:

1. Failing to provide the legal land description and global positioning coordinates pursuant to subsection (5);

2. Failing to obtain a proper license or other required authorization from the department; or

3. Producing Cannabis sativa L. that has a total delta-9-tetrahydrocannabinol concentration that exceeds 0.3 percent on a dry-weight basis.

(b) The corrective action plan must include:

1. A reasonable date by which the licensee must correct the negligent violation; and

2. A requirement that the licensee periodically report to the department on compliance with this section and department rules for a period of at least 2 calendar years after the date of the violation.

(c) A licensee who negligently violates the corrective action plan under this subsection three times within 5 years is ineligible to cultivate hemp for 5 years following the date of the third violation.

(d) If the department determines that a licensee has violated this section or department rules with a culpable mental state greater than negligence, the department shall immediately report the licensee to the Attorney General and the United States Attorney General.

(e) In addition to any other penalties provided by law, the department may take any of the following actions against any person licensed or permitted by the department for a violation of this section:

1. Place on probation or reprimand the licensee or permitee.

2. Revoke, suspend, or deny the issuance or renewal of the license or permit.

3. Impose an administrative fine not to exceed $5,000 per violation or assess costs associated with investigation and prosecution.

(13) ~~(12)~~ RULES.—The department shall adopt rules to administer the state hemp program. The rules must provide for:

(a) A procedure that uses post-decarboxylation or other similarly reliable methods for testing the delta-9-tetrahydrocannabinol concentration of cultivated hemp.

(b) A procedure for the effective disposal of plants, whether growing or not, that are cultivated in violation of this section or department rules, and products derived from those plants.

(c) Packaging and labeling requirements that ensure that hemp consumable THC products are not in violation of subsection (7) ~~hemp extract intended for human ingestion or inhalation is not attractive to children~~.

(d) Advertising regulations that ensure that hemp consumable THC products ~~hemp extract~~ intended for human ingestion or inhalation are ~~is~~ not marketed or advertised in a manner that specifically targets or is attractive to children.

(14) ~~(13)~~ APPLICABILITY.—Notwithstanding any other law:

(a) This section does not authorize a licensee to violate any federal or state law or regulation.

(b) This section does not apply to a pilot project developed in accordance with 7 U.S.C. 5940 and s. 1004.4473.

(c) A licensee who negligently violates this section or department rules is not subject to any criminal or civil enforcement action by the state or a local government other than the enforcement of violations of this section as authorized under subsection (11) ~~(10)~~.

Section 3. Effective January 1, 2026, section 581.218, Florida Statutes, is created to read:

581.218 Mail order, Internet, and remote sales of hemp

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

consumable THC products.—

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

(a) "Consumer" means a person in this state who comes into possession of any hemp consumable THC products and who, at the time of possession, does not intend to sell or distribute the hemp consumable THC products or is not a retailer.

(b) "Delivery sale" means any sale of a hemp consumable THC product to a consumer in the state for which:

1. The consumer submits the order for the sale by telephonic or other voice transmission, mail, delivery service, or the Internet or other online service; or

2. The hemp consumable THC products are delivered by use of mail or a delivery service.

(c) "Delivery service" means any person engaged in the commercial delivery of letters, packages, or other containers.

(d) "Legal minimum purchase age" means the minimum age at which an individual may legally purchase hemp consumable THC products in this state.

(e) "Retailer" has the same meaning as in s. 581.217(3).

(f) "Shipping container" means a container in which hemp consumable THC products are shipped in connection with a delivery sale.

(g) "Shipping document" means a bill of lading, airbill, United States Postal Service form, or any other document used to verify the undertaking by a delivery service to deliver letters,

packages, or other containers.

(h) "Hemp consumable THC product" has the same meaning as in s. 581.217(3).

(i) "Wholesaler" has the same meaning as in s. 581.217(3).

(2)(a) The sale of hemp consumable THC products constituting a delivery sale under paragraph (1)(b) is a delivery sale regardless of whether the person accepting the order for the delivery sale is located within or outside this state.

(b) A retailer must obtain a food permit from the department under chapter 500 before accepting an order for a delivery sale of hemp consumable THC products.

(c) A person may not make a delivery sale of hemp consumable THC products to any individual who is not 21 years of age or older.

(d) Each person accepting an order for a delivery sale of hemp consumable THC products must comply with all of the following:

1. The age verification requirements of subsection (3).

2. The disclosure requirements of subsection (4).

3. The shipping requirements of subsection (5).

(3) A person may not mail, ship, or otherwise deliver hemp consumable THC products in connection with an order for a delivery sale unless, before the first delivery to the consumer, the person accepting the order for the delivery sale does all of

the following:

(a) Obtains from the person submitting the order a certification that includes:

1. Reliable confirmation that the person is 21 years of age or older; and

2. A statement signed by the person in writing and under penalty of perjury which:

a. Certifies the address and date of birth of the person; and

b. Confirms that the person wants to receive delivery sales from a hemp consumable THC product retailer and understands that, under the laws of the state, the following actions are illegal:

(I) Signing another person's name to the certification.

(II) Selling hemp consumable THC products to individuals who are not 21 years of age or older.

(III) Purchasing hemp consumable THC products if the person making the purchase is not 21 years of age or older.

(b) Makes a good faith effort to verify the information contained in the certification provided by the individual pursuant to paragraph (a) against a commercially available database that may be reasonably relied upon for accurate age information or obtains a photocopy or other image of a valid government-issued identification card stating the date of birth or age of the individual.

(c) Provides to the individual, by electronic mail or other means, a notice meeting the requirements of subsection (4).

(d) If an order for hemp consumable THC products is made pursuant to an advertisement on the Internet, receives payment for the delivery sale from the consumer by a credit or debit card issued in the name of the consumer, or by personal or company check of the consumer.

(e) Submits, to each credit card acquiring company with which the person has credit card sales, identification information in an appropriate form and format so that the words "Hemp consumable THC product" may be printed in the purchaser's credit card statement when a purchase of hemp consumable THC products is made by credit card payment.

(f) Makes a telephone call after 5 p.m. to the purchaser confirming the order before shipping the hemp consumable THC products. The telephone call may be a person-to-person call or a recorded message. The person accepting the order for delivery sale is not required to speak directly with a person and may leave a message on an answering machine or through voicemail.

In addition to the requirements of this subsection, a person accepting an order for a delivery sale of hemp consumable THC products may request that a consumer provide an e-mail address.

(4) The notice under paragraph (3)(c) must include

prominent and clearly legible statements that sales of hemp consumable THC products are:

(a) Illegal if made to individuals who are not 21 years of age or older.

(b) Restricted to those individuals who provide verifiable proof of age pursuant to subsection (3).

(5) Each person who mails, ships, or otherwise delivers hemp consumable THC products in connection with an order for a delivery sale must:

(a) Ship hemp consumable THC products that comply with the limitations on the retail sale of such products in s. 581.217.

(b) Ship the hemp consumable THC products in a container that complies with the container requirements of s. 518.217.

(c) Include as part of the shipping documents, in a clear and conspicuous manner, the following statement: "Hemp consumable THC product: Florida law prohibits shipping to individuals under 21 years of age."

(d) Use a method of mailing, shipping, or delivery that obligates the delivery service to require:

1. The individual submitting the order for the delivery sale or another person 21 years of age or older who resides at the individual's address to sign his or her name to accept delivery of the shipping container.

2. Proof that the individual is the addressee, or an individual who is 21 years of age or older designated by the

addressee, in the form of a valid, government-issued identification card bearing a photograph of the individual who signs to accept delivery of the shipping container.

If the person accepting a purchase order for a delivery sale delivers the hemp consumable THC products without using a delivery service, the person must comply with all of the requirements of this section which apply to a delivery service. Any failure to comply with a requirement of this section constitutes a violation thereof.

(6) This section does not apply to delivery sales of hemp consumable THC products to a retailer or wholesaler.

(7) An individual who is 21 years of age or older who knowingly violates any provision of this section commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083.

(8) The Attorney General, the Attorney General's designee, or a state attorney may bring an action in the appropriate court in the state to prevent or restrain violations of this section by any person.

Section 4. Effective January 1, 2026, section 581.219, Florida Statutes, is created to read:

581.219 Seizure and destruction of contraband hemp consumable THC products.—All hemp consumable THC products, as defined in s. 581.217(3), sold, offered for sale, delivered, or

distributed contrary to any provision of ss. 581.217 and 581.218 are declared to be contraband, are subject to seizure and confiscation under the Florida Contraband Forfeiture Act by any person whose duty it is to enforce those sections, and must be disposed of as follows:

(1) A court having jurisdiction shall order the hemp consumable THC products forfeited upon a showing that, by a preponderance of the evidence, the products were sold, offered for sale, delivered, or distributed contrary to any provision of ss. 581.217 and 581.218. Upon completion of any chapter 120 proceedings related to the seized hemp consumable THC products, the court shall order the products destroyed except as provided by applicable court orders. The officer who destroys the products shall keep a record of the location where the products were seized, the kinds and quantities of the products destroyed, and the time, place, and manner of the destruction of the products and shall make a return under oath reporting such destruction.

(2) The department or seizing law enforcement agency shall keep a full and complete record of all products seized under this section showing:

(a) The exact kinds, quantities, and forms of the products.

(b) The persons from whom the products were seized and to whom they were delivered.

(c) By whose authority the products were seized, delivered, and destroyed.

(d) The dates of the seizure, disposal, and destruction of the products.

Records under this subsection must be open to inspection by all persons charged with the enforcement of ss. 581.217 and 581.218.

(3) The cost of seizure, confiscation, and destruction of contraband hemp consumable THC products is borne by the person from whom the products are seized.

(4) Except as otherwise provided in this section, the procedures of the Florida Contraband Forfeiture Act apply to this section.

Section 5. Effective January 1, 2026, section 581.220, Florida Statutes, is created to read:

581.220 Ingesting hemp consumable THC products prohibited near school property.—

(1) A person may not ingest hemp consumable THC products, as defined in s. 581.217(3), in, on, or within 1,000 feet of the real property comprising a public or private elementary, middle, or secondary school between the hours of 6 a.m. and midnight. This section does not apply to a person who is in a moving vehicle or within a private residence.

(2) A law enforcement officer may issue a citation in such form as prescribed by a county or municipality to any person who

violates this section. The citation must contain all of the following:

(a) The date and time of issuance.

(b) The name and address of the person cited.

(c) The date and time the civil infraction was committed.

(d) The statute violated.

(e) The facts constituting the violation.

(f) The name and authority of the law enforcement officer.

(g) The procedure for the person to follow to pay the civil penalty, to contest the citation, or to appear in court.

(h) The applicable civil penalty if the person elects not to contest the citation.

(3) Any person issued a citation pursuant to this section is charged with a civil infraction, punishable by a civil penalty of up to $25, 50 hours of community service, or, where available, successful completion of a school-approved, anti-drug, alternative-to-suspension program.

(4) Any person who fails to comply with the directions on the citation waives his or her right to contest the citation, and an order to show cause may be issued by the court.

Section 6. Effective January 1, 2026, subsection (1) of section 565.04, Florida Statutes, is amended to read:

565.04 Package store restrictions.—

(1) Vendors licensed under s. 565.02(1)(a) shall not in said place of business sell, offer, or expose for sale any

merchandise other than such beverages, and such places of business shall be devoted exclusively to such sales; provided, however, that such vendors shall be permitted to sell bitters; grenadine; nonalcoholic mixer-type beverages, not to include fruit juices produced outside this state; fruit juices produced in this state; home bar and party supplies and equipment, including but not limited to glassware and party-type foods; miniatures of no alcoholic content; nicotine products; and tobacco products. Such places of business shall have no openings permitting direct access to any other building or room, except to a private office or storage room of the place of business from which patrons are excluded. Vendors licensed under s. 565.02(1)(a) may sell hemp consumable THC products in accordance with s. 581.217 and 581.218.

Section 7. Effective January 1, 2026, paragraph (a) of subsection (2) of section 565.045, Florida Statutes, is amended to read:

565.045 Regulations for consumption on premises; penalty; exemptions.—

(2)(a) There shall not be sold at such places of business anything other than the beverages permitted, home bar and party supplies and equipment (including, but not limited to, glassware and party-type foods), cigarettes, hemp consumable THC products in accordance with s. 581.217 and 581.218, and what is customarily sold in a restaurant.

Section 8. Section 569.006, Florida Statutes, is amended to read:

569.006 Retail tobacco products dealers; administrative penalties.—The division may suspend or revoke the permit of the dealer upon sufficient cause appearing of the violation of any of the provisions of s. 581.217, s. 581.218, or this chapter, including part II of this chapter if the dealer deals, at retail, in nicotine products within the state or allows a nicotine products vending machine to be located on its premises within the state, by a dealer or by a dealer's agent or employee. The division may also assess and accept administrative fines of up to $1,000 against a dealer for each violation. The division shall deposit all fines collected into the General Revenue Fund as collected. An order imposing an administrative fine becomes effective 15 days after the date of the order. The division may suspend the imposition of a penalty against a dealer, conditioned upon the dealer's compliance with terms the division considers appropriate.

Section 9. Section 569.35, Florida Statutes, is amended to read:

569.35 Retail nicotine product dealers; administrative penalties.—The division may suspend or revoke the permit of a dealer, including the retail tobacco products dealer permit of a retail tobacco products dealer as defined in s. 569.002(4), upon sufficient cause appearing of the violation of any of the

provisions of s. 581.217, s. 581.218, or this part, by a dealer, or by a dealer's agent or employee. The division may also assess and accept an administrative fine of up to $1,000 against a dealer for each violation. The division shall deposit all fines collected into the General Revenue Fund as collected. An order imposing an administrative fine becomes effective 15 days after the date of the order. The division may suspend the imposition of a penalty against a dealer, conditioned upon the dealer's compliance with terms the division considers appropriate.

Section 10. Except as otherwise expressly provided in this act, this act shall take effect July 1, 2025.

PCB HAT 25-02

FLORIDA HOUSE OF REPRESENTATIVES
BILL ANALYSIS

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

BILL #: PCB HAT 25-02	**COMPANION BILL:** None
TITLE: Taxation of Hemp Consumable THC Products	**LINKED BILLS:** PCB HAT 25-01
SPONSOR(S): Housing, Agriculture & Tourism Subcommittee	**RELATED BILLS:** None

Committee References

Orig. Comm.: Housing, Agriculture & Tourism

SUMMARY

Effect of the Bill:

The bill levies a tax on hemp consumable THC products. The tax for such products, except for beverages, is 60% of the wholesale price. The tax for hemp consumable THC beverages is $2.25 per gallon for such beverages sold in bulk, and $0.29 per pint or fraction thereof for hemp consumable THC beverages sold in containers of less than one gallon.

Fiscal or Economic Impact:

The bill will have an indeterminate positive fiscal impact on state government.

Extraordinary Vote Required for Passage:

The bill requires a two-thirds vote of the membership of both houses of the Legislature for final passage.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill levies a tax on hemp consumable THC products. The tax for such products is:

- 60% of the wholesale price for all hemp consumable THC products except beverages.
- $2.25 per gallon for hemp consumable THC beverages sold in bulk, and $0.29 per pint or fraction thereof for hemp consumable THC beverages sold in containers of less than one gallon. (Section 1)

"Hemp consumable THC product" is defined as a substance or compound intended for ingestion, containing more than trace amounts of tetrahydrocannabinol (THC) derived from hemp or any other source, or for inhalation which is derived from or contains tetrahydrocannabinol derived from hemp or any other source, and which does not contain controlled substances. (Section 1)

The term does not include synthetic cannabidiol or seeds or seed-derived ingredients that are generally recognized as safe by the United States Food and Drug Administration or marijuana used for medical purposes. (Section 1)

Article VII, s. 19(a) of the Florida Constitution requires a two-thirds vote of the membership of each house to impose or authorize a new tax or fee. The bill creates a new tax and, therefore, must be approved by two-thirds of the membership of each house to be presented to the Governor for approval.

The bill provides that hemp consumable THC product manufacturers[1], wholesalers,[2] and retailers[3] are responsible for paying the tax. Once a tax has been paid for a hemp consumable THC product, the tax may not be re-imposed. (Section 1)

The tax is collected by the Department of Agriculture and Consumer Services (DACS) and is computed from reports, books, and records of manufacturers and wholesalers that must be provided to DACS on a monthly basis. (Section 1)

The bill provides that the first $6 million collected on the taxes for hemp consumable THC products must be deposited in DACS' General Inspection Trust Fund for enforcement of the state hemp program and the testing of hemp consumable THC products. The remainder must be deposited into the General Revenue Fund. (Section 1)

The bill requires manufacturers and wholesalers to submit a monthly report to the DACS. The monthly report must include the amount of Hemp consumable THC products:

- Manufactured or sold within the state and to whom sold;
- Imported from beyond the limits of the state and to whom sold; and
- Exported beyond the limits of the state, to whom sold, the place where sold, and the address of the person to whom sold. (Section 1 and 2)

Manufacturers and wholesalers must maintain records for three years of the hemp consumable THC products they received, sold, or delivered within or outside the state. Retailors must also keep records of all purchases and other acquisitions of hemp consumable THC products for three years. (Section 2)

The bill provides that any manufacturer, wholesaler, retailor, or other person who fails, neglects, or refuses to comply with the taxes and reporting requirements for hemp consumable THC products commits a first-degree misdemeanor. Any person who commits a second or subsequent offense is guilty of a third-degree felony. (Section 1)

The bill provides that it takes effect the same date as PCB-HAT 25-01 or similar legislation takes effect if such legislation is adopted in the same legislative session or an extension thereof and becomes a law. (Section 3)

Because the bill imposes a new tax, it requires a three-fifths vote of each house of the Legislature for final passage.[4]

RULEMAKING:

The bill provides authority to DACS to adopt rules related to the remittance of taxes and submission of the monthly reports.

Lawmaking is a legislative power; however, the Legislature may delegate a portion of such power to executive branch agencies to create rules that have the force of law. To exercise this delegated power, an agency must have a grant of rulemaking authority and a law to implement.

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

The bill will have an indeterminate positive fiscal impact on the state by increasing the funds received by the state from the taxes on hemp consumable THC products.

[1] "Manufacturer" means any person or entity that engages in the process of manufacturing, preparing, or packaging hemp consumable THC products.
[2] "Wholesaler" means any person or entity located within or outside this state which delivers or sells hemp consumable THC products to retailers or other persons for purposes of resale.
[3] "Retailer" means any person or entity who sells hemp consumable THC products to consumers.
[4] *See* art. VII, s. 19(a), Fla. Const.

PRIVATE SECTOR:

The bill may have an indeterminate negative fiscal impact by requiring manufactures, distributors, and retailers to pay a tax on hemp consumable THC products, which may be passed on to the consumer.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Hemp

Section 1004.4473, F.S., authorized DACS to oversee the development of an **industrial hemp pilot projects** for the Institute of Food and Agricultural Sciences (IFAS) at the University of Florida, Florida Agricultural and Mechanical University, any land grant university in the state that has a college of agriculture, and any Florida College System institution or state university that has an established agriculture, engineering, or pharmacy program.[5]

The purpose of the pilot projects was to cultivate, process, test, research, create, and market safe and effective commercial applications for industrial hemp in the agricultural sector in this state.[6]

In the Agricultural Improvement Act of 2018 (2018 Farm Bill), the U.S. Congress legalized industrial hemp as an agricultural product by removing hemp's classification as a controlled substance.[7] The 2018 Farm Bill defined "**hemp**" to mean:

> [T]he plant Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.[8]

The 2018 Farm Bill allows a state department of agriculture or an Indian tribe to submit a plan to the United States Secretary of Agriculture and apply for primary regulatory authority over the production of hemp in their state or tribal territory.[9]

In 2019, the Legislature created the state hemp program within DACS to regulate the cultivation, distribution, and sale of hemp in Florida.[10]

Section 581.217(3)(e), F.S., defines "hemp" to mean:

> [T]he plant Cannabis sativa L. and any part of that plant, including the seeds thereof, and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers thereof, whether growing or not, that has a total delta-9-tetrahydrocannabinol concentration that does not exceed 0.3 percent on a dry-weight basis, with the exemption of **hemp extract, which may not exceed 0.3 percent total delta-9-tetrahydrocannabinol on a wet-weight basis.**

Consumable Hemp

The state hemp program defines "**hemp extract"** to mean

> [A] substance or compound intended for **ingestion**, containing more than trace amounts of **cannabinoid**, or for **inhalation** which is derived from or contains hemp, and which does not contain other controlled substances." The term does not include synthetic cannabidiol or seeds or

[5] Section 1004.4473(2)(a), F.S.
[6] Fla. Admin. Code R. 5B-57.013.
[7] Agricultural Improvement Act of 2018, Pub. L. No. 115-334, s. 12619, 132 Stat. 409 (2018) (codified at 21 U.S.C 802(16)).
[8] Agricultural Improvement Act of 2018, Pub. L. No. 115-334, s. 10113, 132 Stat. 409 (2018) (codified at 7 U.S.C. s. 1639o).
[9] Agricultural Improvement Act of 2018, Pub. L. No. 115-334, s. 10113, 132 Stat. 409 (2018) (codified at 7 U.S.C. s. 1639p).
[10] *See* s. 581.217, F.S.

seed-derived ingredients that are generally recognized as safe by the United States Food and Drug Administration. Products that are intended for inhalation and contain hemp extract may not be sold to a person who is under 21 years of age.[11]

Section 500.03(1)(n), F.S., provides that "hemp extract" **is a food product** for human ingestion and is subject to the Florida Food Safety Act.

DACS is the agency responsible for the enforcement of the production, manufacture, transportation, and sale of food. DACS's Division of Food Safety (Division) is directly responsible for assuring the public of a safe, wholesome, and properly represented food supply.[12]

The Division accomplishes this through the permitting and inspection of food establishments, the inspection and evaluation of food products, and the performance of specialized laboratory testing on a variety of food products sold or produced in Florida. The Division also proactively monitors food from manufacturing and distribution to retail.

DACS, as part of its responsibilities, can impose a variety of disciplinary actions against food establishments for specified violations.[13] This includes, but is not limited to, revoking or suspending the permit of a food establishment[14] or imposing Class III[15] administrative fines.[16] DACS, or its duly authorized agent, can also issue and enforce a stop-sale, stop-use, removal, or hold order if DACS or its agent finds that any food, food processing equipment, food processing area, or food storage area is in violation of the Florida Food Safety Act.[17]

Taxes

Currently, there are no excise taxes on the sale of consumable hemp products in Florida. However, 23 states have enacted a tax on the sales of products containing THC.[18]

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Orig. Comm.: Housing, Agriculture & Tourism Subcommittee			Curtin	Brackett

[11] Section 581.217(7)(d), F.S. (emphasis supplied)
[12] DACS, *Division of Food Safety*, https://www.fdacs.gov/Divisions-Offices/Food-Safety (last visited March 29, 2025).
[13] Section 500.121(1), F.S.
[14] *Id.*
[15] The fine for each Class III violation cannot exceed $10,000. Section 570.971(1)(c), F.S.
[16] Section 500.121(1), F.S.
[17] Section 500.172(1), F.S.
[18] Adam Hoffer and Jacob Macumber-Rosin, *Recreational Marijuana Taxes by State, 2024*, https://taxfoundation.org/data/all/state/recreational-marijuana-taxes/ (last visited March 29, 2025).

A bill to be entitled

An act relating to taxation of hemp consumable THC products; creating s. 581.223, F.S.; providing definitions; providing excise taxes for hemp consumable THC products; requiring manufacturers, wholesalers, and retailers to pay such taxes and submit specified reports to the Department of Agriculture and Consumer Services; providing an exception; providing for the deposit and use of such taxes; providing penalties; requiring the department to adopt rules; creating s. 581.224, F.S.; requiring certain manufacturers and wholesalers to complete and submit to the department specified reports for hemp consumable THC products and maintain specified records; requiring certain retailers to maintain specified records for hemp consumable THC products; providing definitions; providing a contingent effective date.

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

Section 1. Section 581.223, Florida Statutes, is created to read:

581.223 Excise taxes on hemp consumable THC products.—

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

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

(a) "Manufacturer" has the same meaning as in s. 581.217(3).

(b) "Retailer" has the same meaning as in s. 581.217(3).

(c) "Hemp consumable THC product" has the same meaning as in s. 581.217(3).

(d) "Wholesaler" has the same meaning as in s. 581.217(3).

(2) As to hemp consumable THC products, except beverages, there shall be paid by all manufacturers, wholesalers, and retailers a tax of 60 percent of the wholesale price of such products.

(3) As to hemp consumable THC products that are beverages, there shall be paid by all manufacturers, wholesalers, and retailers a tax of $2.25 cents per gallon in bulk. When such beverages are sold in containers of less than 1 gallon, the tax shall be 29 cents on each pint or fraction thereof in the container.

(4) Hemp consumable THC products for which a tax has been previously paid in accordance with this section may not be taxed under this section. The tax shall be computed from the reports, books, and records of manufacturers and wholesalers, and that amount must be remitted with the report required under s. 581.224 to the department on or before the 10th of each month for all hemp consumable THC products sold during the previous calendar month.

(5) All lost, stolen, or other unaccounted for shortages

occurring outside this state and supported by documentation are not subject to the Florida excise tax for hemp consumable THC products.

(6) The first $6 million collected under this section must be deposited into the department's General Inspection Trust Fund to be used for the enforcement of ss. 581.217-581.224 and the testing of hemp consumable THC products. The remainder of the moneys collected under this section must be deposited into the General Revenue Fund.

(7) A manufacturer, wholesaler, retailer, or other person who fails, neglects, or refuses to comply with or violates this section or the rules adopted by the department under this section commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

(8) A manufacturer, wholesaler, retailer, or other person who is convicted of a second or subsequent violation of this section is guilty of a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(9) The department may adopt rules for the remittance of the tax under this section and the submission of reports under s. 581.224.

Section 2. Section 581.224, Florida Statutes, is created to read:

581.224 Manufacturer, wholesaler, and retailer records and reports.—

(1) Each manufacturer and wholesaler shall keep a complete and accurate record and make reports showing the amount of hemp consumable THC products:

(a) Manufactured or sold within this state and to whom the products were sold.

(b) Imported from outside this state and to whom the products were sold.

(c) Exported outside this state, to whom the products were sold, the place where the products were sold, and the address of the person to whom the products were sold.

(2) Each manufacturer and wholesaler shall make a full and complete report by the 10th day of each month for the previous calendar month. The report must be made on forms prepared by the department and filed with the department.

(3)(a) Each manufacturer and wholesaler shall maintain and keep the records of hemp consumable THC products received, sold, or delivered within or outside this state for 3 years as may be required by the department.

(b) Each retailer shall keep records of all purchases and other acquisitions of hemp consumable THC products for 3 years.

(4) For purposes of this section, the terms "manufacturer," "retailer," "hemp consumable THC product," and "wholesaler" have the same meanings as in s. 581.217(3).

Section 3. This act shall take effect on the same date that PCB HAT 25-01 or similar legislation takes effect, if such

legislation is adopted in the same legislative session or an extension thereof and becomes a law.