

Industries & Professional Activities Subcommittee

Wednesday, January 14, 2026
10:30 AM – 12:30 PM
Webster Hall (212 Knott)

Daniel Perez
Speaker

Mike Giallombardo
Chair

Committee Meeting Notice

HOUSE OF REPRESENTATIVES

Industries & Professional Activities Subcommittee

Start Date and Time: Wednesday, January 14, 2026 10:30 AM

End Date and Time: Wednesday, January 14, 2026 12:30 PM

Location: Webster Hall (212 Knott)

Duration: 2.00 hrs

Consideration of the following bill(s):

HB 431 Air-conditioning and Mechanical Contractors by Albert
HB 661 Pub. Rec./Private Investigators by Stark
HB 679 Registration of Trademarks by Greco
HB 797 Nonprofit Corporations by Tuck
HB 879 Professional Licensure Reciprocity for the Practice of Surveying and Mapping by Boyles
HB 881 Pari-Mutuel Wagering by Anderson

NOTICE FINALIZED on 01/12/2026 4:45PM by Marks.Amie

HB 431

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 431	**COMPANION BILL:** SB 322 (McClain)
TITLE: Air-conditioning and Mechanical Contractors	**LINKED BILLS:** None
SPONSOR(S): Albert	**RELATED BILLS:** None

Committee References

Industries & Professional Activities ➤ Commerce

SUMMARY

Effect of the Bill:
The bill revises the definitions of "class A air-conditioning contractor" and "mechanical contractor" to include additional services that they may perform. The services include repair or replacement of existing package pool heaters.

Fiscal or Economic Impact:
The bill may have an indeterminate positive fiscal impact on air-conditioning contractors and mechanical contractors.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill expands the scope of work for Class A air-conditioning contractors and Mechanical contractors to include repairing and replacing existing package pool heaters. (Section 1)

The replacement of an existing package pool heater must use the same make and model as the existing pool heater. The replacement must maintain the flow rate, connection points, and heater specifications without making any modifications to the existing pool piping or system components.

The repair and replacement of an existing package pool heater does not include:
- alterations to the pool's hydraulic system;
- the addition of bypass valves;
- installation of new plumbing;
- rerouting of pipes;
- changes to the pool's circulation system;
- or any other modifications beyond what is necessary to disconnect and reconnect the unit to the existing piping. (Section 1)

The bill provides an effective date of July 1, 2026. (Section 2)

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Class A air-conditioning and Mechanical contractors

Chapter 489, F.S., regulates the profession of contracting in the state. Generally speaking, a licensed contractor is the person who, for compensation, undertakes to, submits a bid to, or does himself or herself or by others construct, repair, alter, remodel, add to, demolish, subtract from, or improve any building or structure, and whose job scope is substantially similar to the job scopes described in s. 489.105, F.S.[1]

Construction contractors are either certified or registered by the Construction Industry Licensing Board (CILB) housed within Department of Business and Professional Regulation. The CILB is responsible for licensing statewide construction contractors and regulating the construction industry in Florida under part I of Ch. 489, F.S.[2]

Currently, there are four types of Heating, Ventilation, and Air-Conditioning (HVAC) contractors:[3]

- Class A air-conditioning contractor.
- Class B air-conditioning contractor.
- Class C air-conditioning contractor.
- Mechanical contractors

The scope of work for "Class A air-conditioning contractors" specifically includes services that are unlimited in the execution of contracts requiring the experience, knowledge, and skill to install, maintain, repair, fabricate, alter, extend, or design central air-conditioning, heating, and ventilation systems and to perform other related tasks including replacing, disconnecting, or reconnecting electrical wiring up to an electrical panel and replacing disconnecting, and replacing breakers or fuses dedicated to HVAC circuits.[4]

The scope of work for "Mechanical contractors" specifically includes services that are unlimited in the execution of contracts requiring the experience, knowledge, and skill to install, maintain, repair, fabricate, alter, extend, or design HVAC systems and to perform other tasks, including replacing, disconnecting, or reconnecting electrical wiring up to an electrical panel and replacing disconnecting, and replacing breakers or fuses dedicated to HVAC circuits.[5]

HVAC contractors are not allowed to install or remove pool water heaters, pool equipment, pool piping, or construct pool/spa equipment rooms. However, they are authorized to service and repair pool heaters as long as such service or repair does not include installing or removing the pool heater.[6]

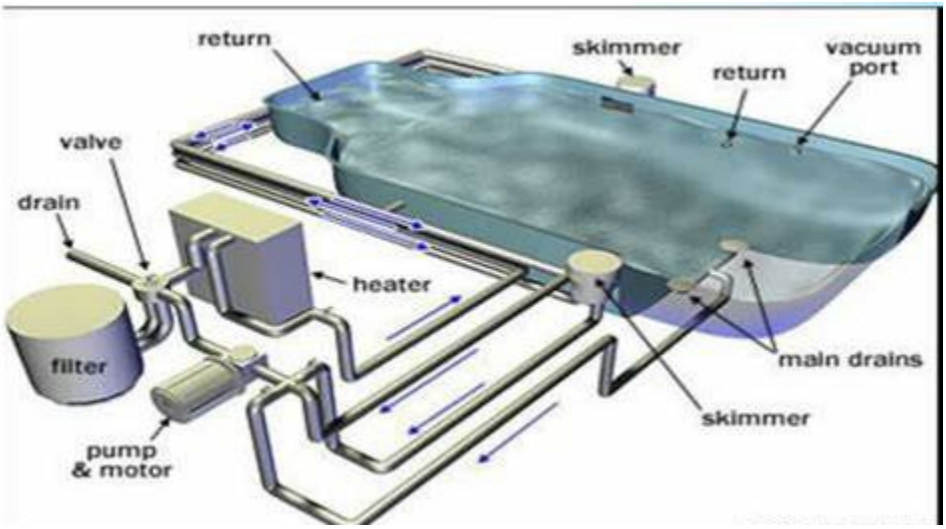
[1] S. 489.105(3), F.S.
[2] S. 489.107, F.S.
[3] S. 489.105(3), F.S.
[4] S. 489.105(3)(f), F.S.
[5] S. 489.105(3)(i), F.S.
[6] Construction Industry Licensing Board, Declaratory Statements 2012-024, 2014-006; 2014-060;

Pool Circulation System

A pool's circulation or hydraulic system are the elements of a pool that take water from the pool, filter it, heat it, and return it back into the pool. These elements include:[7]

- Water Outlets – these include any pool opening, such as skimmers, drains, and vacuum ports, where water is taken out of the pool and into the circulation system.
- Circulation Pump – the pump is responsible for pulling water out of the pool, through the circulation system, and back into the pool.
- Filter – cleans the water by removing dirt, debris, and bacteria from the pool water. Water is directed through the filter via a valve.
- Heater – heats the pool water and may include bypass valves[8], which allow water to bypass the heater.
- Returns – these are openings in the pool where water flows back into the pool from the circulation system.

A pool's flow rate is the speed at which the water travels through the circulation system, and the turnover time is the time it takes for the volume of water in the pool to make one pass through the circulation system.[9]



Pool Heaters

[7] Capitol Pools. *Understanding the Pool Circulation System*, https://www.capitolpool.com/service/operating-poolcirculation#:~:text=Your%20pool%E2%80%99s%20circulation%20system%20is%20the%20elements%20of,and%20what%20you%20need%20to%20do%20with%20them (last visited December 2, 2025); R&R Pools, *What Causes Poor Pool Circulation* https://www.rrpools.ca/blog/causes-poor-pool-circulation/ (last visited December 2, 2025).

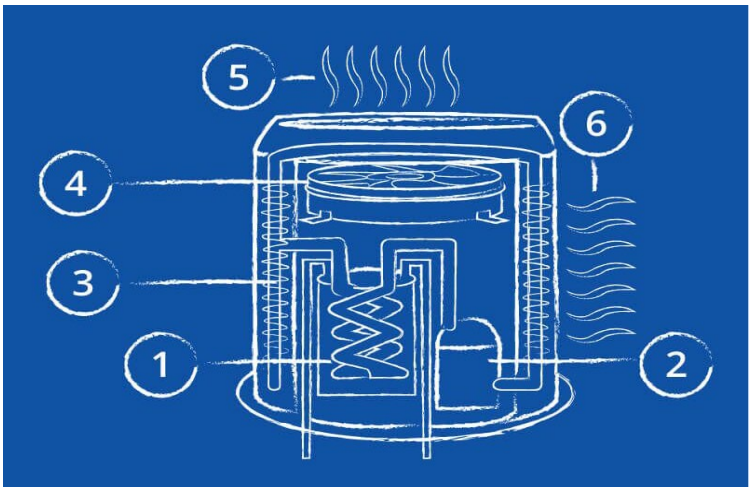
[8] Swimmingpoolsteve, *What is a Pool Heater Bypass?* https://www.swimmingpoolsteve.com/pages/bypass1.html#:~:text=An%20external%20bypass%20is%20a%20configuration%20of%20pool,your%20breakpoint%20chlorination%20to%20remove%20spent%20chlorine%20%28c (last visited December 2, 2025).

[9] Stockwell Safety, *Flow Rate and Turnover*, https://www.stockwellassociates.co.uk/tutorial-flow-rate-and-turnover.php#:~:text=Flow%20rate%20refers%20to%20the,litres%20per%20minute%20(LPM). (last visited December 2, 2025).

Generally, the pool's circulation system pulls water from the pool and into the pool heater, which warms the water via a heat exchange, and then circulates the heated water back into the pool. There are three main types of pool heaters:[10]

Electric heat pumps

Electric heat pumps use electricity to pull in outside air to heat the water. The heater has a fan that draws in the surrounding warm air. The air is directed to an evaporator coil containing freon, which pulls the heat from the outside air and turns the freon into a gas. The warm gas moves through a compressor, which further increases the temperature, and then moves through the condenser coil, which absorbs the heat and warms the water. As the hot gas moves through the condenser coil, it turns back into a liquid, and returns to the evaporator coil, and the process begins again as diagrammed below:[11]



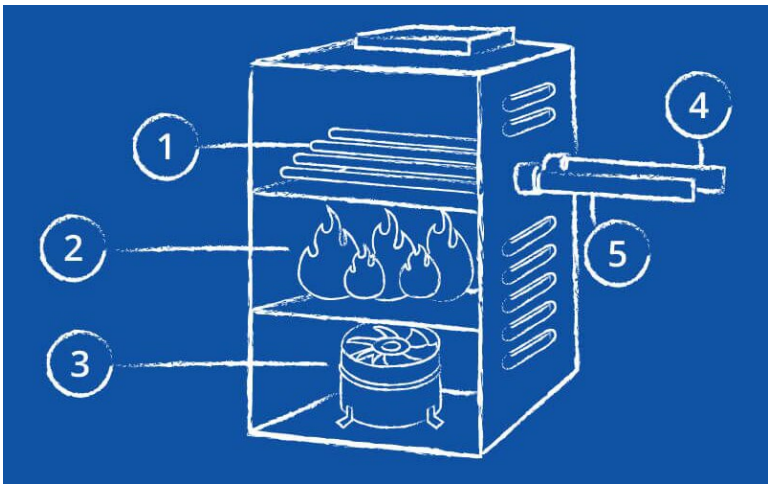
1) Condenser, 2) Compressor, 3) Evaporation Coil, 4) Fan, 5) Cool Air 6) Warm Air

[10] Scott Keller, How Does a Pool Heater Work: A Comprehensive Guide to Pool Heating Options and Efficiency, Love Gunite Pool, (September 18, 2024) https://lovegunitepool.com/how-does-a-pool-heater-work/ (last visited December 2, 2025); Hank Cooper, *How Gas Pool Heaters Work? Unveiling the Science behind Your Warm Swim* (July 26, 2024) https://pooltipsusa.com/how-gas-pool-heaters-work-unveiling-the-science-behind-your-warm-swim/ (last visited December 2, 2025).

[11] Jessica Carter, *Do pool heat pumps use a lot of electricity?* Eclipse Pool Heating (August 9, 2022) https://eclipsepoolheating.com.au/2022/08/09/do-pool-heat-pumps-use-a-lot-of-electricity/ (last visited December 2, 2025); Michael Dean, *How Does a Pool Heater Work?* Pool Research (August 13, 2024) https://poolresearch.com/how-heaters-work/ (last visited December 2, 2025)

Gas pool heaters

Gas heaters work by burning natural gas or propane inside a combustion chamber. There are copper coils in the heater, which heat up from the burning gas. Water is pulled into the heated copper coils by the circulation pump, which then pulls the heated water back into the pool as diagrammed below:[12]

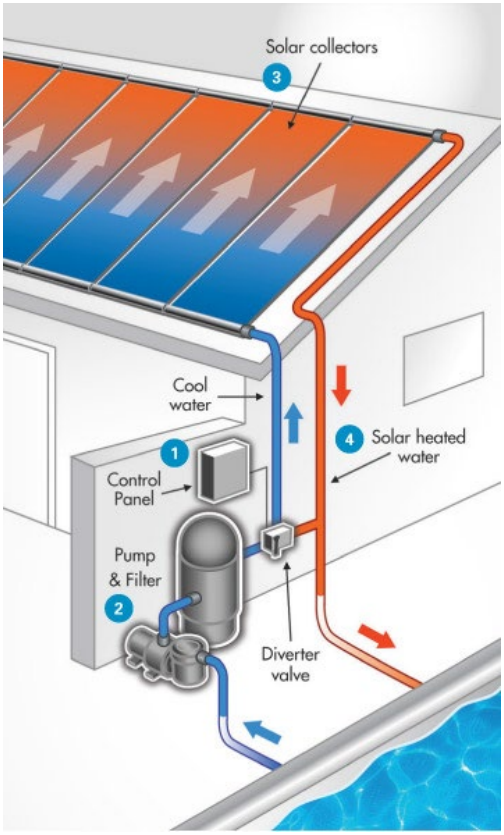


1) Heated Copper Coils 2) Burner 3) Fan 4) Cold Pool Water Entry 5) Heated Water Exit

[12] Michael Dean, *supra* note 8.

Solar pool heaters

Solar pool heaters work by using a solar collector, which warms the water with solar power. The circulation pump pulls the water into the solar collector, which is then pulled back into the pool as diagrammed below:[13]



BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Industries & Professional Activities Subcommittee			Anstead	Miralia
Commerce Committee				

[13] Performance Solar, *How Solar Pool Heating Works*, https://performancesolar.com/solar-pool-heating/ (last visited December 2, 2025); David Stillwell, How does a solar pool heater work? (September 6, 2023) Consumer Affairs https://www.consumeraffairs.com/solar-energy/how-does-a-solar-pool-heater-work.html (last visited December 2, 2025).

A bill to be entitled

An act relating to air-conditioning and mechanical contractors; amending s. 489.105, F.S.; revising the definitions of the terms "class A air-conditioning contractor" and "mechanical contractor" to include additional services that such contractors may perform; providing an effective date.

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

Section 1. Paragraphs (f) and (i) of subsection (3) of section 489.105, Florida Statutes, are amended to read:

489.105 Definitions.—As used in this part:

(3) "Contractor" means the person who is qualified for, and is only responsible for, the project contracted for and means, except as exempted in this part, the person who, for compensation, undertakes to, submits a bid to, or does himself or herself or by others construct, repair, alter, remodel, add to, demolish, subtract from, or improve any building or structure, including related improvements to real estate, for others or for resale to others; and whose job scope is substantially similar to the job scope described in one of the paragraphs of this subsection. For the purposes of regulation under this part, the term "demolish" applies only to demolition of steel tanks more than 50 feet in height; towers more than 50

feet in height; other structures more than 50 feet in height; and all buildings or residences. Contractors are subdivided into two divisions, Division I, consisting of those contractors defined in paragraphs (a)-(c), and Division II, consisting of those contractors defined in paragraphs (d)-(q):

(f) "Class A air-conditioning contractor" means a contractor whose services are unlimited in the execution of contracts requiring the experience, knowledge, and skill to:

1. Install, maintain, repair, fabricate, alter, extend, or design, if not prohibited by law, central air-conditioning, refrigeration, heating, and ventilating systems, including duct work in connection with a complete system if such duct work is performed by the contractor as necessary to complete an air-distribution system, boiler and unfired pressure vessel systems, and all appurtenances, apparatus, or equipment used in connection therewith, and any duct cleaning and equipment sanitizing that requires at least a partial disassembling of the system.~~; to~~

2. Install, maintain, repair, fabricate, alter, extend, or design, if not prohibited by law, piping, insulation of pipes, vessels and ducts, pressure and process piping, and pneumatic control piping.~~; to~~

3. Replace, disconnect, or reconnect power wiring on the line or load side of the dedicated existing electrical disconnect switch on single phase electrical systems.~~; to~~

4. Repair or replace power wiring, disconnects, breakers, or fuses for dedicated HVAC circuits with proper use of a circuit breaker lock.~~; to~~

5. Install, disconnect, and reconnect low voltage heating, ventilating, and air-conditioning control wiring.~~; and to~~

6. Install a condensate drain from an air-conditioning unit to an existing safe waste or other approved disposal other than a direct connection to a sanitary system.

7. Replace and repair existing package pool heaters and connect replacement package pool heaters to existing pool piping. The replacement of an existing package pool heater must use the same make and model as the existing package pool heater. This includes maintaining the flow rate, connection points, and heater specifications without modifications to existing pool piping or system components. The replacement or repair of an existing package pool heater does not include alterations to the pool's hydraulic system, the addition of bypass valves, the installation of new plumbing, the rerouting of pipes, any changes to the pool's circulation system, or any other modifications beyond what is necessary to disconnect and reconnect the unit to the existing piping.

8. Perform ~~The scope of work for such contractor also includes~~ any excavation work incidental to work performed in subparagraphs 1.-7., but not ~~thereto, but does not include~~ any work such as liquefied petroleum or natural gas fuel lines

within buildings, except for disconnecting or reconnecting changeouts of liquefied petroleum or natural gas appliances within buildings; potable water lines or connections thereto; sanitary sewer lines; swimming pool piping and filters; or electrical power wiring.

9. ~~A Class A air-conditioning contractor may~~ Test and evaluate central air-conditioning, refrigeration, heating, and ventilating systems, including duct work; however, a mandatory licensing requirement is not established for the performance of these specific services.

(i) "Mechanical contractor" means a contractor whose services are unlimited in the execution of contracts requiring the experience, knowledge, and skill to:

1. Install, maintain, repair, fabricate, alter, extend, or design, if not prohibited by law, central air-conditioning, refrigeration, heating, and ventilating systems, including duct work in connection with a complete system if such duct work is performed by the contractor as necessary to complete an air-distribution system, boiler and unfired pressure vessel systems, lift station equipment and piping, and all appurtenances, apparatus, or equipment used in connection therewith, and any duct cleaning and equipment sanitizing that requires at least a partial disassembling of the system.~~; to~~

2. Install, maintain, repair, fabricate, alter, extend, or design, if not prohibited by law, piping, insulation of pipes,

vessels and ducts, pressure and process piping, pneumatic control piping, gasoline tanks and pump installations and piping for same, standpipes, air piping, vacuum line piping, oxygen lines, nitrous oxide piping, ink and chemical lines, fuel transmission lines, liquefied petroleum gas lines within buildings, and natural gas fuel lines within buildings.~~; to~~

3. Replace, disconnect, or reconnect power wiring on the line or load side of the dedicated existing electrical disconnect switch on single phase electrical systems.~~; to~~

4. Repair or replace power wiring, disconnects, breakers, or fuses for dedicated HVAC circuits with proper use of a circuit breaker lock.~~; to~~

5. Install, disconnect, and reconnect low voltage heating, ventilating, and air-conditioning control wiring.~~; and to~~

6. Install a condensate drain from an air-conditioning unit to an existing safe waste or other approved disposal other than a direct connection to a sanitary system.

7. Replace and repair existing package pool heaters and connect replacement package pool heaters to existing pool piping. The replacement of an existing package pool heater must use the same make and model as the existing package pool heater. This includes maintaining the flow rate, connection points, and heater specifications without modifications to existing pool piping or system components. The replacement or repair of an existing package pool heater does not include alterations to the

pool's hydraulic system, the addition of bypass valves, the installation of new plumbing, the rerouting of pipes, any changes to the pool's circulation system, or any other modifications beyond what is necessary to disconnect and reconnect the unit to the existing piping.

8. Perform ~~The scope of work for such contractor also includes~~ any excavation work incidental to work performed in subparagraphs 1.-7., but not ~~thereto, but does not include~~ any work such as potable water lines or connections thereto, sanitary sewer lines, swimming pool piping and filters, or electrical power wiring.

9. ~~A mechanical contractor may~~ Test and evaluate central air-conditioning, refrigeration, heating, and ventilating systems, including duct work; however, a mandatory licensing requirement is not established for the performance of these specific services.

Section 2. This act shall take effect July 1, 2026.

HB 661

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 661	**COMPANION BILL:** CS/SB 410 (Truenow)
TITLE: Pub. Rec./Private Investigators	**LINKED BILLS:** None
SPONSOR(S): Stark	**RELATED BILLS:** None

Committee References

Industries & Professional Activities ➤ Government Operations ➤ Commerce

SUMMARY

Effect of the Bill:

- The bill creates a public records exemption for personally identifying information related to current and former private investigators licensed by the Department of Agriculture and Consumer Services (DACS), and their spouses and children. Protects from release the private investigators' home addresses, telephone numbers, dates of birth, and photographs.
- Protects from release the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of current or former private investigators.
- Protects from release the names and locations of schools and day care facilities attended by the children of current or former private investigators.
- States the public policy behind the creation of the exemption.

Fiscal or Economic Impact:
The bill may have an indeterminate negative fiscal impact on state and local governments.
Extraordinary Vote Required for Passage:
The bill requires a two-thirds vote of the members present and voting in both houses of the Legislature for final passage.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

HB 661 creates a public records exemption for personally identifying information for current and former private investigators licensed by the Department of Agriculture and Consumer Services (DACS). Specifically, the following personal identifying and location information will be exempt from public record requirements under the bill: Protects from release the private investigators' home addresses, telephone numbers, dates of birth, and photographs.

- Protects from release the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of current or former private investigators.
- Protects from release the names and locations of schools and day care facilities attended by the children of current or former private investigators. (Section 1)

Pursuant to the Open Government Sunset Review Act, this expanded exemption will be automatically repealed on October 2, 2031, unless reviewed and reenacted by the Legislature. (Section 1)

The bill also provides a statement of public necessity for the personal identifying information to be made exempt due to private investigators' work with sensitive issues such as uncovering fraud, locating missing persons, or

assisting in criminal or civil matters, which causes them to come in contact with people who might have motives to retaliate or cause harm. (Section 2)

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

The bill may have an insignificant negative fiscal impact on state agencies holding records that contain the personal identifying and location information of current and former private investigators licensed by DACS, and their families, as staff responsible for complying with public record requests may require training related to the expanded public record exemption. Additionally, state agencies could incur costs associated with redacting the exempt information prior to releasing records. However, these additional costs will likely be absorbed within existing resources.

LOCAL GOVERNMENT:

The bill may have an insignificant negative fiscal impact on local government entities holding records that contain the personal identifying and location information of current and former private investigators licensed by DACS, and their families, as staff responsible for complying with public record requests may require training related to the public record exemption. Additionally, local agencies could incur costs associated with redacting the exempt information prior to releasing records. However, these additional costs will likely be absorbed within existing resources.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Public Records

Article 1, section 24(a) of the Florida Constitution sets forth the state's public policy regarding access to government records. This section guarantees every person the right to inspect or copy any public record of the legislative, executive, and judicial branches of government[1]. The Legislature, however, may provide by general law for exemption[2] from public records requirements provided that the exemption passes by a two-thirds vote of each chamber, states with specificity the public necessity justifying the exemption, and is no broader than necessary to meet its public purpose.[3]

The Florida Statutes also address the public policy regarding access to government records. Section 119.017(1), F.S., guarantees every person the right to inspect and copy any state, county, or municipal record, unless the record is exempt.[4] Furthermore, the Open Government Sunset Review Act[5] provides that a public record exemption may be created, revised, or maintained only if it serves an identifiable public purposed and the Legislatures finds that the purpose is sufficiently compelling to override the strong pubic policy of open government and cannot be accomplished without the exemption.[6] An identifiable public purpose is served if the exemption meets one of the following purposes:

- Allows the state or its political subdivisions to effectively and efficiently administer a governmental program, which administration would be significantly impaired without the exemption.

[1] Art. 1, s. 24(a), Fla. Const.
[2] A public record exemption means a provision of general law which provides that a specified record, or portion thereof, is not subject the access requirements of s. 11907(1), F.S., or s. 24, art. I of the Florida Constitution. *See* s. 119.011(8), F.S.
[3] Art. 1, s. 24(c), Fla. Const.
[4] *See* S. 119.01, F.S.
[5] S. 119.15, F.S.
[6] S. 119.15(6)(b), F.S.

- Protects sensitive personal information that, if released, would be defamatory or would jeopardize an individual's safety; however, only the identity of an individual may be exempted under this provision; or
- Protects trade or business secrets.[7]

Pursuant to the Open Government Sunset Review Act, a new public record exemption or substantial amendment of an existing public record exemption is repealed on October 2nd of the fifth year following enactment, unless the Legislature reenacts the exemption.[8]

Furthermore, there is a difference between records the Legislature designates as exempt from public record requirements and those the Legislature deems confidential and exempt. A record classified as exempt from public disclosure may be disclosed under certain circumstances. However, if the Legislature designates a record as confidential and exempt from public disclosure, such record may not be released by the custodian of public records to anyone other than the persons or entities specifically designated in statute.[9]

Licensing of Private Investigators

A "private investigator" is defined as any individual who, for consideration, advertises as providing or performs private investigation.[10] To qualify for a license an applicant must be at least 18 years old, must be a citizen or legal resident or have authority to work in the US.[11] Additionally, the applicant must have two years of lawfully gained, verifiable, full-time experience and pass an examination.[12] DACS provides the license application and instructions on its website.[13]

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Industries & Professional Activities Subcommittee			Anstead	Miralia
Government Operations Subcommittee				
Commerce Committee				

[7] *Id.*
[8] S. 119.15(3), F.S.
[9] See WFTV, Inc. v. the School Board of Seminole, 874 So 2d 48, 53 (Fla. 5th DCA 2004), review denied 892 So. 2d 1015 (Fla. 2004); City of Riviera Beach v. Barfield, 642 So. 2d 1135 (Fla. 4th DCA 1994); Williams v. City of Minneola, 575 So. 2d 687 (Fla. 5th DCA 1991); See Attorney General Opinion 85-62 (August 1, 1985).
[10] S. 493.6101(16), F.S.
[11] S. 493.6106(1), F.S.
[12] S. 493.6203(4), F.S.
[13] Class "C" Private Investigator License Requirements / Private Investigation Licenses / Business Services / Home - Florida Department of Agriculture & Consumer Services, last viewed December 17, 2025.

A bill to be entitled

An act relating to public records; amending s. 119.071, F.S.; providing an exemption from public records requirements for the personal identifying and location information of current and former private investigators licensed by the Department of Agriculture and Consumer Services and the spouses and children of such private investigators; providing for future legislative review and repeal of the exemption; providing for retroactive application; providing a statement of public necessity; providing an effective date.

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

Section 1. Paragraph (d) of subsection (4) of section 119.071, Florida Statutes, is amended to read:

119.071 General exemptions from inspection or copying of public records.—

(4) AGENCY PERSONNEL INFORMATION.—

(d)1. For purposes of this paragraph, the term:

a. "Home addresses" means the dwelling location at which an individual resides and includes the physical address, mailing address, street address, parcel identification number, plot identification number, legal property description, neighborhood

name and lot number, GPS coordinates, and any other descriptive property information that may reveal the home address.

b. "Judicial assistant" means a court employee assigned to the following class codes: 8140, 8150, 8310, and 8320.

c. "Telephone numbers" includes home telephone numbers, personal cellular telephone numbers, personal pager telephone numbers, and telephone numbers associated with personal communications devices.

2.a. The home addresses, telephone numbers, dates of birth, and photographs of active or former sworn law enforcement personnel or of active or former civilian personnel employed by a law enforcement agency, including correctional and correctional probation officers, personnel of the Department of Children and Families whose duties include the investigation of abuse, neglect, exploitation, fraud, theft, or other criminal activities, personnel of the Department of Health whose duties are to support the investigation of child abuse or neglect, and personnel of the Department of Revenue or local governments whose responsibilities include revenue collection and enforcement or child support enforcement; the names, home addresses, telephone numbers, photographs, dates of birth, and places of employment of the spouses and children of such personnel; and the names and locations of schools and day care facilities attended by the children of such personnel are exempt from s. 119.07(1) and s. 24(a), Art. I of the State

Constitution.

b. The home addresses, telephone numbers, dates of birth, and photographs of current or former nonsworn investigative personnel of the Department of Financial Services whose duties include the investigation of fraud, theft, workers' compensation coverage requirements and compliance, other related criminal activities, or state regulatory requirement violations; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of such personnel; and the names and locations of schools and day care facilities attended by the children of such personnel are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

c. The home addresses, telephone numbers, dates of birth, and photographs of current or former nonsworn investigative personnel of the Office of Financial Regulation's Bureau of Financial Investigations whose duties include the investigation of fraud, theft, other related criminal activities, or state regulatory requirement violations; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of such personnel; and the names and locations of schools and day care facilities attended by the children of such personnel are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

d. The home addresses, telephone numbers, dates of birth,

and photographs of current or former firefighters certified in compliance with s. 633.408; the names, home addresses, telephone numbers, photographs, dates of birth, and places of employment of the spouses and children of such firefighters; and the names and locations of schools and day care facilities attended by the children of such firefighters are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

e. The home addresses, dates of birth, and telephone numbers of current or former justices of the Supreme Court, district court of appeal judges, circuit court judges, and county court judges and current judicial assistants; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of current or former justices and judges and current judicial assistants; and the names and locations of schools and day care facilities attended by the children of current or former justices and judges and of current judicial assistants are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. This sub-subparagraph is subject to the Open Government Sunset Review Act in accordance with s. 119.15 and shall stand repealed on October 2, 2028, unless reviewed and saved from repeal through reenactment by the Legislature.

f. The home addresses, telephone numbers, dates of birth, and photographs of current or former state attorneys, assistant state attorneys, statewide prosecutors, or assistant statewide

prosecutors; the names, home addresses, telephone numbers, photographs, dates of birth, and places of employment of the spouses and children of current or former state attorneys, assistant state attorneys, statewide prosecutors, or assistant statewide prosecutors; and the names and locations of schools and day care facilities attended by the children of current or former state attorneys, assistant state attorneys, statewide prosecutors, or assistant statewide prosecutors are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

g. The home addresses, dates of birth, and telephone numbers of general magistrates, special magistrates, judges of compensation claims, administrative law judges of the Division of Administrative Hearings, and child support enforcement hearing officers; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of general magistrates, special magistrates, judges of compensation claims, administrative law judges of the Division of Administrative Hearings, and child support enforcement hearing officers; and the names and locations of schools and day care facilities attended by the children of general magistrates, special magistrates, judges of compensation claims, administrative law judges of the Division of Administrative Hearings, and child support enforcement hearing officers are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

h. The home addresses, telephone numbers, dates of birth, and photographs of current or former human resource, labor relations, or employee relations directors, assistant directors, managers, or assistant managers of any local government agency or water management district whose duties include hiring and firing employees, labor contract negotiation, administration, or other personnel-related duties; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of such personnel; and the names and locations of schools and day care facilities attended by the children of such personnel are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

i. The home addresses, telephone numbers, dates of birth, and photographs of current or former code enforcement officers; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of such personnel; and the names and locations of schools and day care facilities attended by the children of such personnel are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

j. The home addresses, telephone numbers, places of employment, dates of birth, and photographs of current or former guardians ad litem, as defined in s. 39.01; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of such persons; and the

names and locations of schools and day care facilities attended by the children of such persons are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

k. The home addresses, telephone numbers, dates of birth, and photographs of current or former juvenile probation officers, juvenile probation supervisors, detention superintendents, assistant detention superintendents, juvenile justice detention officers I and II, juvenile justice detention officer supervisors, juvenile justice residential officers, juvenile justice residential officer supervisors I and II, juvenile justice counselors, juvenile justice counselor supervisors, human services counselor administrators, senior human services counselor administrators, rehabilitation therapists, and social services counselors of the Department of Juvenile Justice; the names, home addresses, telephone numbers, dates of birth, and places of employment of spouses and children of such personnel; and the names and locations of schools and day care facilities attended by the children of such personnel are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

l. The home addresses, telephone numbers, dates of birth, and photographs of current or former public defenders, assistant public defenders, criminal conflict and civil regional counsel, and assistant criminal conflict and civil regional counsel; the names, home addresses, telephone numbers, dates of birth, and

places of employment of the spouses and children of current or former public defenders, assistant public defenders, criminal conflict and civil regional counsel, and assistant criminal conflict and civil regional counsel; and the names and locations of schools and day care facilities attended by the children of current or former public defenders, assistant public defenders, criminal conflict and civil regional counsel, and assistant criminal conflict and civil regional counsel are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

m. The home addresses, telephone numbers, dates of birth, and photographs of current or former investigators or inspectors of the Department of Business and Professional Regulation; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of such current or former investigators and inspectors; and the names and locations of schools and day care facilities attended by the children of such current or former investigators and inspectors are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

n. The home addresses, telephone numbers, and dates of birth of county tax collectors; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of such tax collectors; and the names and locations of schools and day care facilities attended by the children of such tax collectors are exempt from s. 119.07(1) and

s. 24(a), Art. I of the State Constitution.

o. The home addresses, telephone numbers, dates of birth, and photographs of current or former personnel of the Department of Health whose duties include, or result in, the determination or adjudication of eligibility for social security disability benefits, the investigation or prosecution of complaints filed against health care practitioners, or the inspection of health care practitioners or health care facilities licensed by the Department of Health; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of such personnel; and the names and locations of schools and day care facilities attended by the children of such personnel are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

p. The home addresses, telephone numbers, dates of birth, and photographs of current or former impaired practitioner consultants who are retained by an agency or current or former employees of an impaired practitioner consultant whose duties result in a determination of a person's skill and safety to practice a licensed profession; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of such consultants or their employees; and the names and locations of schools and day care facilities attended by the children of such consultants or employees are exempt from s. 119.07(1) and s. 24(a), Art. I of the State

Constitution.

q. The home addresses, telephone numbers, dates of birth, and photographs of current or former emergency medical technicians or paramedics certified under chapter 401; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of such emergency medical technicians or paramedics; and the names and locations of schools and day care facilities attended by the children of such emergency medical technicians or paramedics are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

r. The home addresses, telephone numbers, dates of birth, and photographs of current or former personnel employed in an agency's office of inspector general or internal audit department whose duties include auditing or investigating waste, fraud, abuse, theft, exploitation, or other activities that could lead to criminal prosecution or administrative discipline; the names, home addresses, telephone numbers, dates of birth, and places of employment of spouses and children of such personnel; and the names and locations of schools and day care facilities attended by the children of such personnel are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

s. The home addresses, telephone numbers, dates of birth, and photographs of current or former directors, managers,

supervisors, nurses, and clinical employees of an addiction treatment facility; the home addresses, telephone numbers, photographs, dates of birth, and places of employment of the spouses and children of such personnel; and the names and locations of schools and day care facilities attended by the children of such personnel are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. For purposes of this sub-subparagraph, the term "addiction treatment facility" means a county government, or agency thereof, that is licensed pursuant to s. 397.401 and provides substance abuse prevention, intervention, or clinical treatment, including any licensed service component described in s. 397.311(27).

t. The home addresses, telephone numbers, dates of birth, and photographs of current or former directors, managers, supervisors, and clinical employees of a child advocacy center that meets the standards of s. 39.3035(2) and fulfills the screening requirement of s. 39.3035(3), and the members of a Child Protection Team as described in s. 39.303 whose duties include supporting the investigation of child abuse or sexual abuse, child abandonment, child neglect, and child exploitation or to provide services as part of a multidisciplinary case review team; the names, home addresses, telephone numbers, photographs, dates of birth, and places of employment of the spouses and children of such personnel and members; and the names and locations of schools and day care facilities attended

by the children of such personnel and members are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

u. The home addresses, telephone numbers, places of employment, dates of birth, and photographs of current or former staff and domestic violence advocates, as defined in s. 90.5036(1)(b), of domestic violence centers certified by the Department of Children and Families under chapter 39; the names, home addresses, telephone numbers, places of employment, dates of birth, and photographs of the spouses and children of such personnel; and the names and locations of schools and day care facilities attended by the children of such personnel are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

v. The home addresses, telephone numbers, dates of birth, and photographs of current or former inspectors or investigators of the Department of Agriculture and Consumer Services; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of current or former inspectors or investigators; and the names and locations of schools and day care facilities attended by the children of current or former inspectors or investigators are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. This sub-subparagraph is subject to the Open Government Sunset Review Act in accordance with s. 119.15 and shall stand repealed on October 2, 2028, unless reviewed and saved from repeal through

reenactment by the Legislature.

w. The home addresses, telephone numbers, dates of birth, and photographs of current county attorneys, assistant county attorneys, deputy county attorneys, city attorneys, assistant city attorneys, and deputy city attorneys; the names, home addresses, telephone numbers, photographs, dates of birth, and places of employment of the spouses and children of current county attorneys, assistant county attorneys, deputy county attorneys, city attorneys, assistant city attorneys, and deputy city attorneys; and the names and locations of schools and day care facilities attended by the children of current county attorneys, assistant county attorneys, deputy county attorneys, city attorneys, assistant city attorneys, and deputy city attorneys are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. This exemption does not apply to a county attorney, assistant county attorney, deputy county attorney, city attorney, assistant city attorney, or deputy city attorney who qualifies as a candidate for election to public office. This sub-subparagraph is subject to the Open Government Sunset Review Act in accordance with s. 119.15 and shall stand repealed on October 2, 2029, unless reviewed and saved from repeal through reenactment by the Legislature.

x. The home addresses, telephone numbers, dates of birth, and photographs of current or former commissioners of the Florida Gaming Control Commission; the names, home addresses,

telephone numbers, dates of birth, photographs, and places of employment of the spouses and children of such current or former commissioners; and the names and locations of schools and day care facilities attended by the children of such current or former commissioners are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. This sub-subparagraph is subject to the Open Government Sunset Review Act in accordance with s. 119.15 and shall stand repealed on October 2, 2029, unless reviewed and saved from repeal through reenactment by the Legislature.

y. The home addresses, telephone numbers, dates of birth, and photographs of current clerks of the circuit court, deputy clerks of the circuit court, and clerk of the circuit court personnel; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of current clerks of the circuit court, deputy clerks of the circuit court, and clerk of the circuit court personnel; and the names and locations of schools and day care facilities attended by the children of current clerks of the circuit court, deputy clerks of the circuit court, and clerk of the circuit court personnel are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. This sub-subparagraph is subject to the Open Government Sunset Review Act in accordance with s. 119.15 and shall stand repealed on October 2, 2029, unless reviewed and saved from repeal through reenactment by the Legislature.

z.(I) As used in this sub-subparagraph, the term:

(A) "Congressional member" means a person who is elected to serve as a member of the United States House of Representatives or is elected or appointed to serve as a member of the United States Senate.

(B) "Partial home address" means the dwelling location at which an individual resides and includes the physical address, mailing address, street address, parcel identification number, plot identification number, legal property description, neighborhood name and lot number, GPS coordinates, and any other descriptive property information that may reveal the partial home address, except for the city and zip code.

(C) "Public officer" means a person who holds one of the following offices: Governor, Lieutenant Governor, Chief Financial Officer, Attorney General, Agriculture Commissioner, state representative, state senator, property appraiser, supervisor of elections, school superintendent, school board member, mayor, city commissioner, or county commissioner.

(II) The following information is exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution:

(A) The partial home addresses of a current congressional member or public officer and his or her spouse or adult child.

(B) The telephone numbers of a current congressional member or public officer and his or her spouse or adult child.

(C) The name, home addresses, telephone numbers, and date

of birth of a minor child of a current congressional member or public officer and the name and location of the school or day care facility attended by the minor child.

(III) This sub-subparagraph is subject to the Open Government Sunset Review Act in accordance with s. 119.15 and shall stand repealed on October 2, 2030, unless reviewed and saved from repeal through reenactment by the Legislature.

aa. The home addresses, telephone numbers, dates of birth, and photographs of current or former private investigators licensed by the Department of Agriculture and Consumer Services; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of current or former private investigators licensed by the Department of Agriculture and Consumer Services; and the names and locations of schools and day care facilities attended by the children of current or former private investigators licensed by the Department of Agriculture and Consumer Services are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. This sub-subparagraph is subject to the Open Government Sunset Review Act in accordance with s. 119.15 and shall stand repealed on October 2, 2031, unless reviewed and saved from repeal through reenactment by the Legislature.

3.a. An agency that is the custodian of the information specified in subparagraph 2. and that is not the employer of the officer, employee, justice, judge, or other person specified in

subparagraph 2. must maintain the exempt status of that information only if the officer, employee, justice, judge, other person, or employing agency of the designated employee submits a written and notarized request for maintenance of the exemption to the custodial agency. The request must state under oath the statutory basis for the individual's exemption request and confirm the individual's status as a party eligible for exempt status.

b. An agency that is the custodian of information specified in sub-subparagraph 2.z. and that is not the employer of the congressional member, public officer, or other person specified in sub-subparagraph 2.z. must maintain the exempt status of that information only if an individual requests the maintenance of an exemption pursuant to sub-subparagraph 2.z. on the basis of eligibility as a current congressional member or public officer and his or her spouse or child submits, as part of the written and notarized request required by sub-subparagraph a., the date of the congressional member's or public officer's election or appointment to public office, the date on which that office is next subject to election, and, if applicable, the date on which the current congressional member's or public officer's minor child reaches the age of majority. The custodian must maintain an exemption granted pursuant to sub-subparagraph 2.z. until the qualifying conditions for the exemption no longer apply to the person subject to the

exemption.

4.a. A county property appraiser, as defined in s. 192.001(3), or a county tax collector, as defined in s. 192.001(4), who receives a written and notarized request for maintenance of the exemption pursuant to subparagraph 3. must comply by removing the name of the individual with exempt status and the instrument number or Official Records book and page number identifying the property with the exempt status from all publicly available records maintained by the property appraiser or tax collector. For written requests received on or before July 1, 2021, a county property appraiser or county tax collector must comply with this sub-subparagraph by October 1, 2021. A county property appraiser or county tax collector may not remove the street address, legal description, or other information identifying real property within the agency's records so long as a name or personal information otherwise exempt from inspection and copying pursuant to this section is not associated with the property or otherwise displayed in the public records of the agency.

b. Any information restricted from public display, inspection, or copying under sub-subparagraph a. must be provided to the individual whose information was removed.

5. An officer, an employee, a justice, a judge, or other person specified in subparagraph 2. may submit a written request for the release of his or her exempt information to the

custodial agency. The written request must be notarized and must specify the information to be released and the party authorized to receive the information. Upon receipt of the written request, the custodial agency must release the specified information to the party authorized to receive such information.

6. The exemptions in this paragraph apply to information held by an agency before, on, or after the effective date of the exemption.

7. Information made exempt under this paragraph may be disclosed pursuant to s. 28.2221 to a title insurer authorized pursuant to s. 624.401 and its affiliates as defined in s. 624.10; a title insurance agent or title insurance agency as defined in s. 626.841(1) or (2), respectively; or an attorney duly admitted to practice law in this state and in good standing with The Florida Bar.

8. The exempt status of a home address contained in the Official Records is maintained only during the period when a protected party resides at the dwelling location. Upon conveyance of real property after October 1, 2021, and when such real property no longer constitutes a protected party's home address as defined in sub-subparagraph 1.a., the protected party must submit a written request to release the removed information to the county recorder. The written request to release the removed information must be notarized, must confirm that a protected party's request for release is pursuant to a

conveyance of his or her dwelling location, and must specify the Official Records book and page, instrument number, or clerk's file number for each document containing the information to be released.

9. Upon the death of a protected party as verified by a certified copy of a death certificate or court order, any party can request the county recorder to release a protected decedent's removed information unless there is a related request on file with the county recorder for continued removal of the decedent's information or unless such removal is otherwise prohibited by statute or by court order. The written request to release the removed information upon the death of a protected party must attach the certified copy of a death certificate or court order and must be notarized, must confirm the request for release is due to the death of a protected party, and must specify the Official Records book and page number, instrument number, or clerk's file number for each document containing the information to be released. A fee may not be charged for the release of any document pursuant to such request.

Section 2. The Legislature finds that it is a public necessity that the home addresses, telephone numbers, dates of birth, and photographs of current and former private investigators licensed by the Department of Agriculture and Consumer Services; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and

children of current and former private investigators licensed by the Department of Agriculture and Consumer Services; and the names and locations of schools and day care facilities attended by the children of current and former private investigators licensed by the Department of Agriculture and Consumer Services be made exempt from s. 119.07(1), Florida Statutes, and s. 24(a), Article I of the State Constitution. Private investigators routinely engage in sensitive work that may involve uncovering fraud, locating missing persons, or assisting in criminal and civil matters. In the course of their duties, private investigators often interact with individuals who have strong motives to retaliate or cause harm. Public access to a private investigator's home address or personal information could expose private investigators and their families to threats, harassment, stalking, or physical violence. Protecting this information does not diminish transparency or accountability in government but instead balances the public's right to access records with this state's compelling interest in safeguarding the personal safety of those who provide critical private investigative services. Therefore, exempting such information from public records requirements is a reasonable and necessary measure to ensure the security and privacy of private investigators and their families while preserving the integrity of this state's public records system.

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

INDUSTRIES & PROFESSIONAL ACTIVITIES SUBCOMMITTEE

HB 661 by Rep. Stark
Pub. Rec./Private Investigators

AMENDMENT SUMMARY
January 14, 2026

The amendment moves the location of the public records exemption from subsection (4) of s. 119.071, F.S., to subsection (5).

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: Industries & Professional Activities Subcommittee

Representative Stark offered the following:

Amendment

Remove everything after the enacting clause and insert:

Section 1. Paragraph (l) is added to subsection (5) of section 119.071, Florida Statutes, to read:

119.071 General exemptions from inspection or copying of public records.—

(5) OTHER PERSONAL INFORMATION.—

(l) The home addresses, telephone numbers, dates of birth, and photographs of current and former private investigators licensed by the Department of Agriculture and Consumer Services; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of current

and former private investigators licensed by the Department of Agriculture and Consumer Services; and the names and locations of schools and day care facilities attended by the children of current and former private investigators licensed by the Department of Agriculture and Consumer Services are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. This paragraph is subject to the Open Government Sunset Review Act in accordance with s. 119.15 and shall stand repealed on October 2, 2031, unless reviewed and saved from repeal through reenactment by the Legislature.

Section 2. The Legislature finds that it is a public necessity that the home addresses, telephone numbers, dates of birth, and photographs of current and former private investigators licensed by the Department of Agriculture and Consumer Services; the names, home addresses, telephone numbers, dates of birth, and places of employment of the spouses and children of current and former private investigators licensed by the Department of Agriculture and Consumer Services; and the names and locations of schools and day care facilities attended by the children of current and former private investigators licensed by the Department of Agriculture and Consumer Services be made exempt from s. 119.07(1), Florida Statutes, and s. 24(a), Article I of the State Constitution. Private investigators routinely engage in sensitive work that may involve uncovering fraud, locating missing persons, or assisting

in criminal and civil matters. In the course of their duties, private investigators often interact with individuals who have strong motives to retaliate or cause harm. Public access to a private investigator's home address or personal information could expose private investigators and their families to threats, harassment, stalking, or physical violence. Protecting this information does not diminish transparency or accountability in government but instead balances the public's right to access records with this state's compelling interest in safeguarding the personal safety of those who provide critical private investigative services. Therefore, exempting such information from public records requirements is a reasonable and necessary measure to ensure the security and privacy of private investigators and their families while preserving the integrity of this state's public records system.

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

HB 679

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 679	**COMPANION BILL:** SB 696 (Martin)
TITLE: Registration of Trademarks	**LINKED BILLS:** None
SPONSOR(S): Greco	**RELATED BILLS:** SB 476 (Martin); SB 696 (Martin)

Committee References

Industries & Professional Activities ➤ Transportation & Economic Development Budget ➤ Commerce

SUMMARY

Effect of the Bill:
The bill:

- Removes the general classes for trademarks of goods and services currently set in statute.
- Mandates that the Florida Department of State adopt the United States Patent and Trademark Office's system of classification of goods and services as the state's classification.
- The adoption must be done annually, and the system that is in place on June 1 of that year must be adopted by the department by July 1.
- Directs the department to establish a website where an applicant can apply for or apply for renewal of a trademark.
- Requires the submittal of an electronic trademark specimen with the application.

Fiscal or Economic Impact:
None

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

A person is a trademark owner as soon as he or she begins to use the trademark. However, registering a trademark provides broader rights and protections to the trademark holder.[1] A person can register their trademark with either the United States Patent and Trademark Office for a federal trademark registration or the Florida Department of State for a Florida trademark registration or both. Both federal and state registration requires classification, and the international classification of goods and services is the controlling classification system. The classification of goods and services is currently set in Florida statutes[2]; however, the Nice Agreement which sets the international class headings and is utilized by the United States Patent and Trademark Office, is updated regularly.[3] The bill would require that the Department of State adopt the most current version. (Section 1)

The bill would also require that the Department of State establish a website for electronic trademark registration, and that applicants provide an electronic version of the trademark specimen when applying for state trademark registration. Currently, trademark registration is only available through printed application mailed to the

[1] What is a trademark? | USPTO, last visited December 23, 2025.
[2] S. 495.111(1), F.S.
[3] Nice Agreement current edition version - general remarks, class headings and explanatory notes | USPTO, last visited December 23, 2025.

Department of State's Division of Corporations.[4] The department must make the online application available by July 1, 2027. (Section 2)

The bill adds a requirement that document verification must be made in accordance with the state law for verification of documents. (Section 3)

The bill has an effective date of July 1, 2026. (Section 4)

RELEVANT INFORMATION

SUBJECT OVERVIEW:

TRADEMARK:
A trademark is any word, name, symbol, or device, or any combination thereof, used by a person to identify and distinguish the goods of such person, including a unique product, from those manufactured or sold by others, and to indicate the source of the goods, even if the source is unknown.[5] Trademarks for goods and services are sorted into classes. The classifications are broad categories which allow the goods or services to be organized and located in database searches.[6]

REGISTRATION:
While trademark owners who do not register their trademarks still have common law rights to the trademark, the benefits of trademark registration include public notice of registration, the legal presumption of ownership and right to use, and the right to bring a lawsuit to enforce trademark protections.[7]

NICE AGREEMENT:
The Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks is a treaty signed in 1957[8] establishing the Nice Classification which is an international classification of goods and services applied for the registration of marks. A new edition is published every five years with a new version of each addition published annually.[9] The Committee of Experts of the Nice Union sets the classification, and the World Intellectual Property Organization publishes the Nice Classification on its website.[10] The United States has been using this classification system since 1973. It is codified in 37 CFR § 6.1.

[4] Trademark and Service Mark - Division of Corporations - Florida Department of State, last visited December 23, 2025.
[5] S. 495.011(13) F.S.
[6] Goods and services | USPTO, last visited December 23, 2025.
[7] Why register your trademark? | USPTO, last visited January 8, 2026.
[8] Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks, last visited December 23, 2025.
[9] Nice Classification, last visited December 23, 2025.
[10] Nice Agreement current edition version - general remarks, class headings and explanatory notes | USPTO, last visited December 23, 2025.

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Industries & Professional Activities Subcommittee			Anstead	Miralia
Transportation & Economic Development Budget Subcommittee				
Commerce Committee				

A bill to be entitled

An act relating to registration of trademarks; amending s. 495.111, F.S.; removing provisions relating to the classification of goods and services for trademark purposes; requiring the Department of State to adopt a federal system of classification each year; requiring the classification to be published as part of the trademark registration application; creating s. 495.0315, F.S.; requiring the department to establish and maintain a secure Internet website that allows submission of an online trademark registration application and renewal application; providing website requirements; requiring the department to make the online application system available by a specified date; amending s. 495.031, F.S.; providing online application requirements; providing an effective date.

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

Section 1. Subsection (1) of section 495.111, Florida Statutes, is amended to read:

495.111 Classification.—

(1) The department shall, no later than July 1 of each year, adopt as the state classification system the United States

Patent and Trademark Office's system of classification of goods and services in effect on June 1 of that year. The classification shall be published as part of the trademark registration application as set forth in ss. 495.031 and 495.0315. ~~The following general classes of goods and services, conforming to the classification adopted by the United States Patent and Trademark Office, are established for convenience of administration of this chapter:~~

~~(a) Goods:~~

~~1. Class 1. Chemicals for use in industry, science and photography, as well as in agriculture, horticulture and forestry; unprocessed artificial resins, unprocessed plastics; fire extinguishing and fire prevention compositions; tempering and soldering preparations; substances for tanning animal skins and hides; adhesives for use in industry; putties and other paste fillers; compost, manures, fertilizers; biological preparations for use in industry and science.~~

~~2. Class 2. Paints, varnishes, lacquers; preservatives against rust and against deterioration of wood; colorants, dyes; inks for printing, marking and engraving; raw natural resins; metals in foil and powder form for use in painting, decorating, printing and art.~~

~~3. Class 3. Non-medicated cosmetics and toiletry preparations; non-medicated dentifrices; perfumery, essential oils; bleaching preparations and other substances for laundry~~

~~use; cleaning, polishing, scouring and abrasive preparations.~~

~~4. Class 4 Industrial oils and greases, wax; lubricants; dust absorbing, wetting and binding compositions; fuels and illuminants; candles and wicks for lighting.~~

~~5. Class 5 Pharmaceuticals, medical and veterinary preparations; sanitary preparations for medical purposes; dietetic food and substances adapted for medical or veterinary use, food for babies; dietary supplements for humans and animals; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides.~~

~~6. Class 6 Common metals and their alloys, ores; metal materials for building and construction; transportable buildings of metal; non-electric cables and wires of common metal; small items of metal hardware; metal containers for storage or transport; safes.~~

~~7. Class 7 Machines, machine tools, power-operated tools; motors and engines, except for land vehicles; machine coupling and transmission components, except for land vehicles; agricultural implements, other than hand-operated hand tools; incubators for eggs; automatic vending machines.~~

~~8. Class 8 Hand tools and implements, hand-operated; cutlery; side arms, except firearms; razors.~~

~~9. Class 9 Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signaling,~~

~~checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; compact discs, DVDs and other digital recording media; mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment, computers; computer software; fire-extinguishing apparatus.~~

~~10. Class 10 Surgical, medical, dental and veterinary apparatus and instruments; artificial limbs, eyes and teeth; orthopaedic articles; suture materials; therapeutic and assistive devices adapted for the disabled; massage apparatus; apparatus, devices and articles for nursing infants; sexual activity apparatus, devices and articles.~~

~~11. Class 11 Apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes.~~

~~12. Class 12 Vehicles; apparatus for locomotion by land, air or water.~~

~~13. Class 13 Firearms; ammunition and projectiles; explosives; fireworks.~~

~~14. Class 14 Precious metals and their alloys; jewellery, precious and semi-precious stones; horological and chronometric instruments.~~

~~15. Class 15. Musical instruments.~~

~~16. Class 16. Paper and cardboard; printed matter; bookbinding material; photographs; stationery and office requisites, except furniture; adhesives for stationery or household purposes; drawing materials and materials for artists; paintbrushes; instructional and teaching materials; plastic sheets, films and bags for wrapping and packaging; printers' type, printing blocks.~~

~~17. Class 17. Unprocessed and semi-processed rubber, gutta-percha, gum, asbestos, mica and substitutes for all these materials; plastics and resins in extruded form for use in manufacture; packing, stopping and insulating materials; flexible pipes, tubes and hoses, not of metal.~~

~~18. Class 18. Leather and imitations of leather; animal skins and hides; luggage and carrying bags; umbrellas and parasols; walking sticks; whips, harness and saddlery; collars, leashes and clothing for animals.~~

~~19. Class 19. Building materials (non-metallic); non-metallic rigid pipes for building; asphalt, pitch and bitumen; non-metallic transportable buildings; monuments, not of metal.~~

~~20. Class 20. Furniture, mirrors, picture frames; containers, not of metal, for storage or transport; unworked or semi-worked bone, horn, whalebone or mother-of-pearl; shells; meerschaum; yellow amber.~~

~~21. Class 21. Household or kitchen utensils and~~

~~containers; cookware and tableware, except forks, knives and spoons; combs and sponges; brushes, except paintbrushes; brush-making materials; articles for cleaning purposes; unworked or semi-worked glass, except building glass; glassware, porcelain and earthenware.~~

~~22. Class 22 Ropes and string; nets; tents and tarpaulins; awnings of textile or synthetic materials; sails; sacks for the transport and storage of materials in bulk; padding, cushioning and stuffing materials, except of paper, cardboard, rubber or plastics; raw fibrous textile materials and substitutes therefor.~~

~~23. Class 23 Yarns and threads, for textile use.~~

~~24. Class 24 Textiles and substitutes for textiles; household linen; curtains of textile or plastic.~~

~~25. Class 25 Clothing, footwear, headgear.~~

~~26. Class 26 Lace and embroidery, ribbons and braid; buttons, hooks and eyes, pins and needles; artificial flowers; hair decorations; false hair.~~

~~27. Class 27 Carpets, rugs, mats and matting, linoleum and other materials for covering existing floors; wall hangings (non-textile).~~

~~28. Class 28 Games, toys and playthings; video game apparatus; gymnastic and sporting articles; decorations for Christmas trees.~~

~~29. Class 29 Meat, fish, poultry and game; meat extracts;~~

~~preserved, frozen, dried and cooked fruits and vegetables; jellies, jams, compotes; eggs; milk and milk products; oils and fats for food.~~

~~30. Class 30 Coffee, tea, cocoa and artificial coffee; rice; tapioca and sago; flour and preparations made from cereals; bread, pastries and confectionery; edible ices; sugar, honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces (condiments); spices; ice (frozen water).~~

~~31. Class 31 Raw and unprocessed agricultural, aquacultural, horticultural and forestry products; raw and unprocessed grains and seeds; fresh fruits and vegetables, fresh herbs; natural plants and flowers; bulbs, seedlings and seeds for planting; live animals; foodstuffs and beverages for animals; malt.~~

~~32. Class 32 Beers; mineral and aerated waters and other non-alcoholic beverages; fruit beverages and fruit juices; syrups and other preparations for making beverages.~~

~~33. Class 33 Alcoholic beverages (except beers).~~

~~34. Class 34 Tobacco; smokers' articles; matches.~~

~~(b) Services:~~

~~1. Class 35 Advertising; business management; business administration; office functions.~~

~~2. Class 36 Insurance; financial affairs; monetary affairs; real estate affairs.~~

~~3. Class 37 Building construction; repair; installation~~

~~services.~~

~~4. Class 38 Telecommunications.~~

~~5. Class 39 Transport; packaging and storage of goods; travel arrangement.~~

~~6. Class 40 Treatment of materials.~~

~~7. Class 41 Education; providing of training; entertainment; sporting and cultural activities.~~

~~8. Class 42 Scientific and technological services and research and design relating thereto; industrial analysis and research services; design and development of computer hardware and software.~~

~~9. Class 43 Services for providing food and drink; temporary accommodation.~~

~~10. Class 44 Medical services; veterinary services; hygienic and beauty care for human beings or animals; agriculture, horticulture and forestry services.~~

~~11. Class 45 Legal services; security services for the physical protection of tangible property and individuals; personal and social services rendered by others to meet the needs of individuals.~~

~~(c) Certification and collective membership marks:~~

~~1. Class 200 Collective membership marks.~~

~~2. Class A Certification marks for goods.~~

~~3. Class B Certification marks for services.~~

~~(d) The goods and services recited in collective trademark~~

~~and collective service mark applications are assigned to the same classes that are appropriate for those goods and services in general.~~

Section 2. Section 495.0315, Florida Statutes, is created to read:

495.0315 Online application for registration.—

(1) The department shall establish and maintain a secure Internet website that allows an applicant to submit an online trademark registration application in accordance with ss. 495.031 and 495.035 and a renewal application in accordance with s. 495.071. The website must safeguard the applicant's information to ensure data integrity and allow the applicant to:

(a) Provide an electronic version of a required specimen of use.

(b) Provide an electronic version of a drawing of the mark.

(c) Pay the fee required by s. 495.191.

(d) Complete the verification required by s. 495.031(5).

(2) The department shall make the online application system required by this section available no later than July 1, 2027.

Section 3. Subsections (5) and (6) of section 495.031, Florida Statutes, are amended to read:

495.031 Application for registration.—

(5) Every application under this section shall be signed

and verified by the applicant or by a member of the firm or an officer or other authorized representative of the business entity applying. Verification must be made in accordance with s. 92.525.

(6) Every paper application under this section shall be accompanied by three specimens or facsimiles showing the mark as actually used. Every online application under this section must be accompanied by an electronic copy of a specimen, complying with the requirements of the department, showing the mark as actually used.

Section 4. This act shall take effect July 1, 2026.

INDUSTRIES & PROFESSIONAL ACTIVITIES SUBCOMMITTEE

HB 679 by Rep. Greco
Registration of Trademarks

AMENDMENT SUMMARY
January 14, 2026

The amendment clarifies that the Department of State shall utilize the international schedule of classes of goods and services as set by 37 CFR §6.1, as amended. The amendment also adds language stating that electronic signatures can be utilized for applications.

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: Industries & Professional Activities Subcommittee

Representative Greco offered the following:

Amendment (with title amendment)

Remove everything after the enacting clause and insert:

Section 1. Subsection (1) of section 495.111, Florida Statutes, is amended to read:

495.111 Classification.—

(1) The department shall utilize the international schedule of classes of goods and services as set by 37 CFR §6.1, as amended, as the state classification system for trademarks. ~~The following general classes of goods and services, conforming to the classification adopted by the United States Patent and Trademark Office, are established for convenience of administration of this chapter:~~

~~(a) Goods:~~

~~1. Class 1 Chemicals for use in industry, science and photography, as well as in agriculture, horticulture and forestry; unprocessed artificial resins, unprocessed plastics; fire extinguishing and fire prevention compositions; tempering and soldering preparations; substances for tanning animal skins and hides; adhesives for use in industry; putties and other paste fillers; compost, manures, fertilizers; biological preparations for use in industry and science.~~

~~2. Class 2 Paints, varnishes, lacquers; preservatives against rust and against deterioration of wood; colorants, dyes; inks for printing, marking and engraving; raw natural resins; metals in foil and powder form for use in painting, decorating, printing and art.~~

~~3. Class 3 Non-medicated cosmetics and toiletry preparations; non-medicated dentifrices; perfumery, essential oils; bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations.~~

~~4. Class 4 Industrial oils and greases, wax; lubricants; dust absorbing, wetting and binding compositions; fuels and illuminants; candles and wicks for lighting.~~

~~5. Class 5 Pharmaceuticals, medical and veterinary preparations; sanitary preparations for medical purposes; dietetic food and substances adapted for medical or veterinary use, food for babies; dietary supplements for humans and~~

~~animals; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides.~~

~~6. Class 6 Common metals and their alloys, ores; metal materials for building and construction; transportable buildings of metal; non-electric cables and wires of common metal; small items of metal hardware; metal containers for storage or transport; safes.~~

~~7. Class 7 Machines, machine tools, power-operated tools; motors and engines, except for land vehicles; machine coupling and transmission components, except for land vehicles; agricultural implements, other than hand-operated hand tools; incubators for eggs; automatic vending machines.~~

~~8. Class 8 Hand tools and implements, hand-operated; cutlery; side arms, except firearms; razors.~~

~~9. Class 9 Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signaling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; compact discs, DVDs and other digital recording media; mechanisms for coin-operated apparatus; cash registers,~~

~~calculating machines, data processing equipment, computers; computer software; fire-extinguishing apparatus.~~

~~10. Class 10 Surgical, medical, dental and veterinary apparatus and instruments; artificial limbs, eyes and teeth; orthopaedic articles; suture materials; therapeutic and assistive devices adapted for the disabled; massage apparatus; apparatus, devices and articles for nursing infants; sexual activity apparatus, devices and articles.~~

~~11. Class 11 Apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes.~~

~~12. Class 12 Vehicles; apparatus for locomotion by land, air or water.~~

~~13. Class 13 Firearms; ammunition and projectiles; explosives; fireworks.~~

~~14. Class 14 Precious metals and their alloys; jewellery, precious and semi-precious stones; horological and chronometric instruments.~~

~~15. Class 15 Musical instruments.~~

~~16. Class 16 Paper and cardboard; printed matter; bookbinding material; photographs; stationery and office requisites, except furniture; adhesives for stationery or household purposes; drawing materials and materials for artists; paintbrushes; instructional and teaching materials; plastic~~

~~sheets, films and bags for wrapping and packaging; printers' type, printing blocks.~~

~~17. Class 17 Unprocessed and semi-processed rubber, gutta-percha, gum, asbestos, mica and substitutes for all these materials; plastics and resins in extruded form for use in manufacture; packing, stopping and insulating materials; flexible pipes, tubes and hoses, not of metal.~~

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~~20. Class 20 Furniture, mirrors, picture frames; containers, not of metal, for storage or transport; unworked or semi-worked bone, horn, whalebone or mother-of-pearl; shells; meerschaum; yellow amber.~~

~~21. Class 21 Household or kitchen utensils and containers; cookware and tableware, except forks, knives and spoons; combs and sponges; brushes, except paintbrushes; brush-making materials; articles for cleaning purposes; unworked or semi-worked glass, except building glass; glassware, porcelain and earthenware.~~

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~~23. Class 23 Yarns and threads, for textile use.~~

~~24. Class 24 Textiles and substitutes for textiles; household linen; curtains of textile or plastic.~~

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~~cereals; bread, pastries and confectionery; edible ices; sugar, honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces (condiments); spices; ice (frozen water).~~

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~~4. Class 38 Telecommunications.~~

~~5. Class 39 Transport; packaging and storage of goods; travel arrangement.~~

~~6. Class 40 Treatment of materials.~~

~~7. Class 41 Education; providing of training; entertainment; sporting and cultural activities.~~

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~~11. Class 45 Legal services; security services for the physical protection of tangible property and individuals; personal and social services rendered by others to meet the needs of individuals.~~

~~(c) Certification and collective membership marks:~~

~~1. Class 200 Collective membership marks.~~

~~2. Class A Certification marks for goods.~~

~~3. Class B Certification marks for services.~~

~~(d) The goods and services recited in collective trademark and collective service mark applications are assigned to the same classes that are appropriate for those goods and services in general.~~

Section 2. Section 495.0315, Florida Statutes, is created to read:

495.0315 Online application for registration.—

(1) The department shall establish and maintain a secure Internet website that allows an applicant to submit an online trademark registration application in accordance with ss. 495.031 and 495.035 and a renewal application in accordance with s. 495.071. The website must safeguard the applicant's information to ensure data integrity and allow the applicant to:

(a) Provide an electronic version of a required specimen of use.

(b) Provide an electronic version of a drawing of the mark.

(c) Pay the fee required by s. 495.191.

(d) Complete the verification required by s. 495.031(5).

(2) The department shall make the online application system required by this section available no later than July 1, 2027.

Section 3. Subsections (5) and (6) of section 495.031, Florida Statutes, are amended to read:

495.031 Application for registration.—

(5) Every application under this section shall be signed and verified by the applicant or by a member of the firm or an officer or other authorized representative of the business entity applying. Verification must be made in accordance with s. 92.525 and may be accomplished electronically in compliance with ss. 668.001-668.006.

(6) Every paper application under this section shall be accompanied by three specimens or facsimiles showing the mark as actually used. Every online application under this section must be accompanied by an electronic copy of a specimen, complying with the requirements of the department, showing the mark as actually used.

Section 4. This act shall take effect July 1, 2026.

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

Remove everything before the enacting clause and insert:
An act relating to registration of trademarks; amending s. 495.111, F.S.; removing provisions relating to the classification of goods and services for trademark purposes; requiring the Department of State to utilize the international schedule of classes of goods and services; creating s. 495.0315, F.S.; requiring the department to establish and maintain a secure Internet website that allows submission of an online trademark registration application and renewal application; providing website requirements; requiring the department to make the online application system available by a specified date; amending s. 495.031, F.S.; providing online application requirements; providing an effective date.

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 797	**COMPANION BILL:** SB 554 (Bernard)
TITLE: Nonprofit Corporations	**LINKED BILLS:** None
SPONSOR(S): Tuck	**RELATED BILLS:** None

Committee References

Industries & Professional Activities ➤ Civil Justice & Claims ➤ Commerce

SUMMARY

Effect of the Bill:
The bill revises Florida statute governing nonprofit corporations to conform with the Model Nonprofit Corporation Act adopted by the American Bar Association and to align related provisions with the Florida Business Corporation Act.

Fiscal or Economic Impact:
None

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill revises the Florida Not For Profit Corporation Act (FNFPCA), ch. 617, F.S., to conform with the Model Nonprofit Corporation Act (MNCA) and to align related provisions with the Florida Business Corporation Act (FBCA). The provisions of the bill are addressed in detail below.

Definitions
The bill creates definitions for the following terms, as such terms are used in the chapter: (Section 9)

- "Applicable county" means the county in which a nonprofit corporation's principal office is or was located.
- "Authorized entity" means a corporation for profit, a limited liability company (LLC), a limited liability partnership, or a limited partnership.
- "Charitable asset" means property that is given, received, or held for a charitable purpose.
- "Charitable purpose" means a purpose that would qualify a nonprofit corporation as tax exempt under s. 501(c)(3) of the Internal Revenue Code or is otherwise considered charitable under Florida law.
- "Eligible entity" means a domestic or foreign nonprofit corporation, corporation for profit, general partnership, limited partnership, LLC, or other unincorporated entity.
- "Eligible interest" means a share, membership or both of the right to receive distributions from the entity or the right to receive notice or vote on issues involving the entity's internal affairs.
- "Entity" means corporations, unincorporated associations, business trusts, estates, LLCs, partnerships, trusts, and a joint or common economic interest, as well as any State, the United States, or any foreign government.
- "Interest holder" means a shareholder of a corporation for profit, a member of a nonprofit corporation, a general partner of a general partnership, a general or limited partner of a limited partnership, a member of a LLC, a shareholder or beneficial owner of a real estate investment trust, a beneficiary of a statutory or business trust, or a direct holder of an interest.

- "Interest holder liability" means personal liability for a liability of an entity or an obligation of an interest holder to contribute to the entity.
- "Nonprofit corporation" means a corporation in which income or profit is not distributable to its members, directors, or officers, except as provided under ch. 617, F.S..
- "Organic rules" means the public organic record and private organic rules of an entity.
    - "Public organic record" means a record of the filings required for formation and any subsequent amendment or restatement of such.
    - "Private organic rule" means the rules governing the internal affairs of an entity, that are binding on its interest holders, and are not part of its public organic record.
- "Protected agreement" includes a document evidencing indebtedness of, an agreement that is binding on, the organic rules of, and an agreement that is binding on the interest holders or directors of a domestic corporation.

Mutual Benefit Corporations

The bill removes the distinction between a mutual benefit corporation and a nonprofit corporation, but maintains all rights and powers available to mutual benefit corporations and members. (Sections 9, 28, and 29)

Corporate Records

The bill revises provisions on required corporate recordkeeping, and establishes the minimum retention period for certain types of records that must be maintained by the nonprofit corporation. (Section 101)

The bill enables nonprofit corporations to impose reasonable restrictions on its members' ability to disclose or otherwise use information maintained as part of the corporate record. However, the bill prohibits a nonprofit corporation from limiting a member's right to inspect the corporate record through its articles of incorporation or bylaws. (Section 102)

The bill expands the required financial disclosures a nonprofit corporation must make to its members and provides mandatory timelines for the required disclosures. However, the bill does provide an exception to stated disclosure timelines when the corporation needs additional time to comply with the request for information. (Section 105)

The bill expands the inspection rights for directors, allowing directors to inspect the corporate record as it relates to their duties at any reasonable time. (Section 106)

Registered Agent

The bill establishes the minimum duties of a nonprofit corporation's registered agent and provides the default rules for changing, replacing, or terminating a registered agent. (Sections 19, 20, and 21)

Corporate Name

The bill allows a nonprofit corporation to register under a nonunique name when the other entity of the same name consents to its use and changes its name to a distinguishable name or when the applicant demonstrates through a final court judgment its right to use the name. (Section 17)

Articles of Incorporation

The bill revises the default process for amending the articles of incorporation for a nonprofit corporation. Any amendment to the articles of incorporation must be approved by both the board of directors and the members of a nonprofit corporation, unless it is limited to:

- Extending the duration of a time limited nonprofit corporation;
- Removing the names or addresses of previous directors or registered agents if a statement of change has been filed;
- Deleting information solely of historical interest;

- Changing the entity name by substituting a word for an abbreviation or adding, removing, or changing a geographical attribution in the name; or
- Restating without change all operative provisions of the articles of incorporation.

Further, the bill details the applicable notice standards and minimum voting requirements for an amendment to the articles of incorporation requiring a member vote. (Section 56)

The bill revises the procedure for filing the articles of amendment and requires additional information be included in the filing, following an amendment to the articles of incorporation. (Section 57)

Board of Directors

The bill defines qualified directors and establishes voting requirements for qualified directors. (Sections 11, 37, and 51)

The bill reduces the minimum number of directors required to be on the board of directors of a nonprofit corporation to one person. However, the bill maintains the three-person minimum requirement for 501(c)(3) organizations. (Section 41)

The bill establishes the default selection process for directors of nonprofit corporations. For nonprofit corporations with members, directors are elected by members, unless the articles of incorporation or bylaws provide otherwise. For nonprofit corporations without members, directors are elected by the board of directors, unless the articles of incorporation or bylaws provide otherwise. (Section 42)

The bill establishes the default term length for directors as 1 year, unless the articles of incorporation or bylaws provide otherwise. Further, a director whose term has expired may continue to serve until his successor is selected. (Section 43)

The bill allows the board of directors to fill **any** board vacancy after three months if the members fail to elect a successor. (Section 45)

The bill establishes the procedure for removing a director by judicial proceeding when a court finds that the director engaged in fraudulent conduct, grossly abused the position of director or intentionally inflicted harm on the entity, and that removal is in the best interest of the nonprofit corporation. (Section 46)

The bill establishes the minimum duties and standards of care a director owes to the nonprofit corporation. (Section 50)

The bill revises the procedure for dealing with a director conflict of interest. Specifically, it establishes the burden of proof when challenging a transaction and clarifies that fairness to the corporation may always be considered. (Section 51)

The bill expands who may respond to interrogatories directed to the nonprofit corporation to include any authorized officer or director of the entity, or, when appropriate, a member or fiduciary. (Section 8)

Board Meetings

The bill provides that a board meeting may be called by 20% of the directors in office. (Section 47).

Nonprofit Corporate Officers

The bill expands personal liability protections to directors and officers of all nonprofit corporations, granting them personal liability immunity for all actions or inactions taken in their role as director or officer. (Section 52)

The bill establishes the minimum duties and standards of care an officer owes to the nonprofit corporation. (Section 54)

Court-Appointed Provisional Director
The bill allows the court to appoint an impartial, provisional director in instances where there is an irreparable deadlock among the directors that is causing harm to the nonprofit corporation. A provisional director has all of the rights and powers of an elected director, and retains such authority until they are properly removed by court order or a vote of the directors or members of the nonprofit corporation. (Section 82)

Members

The bill allows the board of directors to serve as a substitute for members for any action when a nonprofit corporation does not have members or those members are not entitled to act. (Section 25)

The bill establishes that all members of a nonprofit corporation have the same rights and obligations unless the articles of incorporation or bylaws otherwise provide. (Section 25)

The bill allows a nonprofit corporation to admit members for no consideration or for consideration determined by the board of directors. (Section 25)

The bill prohibits a nonprofit corporation from being a member of itself. (Section 25)

The bill eliminates the requirement that chapters or affiliates of nonprofit corporations that have the right to vote must register with the Department of Agriculture and Consumer Services. (Section 25)

The bill creates an exception to the rule that members of a nonprofit corporation are not personally liable, by allowing a creditor of a nonprofit corporation who has obtained a judgment against the entity to bring a proceeding against a member who owes money to the entity to the extent of the amount owed. (Section 27)

Membership Interests
The bill allows for the transfer of membership interests for all nonprofit corporations as permitted by its articles of incorporation or bylaws. (Section 28)

The bill establishes that a member of a nonprofit corporation may resign at any time for any reason. (Section 29)

The bill allows nonprofit corporations to purchase membership interests of its members, as permitted by its articles of incorporation or bylaws, unless the entity is a 501(c)(3) organization. Such purchase is not considered a dividend or distribution. However, a nonprofit corporation may **not** purchase membership interests if doing so would impair its ability to pay its debts in the usual course of business. (Section 31)

Special Meetings
The bill increases the minimum percentage of members required to call a special meeting to 10% of the votes entitled on any issue to be considered at the meeting, unless otherwise provided in the articles of incorporation or bylaws. (Section 32)

Proxy Voting
The bill establishes the default rules governing proxy voting, including the procedure for implementing and terminating a proxy. (Section 33)

Derivative Proceedings

The bill revises the procedure for derivative proceedings brought on behalf of a nonprofit corporation in the following ways:

- Grants standing to directors and officers of a nonprofit corporation. (Section 34)
- Allows the filing of a complaint without prior notice to the board of directors when providing such notice would be futile. (Section 35)

Mergers

The bill permits a nonprofit corporation to merge with other eligible entities and does not require the surviving entity to be a nonprofit corporation. However, if the merging nonprofit entity holds property for a charitable purpose, the surviving entity must be a nonprofit corporation. (Sections 58 and 59)

The bill revises the default procedure for merger approval. Specifically, the bill provides an exception to the requirement that the board of directors must make a recommendation on a plan of merger to the members, when the board of directors is unable to make such recommendation due to a conflict of interest or other special circumstances. (Section 60)

The bill allows an approved merger to be abandoned any time before the articles of merger have become effective. A merger may be abandoned in the manner provided by the plan of merger, or in the same manner as the plan was approved. When a merger is abandoned after the articles of merger have been filed, the nonprofit corporation must also file a signed statement of abandonment. (Section 60)

The bill establishes a simplified merger process for a merger between a parent and subsidiary when the parent eligible entity owns at least 80% of the voting power of the subsidiary eligible entity. In such case, the merger does not require the approval of the board of directors, but does require the parent eligible entity to notify the subsidiary's members within 10 days of the merger. (Section 61)

The bill expands the disclosures required in the articles of merger. (Section 62)

Dissolution of Nonprofit Corporations

The bill revises provisions related to known claims against a dissolved nonprofit corporation and establishes court proceedings to address unknown claims against a dissolved nonprofit corporation. (Sections 72 and 73)

The bill limits the extent of liability for directors of a dissolved nonprofit corporation. (Section 74)

The bill establishes grounds for administrative and judicial dissolution of a nonprofit corporation and provides alternatives available to the court if such grounds exist. (Sections 75, 76, 77, 78 and 81)

Foreign Nonprofit Corporations

The bill establishes the duties of a registered agent of a foreign nonprofit corporation. (Section 90)

The bill allows a court to stay a proceeding brought by a foreign nonprofit corporation that does not comply with the registered agent requirement. (Section 90)

The bill establishes proper notice procedures for foreign nonprofit corporations. (Section 93)

The bill provides for the automatic withdrawal of a foreign nonprofit corporation's qualification to transact business in Florida when the foreign entity converts to a domestic nonprofit corporation. (Section 95)

The bill establishes a legal framework for foreign nonprofit corporations that have dissolved, merged, or converted to a nonfiling entity, to withdraw its certificate of authority to transact business in this state. (Section 96)

The bill establishes that the Department of Legal Affairs may bring an action to prevent a foreign nonprofit corporation from illegally conducting business in the state. (Section 97)

Domestication

The bill allows both inbound and outbound domestications of nonprofit corporations, as long as the domestication is permitted by the laws of the jurisdiction where the foreign corporation is organized, and establishes the procedure for domestication. The bill provides required disclosures and requirements for filing evidence of domestication with the department and the effect of such filing. The bill allows a plan of domestication to be amended or abandoned prior to becoming effective. (Sections 108, 109, 110, 111, and 112)

Conversion
The bill revises provisions related to conversion, including the requisite process. Specifically, the bill allows a domestic nonprofit corporation to become any other domestic or foreign entity. However, if the nonprofit corporation holds property for a charitable purpose, it may not convert into a for profit entity. Further, if the entity is a domestic nonprofit corporation holding property for a charitable purpose, it may only become a foreign nonprofit corporation. (Sections 113, 114, 115, 116, 117, 118, and 119)

The bill provides an effective date of July 1, 2026. (Section 190)

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Nonprofit Corporations
A nonprofit corporation is a legal entity incorporated under state law for purposes other than generating profits for its owners or shareholders. Individual states have the power to promulgate laws relating to the creation, organization, operation, and dissolution of corporations, including nonprofit corporations. [1]

In addition to applicable state statutory schemes, nonprofit corporations are governed by their articles of incorporation, bylaws, and other internal governing documents. A nonprofit corporation is formed upon filing the articles of incorporation with the Department of State (Department).[2] The articles of incorporation are considered the highest governing document of a nonprofit corporation and provide all identifying information for the business entity, the purpose for which the entity is organized, and the default rules of the entity. A nonprofit corporation's bylaws are the code of rules adopted for the management of the entity.[3]

Generally, nonprofit corporations are governed by a board of directors that is responsible for overseeing the management and affairs of the entity. Nonprofit corporations also may have members who may have the right to elect directors, approve corporate actions, or vote on matters specified in the corporation's articles of incorporation or bylaws.[4]

Some, but not all, nonprofit corporations benefit from a tax-exempt status under section 501(c)(3) of the Internal Revenue Code. Common types of nonprofit corporations that have such status include charitable, religious, or educational organizations, political advocacy organizations, and private foundations.[5]

Further, nonprofit corporations may be classified as domestic or foreign. Domestic nonprofit corporations are incorporated under Florida law. Foreign nonprofit corporations are incorporated under the laws of any other jurisdiction.[6] As of January 2026, Florida has approximately 196,076 domestic non-profit corporations in existence.[7]

Mutual Benefit Corporations

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[1] Legal Information Institute, Cornell Law School, *Nonprofit Corporation*, https://www.law.cornell.edu/wex/nonprofit_corporation (last visited Jan. 9, 2026).
[2] S. 617.0203, F.S.
[3] S. 617.01401, F.S.
[4] Ss. 617.0801 and 617.0601, F.S.
[5] IRS, *Exempt Organization Types*, https://www.irs.gov/charities-non-profits/exempt-organization-types (last visited Jan. 9, 2026).
[6] S. 617.01401, F.S.
[7] Department of State, Division of Corporations, *Yearly Statistics*, https://dos.fl.gov/sunbiz/about-us/yearly-statistics/ (last visited Jan. 9, 2026).

A mutual benefit corporation is a domestic nonprofit corporation that is not organized for religious purposes, is not tax exempt under 501(c)(3), and is not organized for a public or charitable purpose.[8] Under the FNFPCA, mutual benefit corporations are afforded the following rights that other nonprofit corporations are not:

- The right to transfer membership interests.[9]
- The right to purchase membership interests of its members.[10]

Relevant Regulatory Schemes

The Model Corporation Acts

The American Bar Association (ABA) developed the Model Business Corporation Act (MBCA) and the Model Nonprofit Corporation Act (MNCA) in an attempt to uniformly regulate corporations and nonprofit corporations across different states. Generally, the MNCA tracks the MBCA, diverging only where necessary to address the unique aspects of nonprofit corporation law.[11]

Florida Business Corporation Act

Currently, Florida for profit corporations are regulated under the Florida Business Corporation Act (FBCA) contained in ch. 607, F.S. In 2019, upon the recommendation of the Business Law Section of The Florida Bar, the Florida Legislature adopted a comprehensive update to the FBCA, largely aligning Florida statute with the MBCA.[12]

Florida Not For Profit Corporation Act

Currently, Florida nonprofit corporations are regulated under the Florida Not For Profit Corporation Act (FNFPCA) contained in ch. 617, F.S. The FNFPCA has not been significantly amended for over 15 years. As a result, the Business Law Section of The Florida Bar formed the Ch. 617 Task Force (Task Force) to examine the FNFPCA and recommend necessary amendments. After a multiyear examination, the Task Force prepared a comprehensive update to the FNFPCA intended to modernize and harmonize Florida nonprofit corporation and for profit corporation laws. The Task Force's efforts culminated in this bill. [13]

Corporate Record

A nonprofit corporation must keep comprehensive records of meetings, actions, and committees, maintain accurate accounting, and have a member list. Additionally, it must keep:[14]

- Current copies of its articles of incorporation and bylaws, and amendments to each;
- Minutes and member actions from the past three years;
- Communications to members from the past three years;
- List of current directors and officers with addresses; and
- Most current annual report filed with the Department.

Members of a nonprofit corporation have the right to inspect and copy corporate records. However, nonprofit corporations may deny requests to inspect the corporate record for improper purposes.[15]

Upon written request, a nonprofit corporation must provide a member with its most recent annual financial statements, including a balance sheet at fiscal year-end and a statement of operations for the year.[16]

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[8] S. 617.01401(13), F.S.
[9] S. 617.0605, F.S.
[10] S. 617.0608, F.S.
[11] William L Boyd III, *The New Model Nonprofit Corporation Act*, American Bar Association, Business Law Section, (Oct. 16, 2023) https://www.americanbar.org/groups/business_law/resources/business-law-today/2023-october/the-new-model-nonprofit-corporation-act/ (last visited Jan. 9, 2026).
[12] *See* ch. 607, F.S.
[13] *See* The Florida Bar Business Law Section, *Task Force Report and Recommendations*, https://flabizlaw.org/wp-content/uploads/2025/09/Ch-617-NonProfit-White-Paper__Final.pdf (last visited Jan. 9, 2026).
[14] S. 617.1601, F.S.
[15] S. 617.1602, F.S.
[16] S. 617.1605, F.S.

Registered Agent and Registered Office

Every nonprofit corporation must maintain a registered office and a registered agent in the state. The agent can be an individual resident, a domestic entity, or a foreign entity authorized to do business in the state. Registered agents must file a written acceptance with the Department confirming their duties.[17]

Nonprofit corporations cannot file or maintain lawsuits in the state until they have a registered agent.[18]

Corporate Name

Under the FNFPCA, a nonprofit corporate name must contain the word "corporation" or "incorporated" or an abbreviation of such and must be distinguishable from the names of all other entities registered with the Division of Corporations.[19] However, the FBCA allows a for profit corporation to register under a nonunique name when the other entity of the same name consents to its use and the names are not identical.[20]

Articles of Incorporation

A nonprofit corporation may amend its articles of incorporation at any time. Currently, the procedure for amending the articles of incorporation for a nonprofit corporation are as follows: [21]

- If the nonprofit corporation has members entitled to vote, the board of directors must approve the proposed amendment and submit it to the members for approval at an annual or special meeting with proper notice.
- If the nonprofit corporation does not have members, or if the members are not entitled to vote on the amendments, the board of directors may adopt the amendment by majority vote.

Board of Directors

The board of directors of a nonprofit corporation is responsible for exercising the entity's corporate powers and otherwise managing the entity, subject to limitations provided by the articles of incorporation.[22] Under the FNFPCA, directors of a nonprofit corporation must be natural persons who are at least 18 years old. However, the articles of incorporation or bylaws of a nonprofit corporation may provide additional qualifications for directors.[23]

Directors of nonprofit corporations are elected or appointed as provided in the articles of incorporation or bylaws. The number of directors on the board of directors may be amended as provided in the articles of incorporation or bylaws. However, the FNFPCA requires nonprofit corporations to have a minimum three-person board of directors.[24] Each director serves for a term length specified in the articles of incorporation or bylaws, and may continue to serve until their successor has been selected.[25]

Vacancies on a nonprofit corporation's board of directors may be filled by a majority of the remaining directors, or if necessary, by the members or by the circuit court in the county where the corporation's registered office is located. However, vacancies involving directors elected by a class, chapter or similar group must be filled by that group, or by directors elected by that group. Directors appointed to fill vacancies generally serve until the next annual election.[26]

[17] S. 617.0501, F.S.
[18] Id.
[19] S. 617.0401, F.S.
[20] S. 607.0401, F.S.
[21] Ss. 617.1001 and 617.1002, F.S.
[22] S. 617.0801, F.S.
[23] S. 617.0802, F.S.
[24] S. 617.0803, F.S.
[25] S. 617.0806, F.S.
[26] S. 617.0809, F.S.

Under the FNFPCA, directors of a nonprofit corporation may be removed as provided in the articles of incorporation or bylaws. Generally, directors may be removed with or without cause by the members or directors who elected or appointed them, subject to voting thresholds.[27]

Directors of a nonprofit corporation must perform their duties in good faith, with the care an ordinarily prudent person would exercise in similar circumstances, and in a manner they reasonably believe is in the best interest of the corporation.[28]

A contract or transaction between a nonprofit corporation and one of its directors is not automatically void or voidable solely because of the director's conflicting interest. Under the FNFPCA, such transaction is valid if the conflicting interest is disclosed and the transaction is subsequently approved by either a majority of the disinterested directors or a majority of the members entitled to vote, or if the transaction is fair and reasonable to the nonprofit corporation at the time it is authorized.[29]

Officers

A nonprofit corporation's articles of incorporation or bylaws may specify corporate officers the entity is required to maintain, including how each must be selected. If no such provisions exist, officers are elected or appointed annually by the board of directors.[30]

Officers of a nonprofit corporation are responsible for performing the duties established in the bylaws, or as assigned by the board of directors or another authorized officer.[31]

Members

A nonprofit corporation may have one or more classes of members, or no members at all. If the nonprofit corporation has members, the articles of incorporation or bylaws must set forth the class designations, member qualifications and rights, voting and quorum requirements, and notice procedures. Further, members have no rights except what is provided in the articles of incorporation or bylaws.[32]

Members of a nonprofit corporation are not personally liable for any act, debt, or obligation of the entity.[33]

Membership Interests

Members of a nonprofit corporation are generally prohibited from transferring a membership interest, or any rights arising from membership, unless the articles of incorporation or bylaws provide otherwise.[34] Further, a nonprofit corporation may not purchase the membership of its members.[35]

A nonprofit corporation may only expel, suspend, or terminate a member's membership interest through a fair and reasonable procedure carried out in good faith. A member who has been expelled, suspended, or terminated has one year to challenge such action. Further, expulsion or suspension does not relieve the member from obligations incurred prior to the expulsion or suspension.[36]

Member Meetings

[27] S. 617.0808, F.S.
[28] S. 617.0830, F.S.
[29] S. 617.0832, F.S.
[30] S. 617.0840, F.S.
[31] S. 617.0841, F.S.
[32] S. 617.0601, F.S.
[33] S. 617.0604, F.S.
[34] S. 617.0605, F.S.
[35] S. 617.0608, F.S.
[36] S. 617.0607, F.S.

Nonprofit corporations may hold annual, regular, and special member meetings. The board of directors is responsible for setting the time and place of any annual and special meeting, in accordance with the its articles of incorporation or bylaws. [37]

Special meetings may be called by the board of directors, corporate officers, or members of the nonprofit corporation. Under the FNFPCA, the minimum percentage of members required to call a special meeting is 5% of the votes entitled on any issue to be considered at the meeting.[38]

Member Voting

Members of a nonprofit corporation are entitled to vote only if the articles of incorporation or bylaws grant that right. If members are entitled to vote, they may do so in person, by proxy, or when authorized, by remote communication.[39] Proxy voting is when a member authorizes another person to vote on their behalf at a meeting.[40]

Derivative Proceedings

A derivative action is a lawsuit brought by a shareholder on behalf of a corporate entity to enforce a corporate cause of action against officers, directors, or third parties.[41] A member of a nonprofit corporation may bring a derivative action on behalf of the entity, but only if the member was a member at the time of the challenged conduct, or became a member by operation of law from someone who was. Under the FNFPCA, an individual must make a demand on the board of directors before commencing a derivative proceeding. After the demand is made, the board of directors has 90 days to respond. A derivative action may be commenced before the expiration of 90-day period only if: [42]

- The demand was rejected in writing; or
- Waiting 90 days would result in irreparable injury to the nonprofit corporation.

Mergers

A merger is a legal process in which two or more business entities combine into a single entity. One entity is deemed to survive and acquires all of the assets and liabilities of the entity that is absorbed.[43]

Two or more domestic nonprofit corporations may merge into a single domestic corporation through an approved plan of merger. Each nonprofit corporation must adopt a plan specifying:[44]

- The names of the merging nonprofit corporations;
- The name of the surviving corporation;
- The terms and conditions of the merger;
- Any changes to the surviving corporation's articles of incorporation; and
- How memberships will be converted into memberships, obligations, securities, cash, or other property.

Under the FNFPCA, a nonprofit corporation may **only** merge with another nonprofit corporation. The surviving entity of a merger between two or more nonprofit corporations must be a nonprofit corporation.[45]

A plan of merger must be approved by either the majority of members entitled to vote, or if the nonprofit corporation has no voting members, by a majority of the board of directors. After approval, the board may abandon

[37] S. 617.0701, F.S.
[38] S. 617.0701, F.S.
[39] S. 617.0721, F.S.
[40] S. 607.0722, F.S.
[41] S. 607.01401(17), F.S.
[42] S. 617.07401, F.S.
[43] Legal Information Institute, Cornell Law School, *Merger*, https://www.law.cornell.edu/wex/merger (last visited Jan. 9, 2026).
[44] S. 617.1101, F.S.
[45] S. 617.1102, F.S.

the proposed merger at any time prior to filing the articles of merger, unless the plan specifically requires member approval.[46]

Dissolution of Nonprofit Corporations

Dissolution is the legal process through which a corporation ceases business operations, winds up its affairs, and distributes its assets.[47] To dissolve a nonprofit corporation, a resolution must be adopted either by a majority of voting members, or when there are not voting members, by a majority of the board of directors.[48]

Upon dissolution, a nonprofit corporation remains in existence but may act only to wind up and liquidate its affairs. Dissolution does not transfer property, change governance rules, alter director or officer duties, terminate ongoing legal proceedings or affect the authority of the registered agent. Further, directors, officers, and agents maintain personal liability protection for acts taken in connection with dissolution.[49]

Unknown Claims Against Dissolved Nonprofit Corporation

A dissolved corporation may address unknown claims either by filing a notice of dissolution with the Department or by publishing a notice in a local newspaper, specifying the corporation's name, dissolution date, and claim submission instructions. Claims against the nonprofit corporation are barred after four years if the nonprofit corporation followed the proper procedure.[50]

Claims may be satisfied from the nonprofit corporations undistributed assets or from the pro rata share of assets received by members, with liability capped at the amount distributed.[51]

Known Claims Against Dissolved Nonprofit Corporation

A dissolved corporation may resolve known claims by notifying claimants of the dissolution, specifying the claim status, amount, and submission deadlines. Contingent, conditional, or unmatured claims must also be addressed and unresolved disputes may be submitted to the appropriate circuit court. Claims must be paid or adequately secured in full if funds are sufficient, or ratably if insufficient, before any remaining assets are distributed.[52]

Directors who comply with the required procedures are not personally liable. Members' liability is limited to their pro rata share of distributed assets.[53]

Administrative Dissolution

The Department may administratively dissolve a nonprofit corporation for failing to file its annual report, lacking a registered agent or office, not updating agent or office information, failing to respond to inquiries, or if its stated duration has expired, among other grounds.[54] When the Department identifies grounds for dissolution, it must notify the nonprofit corporation. The nonprofit corporation has 60 days to correct or demonstrate no such grounds exist. If the nonprofit corporation fails to do so, a certificate of dissolution is issued by the Department.[55]

Judicial Dissolution

A circuit court may dissolve a nonprofit corporation in the following circumstances:[56]

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[46] S. 617.1103, F.S.
[47] Legal Information Institute, Cornell Law School, *Dissolution of Corporation*, https://www.law.cornell.edu/wex/dissolution_of_corporation (last visited Jan. 9, 2026).
[48] S. 617.1402, F.S.
[49] S. 617.1405, F.S.
[50] S. 617.1407, F.S.
[51] Id.
[52] S. 617.1408, F.S.
[53] Id.
[54] S. 617.1420, F.S.
[55] S. 617.1421, F.S.
[56] S. 617.1430, F.S.

- At the request of the Department of Legal Affairs, if the nonprofit corporation was fraudulently formed or has exceeded its legal authority.
- At the request of its members or directors, if deadlocks threaten the corporation, directors cannot be elected, or assets are being wasted.
- At the request of a creditor, if the nonprofit corporation is insolvent and the creditor's claim is unpaid or acknowledged.
- At the request of the nonprofit corporation itself, to continue a voluntary dissolution under court supervision.

Foreign Nonprofit Corporations

A foreign nonprofit corporation authorized to do business in Florida must continuously maintain a registered office and a registered agent in the state. The registered agent can be an individual resident, a domestic entity, or a foreign entity authorized to do business in Florida, provided their business address matches the registered office. Each registered agent must file a written statement with the Department of State accepting the appointment and acknowledging the responsibilities of the role.[57]

A foreign nonprofit corporation may change its registered office or registered agent by filing a statement of change with the Department.[58] Further, a registered agent of a foreign nonprofit corporation may resign by filing a statement of resignation with the Department and sending a copy to the nonprofit corporation's principal office.[59]

A foreign nonprofit corporation may be served with legal process through its registered agent, or through certain officers or any person listed on the nonprofit corporation's most recent annual report. Alternatively, service may be made on the Secretary of State.[60]

Under the FNFPCA, a foreign nonprofit corporation must apply for and obtain a certificate of withdrawal from the Department before it can formally cease operations in the state. To apply, the nonprofit corporation must submit a prescribed form stating its name, jurisdiction, that it is no longer conducting business in the state, and that it revokes its registered agent's authority.[61]

Domestication

A foreign nonprofit corporation may become domesticated in Florida by filing a certificate of domestication and its articles of incorporation with the Department. The certificate must identify the corporation's original formation date and jurisdiction, its name before domestication, its new name, and its prior principal place of business.[62]

Upon filing, the nonprofit corporation is considered domesticated in Florida, though its original formation date remains effective. Domestication does not alter existing liabilities or obligations, and the nonprofit corporation's property, liabilities, pending actions, articles of incorporation, and membership interests remain unchanged. After domestication, Florida law applies to the nonprofit corporation as if it had originally incorporated in the state.[63]

Conversion

Conversion requires filing a signed petition in the circuit court where the corporation's principal office is located, stating the entity's purposes and requesting the change. A for-profit corporation may convert to a nonprofit corporation if it is solely engaged in purposes allowed for nonprofit corporations under Florida law. Once

[57] S. 617.1507, F.S.
[58] S. 617.1508, F.S.
[59] S. 617.1509, F.S.
[60] S. 617.1510, F.S.
[61] S. 617.1520, F.S.
[62] S. 617.1803, F.S.
[63] Id.

approved by the court, the new nonprofit corporation takes over all rights, assets, and liabilities of the original for profit corporation.[64]

To convert a for-profit corporation to a nonprofit corporation, the conversion petition must include:[65]

- Written consent of all shareholders;
- Statement affirming the new nonprofit will accept all property and assume all debts and liabilities of the original corporation; and
- Proposed articles of incorporation.

OTHER RESOURCES:

Model Nonprofit Corporation Act Fourth Edition

Model Nonprofit Corporation Act Resource Center

Ch-617-NonProfit-White-Paper__Final.pdf

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Industries & Professional Activities Subcommittee			Anstead	Bunnell
Civil Justice & Claims Subcommittee				
Commerce Committee				

[64] S. 617.1805, F.S.
[65] S. 617.1806, F.S.

A bill to be entitled

An act relating to nonprofit corporations; amending s. 617.01011, F.S.; renaming the "Florida Not For Profit Corporation Act" as the "Florida Nonprofit Corporation Act"; amending s. 617.01201, F.S.; providing applicability; providing that provisions of a plan or filed document may not be made dependent upon facts outside the plan or filed document; requiring a corporation to file articles of amendment with the Department of State under certain circumstances; providing that articles of amendment are deemed to be authorized by the authorization of the original filed document to which they relate; providing that such articles of amendment may be filed by the corporation without further action by the board of directors or the members; defining the terms "filed document" and "plan"; making technical changes; amending s. 617.0123, F.S.; providing that a document accepted for filing may specify an effective time and a delayed effective date; providing that a previous effective date may be specified in the initial articles of incorporation if such date is within a specified timeframe; specifying when a document accepted for filing is effective; providing that the date or time at which a document is filed is the time and date at

the place of filing in this state; amending s. 617.0124, F.S.; revising the circumstances in which a domestic or foreign corporation may correct a document filed with the department; prohibiting articles of correction from containing a delayed effective date for the correction; authorizing a corporation to withdraw a filing delivered to the department before it takes effect by delivering a withdrawal statement to the department for filing; specifying what information must be included in a withdrawal statement; providing that the action or transaction evidenced by the original filing does not take effect upon the filing of a withdrawal statement by the department; amending s. 617.0126, F.S.; revising what a domestic or foreign corporation may do if the department refuses to file a document delivered to its office for filing; amending s. 617.0127, F.S.; requiring all courts, public offices, and official bodies to receive all certificates issued by the department as prima facie evidence of certain facts; amending s. 617.0128, F.S.; requiring the department to issue, upon request, a certificate of status for a domestic corporation or a certificate of authorization for a foreign corporation; amending s. 617.01301, F.S.; revising who must answer interrogatories

directed at a corporation; making technical changes; amending s. 617.01401, F.S.; defining, revising, and deleting terms; amending s. 617.0141, F.S.; requiring written and oral notice to be communicated in a specified manner; making technical changes; creating s. 617.0143, F.S.; defining terms; providing that a director is not automatically prevented from being a qualified director under certain circumstances; amending s. 617.0202, F.S.; revising the contents of the articles of incorporation; amending s. 617.0204, F.S.; deleting an exception for liability for preincorporation transactions; amending s. 617.0206, F.S.; providing an exception when the initial bylaws of a corporation must be adopted by its board of directors; amending s. 617.0302, F.S.; revising the corporate powers of nonprofit corporations; amending s. 617.0304, F.S.; making technical changes; amending s. 617.0401, F.S.; authorizing a corporation to register under a name that is not otherwise distinguishable on the records of the department under certain circumstances; providing that the corporate name as filed with the department is for public notice only and does not alone create any presumption of ownership of such name; providing applicability; amending s. 617.0403, F.S.; authorizing a foreign

corporation that has registered its name to conduct its affairs in this state; making technical changes; amending s. 617.0501, F.S.; specifying the duties of a registered agent; deleting the definition for the term "authorized entity"; authorizing a court to stay a proceeding commenced by a corporation until the corporation is in compliance; making technical changes; amending s. 617.0502, F.S.; revising the information required in a statement filed with the department for a corporation requesting to change its registered office or its registered agent; deleting a provision that a registered agent may resign by signing and delivering to the department a statement of resignation; revising the statement of resignation requirements; deleting the notification requirements for a registered agent who changes his or her business name or business address; deleting a provision that a registered office or registered agent may be changed on the corporation's annual report form filed with the department; deleting a requirement that the department collect a fee for filings; creating s. 617.05021, F.S.; authorizing a registered agent to resign as agent for a corporation in a specified manner under certain circumstances; providing applicability; providing that a registered agent is terminated upon

the department filing certain documents; providing that a registered agent ceases to have responsibility for any matter tendered to the agent once a statement of resignation takes effect; authorizing a registered agent to resign from a corporation regardless of whether the corporation has active status; creating s. 617.05022, F.S.; authorizing a registered agent seeking to change the registered agent's name or business address to file with the department a statement of change; specifying the information to be included in the statement of change; requiring a registered agent to furnish notice of the statement of change to the represented corporation; providing that the statement of change is effective when filed by the department; providing that such changes may be made by the corporation with other filings by the department; requiring the department to collect a fee for filings; amending s. 617.0503, F.S.; deleting applicability for alien business organizations; revising the testimony and records required to be produced for the Department of Legal Affairs by certain domestic or foreign corporations; deleting definitions; making technical changes; amending s. 617.0505, F.S.; prohibiting a corporation from paying any dividend and making distributions of any part of its net income or net

earnings to its members, directors, or officers; revising exceptions; providing that a dividend or distribution by a nonprofit insurance company subsidiary is not a distribution under certain circumstances; making technical changes; amending s. 617.0601, F.S.; providing that, for certain nonprofit corporations, notice to, the presence of, or the vote, consent, or other action by a board of directors satisfies a specified requirement; requiring corporation members who have no other rights except as provided in the articles of incorporation or the bylaws to have the same rights and obligations as every other member; authorizing a corporation to admit members for no consideration or for such consideration as determined by the board of directors; providing that such consideration may take any form; providing that payment of such consideration may be made as set forth in or authorized by the articles of incorporation, the bylaws, or the action of the board of directors; prohibiting a corporation from being a member of itself or exercising the rights of a member with respect to itself; providing that a corporation's purchase of its own membership interest is canceled under certain circumstances; making technical changes; creating s. 617.0603, F.S.; authorizing a corporation

to pay certain compensation to and confer certain benefits upon its members, directors, officers, agents, and employees; authorizing a corporation to make certain distributions to its members and others upon dissolution or final liquidation; providing that such payments, benefits, or distributions may not be deemed to be a dividend or a distribution of income or earnings; amending s. 617.0604, F.S.; authorizing a corporation to levy dues, assessments, and fees on its members to the extent authorized by the articles of incorporation or bylaws; providing that such dues, assessments, and fees may be imposed on members of the same class in alike or different amounts or proportions, and imposed on a different basis on different classes of members; providing that certain members may be made exempt from such dues, assessments, and fees to the extent provided in the articles of incorporation or bylaws; providing that the amount and method of collecting such dues, assessments, and fees may be fixed in the articles of incorporation or bylaws, or by the board of directors or its members; providing that the articles of incorporation or bylaws may provide reasonable means to enforce the collection of such dues, assessments, and fees; prohibiting a creditor of a corporation from

bringing a proceeding to reach the liability of a member of the corporation unless certain conditions are met; authorizing all creditors of a corporation to intervene in any other creditor's proceeding brought to reach and apply unpaid amounts due from the corporation; authorizing all members who owe unpaid amounts to the corporation to be joined in the proceeding; providing that satisfaction of a debt owed to a creditor by the corporation through payment of a member who owes unpaid amounts to the corporation satisfies the debt of the corporation to the creditor and the debt of the member to the corporation to the extent so paid by the member to the creditor; amending s. 617.0605, F.S.; revising the process by which membership interests of a corporation may be transferred; amending s. 617.0606, F.S.; authorizing a member to resign at any time for any reason; amending s. 617.0607, F.S.; providing that a member who had a membership suspended or terminated may be liable to the corporation for dues, assessments, or fees for obligations incurred or commitments made before the expulsion, suspension, or termination; providing that any such expulsion, suspension, or termination does not relieve the member of any obligations or commitments made before the expulsion, suspension, or

termination; authorizing a corporation to levy fines or penalize its members if such actions are authorized in the articles of incorporation or bylaws; prohibiting the levy of certain penalties until after the corporation has provided notice to the member concerned and has afforded the affected member an opportunity to be heard on the matter; amending s. 617.0608, F.S.; prohibiting certain corporations from purchasing the membership interests or any rights arising from membership of any of their members; authorizing certain other corporations to purchase the membership interest of any member or any right arising from membership, subject to the articles of incorporation or bylaws; providing that payment for such membership interest or right arising from membership is not a dividend or a distribution of income or earnings; providing circumstances in which a corporation may purchase the membership interests of a member who resigns; amending s. 617.0701, F.S.; authorizing a corporation with members to hold meetings for certain purposes; providing that specified meetings may be held in or out of this state; providing that failure to hold a required annual meeting does not work a forfeiture or dissolution of the corporation and does not affect the

validity of any corporate action; revising when special meetings of the members may be called; providing that a written demand for a special meeting may be revoked by a writing received by the corporation before receiving the written demands from certain members sufficient in number to require holding the special meeting; providing that any business other than that described in the meeting notice may not be conducted at the meeting; authorizing special meetings to be held in or out of this state at a place stated in or fixed in accordance with the articles of incorporation and bylaws; requiring that special meetings be held at the corporation's principal office if no such place is stated in or fixed in the articles of incorporation and bylaws or in the notice of special meeting; providing that action taken by written consent is effective when such written consent is signed by members entitled to cast the required number of votes on the action and has been delivered to the corporation; requiring that, for corporations whose nonvoting members must be given notice of proposed corporate action, proper notice be given to the nonvoting members after obtaining authorization by written consent; authorizing members to waive any

required notice within a certain timeframe; requiring that such waiver be in writing, signed by the member, and delivered to the corporation for filing; providing that a member's attendance at a meeting waives certain objections; making technical changes; amending s. 617.0721, F.S.; providing that a member or a member's attorney in fact may appoint a proxy to vote or otherwise act for the member for certain duties; requiring that an appointment form contain certain information; specifying when an appointment of a proxy is effective and valid; providing that the death or incapacity of a member who appoints a proxy does not affect the right of the corporation to accept the proxy's authority under certain circumstances; authorizing a member to revoke appointment of a proxy; providing an exception; providing that a corporation may reject a ballot or demand, as well as a vote, consent, waiver, or proxy appointment, under certain circumstances; providing that members of any class, their attorneys-in-fact, and proxies may participate in any meeting of members to the extent that the board of directors authorizes such participation for such class; limiting participation by remote communication to the guidelines and procedures adopted by the board of directors; providing that members, their attorneys-

in-fact, and proxies who participate by means of remote communication are deemed present in person and may vote at a meeting under certain circumstances; requiring that a vote or action taken by a member, a member's attorney in fact, or a proxy by means of remote communication be maintained by the corporation; providing that a meeting may be held solely by means of remote communication only under certain circumstances; making technical changes; creating s. 617.0741, F.S.; prohibiting directors, officers, or members from commencing a proceeding in the right of a domestic or foreign corporation unless certain circumstances exist; creating s. 617.0742, F.S.; specifying requirements for a complaint in a proceeding brought in the right of a corporation; creating s. 617.0743, F.S.; authorizing the court to stay a derivative proceeding if the corporation commences an inquiry into the allegations made in the demand or complaint; creating s. 617.0744, F.S.; authorizing the court to dismiss a derivative proceeding on motion by the corporation if a certain determination is made by specified persons; providing that the corporation has the burden of proof in all such cases in regard to certain issues; authorizing the court to appoint a panel of disinterested and

independent persons to make such determination; providing construction; creating s. 617.0745, F.S.; providing that a derivative action may not be discontinued or settled without the court's approval; requiring the court to direct that notice be given to certain members under certain circumstances; authorizing the court to determine which party bears the expense of giving such notice; creating s. 617.0746, F.S.; authorizing the court to take specified action upon the termination of a derivative proceeding; creating s. 617.0747, F.S.; providing applicability; amending s. 617.0803, F.S.; revising the number of persons to serve on the board of directors; creating s. 617.0804, F.S.; specifying the manner in which directors of membership and nonmembership corporations are elected; creating s. 617.0805, F.S.; providing that the articles of incorporation or bylaws may specify the terms of directors; providing that if a term is not specified in the articles of incorporation or bylaws, the term of a director is 1 year; providing that a decrease in the number of directors does not affect an incumbent director's term; providing that the term of a director elected to fill a vacancy expires at the end of the term the director is filling; providing that a

director continues to serve after his or her term expires until the director's successor takes office; amending s. 617.0808, F.S.; providing that a director may be removed under certain circumstances; amending s. 617.0809, F.S.; revising the manner in which a vacancy on the board of directors is filled; deleting a requirement that the term of a director elected or appointed to fill a vacancy expires at the next annual meeting to elect directors; deleting a provision authorizing a vacancy caused by an increase in the number of directors to be filled by the board of directors in a specified manner; creating s. 617.08091, F.S.; authorizing the court to remove a director from office in a proceeding commenced by or in the right of the corporation if the court makes certain findings; limiting the persons who may bring such an action; requiring that an action by a member be brought only if the member or members collectively bringing action have a specified voting power; authorizing the court to bar the director from being reelected, redesignated, or reappointed for a period prescribed by the court; providing construction; amending s. 617.0820, F.S.; revising the criteria for when meetings of the board of directors may be called; authorizing that regular meetings of the board of

directors may be held without notice of date, time, place, or purpose; requiring that special meetings of the board of directors be preceded by a certain amount of notice of the date, time, and place of the meeting; amending s. 617.0821, F.S.; requiring that actions taken without a meeting be delivered to the corporation; revising when certain action taken is effective; providing that a director's consent may be withdrawn by a revocation signed by the director and delivered to the corporation before delivery to the corporation of certain unrevoked written consents; amending s. 617.0823, F.S.; revising the list of what a director waives when he or she signs a waiver of notice and attends a meeting of the board of directors; amending s. 617.0830, F.S.; specifying the standards of conduct a member of the board of directors or a board committee must conform to in discharging his or her duties; authorizing members to rely on certain persons in discharging their duties; providing that a director is not a trustee in certain respects; amending s. 617.0832, F.S.; defining terms; providing that if a director's conflict of interest transaction is fair to the corporation at the time that transaction is authorized, approved, effectuated, or ratified, the transaction is not void or voidable,

and is not grounds for relief, damages, or other sanctions; providing that the person challenging the validity of such transaction or seeking relief has the burden of proving certain facts; specifying the burden of proof for the person defending or asserting the validity of the director's conflict of interest; providing that the presence of or a vote cast by a director with an interest in a transaction does not affect the validity of the action if the transaction is otherwise authorized, approved, or ratified by the board of directors; authorizing a party challenging the validity of the transaction to assert and prove that a director or member was not disinterested on certain grounds for the purpose of voting on, consenting to, or approving the transaction; requiring that an action to satisfy certain authorization requirements be taken by the board of directors or a committee in order to authorize the transaction under certain circumstances; requiring that action be taken to satisfy certain requirements by the members or a committee in order to authorize the transaction under certain circumstances; reordering and amending s. 617.0834, F.S.; revising immunity and liability of certain persons; specifying when such persons are deemed not to have derived an improper personal

benefit from any transaction under certain circumstances; revising the definition of the term "recklessness"; providing construction; amending s. 617.0835, F.S.; revising applicability; creating s. 617.0844, F.S.; providing the standards of conduct an officer must conform to in discharging his or her duties; authorizing officers to rely on certain persons in discharging their duties; specifying the duties of an officer; providing that an officer is not a trustee with respect to the corporation or any property held or administered by the corporation in trust; amending s. 617.1001, F.S.; revising the authority of the corporation to amend its articles of incorporation; amending s. 617.1002, F.S; revising the procedure for amending the articles of incorporation; amending s. 617.1006, F.S.; requiring that an amendment to the articles of incorporation be delivered to the department for filing articles of amendment; specifying what must be set forth in such articles of amendment; amending s. 617.1101, F.S.; revising the plan of merger for certain entities; specifying what a plan of merger must include; providing that terms of a plan of merger may be made dependent upon facts objectively ascertainable outside the plan; authorizing amendments to a plan of merger

with the consent of each party to the merger, except as provided in the plan; authorizing a domestic party to a merger to approve an amendment to a plan in a certain manner; amending s. 617.1102, F.S.; revising the limitations on merger for certain corporations that hold property for a charitable purpose; amending s. 617.1103, F.S.; specifying the manner in which a plan of merger must be adopted for a domestic corporation whose members are entitled to vote on the merger; authorizing the adoption of a plan of merger at the meeting of the board of directors for certain domestic corporations; providing that a plan of merger may be abandoned after the plan has been approved but before the articles of merger are effective; providing that the plan may be abandoned by the board of directors in the same manner as the plan of merger was approved by a domestic corporation or a merging domestic eligible entity; requiring that a statement of abandonment signed by all parties that signed the articles of merger be delivered to the department if the merger is abandoned after articles of merger were delivered to the department for filing but before the articles of merger become effective; specifying what must be in a statement of abandonment; creating s. 617.1104, F.S.; authorizing a domestic or foreign

parent eligible entity that holds membership in a domestic corporation and that carries a specified percentage of voting power of the domestic corporation to merge the subsidiary into itself or into another specified domestic or foreign eligible entity or to merge itself into the subsidiary; providing that such mergers do not require approval of the board of directors or members of the subsidiary unless required; providing that articles of merger do not need to be signed by the subsidiary entity; requiring the parent eligible entity to notify subsidiary members within a specified timeframe; providing construction; amending s. 617.1105, F.S.; requiring that the articles of merger be signed by each party to the merger if the merger has been approved; providing an exception; specifying what must be included in the articles of merger; requiring that the articles of merger be delivered to the department for filing; specifying when a merger becomes effective; authorizing the filing of articles of merger in a specified manner under certain circumstances; amending s. 617.1106, F.S.; revising the effects of a merger once such merger becomes effective; providing that a merger does not give rise to any rights that any interest holder or third party would have upon a

dissolution, liquidation, or winding up of that party; providing that a party to a merger is not required to wind up its affairs and cause its dissolution or termination; prohibiting certain property held in trust or otherwise used for charitable purposes from being diverted from such purposes except as provided by law; providing that any bequest, devise, gift, grant, or promise contained in certain instruments inures to the survivor of the merger; providing that a trust obligation that would govern property if the property is directed to be transferred to the nonsurviving party is transferred to the surviving party of a merger; amending s. 617.1107, F.S.; deleting provisions related to mergers of foreign corporations and domestic corporations under certain circumstances; requiring a foreign eligible entity that survives a merger to comply with ch. 617, F.S.; deleting a provision to allow abandonment of merger under certain circumstances; amending s. 617.1202, F.S.; revising the manner in which a corporation may sell, lease, exchange, or otherwise dispose of all, or substantially all, of its property; specifying the manner in which a board of directors proposes and its members approve the proposed transaction; authorizing the corporation to abandon such disposition of

property without action by the members; providing exceptions; providing construction; reenacting and amending s. 617.1401, F.S.; revising what must be set forth in articles of dissolution; amending s. 617.1402, F.S.; making technical changes; amending s. 617.1403, F.S.; defining the term "dissolved corporation"; reenacting and amending s. 617.1405, F.S.; authorizing the circuit court to appoint a trustee, custodian, receiver, or provisional director for any property owned or acquired by the corporation to conduct its affairs for winding up and liquidating its affairs if any director or officer of the dissolved corporation is unwilling or unable to serve or cannot be located; prohibiting certain property held in trust from being diverted from its trust or charitable purpose unless done so under certain circumstances; amending s. 617.1406, F.S.; deleting obsolete language; making technical changes; amending s. 617.1407, F.S.; revising the notice requirements that a dissolved corporation or successor entity must file with the department; revising the claimants who may bring a claim against a dissolved corporation or successor entity; providing conditions under which certain claims are barred; amending s. 617.1408, F.S.; authorizing that a dissolved corporation or successor

entity may dispose of known claims against it by giving written notice to its known claimants of the dissolution within a specified timeframe after a specified timeframe; specifying what must be in such written notice; authorizing that a dissolved corporation or successor entity may reject a claim submitted by a claimant and received before the specified timeframe by mailing notice of the rejection to the claimant within a specified timeframe; specifying what must be included in such notice; providing that a claim against a dissolved corporation is barred under certain circumstances; defining the term "known claim"; providing that such notice does not revive any claim then barred or acknowledge that any person to whom such notice is sent is a proper claimant and does not operate as a waiver of any defenses or counterclaims; creating s. 617.1409, F.S.; authorizing a dissolved corporation to file with the circuit court for a determination of the amount and form of security to be provided for payment of unknown claims; specifying certain notice requirements of such proceeding; authorizing the court to appoint a guardian ad litem for a specified purpose; requiring the dissolved corporation to pay the reasonable fees and expenses of the guardian ad litem; providing that

provisions by the dissolved corporation for security ordered by the court satisfies the dissolved corporation's obligations with respect to certain claims; creating s. 617.14091, F.S.; providing that directors of certain dissolved corporations are not personally liable to its claimants; authorizing certain claims from being enforced against the dissolved corporation's undistributed assets and a member of the dissolved corporation on a pro rata share of the claim or the corporate assets distributed to such member, whichever is less; providing construction; amending s. 617.1420, F.S.; requiring the department to serve notice in a record to the corporation of its intent to administratively dissolve a corporation under certain circumstances; specifying the manner in which the department may issue the notice; requiring the department to administratively dissolve a corporation that does not respond to such notice within a specified timeframe; requiring the department to issue a notice in a record of administrative dissolution that states the grounds for the administrative dissolution; authorizing the department to issue such notice in a specified manner; reenacting and amending s. 617.1421, F.S.; making technical changes; amending s. 617.1430, F.S.;

revising when a circuit court may dissolve a corporation or order other remedies; amending s. 617.1431, F.S.; revising the venue for judicial dissolution proceedings; providing that directors need not be made parties to a proceeding to dissolve a corporation unless relief is sought against them individually; authorizing a court to award reasonable attorney fees and costs to the other parties to the proceedings if the court makes certain findings; deleting obsolete language; amending s. 617.1432, F.S.; prohibiting a court from appointing a custodian or receiver brought in certain proceedings if its members, directors, or authorized persons have provided for the appointment of a provisional director or other means for the resolution of a deadlock; authorizing the court to enforce the remedy so provided by the provisional director; revising who the court may appoint to act as receiver or custodian of the corporation; revising the duties of the receiver redesignated as custodian by the court; authorizing the court to amend the order designating the receiver as custodian and custodian as receiver; making technical changes; amending s. 617.1433, F.S.; conforming provisions to changes made by the act; making technical changes; creating s. 617.1434, F.S.;

authorizing the court to order certain actions be taken as an alternative to directing the dissolution of the corporation; creating s. 617.1435, F.S.; authorizing the court to appoint a provisional director for a certain proceeding if it appears such appointment will remedy the grounds alleged by the complaining members or directors; providing that a provisional director may be appointed without a vacancy on the board of directors; providing that a provisional director has all the rights and powers of a duly elected director, until removed; specifying the criteria for a provisional director; requiring a provisional director to report to the court concerning certain matters; providing that a provisional director is not liable for actions taken or decisions made; providing exceptions; requiring the provisional director to submit recommendations to the court if directed; authorizing any officer or director to petition the court for certain instructions; requiring the court to compensate and reimburse the provisional director; amending s. 617.1440, F.S.; providing an exception to the assets that must be deposited with the Department of Financial Services for safekeeping; making technical changes; creating s. 617.15015, F.S.; providing the governing law for a foreign corporation

for certain affairs and interests of the foreign corporation; prohibiting a foreign corporation from being denied a certificate of authority for a specified reason; providing that a certificate of authority does not authorize a foreign corporation to engage in any business or exercise any prohibited power; amending s. 617.1502, F.S.; making technical changes; providing that any member, officer, or director of a foreign corporation is not liable for the debts, obligations, or other liabilities of the foreign corporation under certain circumstances; providing applicability; requiring a foreign corporation that transacts business in this state without a certificate of authority to appoint the Secretary of State as its agent for service of process; amending s. 617.1503, F.S.; conforming a provision to changes made by the act; amending s. 617.1504, F.S.; revising the requirements for a foreign corporation to amend its certificate of authority; revising applicability; authorizing a foreign corporation to amend its certificate of authority to add, remove, or change certain information; amending s. 617.1505, F.S.; deleting a prohibition of the state to regulate the organization or internal affairs of a foreign corporation; making a

technical change; amending s. 617.1506, F.S.; revising the requirements for a foreign corporation whose name is noncompliant to use an alternate name; authorizing the foreign corporation to use its name if it becomes available; providing construction; authorizing a foreign corporation to transact business in this state under the alternate name; providing an exception; prohibiting a foreign corporation with a noncompliant name from transacting business in this state until such corporation obtains an amended certificate of authority; authorizing a foreign corporation to register under a name not otherwise distinguishable on the records of another registered entity under certain circumstances; amending s. 617.1507, F.S.; requiring certain registered agents file a statement with the department with certain information; providing the duties of a registered agent; deleting the definition of the term "authorized entity"; requiring the department to maintain an accurate record of the registered agent and registered offices; requiring the department to furnish any information for a fee; prohibiting a foreign corporation from prosecuting or maintaining any action in a court in this state until it complies with certain requirements; authorizing a court to stay a proceeding commenced by a foreign

corporation until such compliance; amending s. 617.1508, F.S.; specifying what must be in a statement of change; providing that a statement of change is effective when filed with the department; providing a statement of change may also be filed on the foreign corporation's annual report in an application for reinstatement; making technical changes; amending s. 617.1509, F.S.; requiring the registered agent of a foreign corporation to mail a copy of his or her statement of resignation to the foreign corporation after filing it with the department; providing when a registered agent is terminated; providing that a registered agent ceases to have responsibility for any matters for the foreign corporation when a statement of resignation takes effect; providing that resignation does not affect contractual rights between the foreign corporation and the registered agent; authorizing a registered agent to resign from a foreign corporation regardless if it has active status; creating s. 617.15091, F.S.; providing the permissible means of delivery of certain communications; providing when notice to the department is effective; providing an exception; amending s. 617.1520, F.S.; requiring a foreign corporation who wishes to cancel its certificate of

authority to deliver to the department a notice of withdrawal of certificate of authority; providing when the certificate is effective; requiring such certificate be signed by an officer or a director and state certain information; providing that service of process for a foreign corporation whose withdrawal is effective is on the Secretary of State; creating s. 617.1521, F.S.; providing that a foreign corporation that converts to a domestic corporation or another domestic eligible entity is deemed to have withdrawn its certificate of authority on the effective date of the conversion; creating s. 617.1522, F.S.; requiring certain entities no longer authorized to conduct affairs in this state to deliver a notice of withdrawal of certificate of authority to the department for filing; specifying service of process for such entities; creating s. 617.1523, F.S.; authorizing the Department of Legal Affairs to maintain an action to enjoin a foreign corporation from illegally conducting affairs in this state; amending s. 617.1530, F.S.; authorizing the department to revoke a foreign corporation's certificate of authority to transact business under certain circumstances; requiring revocation of a foreign corporation's certificate of authority to be done on a

specified date; requiring the department to issue notice to revoke the foreign corporation's certificate of authority and authority to transact business; authorizing the department to issue notice stating the grounds of such revocations by electronic transmission if the foreign corporation provided an e-mail address; providing that revocation of a foreign corporation's certificate of authority does not terminate the authority of the registered agent; creating s. 617.15315, F.S.; authorizing a foreign corporation whose certificate of authority has been revoked to apply to the department for reinstatement at any time after the effective date of revocation; requiring the foreign corporation to submit all fees and penalties owed with its application for reinstatement; specifying what must be included in the application for reinstatement; authorizing a foreign corporation to be reinstated if it pays all fees and penalties and files its current annual report; requiring the registered agent and an officer or director to sign the annual report; requiring the department to reinstate the foreign corporation if all conditions are met; providing that a reinstatement relates back to the effective date of the revocation of authority; prohibiting another entity from using the name of the

foreign corporation whose certificate of authority has been revoked until after a specified timeframe; requiring the department to require a foreign corporation seeking reinstatement whose name has been lawfully assumed by another eligible entity to comply with choosing a new name before accepting its application for reinstatement; amending s. 617.1532, F.S.; requiring the department to serve a foreign corporation with written notice explaining the reasons for denial of its application for reinstatement; authorizing a foreign corporation to appeal the department's denial in a specified manner; specifying how service is effectuated on the department; authorizing the Circuit Court of Leon County to take certain actions; providing that the circuit court's final decision may be appealed; amending s. 617.1601, F.S.; requiring a corporation to maintain certain records; requiring such records be maintained in a certain manner; amending s. 617.1602, F.S.; revising the records a member of a corporation may inspect and copy; authorizing the corporation to impose reasonable restrictions on the disclosure, use, or distribution of, and reasonable obligations to maintain the confidentiality of, certain records; providing that persons who become members of a corporation after a

specified timeframe and who are entitled to vote at a meeting are entitled to certain information; providing an exception; prohibiting the abolishment or limitation of the right of inspection by a corporation's articles of incorporation or bylaws; revising construction; prohibiting a member from selling or distributing specific information or records; providing an exception; prohibiting a person from obtaining or using a membership list or any part thereof for any purpose unrelated to a member's interest without the consent of the board of directors; revising the definition of the term "member"; providing applicability; amending s. 617.1603, F.S.; authorizing a corporation to satisfy the right of a member to inspect specific records by means chosen by the corporation; providing that the corporation bears the reasonable costs of converting specified records; making technical changes; conforming a cross-reference; amending s. 617.1604, F.S.; revising the circumstances under which a corporation is not liable for the costs of a member inspecting and copying specified records; authorizing the court to impose reasonable restrictions on the confidentiality of such records; making technical changes; amending s. 617.1605, F.S.; requiring a

corporation to deliver or make available the latest annual financial statements to a member within a specified timeframe under certain circumstance; requiring the corporation to notify the member within a specified timeframe if the annual financial statements have not been prepared for the fiscal year requested; requiring the corporation to deliver to the member the annual financial statements within a specified timeframe; specifying how a corporation may deliver the specified annual financial statements; authorizing the corporation to place reasonable restrictions on members requesting annual financial statements; authorizing a corporation to decline to issue annual financial statements if the corporation determines the request was not made in good faith or for a proper purpose; authorizing a member who has not received a response from the corporation as required to seek relief from the circuit court in the applicable county; requiring the circuit court to expedite the matter; authorizing the circuit court to impose reasonable restrictions on the annual financial statements; providing that the corporation has the burden of proof; requiring the court to award the member's expenses under certain circumstances; providing exceptions; creating s. 617.16051, F.S.;

providing that a director of a corporation is entitled to inspect and copy specified records of the corporation at any reasonable time for a specified purpose; authorizing the circuit court of the applicable county to order inspection and copying of such records at the corporation's expense upon application of a director who has been refused such inspection rights; providing exceptions; requiring the court to expedite such application; authorizing a court that orders access to such records to include specific provisions protecting the corporation from undue burden or expense and prohibiting the director from using such information obtained for a specified purpose; authorizing the court to order the corporation to reimburse the director for the costs incurred for the application; amending s. 617.1622, F.S.; revising the information to be included in a domestic or foreign corporation's annual report to the department; providing that if the name or address of a registered agent in a corporation's annual report differs from the records of the department, the annual report is considered a statement of change; revising when the first annual report must be delivered to the department; providing reporting requirements for specified entities involved in certain mergers,

conversions, or domestications; creating s. 617.180301, F.S.; providing construction; requiring a domesticating corporation to enter into a plan of domestication; specifying what must be included in a plan of domestication; authorizing the terms of a plan of domestication to be made dependent upon facts objectively ascertainable outside the plan; providing applicability; creating s. 617.18031, F.S.; providing the manner in which a domestication of a domestic corporation into a foreign jurisdiction must be adopted; creating s. 617.18032, F.S.; providing that articles of domestication must be signed by the domesticating corporation after certain circumstances; specifying information to be included in the articles of domestication; requiring that certain information be included in the articles of domestication for a domesticated corporation that is seeking to become a domestic corporation; requiring that articles of domestication be filed with the department and take effect within certain timeframes; specifying when the domestications of domestic and foreign corporations are effective; providing that a domesticating foreign corporation's certificate of authority is automatically canceled when domestication becomes effective; authorizing the filing of a certified copy

of the articles of domestication in any county in this state in which the domesticating corporation holds an interest in real property; creating s. 617.18033, F.S.; authorizing the amending of a plan of domestication of a domestic corporation in certain manners; authorizing the abandoning of a plan of domestication under certain circumstances in the same manner that the plan was approved or determined by the board of directors; requiring a domesticating corporation seeking to abandon domestication to send to the department a statement of abandonment before the articles of domestication become effective; specifying the information the statement of abandonment must include; creating s. 617.18034, F.S.; specifying effects of domestication with respect to rights, responsibilities, and liabilities; providing that a domestication does not constitute or cause the dissolution of the domesticating corporation; prohibiting the diversion for any other purpose of certain property held in trust or otherwise dedicated to a charitable purpose and held by a domestic of foreign corporation immediately before a domestication becomes effective; providing that any bequest, devise, gift, grant, or promise in certain instruments inures to the domesticated corporation; providing that a

trust obligation that would govern property if the property is transferred to the domesticating corporation applies to property that is transferred to the domesticated corporation after domestication takes effect; creating s. 617.1804, F.S.; specifying what certain domestic and foreign entities may convert to under certain circumstances; specifying applicability of certain provisions in certain protected agreements of a domestic converting corporation; creating s. 617.18041, F.S.; prohibiting a domestic corporation that holds property for a charitable purpose from becoming a domestic eligible entity or a foreign eligible entity; providing an exception; creating s. 617.18042, F.S.; authorizing a domestic corporation to convert to a domestic or foreign eligible entity by approving a plan of conversion; specifying the information to be included in the plan of conversion; providing that the terms of a plan of conversion may be made dependent upon facts objectively ascertainable outside the plan; creating s. 617.18043, F.S.; providing for the adoption of a plan of conversion for a domestic corporation converting to a domestic or foreign eligible entity other than a domestic corporation; creating s. 617.18044, F.S.; requiring specified entities that have had plans of conversion

adopted and approved to sign articles of conversion; specifying the information to be included in such articles of conversion; requiring a converted domestic corporation to satisfy the requirements of filing its articles of incorporation; providing an exception; requiring that certain domestic eligible entities' organic records, if any, satisfy certain requirements; providing an exception; requiring that articles of conversion be delivered to the department for filing and take effect on a specified date; specifying when certain entities' conversions become effective; authorizing the filing of articles of conversion in combination with any filing required for certain entities; providing that an eligible entity that is a foreign eligible entity's foreign qualification cancels automatically on the effective date of its conversion; authorizing the filing of a certified copy of the articles of conversion in the official records of any county in this state in which the converting eligible entity holds an interest in real property; creating s. 617.18045, F.S.; authorizing the amending of a plan of conversion of a converting eligible entity that is a domestic corporation under certain circumstances; authorizing such converting eligible entity to abandon the plan of conversion without

action by its interest holders under certain circumstances; requiring a converting eligible entity to sign and deliver to the department for filing a statement of abandonment if the conversion is abandoned after the articles of conversion have been delivered to the department but before the articles of conversion become effective; specifying when the statement of abandonment takes effect; specifying the information a statement of abandonment must contain; creating s. 617.18046, F.S.; specifying the effect of a conversion of an eligible entity; providing that certain interest holders of certain eligible entities who become subject to interest holder liability as a result of the conversion have such interest holder liability only in respect of interest holder liabilities that arise after the conversion becomes effective; providing that a conversion does not require the converting eligible entity to wind up its affairs or cause the dissolution or termination of the entity; prohibiting certain property held for charitable purposes immediately before conversion of specified entities from being diverted from the purposes for which such property was given; providing exceptions; providing that any bequest, devise, gift, grant, or promise contained in certain instruments

made to a converting eligible entity takes effect or remains payable after the conversion inures to the converted eligible entity; providing for applicability of certain trust obligations under certain circumstances; amending s. 617.2005, F.S.; revising the manner in which a court may dissolve an extinct church or religious society; amending s. 617.2006, F.S.; deleting certain provisions relating to a labor union or body filing its articles of incorporation in the applicable circuit court; amending ss. 39.8298, 381.00316, 605.1025, 617.0102, 617.0121, 617.0122, 617.0125, 617.02011, 617.0203, 617.0205, 617.0301, 617.0504, 617.0806, 617.0824, 617.0825, 617.0831, 617.0901, 617.1008, 617.1009, 617.1404, 617.1422, 617.1423, 617.1501, 617.1510, 617.1606, 617.1623, 617.1701, 617.1702, 617.1703, 617.1711, 617.1808, 617.1809, 617.1904, 617.1907, 617.1908, 617.2001, 617.2002, 617.2003, 617.2007, 617.2101, 617.221, 620.2108, 620.8918, 628.910, 768.38, and 893.055, F.S.; conforming provisions to changes made by the act; conforming cross-references; making technical changes; repealing ss. 617.07401, 617.0822, 617.1108, 617.1301, 617.1302, 617.1531, 617.1533, 617.1803, 617.1805, 617.1806, 617.1807, and 617.2102, F.S., relating to members' derivative actions; notice of

meetings; merger of domestic corporation and other eligible entities; prohibited distributions; authorized distributions; procedure for and effect of revocation; reinstatement following revocation; domestication of foreign not-for-profit corporations; corporations for profit and when they may become corporations not for profit; conversion to corporation not for profit, petition, and contents; conversion to corporation not for profit and authority of circuit judge; and fines and penalties against members, respectively; reenacting s. 617.1007(3), F.S., relating to restated articles of incorporation, to incorporate the amendments to ss. 617.01201 and 617.1006, F.S., in references thereto; reenacting s. 295.21(5)(a), F.S., relating to Florida Is For Veterans, Inc., to incorporate the amendment made to s. 617.0302, F.S., in a reference thereto; reenacting ss. 409.987(4)(b), 718.1265(1), 719.128(1), and 720.316(1), F.S., relating to lead agency procurement, boards, and conflicts of interest; association emergency powers; association emergency powers; and association emergency powers, respectively, to incorporate the amendment made to s. 617.0830, F.S., in references thereto; reenacting s. 718.3027(2) and (5), F.S., relating to conflicts of interest, to

incorporate the amendment made to s. 617.0832, F.S., in references thereto; reenacting s. 720.3033(2)(a) and (b) and (3), F.S., relating to officers and directors, respectively, to incorporate the amendments made to ss. 617.0832 and 617.0834, F.S., in references thereto; reenacting s 721.13(13)(a), F.S., relating to management, to incorporate the amendment made to s. 617.0834, F.S., in a reference thereto; reenacting s. 718.111(1)(d), F.S., relating to the association, to incorporate the amendments made to ss. 617.0830 and 617.0834, F.S., in references thereto; providing an effective date.

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

Section 1. Section 617.01011, Florida Statutes, is amended to read:

617.01011 Short title.—This chapter ~~act~~ may be cited as the "Florida Nonprofit ~~Not For Profit~~ Corporation Act."

Section 2. Subsections (1), (2), (3), (7), and (8) of section 617.01201, Florida Statutes, are amended, subsection (10) is added to that section, and subsection (9) of that section is reenacted, to read:

617.01201 Filing requirements.—

(1) A document must satisfy the requirements of this

section and of any other section that adds to or varies these requirements to be entitled to filing by the department ~~of State~~.

(2) This chapter ~~act~~ must require or permit filing the document in the office of the department ~~of State~~.

(3) The document must contain the information required by this chapter ~~act~~. It may contain other information as well.

(7) The person executing the document shall sign it and state beneath or opposite such person's ~~his or her~~ signature such person's ~~his or her~~ name and the capacity in which such person ~~he or she~~ signs. The document may, but need not, contain the corporate seal, an attestation, an acknowledgment, or a verification~~:~~

~~(a) The corporate seal,~~

~~(b) An attestation by the secretary or an assistant secretary,~~

~~(c) An acknowledgment, verification, or proof~~.

(8) If the department ~~of State~~ has prescribed a mandatory form for the document under s. 617.0121, the document must be in or on the prescribed form.

(9) The document must be delivered to the department for filing. Delivery may be made by electronic transmission if and to the extent allowed by the department. If the document is filed in typewritten or printed form and not transmitted electronically, the department may require that one exact or

conformed copy be delivered with the document, except as provided in s. 617.1508. The document must be accompanied by the correct filing fee and any other tax or penalty required by law.

(10) Whenever this chapter allows any of the terms of a plan or a filed document to be dependent upon facts objectively ascertainable outside the plan or filed document, the following apply:

(a) The plan or filed document must set forth the manner in which the facts will operate upon the terms of the plan or filed document.

(b) The facts may include, but are not limited to:

1. Any of the following which are available in a nationally recognized news or information medium either in print or electronically:

a. Statistical or market indices;

b. Market prices of any security or group of securities;

c. Interest rates;

d. Currency exchange rates; and

e. Similar economic or financial data;

2. A determination or action by any person or body, including the corporation or any other party to a plan or filed document; or

3. The terms of, or actions taken under, an agreement to which the corporation is a party, or any other agreement or document.

(c) The following provisions of a plan or filed document may not be made dependent upon facts outside the plan or filed document:

1. The name and address of any person required in a filed document;

2. The registered office of any entity required in a filed document;

3. The registered agent of any entity required in a filed document;

4. The effective date of a filed document; and

5. Any required statement in a filed document of the date on which the underlying transaction was approved or the manner in which that approval was given.

(d) If a provision of a filed document is made dependent upon a fact ascertainable outside of the filed document, and that fact is not ascertainable by reference to a source described in subparagraph (b)1. or a document that is a matter of public record, and the affected members have not received notice of the fact from the corporation, the corporation must file with the department articles of amendment to the filed document setting forth the fact promptly after the time when the fact referred to is first ascertainable or thereafter changes. Articles of amendment under this section are deemed to be authorized by the authorization of the original filed document to which they relate and may be filed by the corporation without

further action by the board of directors or the members.

(e) As used in this subsection, the term:

1. "Filed document" means a document filed with the department pursuant to this chapter, except for a document filed pursuant to ss. 617.1501-617.1532.

2. "Plan" means a plan of merger, a plan of conversion, or a plan of domestication.

Section 3. Section 617.0123, Florida Statutes, is amended to read:

617.0123 Effective time and date of document.—

~~(1)~~ Except as provided in subsection (1) ~~(2)~~ and in s. 617.0124(3), a document accepted for filing under this chapter may specify an ~~is~~ effective ~~at the~~ time and a delayed effective date. In the case of the initial articles of incorporation, a prior effective date may be specified in the articles of incorporation if such date is within 5 business days before the date of filing ~~of filing on the date it is filed, as evidenced by the Department of State's date and time endorsement on the original document~~.

(1) Subject to s. 617.0124(3), a document accepted for filing is effective under any of the following conditions:

(a) If the record filed does not specify an effective time and does not specify a prior or a delayed effective date, on the date and at the time the record is accepted, as evidenced by the department's endorsement of the date and time on the filing.

(b) If the record filed specifies an effective time, but not a prior or delayed effective date, on the date the record is accepted, as evidenced by the department's endorsement, and at the time specified in the filing.

(c) If the record filed specifies a delayed effective date, but not an effective time, at 12:01 a.m. on the earlier of:

1. The specified date; or

2. The 90th day after the date the record is filed.

(d) If the record filed specifies a delayed effective date and an effective time, at the specified time on the earlier of:

1. The specified date; or

2. The 90th day after the date the record is filed.

(e) If the record filed is of initial articles of incorporation and specifies an effective date before the date of the filing, but no effective time, at 12:01 a.m. on the later of:

1. The specified date; or

2. The 5th business day before the date the record is filed.

(f) If the record filed is of initial articles of incorporation and specifies an effective time and an effective date before the date of the filing, at the specified time on the later of:

1. The specified date; or

2. The 5th business day before the date the record is filed.

(2) If the record filed does not specify the time zone or place at which the date or time, or both, is to be determined, the date or time, or both, at which it becomes effective will be those prevailing at the place of filing in this state ~~A document may specify a delayed effective date, and if it does the document shall become effective on the date specified. Unless otherwise permitted by this act, a delayed effective date for a document may not be later than the 90th day after the date on which it is filed~~.

(3) If a document is determined by the department ~~of State~~ to be incomplete and inappropriate for filing, the department ~~of State~~ may return the document to the person or corporation filing it, together with a brief written explanation of the reason for the refusal to file, in accordance with s. 617.0125(3). If the applicant returns the document with corrections in accordance with the rules of the department within 60 days after it was mailed to the applicant by the department, and if at the time of return the applicant so requests in writing, the filing date of the document will be the filing date that would have been applied had the original document not been deficient, except as to persons who relied on the record before correction and were adversely affected thereby.

(4) Corporate existence may predate the filing date, pursuant to s. 617.0203(1).

Section 4. Section 617.0124, Florida Statutes, is amended to read:

617.0124 Correcting filed document; withdrawal of filed record before effectiveness.—

(1) A domestic or foreign corporation may correct a document filed by the department within 30 days after filing if:

(a) The document contains an inaccuracy ~~incorrect statement~~;

(b) The document contains false, misleading, or fraudulent information;

(c) The document was defectively executed, attested, sealed, verified, or acknowledged; or

(d) The electronic transmission of the document to the department was defective.

(2) A document is corrected:

(a) By preparing articles of correction that:

1. Describe the document, including its filing date, or attach a copy of the document to the articles of correction;

2. Specify the inaccuracy or defect ~~incorrect statement and the reason it is incorrect or the manner in which the execution was defective~~; and

3. Correct the inaccuracy or defect ~~incorrect statement or defective execution~~; and

(b) By delivering the executed articles of correction to the department for filing.

(3) Articles of correction are effective on the effective date of the document they correct except as to persons relying on the uncorrected document and who are adversely affected by the correction. As to those persons, articles of correction are effective when filed.

(4) Articles of correction may not contain a delayed effective date for the correction.

(5) Unless otherwise provided for in s. 617.1103(3) or s. 617.1809(8), a filing delivered to the department may be withdrawn before it takes effect by delivering a withdrawal statement to the department for filing.

(a) A withdrawal statement must:

1. Be signed by each person who signed the filing being withdrawn, except as otherwise agreed to by such persons;

2. Identify the filing to be withdrawn; and

3. If not signed by all persons who signed the filing being withdrawn, state that the filing is withdrawn in accordance with the agreement of all persons who signed the filing.

(b) Upon the filing by the department of a withdrawal statement, the action or transaction evidenced by the original filing does not take effect.

(6) Articles of correction that are filed to correct

false, misleading, or fraudulent information are not subject to a fee of the department if the articles of correction are delivered to the department within 15 days after the notification of filing sent pursuant to s. 617.0125(2).

Section 5. Section 617.0126, Florida Statutes, is amended to read:

617.0126 Appeal from department's ~~Department of State's~~ refusal to file document.—If the department ~~of State~~ refuses to file a document delivered to its office for filing, within 30 days after return of the document by the department by mail, as evidenced by the postmark, the domestic or foreign corporation may:

(1) Appeal the refusal pursuant to s. 120.68; or

(2) Petition the Circuit Court of Leon County to compel filing of the document. ~~Appeal the refusal to the circuit court of the county where the corporation's principal office (or, if none in this state, its registered office) is or will be located. The appeal is commenced by petitioning the court to compel filing the document and by attaching to the petition~~ The document and the department's ~~department of State's~~ explanation of its refusal to file must be attached to the petition. ~~The matter shall promptly be tried de novo by the court without a jury.~~ The court may decide the matter in a summary proceeding, and the court may summarily order the department ~~of State~~ to file the document or take other action the court considers

appropriate. The court's final decision may be appealed as in other civil proceedings.

Section 6. Section 617.0127, Florida Statutes, is amended to read:

617.0127 Certificates to be received in evidence; ~~evidentiary~~ effect of certified copy of filed document.—All certificates issued by the department pursuant to this chapter must be taken and received in all courts, public offices, and official bodies as prima facie evidence of the facts stated therein. A certificate attached to a copy of a document filed by the department ~~of State~~, bearing the signature of the Secretary of State, ~~(~~which may be in facsimile,~~)~~ and the seal of this state, is conclusive evidence that the original document is on file with the department.

Section 7. Subsection (1) of section 617.0128, Florida Statutes, is amended, and subsection (2) of that section is reenacted, to read:

617.0128 Certificate of status.—

(1) ~~Anyone may apply to~~ The department, upon request, shall issue ~~of State to furnish~~ a certificate of status for a domestic corporation or a certificate of authorization for a foreign corporation.

(2) A certificate of status or authorization sets forth:

(a) The domestic corporation's corporate name or the foreign corporation's corporate name used in this state;

(b)1. That the domestic corporation is duly incorporated under the law of this state and the date of its incorporation, or

2. That the foreign corporation is authorized to conduct its affairs in this state;

(c) That all fees and penalties owed to the department have been paid, if:

1. Payment is reflected in the records of the department, and

2. Nonpayment affects the existence or authorization of the domestic or foreign corporation;

(d) That its most recent annual report required by s. 617.1622 has been delivered to the department; and

(e) That articles of dissolution have not been filed.

Section 8. Section 617.01301, Florida Statutes, is amended to read:

617.01301 Powers of department ~~of State~~.—

(1) The department ~~of State~~ may propound to any corporation subject to ~~the provisions of~~ this chapter ~~act~~, and to any officer or director thereof, such interrogatories as may be reasonably necessary and proper to enable it to ascertain whether the corporation has complied with all applicable filing provisions of this chapter ~~act~~. Such interrogatories must be answered within 30 days after mailing or within such additional time as fixed by the department. Answers to interrogatories must

be full and complete, in writing, and under oath. Interrogatories directed to an individual must be answered by that individual ~~him or her~~, and interrogatories directed to a corporation must be answered by an authorized officer or director of the corporation, by a member if there are no officers or directors of the corporation, or by a fiduciary if the corporation is in the hands of a receiver, trustee, or other court-appointed fiduciary ~~the president, vice president, secretary, or assistant secretary~~.

(2) The department ~~of State~~ is not required to file any document:

(a) To which interrogatories, as propounded pursuant to subsection (1) relate, until the interrogatories are answered in full;

(b) When interrogatories or other relevant evidence discloses that such document is not in conformity with ~~the provisions of~~ this chapter ~~act~~; or

(c) When the department has determined that the parties to such document have not paid all fees, taxes, and penalties due and owing this state.

(3) The department ~~of State~~ may, based upon its findings hereunder or ~~as provided~~ in s. 213.053(15), bring an action in circuit court to collect any penalties, fees, or taxes determined to be due and owing the state and to compel any filing, qualification, or registration required by law. In

connection with such proceeding the department may, without prior approval by the court, file a lis pendens against any property owned by the corporation and may further certify any findings to the Department of Legal Affairs for the initiation of any action permitted pursuant to s. 617.0503 which the Department of Legal Affairs may deem appropriate.

(4) The department has ~~of State shall have~~ the power and authority reasonably necessary to enable it to administer this chapter ~~act~~ efficiently, to perform the duties herein imposed upon it, and to adopt rules pursuant to ss. 120.536(1) and 120.54 to implement this chapter ~~the provisions of this act conferring duties upon it~~.

Section 9. Section 617.01401, Florida Statutes, is amended to read:

617.01401 Definitions.—As used in this chapter, the term:

(1) "Articles of incorporation" includes original, amended, and restated articles of incorporation, articles of consolidation, and articles of merger, and all amendments thereto, including documents designated by the laws of this state as charters, and, in the case of a foreign corporation, documents equivalent to articles of incorporation in the jurisdiction of incorporation.

(2) "Applicable county" means the county in this state in which a corporation's principal office is located or was located when an action is or was commenced. If the corporation has, or

at the time of such action had, no principal office in this state, the applicable county is the county in which the corporation has, or at the time of such action had, an office in this state. If the corporation does not have an office in this state, the applicable county is the county in which the corporation's registered office is or was last located.

(3) "Authorized entity" means any of the following:

(a) A corporation for profit.

(b) A limited liability company.

(c) A limited liability partnership.

(d) A limited partnership, including a limited liability limited partnership.

(4) ~~(2)~~ "Board of directors" means the group of persons vested with the management of the affairs of the corporation irrespective of the name by which such group is designated, including, but not limited to, managers or trustees.

(5) ~~(3)~~ "Bylaws" means the code or codes of rules adopted for the regulation or management of the affairs of the corporation irrespective of the name or names by which such rules are designated.

(6) "Charitable asset" means property that is given, received, or held for a charitable purpose.

(7) "Charitable purpose" means a purpose that:

(a) Would make a corporation organized and operated exclusively for that purpose eligible to be exempt from taxation

under s. 501(c)(3) of the Internal Revenue Code of 1986, as amended, or

(b) Is considered charitable under the law of this state other than as set forth in the Internal Revenue Code of 1986, as amended.

(8) ~~(4)~~ "Corporation" or "domestic corporation" means a nonprofit corporation ~~not for profit~~, subject to the provisions of this chapter, except a foreign corporation.

~~(5) "Corporation not for profit" means a corporation no part of the income or profit of which is distributable to its members, directors, or officers, except as otherwise provided under this chapter.~~

(9) ~~(6)~~ "Department" means the Florida Department of State.

~~(7) "Distribution" means the payment of a dividend or any part of the income or profit of a corporation to its members, directors, or officers.~~

~~(a) A donation or transfer of corporate assets or income to or from another not-for-profit corporation qualified as tax-exempt under s. 501(c) of the Internal Revenue Code or a governmental organization exempt from federal and state income taxes, if such corporation or governmental organization is a member of the corporation making such donation or transfer, is not a distribution for purposes of this chapter.~~

~~(b) A dividend or distribution by a not-for-profit insurance company subsidiary to its mutual insurance holding~~

~~company organized under part III of chapter 628, directly or indirectly through one or more intermediate holding companies authorized under that part, is not a distribution for the purposes of this chapter.~~

(10)~~(8)~~ "Electronic transmission" means any form of communication, not directly involving the physical transmission or transfer of paper, which creates a record that may be retained, retrieved, and reviewed by a recipient and which may be directly reproduced in a comprehensible and legible paper form by such recipient through an automated process. Examples of electronic transmission include, but are not limited to, electronic mail, telegrams, facsimile, and transmissions through the Internet ~~transmissions of images, and text that is sent via electronic mail between computers~~.

(11)(a) "Eligible entity" means a domestic or foreign:

1. Corporation or corporation for profit;

2. General partnership, including a limited liability partnership;

3. Limited partnership, including a limited liability limited partnership;

4. Limited liability company; or

5. Other unincorporated entity.

(b) The term does not include:

1. An individual;

2. An association or relationship that is not a

partnership solely by reason of s. 620.8202(2) or a similar provision of the law of another jurisdiction;

3. A decedent's estate; or

4. A government or a governmental subdivision, agency or instrumentality.

(12) "Eligible interest" means:

(a) A share;

(b) A membership; or

(c) Either or both of the following rights under the organic rules governing the entity:

1. The right to receive distributions from the entity either in the ordinary course of business or upon liquidation.

2. The right to receive notice or vote on issues involving its internal affairs, other than as an agent, assignee, proxy, or person responsible for managing its business, activities, or affairs.

(13) "Entity" includes corporations and foreign corporations; unincorporated associations; business trusts, estates, limited liability companies, partnerships, trusts, and two or more persons having a joint or common economic interest; any state, the United States, or any foreign government.

(14) ~~(9)~~ "Foreign corporation" means a nonprofit corporation ~~not for profit~~ organized under laws other than the laws of this state.

(15) ~~(10)~~ "Insolvent" means the inability of a corporation

to pay its debts as they become due in the usual course of its affairs.

(16) "Interest holder" means any of the following persons:

(a) A shareholder of a corporation for profit.

(b) A member of a nonprofit corporation.

(c) A general partner of a general partnership.

(d) A general partner of a limited partnership.

(e) A limited partner of a limited partnership.

(f) A member of a limited liability company.

(g) A shareholder or beneficial owner of a real estate investment trust.

(h) A beneficiary or beneficial owner of a statutory trust, business trust, or common law business trust.

(i) Another direct holder of an interest.

(17) "Interest holder liability" means:

(a) Personal liability for a liability of an entity which arises, except as otherwise provided in the organic rules of the entity, when the entity incurs the liability and which is imposed on a person:

1. Solely by reason of the status of the person as an interest holder; or

2. By the organic rules of the entity which make one or more specified interest holders or categories of interest holders liable in their capacity as interest holders for all or specified liabilities of the entity; or

(b) An obligation of an interest holder under the organic rules of an entity to contribute to the entity.

(18) ~~(11)~~ "Mail" means the United States mail, facsimile transmissions, and private mail carriers handling nationwide mail services.

(19) ~~(12)~~ "Member" means one having membership rights in a corporation in accordance with ~~the provisions of~~ its articles of incorporation or bylaws or ~~the provisions of~~ this chapter.

~~(13) "Mutual benefit corporation" means a domestic corporation that is not organized primarily or exclusively for religious purposes; is not recognized as exempt under s. 501(c)(3) of the Internal Revenue Code; and is not organized for a public or charitable purpose that is required upon its dissolution to distribute its assets to the United States, a state, a local subdivision thereof, or a person that is recognized as exempt under s. 501(c)(3) of the Internal Revenue Code. The term does not include an association organized under chapter 718, chapter 719, chapter 720, or chapter 721, or any corporation where membership in the corporation is required pursuant to a document recorded in county property records.~~

(20) "Nonprofit corporation" means a corporation no part of the income or profit of which is distributable to its members, directors, or officers, except as otherwise provided under this chapter.

(21) "Organic rules" means the public organic record and

private organic rules of an entity.

(22)~~(14)~~ "Person" includes an individual and entity.

(23) "Private organic rules" means the rules, regardless of whether in a record, which govern the internal affairs of an entity, are binding on all its interest holders, and are not part of its public organic record, if any. If the private organic rules are amended or restated, the term means the private organic rules as last amended or restated. The term includes any of the following:

(a) The bylaws of a corporation for profit.

(b) The bylaws of a nonprofit corporation.

(c) The partnership agreement of a general partnership.

(d) The partnership agreement of a limited partnership.

(e) The operating agreement, limited liability company agreement, or similar agreement of a limited liability company.

(f) The bylaws, trust instrument, or similar rules of a real estate investment trust.

(g) The trust instrument of a statutory trust or similar rules of a business trust or common law business trust.

(24) "Protected agreement" means any of the following:

(a) A document evidencing indebtedness of a domestic corporation or eligible entity and any related agreement in effect immediately before July 1, 2026.

(b) An agreement that is binding on a domestic corporation or eligible entity immediately before July 1, 2026.

(c) The articles of incorporation or bylaws of a domestic corporation or the organic rules of a domestic eligible entity, in each case in effect immediately before July 1, 2026.

(d) An agreement that is binding on any of the interest holders, directors, or other governors of a domestic corporation or eligible entity, in their capacities as such, immediately before July 1, 2026.

(25) "Public organic record" means a record, the filing of which by a governmental body is required to form an entity, and an amendment to or restatement of such record. When a public organic record has been amended or restated, the term means the public organic record as last amended or restated. The term includes any of the following:

(a) The articles of incorporation of a corporation for profit.

(b) The articles of incorporation of a nonprofit corporation.

(c) The certificate of limited partnership of a limited partnership.

(d) The articles of organization, certificate of organization, or certificate of formation of a limited liability company.

(e) The articles of incorporation of a general cooperative association or a limited cooperative association.

(f) The certificate of trust of a statutory trust or

similar record of a business trust.

(g) The articles of incorporation of a real estate investment trust.

(26)~~(15)~~ "Successor entity" means any ~~trust, receivership, or other legal~~ entity ~~that is governed by the laws of this state~~ to which the remaining assets of the ~~and liabilities of a dissolved~~ corporation are transferred, subject to its liabilities, for purposes of liquidation ~~and that exists solely for the purposes of prosecuting and defending suits by or against the dissolved corporation and enabling the dissolved corporation to settle and close the business of the dissolved corporation, to dispose of and convey the property of the dissolved corporation, to discharge the liabilities of the dissolved corporation, and to distribute to the dissolved corporation's members any remaining assets, but not for the purpose of continuing the business for which the dissolved corporation was organized~~.

(27)~~(16)~~ "Voting power" means the total number of votes entitled to be cast for the election of directors at the time the determination of voting power is made, excluding a vote that is contingent upon the happening of a condition or event that has not yet occurred. If the corporation's directors are not elected by the members, voting power must, unless otherwise provided in the articles of incorporation or bylaws, be on a one-member, one-vote basis. If the members of a class are

entitled to vote as a class to elect directors, the determination of the voting power of the class is based on the percentage of the number of directors the class is entitled to elect relative to the total number of authorized directors. ~~If the corporation's directors are not elected by the members, voting power shall, unless otherwise provided in the articles of incorporation or bylaws, be on a one-member, one-vote basis.~~

Section 10. Subsections (1) through (6), (8), and (9) of section 617.0141, Florida Statutes, are amended to read:

617.0141 Notice.—

(1) Notice under this chapter ~~act~~ must be in writing, unless oral notice is:

(a) Expressly authorized by the articles of incorporation or the bylaws; and

(b) Reasonable under the circumstances.

(2) Written notice may be communicated by mail, electronic mail, facsimile ~~in person; by telephone (where oral notice is permitted), telegraph, teletype~~, or other form of electronic transmission~~; or by mail~~. When oral notice is permitted, notice may be communicated in person, by telephone, or other electronic transmission by means of which all persons participating can hear each other.

(3) Written notice by a domestic or foreign corporation authorized to conduct its affairs in this state to its member, if in a comprehensible form, is effective under any of the

following circumstances:

(a) When mailed, if mailed postpaid and correctly addressed to the member's address shown in the domestic or foreign corporation's current record of members.~~;~~

(b) When actually transmitted by facsimile ~~telecommunication~~, if correctly directed to a telephone number at which the member has consented to receive notice.~~;~~

(c) When actually transmitted by electronic mail, if correctly directed to an electronic mail address at which the member has consented to receive notice.~~;~~

(d) When posted on an electronic network that the member has consented to consult, upon the later of:

1. Such correct posting; or

2. The giving of a separate notice to the member of the fact of such specific posting.~~; or~~

(e) When correctly transmitted to the member, if by any other form of electronic transmission consented to by the member to whom notice is given.

(4) Consent by a member to receive notice by electronic transmission is ~~shall be~~ revocable by the member by written notice to the domestic or foreign corporation. Any such consent is ~~shall be~~ deemed revoked if:

(a) The domestic or foreign corporation is unable to deliver by electronic transmission two consecutive notices given by the domestic or foreign corporation in accordance with such

consent; and

(b) Such inability becomes known to the secretary or an assistant secretary of the domestic or foreign corporation, or other authorized person responsible for the giving of notice. However, the inadvertent failure to treat such inability as a revocation does not invalidate any meeting or other action.

(5) Written notice to a domestic or foreign corporation authorized to conduct its affairs in this state may be addressed to its registered agent at its registered office. Written notice may also be delivered ~~or~~ to the domestic or foreign corporation ~~or its secretary~~ at its principal office shown in its most recent annual report or, in the case of a domestic or foreign corporation that has not yet delivered an annual report, in a domestic corporation's articles of incorporation or in a foreign corporation's application for certificate of authority.

(6) Except as provided in subsection (3) or elsewhere in this chapter ~~act~~, written notice, if in a comprehensible form, is effective at the earliest date of any of the following:

(a) When received.~~;~~

(b) Five days after its deposit in the United States mail, as evidenced by the postmark, if mailed postpaid and correctly addressed.~~; or~~

(c) On the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee.

(8) An affidavit of the secretary, an assistant secretary, the transfer agent, or other authorized agent of the domestic or foreign corporation that the notice has been given by a form of electronic transmission is, in the absence of fraud, prima facie evidence of the facts stated in the notice.

(9) If this chapter ~~act~~ prescribes notice requirements for particular circumstances, those requirements govern. If articles of incorporation or bylaws prescribe notice requirements not less stringent than the requirements of this section or other provisions of this chapter ~~act~~, those requirements govern.

Section 11. Section 617.0143, Florida Statutes, is created to read:

617.0143 Qualified director.—

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

(a) "Material interest" means an actual or potential benefit or detriment, other than one which would devolve on the corporation or the members generally, which would reasonably be expected to impair the objectivity of the director's judgment when participating in the action to be taken. For a corporation that is regulated by chapter 718, chapter 719, chapter 720, chapter 721, or chapter 723, or a corporation when membership in such corporation is required pursuant to a document recorded in the county property records, a "material interest" is limited to familial, financial, professional, or employment interests.

(b) "Material relationship" means a familial, financial,

professional, employment, or other relationship that would reasonably be expected to impair the objectivity of the director's judgment when participating in the action to be taken.

(c) "Qualified director" is a director who, at the time action is to be taken under:

1. Section 617.0744, and who does not have an interest in the outcome of the proceeding or has a material relationship with a person who has an interest in the outcome of the proceeding;

2. Section 617.0832, and who is not a director as to whom the transaction is a director's conflict of interest transaction, or who has a material relationship with another director as to whom the transaction is a director's conflict of interest transaction; or

3. Section 617.0831, with respect to the application of ss. 607.0850-607.0859, and who:

a. Is not a party to the proceeding;

b. Is not a director as to whom a transaction is a director's conflict of interest transaction, which transaction is challenged in the proceeding; and

c. Does not have a material relationship with a director who is disqualified by virtue of not meeting the requirements of sub-subparagraph a. or sub-subparagraph b.

(2) A director is not automatically prevented from being a

qualified director if any of the following is present:

(a) The nomination or election of the director to the current board of directors by any director who is not a qualified director with respect to the matter, or by any person who has a material relationship with that director, acting alone or participating with others.

(b) Service as a director of another corporation of which a director who is not a qualified director with respect to the matter, or any individual who has a material relationship with that director is or was also a director.

(c) With respect to actions pursuant to s. 617.0744, status as a named defendant, as a director against whom action is demanded, or as a director who approved the conduct being challenged.

Section 12. Subsections (1) and (2) of section 617.0202, Florida Statutes, are amended to read:

617.0202 Articles of incorporation; content.—

(1) The articles of incorporation must set forth:

(a) A ~~corporate~~ name for the corporation that satisfies the requirements of s. 617.0401;~~.~~

(b) The street address of the initial principal office and, if different, the mailing address of the corporation;

(c) The purpose or purposes for which the corporation is organized;

(d) A statement of the manner in which the directors are

to be elected or appointed. In lieu thereof, the articles of incorporation may provide that the method of election of directors be stated in the bylaws;

(e) Any provision that lawfully limits the corporate powers authorized under this chapter~~, not inconsistent with this act or with any other law, which limits in any manner the corporate powers authorized under this act~~;

(f) The street address of the corporation's initial registered office and the name of its initial registered agent at that address together with a written acceptance of appointment as a registered agent as required by s. 617.0501; and

(g) The name and address of each incorporator.

(2) The articles of incorporation may set forth:

(a) The names and addresses of the individuals who are to serve as the initial directors;

(b) Any provision not inconsistent with law, regarding the regulation of the internal affairs of the corporation, including, without limitation, any provision with respect to the relative rights or interests of the members as among themselves or in the property of the corporation;

(c) The manner of termination of membership in the corporation;

(d) The rights, upon termination of membership, of the corporation, the terminated members, and the remaining members;

(e) The transferability or nontransferability of membership to the extent consistent with s. 617.0605;

(f) The distribution of assets upon dissolution or final liquidation or, if otherwise permitted by law, upon partial liquidation;

(g) If the corporation is to have one or more classes of members, any provision designating the class or classes of members and stating the qualifications and rights of the members of each class;

(h) The names of any persons or the designations of any groups of persons who are to be the initial members;

(i) A provision to the effect that the corporation will be subordinate to and subject to the authority of any head or national association, lodge, order, beneficial association, fraternal or beneficial society, foundation, federation, or other corporation, society, organization, or nonprofit association ~~not for profit~~; and

(j) Any provision that under this chapter ~~act~~ is required or permitted to be set forth in the bylaws. Any such provision set forth in the articles of incorporation need not be set forth in the bylaws.

Section 13. Section 617.0204, Florida Statutes, is amended to read:

617.0204 Liability for preincorporation transactions.—All persons purporting to act as or on behalf of a corporation,

knowing ~~having actual knowledge~~ that there was no incorporation under this chapter ~~act~~, are jointly and severally liable for all liabilities created while so acting ~~except for any liability to any person who also had actual knowledge that there was no incorporation~~.

Section 14. Section 617.0206, Florida Statutes, is amended to read:

617.0206 Bylaws.—The initial bylaws of a corporation shall be adopted by its board of directors unless that power is reserved to the members by the articles of incorporation. The power to alter, amend, or repeal the bylaws or adopt new bylaws is ~~shall be~~ vested in the board of directors unless otherwise provided in the articles of incorporation or the bylaws. The bylaws may contain any provision for the regulation and management of the affairs of the corporation not inconsistent with law or the articles of incorporation.

Section 15. Subsections (1), (3), (6), (8), (12), (14), and (16) of section 617.0302, Florida Statutes, are amended, and a new subsection (16) is added to that section, to read:

617.0302 Corporate powers.—Every nonprofit corporation ~~not for profit~~ organized under this chapter, unless otherwise provided in its articles of incorporation or bylaws, shall have power to:

~~(1) Have succession by its corporate name for the period set forth in its articles of incorporation.~~

(2)~~(3)~~ Adopt, use, and alter a ~~common~~ corporate seal. However, such seal must always contain the words "corporation not for profit" or "nonprofit corporation."

(5)~~(6)~~ Increase or decrease~~, by a vote of its members cast as the bylaws may direct,~~ the number of its directors, subject to any minimum number of directors required under s. 617.0803 ~~so that the number shall not be less than three but may be any number in excess thereof~~.

(7)~~(8)~~ Conduct its affairs, carry on its operations, and have offices and exercise the powers granted by this chapter ~~act~~ in any state, territory, district, or possession of the United States or any foreign country.

(11)~~(12)~~ Purchase, take, receive, subscribe for, or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, lend, pledge, or otherwise dispose of and otherwise use and deal in and with, shares and other interests in, or obligations of, other entities ~~domestic or foreign corporations, whether for profit or not for profit, associations, partnerships~~, or individuals, or direct or indirect obligations of the United States, or of any other government, state, territory, governmental district, municipality, or of any instrumentality thereof.

(13)~~(14)~~ Make donations for the public welfare or for religious, charitable, scientific, literary, educational, or other similar purposes.

(15)~~(16)~~ Merge with other corporations or other eligible entities ~~identified in s. 607.1101~~, both for profit and nonprofit ~~not for profit~~, domestic and foreign, in accordance with the merger provisions of this chapter ~~if the surviving corporation or other surviving eligible entity is a corporation not for profit or other eligible entity that has been organized as a not-for-profit entity under a governing statute or other applicable law that permits such a merger~~.

(16) Be a promoter, incorporator, partner, member, associate, or manager of any corporation, joint venture, or other entity.

Section 16. Section 617.0304, Florida Statutes, is amended to read:

617.0304 Lack of power to act ~~Ultra vires~~.—

(1) Except as provided in subsection (2), the validity of corporate action, including, but not limited to, any conveyance, transfer, or encumbrance of real or personal property to or by a corporation, may not be challenged on the ground that the corporation lacks or lacked power to act.

(2) A corporation's power to act may be challenged:

(a) In a proceeding by a member against the corporation to enjoin the act;

(b) In a proceeding by the corporation, directly, derivatively, or through a receiver, trustee, or other legal representative, or through members in a representative suit,

against an incumbent or former officer, employee, or agent of the corporation; or

(c) In a proceeding by the Attorney General, as provided in this chapter ~~act~~, to dissolve the corporation or in a proceeding by the Attorney General to enjoin the corporation from the transaction of unauthorized business.

(3) In a member's proceeding under paragraph (2)(a) to enjoin an unauthorized corporate act, the court may enjoin or set aside the act, if equitable and if all affected persons are parties to the proceeding, and may award damages for loss ~~(other than anticipated profits)~~ suffered by the corporation or another party because of enjoining the unauthorized act, except the court may not award damages for anticipated profits.

Section 17. Subsections (3), (4), and (5) are added to section 617.0401, Florida Statutes, to read:

617.0401 Corporate name.—

(3) Notwithstanding subsection (2), a corporation may register under a name that is not otherwise distinguishable on the records of the department if:

(a) The other entity consents to the use and submits an undertaking in form satisfactory to the secretary of state to change its name to a name that is distinguishable upon the records of the department from the name of the applying corporation; or

(b) The applicant delivers to the department a certified

copy of a final judgment of a court of competent jurisdiction establishing the applicant's right to use the name applied for in the state.

(4) A corporate name as filed with the department is for public notice only and does not alone create any presumption of ownership of such name.

(5) This section does not apply to the use of fictitious names.

Section 18. Subsections (1), (2), (5), and (6) of section 617.0403, Florida Statutes, are amended to read:

617.0403 Registered name; application; renewal; revocation.—

(1) A foreign corporation may register its corporate name, or its corporate name with any addition required by s. 617.1506, if the name is distinguishable upon the records of the department ~~of State~~ from the corporate names that are not available under s. 617.0401(1)(e).

(2) A foreign corporation registers its corporate name, or its corporate name with any addition required by s. 617.1506, by delivering to the department ~~of State~~ for filing an application:

(a) Setting forth its corporate name, or its corporate name with any addition required by s. 617.1506, the state or country and date of its incorporation, and a brief description of the nature of its purposes and the affairs in which it is engaged; and

(b) Accompanied by a certificate of existence, or a certificate setting forth that such corporation is in good standing under the laws of the state or country wherein it is organized, ~~(~~or a document of similar import~~)~~, from the state or country of incorporation.

(5) A foreign corporation that has so registered its name ~~the registration of which is effective~~ may thereafter qualify to conduct its affairs in this state as a foreign corporation under the registered name or consent in writing to the use of that name by a corporation thereafter incorporated under this chapter ~~act~~ or by another foreign corporation thereafter authorized to conduct its affairs in this state. The registration terminates when the domestic corporation is incorporated or the foreign corporation qualifies or consents to the qualification of another foreign corporation under the registered name.

(6) The department ~~of State~~ may revoke any registration if, after a hearing, it finds that the application therefor or any renewal thereof was not made in good faith.

Section 19. Present subsections (4) and (5) of section 617.0501, Florida Statutes, are redesignated as subsections (5) and (6), respectively, a new subsection (4) is added to that section, and subsections (1) and (3) and present subsection (5) and subsection (6) of that section are amended, to read:

617.0501 Registered office and registered agent.—

(1) Each corporation shall have and continuously maintain

in this state:

(a) A registered office which may be the same as its principal office; and

(b) A registered agent, who may be ~~either~~:

1. An individual who resides in this state whose business office is identical to ~~with~~ such registered office; ~~or~~

2.~~a.~~ Another domestic entity that is an authorized entity whose business address is identical to the address of the registered office; or

3.~~b.~~ A foreign entity authorized to transact business in this state that is an authorized entity and whose business address is identical to the address of the registered office.

(3) Each initial ~~A~~ registered agent, and each ~~appointed pursuant to this section or a~~ successor registered agent that is appointed, ~~pursuant to s. 617.0502 on whom process may be served~~ shall ~~each~~ file a statement in writing with the department ~~of State~~, in the ~~such~~ form and manner ~~as shall be~~ prescribed by the department, accepting the appointment as a registered agent while simultaneously ~~with his or her~~ being designated as the registered agent. The ~~Such~~ statement of acceptance must provide ~~shall state~~ that the registered agent is familiar with, and accepts, the obligations of that position.

(4) The duties of a registered agent are:

(a) To forward to the corporation, at the address most recently supplied to the registered agent by the corporation, a

process, notice, or demand pertaining to the corporation which is served on or received by the registered agent; and

(b) If the registered agent resigns, to provide the notice required under s. 617.0502 to the corporation at the address most recently supplied to the registered agent by the corporation.

(6)~~(5)~~ A corporation may not prosecute or maintain any action in a court in this state until the corporation complies with this section or s. 617.1508, as applicable; pays to the department ~~of State~~ any amounts required under this chapter; and, to the extent ordered by a court of competent jurisdiction, pays to the department ~~of State~~ a penalty of $5 for each day it has failed to so comply or $500, whichever is less. A court may stay a proceeding commenced by a corporation until the corporation complies with this section.

~~(6) For the purposes of this section, the term "authorized entity" means:~~

~~(a) A corporation for profit;~~

~~(b) A limited liability company;~~

~~(c) A limited liability partnership; or~~

~~(d) A limited partnership, including a limited liability limited partnership.~~

Section 20. Section 617.0502, Florida Statutes, is amended to read:

617.0502 Change of registered office or registered agent~~;~~

~~resignation of registered agent~~.—

(1) A corporation may change its registered office or its registered agent upon filing with the department ~~of State~~ a statement of change setting forth:

(a) The name of the corporation;

(b) The name ~~street address~~ of its current registered agent ~~office~~;

(c) If the current registered agent ~~office~~ is to be changed, the name ~~street address~~ of the new registered agent ~~office~~;

(d) The street address ~~name~~ of its current registered office for its current registered agent;

(e) If the street address of the current registered office is to be changed, the new street address of the registered office in this state.

(2) If the ~~its current~~ registered agent is ~~to be~~ changed, the written acceptance ~~name~~ of the successor ~~new~~ registered agent as described in s. 617.0501(3) must be provided to the department ~~and the new agent's written consent (either on the statement or attached to it) to the appointment;~~

~~(f) That the street address of its registered office and the street address of the business office of its registered agent, as changed, will be identical; and~~

~~(g) That such change was authorized by resolution duly adopted by its board of directors or by an officer of the~~

~~corporation so authorized by the board of directors~~.

~~(2)(a) Any registered agent may resign his or her agency appointment by signing and delivering for filing with the Department of State a statement of resignation and mailing a copy of such statement to the corporation at its mailing address of the respective corporation that then appears in the records of the Department of State; provided, however, that if a composite statement of resignation is being filed pursuant to paragraph (b), the registered agent must promptly mail a copy of either the composite statement of resignation or a separate notice of resignation for each respective corporation, in each case using the respective mailing address of the respective corporation that then appears in the records of the Department of State. The statement of resignation shall state that a copy of such statement of resignation or, if applicable, notice of resignation, has been mailed to the corporation at the address so stated. The agency is terminated as of the 31st day after the date on which the statement was filed and unless otherwise provided in the statement, termination of the agency acts as a termination of the registered office.~~

~~(b) If a registered agent is resigning as registered agent from one or more corporations that each have been dissolved, either voluntarily, administratively, or by court action, for a continuous period of 10 years or longer, the registered agent may elect to file the statement of resignation separately for~~

~~each such corporation or may elect to file a single composite statement of resignation covering two or more corporations. Any such composite statement of resignation must set forth, for each such corporation covered by the statement of resignation, the name of the respective corporation and the date that dissolution became effective for the respective corporation. This subsection is applicable only to resignations by registered agents from domestic corporations.~~

~~(3) If a registered agent changes his or her business name or business address, he or she may change such name or address and the address of the registered office of any corporation for which he or she is the registered agent by:~~

~~(a) Notifying all such corporations in writing of the change;~~

~~(b) Signing (either manually or in facsimile) and delivering to the Department of State for filing a statement that substantially complies with the requirements of paragraphs (1)(a)-(f), setting forth the names of all such corporations represented by the registered agent; and~~

~~(c) Reciting that each corporation has been notified of the change.~~

~~(4) Changes of the registered office or registered agent may be made by a change on the corporation's annual report form filed with the Department of State.~~

~~(5) The Department of State shall collect a fee pursuant~~

~~to s. 15.09(2) for filings authorized by this section.~~

Section 21. Section 617.05021, Florida Statutes, is created to read:

617.05021 Resignation of a registered agent.—

(1)(a) A registered agent may resign as agent for a corporation by delivering to the department a signed statement of resignation and mailing a copy of such statement to the corporation at its mailing address of the respective corporation that then appears in the records of the department; provided, however, that if a composite statement of resignation is being filed pursuant to paragraph (b), the registered agent must promptly mail a copy of either the composite statement of resignation or a separate notice of resignation for each respective corporation, in each case using the respective mailing address of the respective corporation that then appears in the records of the department.

(b) If a registered agent is resigning as registered agent from one or more corporations that each have been dissolved, either voluntarily, administratively, or by court action, for a continuous period of 10 years or longer, the registered agent may elect to file the statement of resignation separately for each such corporation or may elect to file a single composite statement of resignation covering two or more corporations. Any such composite statement of resignation must set forth, for each such corporation covered by the statement of resignation, the

name of the respective corporation and the date that dissolution became effective for the respective corporation. This paragraph is applicable only to resignations by registered agents from domestic corporations.

(2) A registered agent is terminated upon the earlier of:

(a) The 31st day after the department files the statement of resignation; or

(b) When a statement of change or other record designating a new registered agent is filed by the department.

(3) When a statement of resignation takes effect, the registered agent ceases to have responsibility for a matter thereafter tendered to it as agent for the corporation. The resignation does not affect contractual rights that the corporation has against the agent or that the agent has against the corporation.

(4) A registered agent may resign from a corporation regardless of whether the corporation has active status.

Section 22. Section 617.05022, Florida Statutes, is created to read:

617.05022 Change of name or address by a registered agent.—

(1) If a registered agent changes the registered agent's name or business address, the agent may deliver to the department for filing a statement of change that provides the following:

(a) The name of the corporation represented by the registered agent.

(b) The name of the registered agent as currently shown in the records of the department for the corporation.

(c) If the name of the registered agent has changed, its new name.

(d) If the address of the registered agent has changed, the new address.

(e) A statement that the registered agent has given the notice required under subsection (2).

(2) A registered agent shall promptly furnish notice to the represented corporation of the statement of change and the changes made in the statement, as delivered to the department.

(3) A statement of change is effective when filed by the department.

(4) The changes described in this section may also be made on the corporation's annual report, in an application for reinstatement filed with the department under s. 617.1422, or in an amendment to or restatement of the company's articles of incorporation in accordance with s. 617.1006 or s. 617.1007.

(5) The department shall collect a fee pursuant to s. 15.09(2) for filings authorized by this section.

Section 23. Section 617.0503, Florida Statutes, is amended to read:

617.0503 Failure to maintain registered agent; subpoena by

the Department of Legal Affairs ~~Registered agent; duties; confidentiality of investigation records~~.—

(1)(a) Each corporation or~~,~~ foreign corporation~~, or alien business organization~~ that owns real property located in this state, that owns a mortgage on real property located in this state, or that conducts affairs ~~transacts business~~ in this state shall have and continuously maintain in this state a registered office and a registered agent and shall file with the department ~~of State~~ notice of the registered office and registered agent as provided in ss. 617.0501 and 617.0502. The appointment of a registered agent in compliance with s. 617.0501 or s. 617.0502 is sufficient for purposes of this section if the registered agent so appointed files, in the form and manner prescribed by the department ~~of State~~, an acceptance of the obligations provided for in this section.

(b) Each such corporation or~~,~~ foreign corporation~~, or alien business organization~~ that fails to have and continuously maintain a registered office and a registered agent as required in this section is liable to this state for $500 for each year, or part of a year, during which the domestic or ~~corporation,~~ foreign corporation~~, or alien business organization~~ fails to comply with these requirements; but this liability is forgiven in full upon the compliance by the domestic or foreign corporation~~, foreign corporation, or alien business organization~~ with the requirements of this subsection, even if that

compliance occurs after an action to collect such amount is instituted. The Department of Legal Affairs may file an action in the circuit court for the judicial circuit in which the domestic or foreign corporation~~, foreign corporation, or alien business organization~~ is found or conducts affairs ~~transacts business~~, or in which real property belonging to the domestic or foreign corporation~~, foreign corporation, or alien business organization~~ is located, to petition the court for an order directing that a registered agent be appointed and that a registered office be designated, and to obtain judgment for the amount owed under this subsection. In connection with such proceeding, the department may, without prior approval by the court, file a lis pendens against real property owned by the domestic or foreign corporation~~, foreign corporation, or alien business organization~~, which lis pendens must ~~shall~~ set forth the legal description of the real property and must ~~shall~~ be filed in the public records of the county where the real property is located. If the lis pendens is filed in any county other than the county in which the action is pending, the lis pendens that is filed must be a certified copy of the original lis pendens. The failure to comply timely or fully with an order directing that a registered agent be appointed and that a registered office be designated will result in a civil penalty of not more than $1,000 for each day of noncompliance. A judgment or an order of payment entered under this subsection

becomes a judgment lien against any real property owned by the domestic or foreign corporation~~, foreign corporation, or alien business organization~~ when a certified copy of the judgment or order is recorded as required by s. 55.10. The department may avail itself of, and is entitled to use, any ~~provision of~~ law or of the Florida Rules of Civil Procedure to further the collecting or obtaining of payment pursuant to a judgment or order of payment. The state, through the Attorney General, may bid, at any judicial sale to enforce its judgment lien, any amount up to the amount of the judgment or lien obtained pursuant to this subsection. All moneys recovered under this subsection must ~~shall~~ be treated as forfeitures under ss. 895.01-895.09 and used or distributed in accordance with the procedure set forth in s. 895.09. A domestic or foreign corporation~~, foreign corporation, or alien business organization~~ that fails to have and continuously maintain a registered office and a registered agent as required in this section may not defend itself against any action instituted by the Department of Legal Affairs or by any other agency of this state until the requirements of this subsection have been met.

(2) Each domestic or foreign corporation~~, foreign corporation, or alien business organization~~ that owns real property located in this state, that owns a mortgage on real property located in this state, or that conducts affairs ~~transacts business~~ in this state must ~~shall~~, pursuant to

subpoena served upon the registered agent of the domestic or foreign corporation~~, foreign corporation, or alien business organization~~ issued by the Department of Legal Affairs, produce, through its registered agent or through a designated representative within 30 days after service of the subpoena, testimony and records showing the following:

(a) True copies of documents evidencing the legal existence of the entity, including the articles of incorporation and any amendments to the articles of incorporation or the legal equivalent of the articles of incorporation and such amendments.

(b) The names and addresses of each current officer and director of the entity or persons holding equivalent positions.

(c) The names and addresses of all prior officers and directors of the entity or persons holding equivalent positions, for a period not to exceed the 5 years previous to the date of issuance of the subpoena.

(d) The names and addresses of each member ~~current shareholder, equivalent equitable owner, and ultimate equitable owner~~ of the entity, the number of which names is limited to the names of the 100 members holding the largest share of voting power of the domestic or foreign corporation ~~shareholders, equivalent equitable owners, and ultimate equitable owners that, in comparison to all other shareholders, equivalent equitable owners, or ultimate equitable owners, respectively, own the largest number of shares of stock of the corporation, foreign~~

~~corporation, or alien business organization or the largest percentage of an equivalent form of equitable ownership of the corporation, foreign corporation, or alien business organization~~.

(e) The names and addresses of all previous members ~~prior shareholders, equivalent equitable owners, and ultimate equitable owners of the entity~~ for the 12-month period preceding the date of issuance of the subpoena, the number of which names is limited to the 100 members holding the largest share of voting power of the domestic or foreign corporation ~~shareholders, equivalent equitable owners, and ultimate equitable owners that, in comparison to all other shareholders, equivalent equitable owners, or ultimate equitable owners, respectively, own the largest number of shares of stock of the corporation, foreign corporation, or alien business organization or the largest percentage of an equivalent form of equitable ownership of the corporation, foreign corporation, or alien business organization~~.

(f) The names and addresses of the person or persons who provided the records and information to the registered agent or designated representative of the entity.

(g) The requirements of paragraphs (d) and (e) do not apply to:

1. A financial institution;

2. A corporation, foreign corporation, or alien business

organization the securities of which are registered pursuant to s. 12 of the Securities Exchange Act of 1934, 15 U.S.C. ss. 78a-78kk, if such corporation, foreign corporation, or alien business organization files with the United States Securities and Exchange Commission the reports required by s. 13 of that act; or

3. A corporation, foreign corporation, or alien business organization, the securities of which are regularly traded on an established securities market located in the United States or on an established securities market located outside the United States, if such non-United States securities market is designated by rule adopted by the Department of Legal Affairs;

upon a showing by the corporation, foreign corporation, or alien business organization that the exception in subparagraph 1., subparagraph 2., or subparagraph 3. applies to the corporation, foreign corporation, or alien business organization. Such exception in subparagraph 1., subparagraph 2., or subparagraph 3. does not, however, exempt the corporation, foreign corporation, or alien business organization from the requirements for producing records, information, or testimony otherwise imposed under this section for any period of time when the requisite conditions for the exception did not exist.

(3) The time limit for producing records and testimony may be extended for good cause shown by the domestic or foreign

corporation~~, foreign corporation, or alien business organization~~.

(4) A domestic or foreign corporation ~~person, corporation, foreign corporation, or alien business organization~~ designating an attorney or~~,~~ accountant~~, or spouse~~ as a registered agent or designated representative shall, with respect to this state or any agency or subdivision of this state, be deemed to have waived any privilege that might otherwise attach to communications with respect to the information required to be produced pursuant to subsection (2), which communications are among such domestic or foreign corporation~~, foreign corporation, or alien business organization~~; the registered agent or designated representative of such domestic or foreign corporation~~, foreign corporation, or alien business organization~~; and the beneficial owners of such domestic or foreign corporation~~, foreign corporation, or alien business organization~~. The duty to comply with ~~the provisions of~~ this section will not be excused by virtue of any privilege or ~~provision of~~ law of this state or any other state or country, which privilege or provision authorizes or directs that the testimony or records required to be produced under subsection (2) are privileged or confidential or otherwise may not be disclosed.

(5) If a domestic or foreign corporation~~, foreign corporation, or alien business organization~~ fails without lawful

excuse to comply timely or fully with a subpoena issued pursuant to subsection (2), the Department of Legal Affairs may file an action in the circuit court for the judicial circuit in which the domestic or foreign corporation~~, foreign corporation, or alien business organization~~ is found or conducts affairs, ~~transacts business~~ or in which real property belonging to the domestic or foreign corporation~~, foreign corporation, or alien business organization~~ is located, for an order compelling compliance with the subpoena. The failure without a lawful excuse to comply timely or fully with an order compelling compliance with the subpoena will result in a civil penalty of not more than $1,000 for each day of noncompliance with the order. In connection with such proceeding, the department may, without prior approval by the court, file a lis pendens against real property owned by the domestic or foreign corporation~~, foreign corporation, or alien business organization~~, which lis pendens must ~~shall~~ set forth the legal description of the real property and must ~~shall~~ be filed in the public records of the county where the real property is located. If the lis pendens is filed in any county other than the county in which the action is pending, the lis pendens that is filed must be a certified copy of the original lis pendens. A judgment or an order of payment entered pursuant to this subsection will become a judgment lien against any real property owned by the domestic or foreign corporation~~, foreign corporation, or alien business organization~~

when a certified copy of the judgment or order is recorded as required by s. 55.10. The department may avail itself of, and is entitled to use, any provision of law or of the Florida Rules of Civil Procedure to further the collecting or obtaining of payment pursuant to a judgment or order of payment. The state, through the Attorney General, may bid at any judicial sale to enforce its judgment lien, an amount up to the amount of the judgment or lien obtained pursuant to this subsection. All moneys recovered under this subsection shall be treated as forfeitures under ss. 895.01-895.09 and used or distributed in accordance with the procedure set forth in s. 895.09.

(6) Information provided to, and records and transcriptions of testimony obtained by, the Department of Legal Affairs pursuant to this section are confidential and exempt from ~~the provisions of~~ s. 119.07(1) and s. 24(a), Art. I of the State Constitution while the investigation is active. For purposes of this section, an investigation shall be considered ~~"~~active~~"~~ while such investigation is being conducted with a reasonable, good faith belief that it may lead to the filing of an administrative, a civil, or a criminal proceeding. An investigation does not cease being ~~to be~~ active so long as the department is proceeding with reasonable dispatch and there is a good faith belief that action may be initiated by the department or other administrative or law enforcement agency. Except for active criminal intelligence or criminal investigative

information, as defined in s. 119.011, and information which, if disclosed, would reveal a trade secret, as defined in s. 688.002, or would jeopardize the safety of an individual, all information, records, and transcriptions become available to the public when the investigation is completed or becomes inactive ~~ceases to be active~~. The department may ~~shall~~ not disclose confidential information, records, or transcriptions of testimony except pursuant to authorization by the Attorney General in any of the following circumstances:

(a) To a law enforcement agency participating in or conducting a civil investigation under chapter 895, or participating in or conducting a criminal investigation.

(b) In the course of filing, participating in, or conducting a judicial proceeding instituted pursuant to this section or chapter 895.

(c) In the course of filing, participating in, or conducting a judicial proceeding to enforce an order or judgment entered pursuant to this section or chapter 895.

(d) In the course of a criminal proceeding.

A person or law enforcement agency that receives any information, record, or transcription of testimony that has been made confidential by this subsection shall maintain the confidentiality of such material and may ~~shall~~ not disclose such information, record, or transcription of testimony except as

provided for herein. Any person who willfully discloses any information, record, or transcription of testimony that has been made confidential by this subsection, except as provided for in this subsection, commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083. If any information, record, or testimony obtained pursuant to subsection (2) is offered in evidence in any judicial proceeding, the court may, in its discretion, seal that portion of the record to further the policies of confidentiality set forth in this subsection.

(7) This section is supplemental and may ~~shall~~ not be construed to preclude or limit the scope of evidence gathering or other permissible discovery pursuant to any other subpoena or discovery method authorized by law or rule of procedure.

(8) It is unlawful for any person, with respect to any record or testimony produced pursuant to a subpoena issued by the Department of Legal Affairs under subsection (2), to knowingly and willfully falsify, conceal, or cover up a material fact by a trick, scheme, or device; make any false, fictitious, or fraudulent statement or representation; or make or use any false writing or document knowing the writing or document to contain any false, fictitious, or fraudulent statement or entry. A person who violates this subsection commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(9) In the absence of a written agreement to the contrary, a registered agent is not liable for the failure to give notice of the receipt of a subpoena under subsection (2) to the domestic or foreign corporation~~, foreign corporation, or alien business organization~~ that appointed the registered agent if the registered agent timely sends written notice of the receipt of the subpoena by first-class mail or domestic or international air mail, postage fees prepaid, to the last address that has been designated in writing to the registered agent by the appointing domestic or foreign corporation~~, foreign corporation, or alien business organization~~.

(10) The designation of a registered agent and a registered office as required by subsection (1) for a domestic or foreign corporation~~, foreign corporation, or alien business organization~~ that owns real property in this state or a mortgage on real property in this state is solely for the purposes of this chapter; and, notwithstanding s. 48.181, s. 617.1502, s. 617.1503, or any other relevant section of the Florida Statutes, such designation may not be used in determining whether the domestic or foreign corporation~~, foreign corporation, or alien business organization~~ is actually doing business in this state.

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

(a) ~~"Alien business organization" means:~~

~~1. Any corporation, association, partnership, trust, joint stock company, or other entity organized under any laws other~~

~~than the laws of the United States, of any United States territory or possession, or of any state of the United States; or~~

~~2. Any corporation, association, partnership, trust, joint stock company, or other entity or device 10 percent or more of which is owned or controlled, directly or indirectly, by an entity described in subparagraph 1. or by a foreign natural person.~~

~~(b) "Financial institution" means:~~

~~1. A bank, banking organization, or savings association, as defined in s. 220.62;~~

~~2. An insurance company, trust company, credit union, or industrial savings bank, any of which is licensed or regulated by an agency of the United States or any state of the United States; or~~

~~3. Any person licensed under the provisions of chapter 494.~~

~~(c)~~ "Mortgage" means a mortgage on real property situated in this state, except a mortgage owned by a financial institution.

(b) ~~(d)~~ "Real property" means any real property situated in this state or any interest in such real property.

~~(e) "Ultimate equitable owner" means a natural person who, directly or indirectly, owns or controls an ownership interest in a corporation, foreign corporation, or alien business~~

~~organization, regardless of whether such natural person owns or controls such ownership interest through one or other natural persons or one or more proxies, powers of attorney, nominees, corporations, associations, partnerships, trusts, joint stock companies, or other entities or devices, or any combination thereof.~~

~~(12) Any alien business organization may withdraw its registered agent designation by delivering an application for certificate of withdrawal to the department for filing. The application shall set forth:~~

~~(a) The name of the alien business organization and the jurisdiction under the law of which it is incorporated or organized; and~~

~~(b) That it is no longer required to maintain a registered agent in this state.~~

Section 24. Section 617.0505, Florida Statutes, is amended to read:

617.0505 Distributions and dividends prohibited; exceptions. ~~Except as authorized in s. 617.1302,~~ A corporation may not make distributions to its members, directors, or officers.

(1) A corporation may not pay any dividend and may not make distributions of any part of the net income or net earnings of the corporation to its members, directors, or officers, except that a corporation may:

(a) Make payments for compensation and benefits as authorized in s. 617.0603, membership purchases as authorized in s. 617.0608(2), and compensation for directors as authorized in s. 617.08101;

(b) Make distributions to its members upon dissolution in conformity with the dissolution provisions of this chapter or, if expressly permitted by its articles of incorporation, upon partial liquidation; and

(c) Make distributions to another nonprofit entity or governmental unit that is a member of the distributing corporation or has the power to appoint one or more of the directors of the distributing corporation ~~A mutual benefit corporation, such as a private club that is established for social, pleasure, or recreational purposes and that is organized as a corporation of which the equity interests are held by the members, may, subject to s. 617.1302, purchase the equity membership interest of any member, and the payment for such interest is not a distribution for purposes of this section~~.

(2) ~~A corporation may pay compensation in a reasonable amount to its members, directors, or officers for services rendered, may confer benefits upon its members in conformity with its purposes, and, upon dissolution or final liquidation, may make distributions to its members as permitted by this chapter.~~

~~(3) If expressly permitted by its articles of~~

~~incorporation, a corporation may make distributions upon partial liquidation to its members, as permitted by this section. Any such payment, benefit, or distribution does not constitute a dividend or a distribution of income or profit for purposes of this section.~~

~~(4)~~ A corporation that is a utility exempt from regulation under s. 367.022(7), whose articles of incorporation state that it is exempt from taxation under s. 501(c)(12) of the Internal Revenue Code of 1986, as amended, may make refunds to its members, before ~~prior to~~ a dissolution or liquidation, as its managing board deems necessary to establish or preserve its tax-exempt status. Any such refund does not constitute a dividend or a distribution of income or earnings ~~profit~~ for purposes of this section.

(3)~~(5)~~ A corporation that is regulated by chapter 718, chapter 719, chapter 720, chapter 721, or chapter 723, or a corporation where membership in such corporation is required pursuant to a document recorded in the official county property records, may make refunds to its members, give ~~giving~~ credits to its members, disburse ~~disbursing~~ insurance proceeds to its members, or disburse ~~disbursing~~ or pay ~~paying~~ settlements to its members without violating this section.

(4) A dividend or distribution by a nonprofit insurance company subsidiary to its mutual insurance holding company organized under part III of chapter 628, directly or indirectly

through one or more intermediate holding companies authorized under that part, is not a distribution for the purposes of this chapter.

Section 25. Paragraph (b) of subsection (1) and subsections (3) through (7) of section 617.0601, Florida Statutes, are amended, and subsections (8) and (9) are added to that section, to read:

617.0601 Members, generally.—

(1)

(b) For ~~The articles of incorporation or bylaws of~~ any nonprofit corporation ~~not for profit~~ that does not have members, or does not have members entitled to vote on a matter, any law requiring notice to, the presence of, or the vote, consent, or other action by members of the corporation in connection with such matter is satisfied by notice to, the presence of, or the vote, consent, or other action by the board of directors of the nonprofit corporation ~~maintains chapters or affiliates may grant representatives of such chapters or affiliates the right to vote in conjunction with the board of directors of the corporation notwithstanding applicable quorum or voting requirements of this chapter if the corporation is registered with the Department of Agriculture and Consumer Services pursuant to ss. 496.401-496.424, the Solicitation of Contributions Act~~.

(3) Corporation members have no voting or other rights except as provided in the articles of incorporation or bylaws

and each member has the same rights and obligations as every other member except as provided in the articles of incorporation or bylaws. However, members of any corporation existing on July 1, 1991, ~~shall~~ continue to have the same voting and other rights as before such date until changed by amendment of the articles of incorporation or bylaws.

(4) A corporation shall keep a membership list ~~book~~ containing, in alphabetical order, the name and address of each member. The corporation shall also keep records in accordance with s. 617.1601.

(5) A resignation, expulsion, suspension, or termination of membership pursuant to s. 617.0606 or s. 617.0607 must ~~shall~~ be recorded in the membership list ~~book~~. Unless otherwise provided in the articles of incorporation or the bylaws, all the rights and privileges of a member cease on termination of membership.

(6) Except as provided in the articles of incorporation or the bylaws, a corporation may admit members for no consideration or for such consideration as is determined by the board of directors. The consideration may take any form, including, but not limited to, promissory notes, intangible property, or past or future services. Payment of such consideration may be made at such times and upon such terms as are set forth in or authorized by the articles of incorporation, bylaws, or action of the board of directors ~~Subsections (1), (2), (3), and (4) do not apply to~~

~~a corporation that is an association as defined in s. 720.301~~.

(7) Where the articles of incorporation expressly limit membership in the corporation to property owners within specific measurable geographic boundaries and where the corporation has been formed for the benefit of all of those property owners, ~~no~~ such property owner may not ~~shall~~ be denied membership, provided that such property owner once admitted to membership complies~~, shall comply~~ with the terms and conditions of membership which may provide for termination of membership upon ceasing to be a property owner. Any bylaws, rules, or other regulations to the contrary are deemed void and any persons excluded from membership by such bylaws, rules, or other regulations are deemed members with full rights, including the right, by the majority, or as otherwise provided in the articles of incorporation, to call for a meeting of the membership.

(8) A corporation may not be a member of itself or exercise the rights of a member with respect to itself. Upon a corporation's purchase of its own membership interest in accordance with s. 617.0608, the membership interest is canceled.

(9) Subsections (1)-(4) do not apply to a corporation that is an association as defined in s. 720.301.

Section 26. Section 617.0603, Florida Statutes, is created to read:

617.0603 Compensation and benefits.—A corporation may do

any of the following:

(1) Pay compensation in reasonable amounts to its members, directors, officers, agents, and employees for services rendered.

(2) Confer benefits upon its members in conformity with its purposes.

(3) Upon dissolution or final liquidation, make distributions to its members or others as permitted by this chapter.

No such payments, benefits, or distributions may be deemed to be a dividend or a distribution of income or earnings.

Section 27. Subsection (2) of section 617.0604, Florida Statutes, is amended, and subsections (3) through (7) are added to that section, to read:

617.0604 Liability of members.—

(2) A corporation may levy dues, assessments, and fees on its members to the extent authorized in the articles of incorporation or the bylaws. Dues, assessments, and fees may be imposed on members of the same class either alike or in different amounts or proportions, and may be imposed on a different basis on different classes of members. Members of a class may be made exempt from dues, assessments, and fees to the extent provided in the articles of incorporation or the bylaws ~~A member may become liable to the corporation for dues,~~

~~assessments, or fees as provided by law~~.

(3) The amount and method of collection of dues, assessments, and fees may be fixed in the articles of incorporation or bylaws, or the articles of incorporation or bylaws may authorize the board of directors or its members to fix the amount and method of collection.

(4) The articles of incorporation or bylaws may provide reasonable means, such as termination and reinstatement of membership, to enforce the collection of dues, assessments, and fees.

(5) A creditor of a corporation may not bring a proceeding to reach the liability, if any, of a member of the corporation unless final judgment has been rendered in favor of the creditor against the corporation and execution has been returned unsatisfied in whole or in part or unless the proceeding would be useless.

(6) All creditors of a corporation, with or without reducing their claims to judgment, may intervene in any other creditor's proceeding brought pursuant to subsection (5) to reach and apply unpaid amounts due from the corporation. All members who owe unpaid amounts to the corporation may be joined in the proceeding.

(7) Satisfaction of a debt owed to a creditor by the corporation through payment of a member who owes unpaid amounts to the corporation satisfies the debt of the corporation to the

creditor and the debt of the member to the corporation to the extent so paid by the member to the creditor.

Section 28. Section 617.0605, Florida Statutes, is amended to read:

617.0605 Transfer of membership interests.—

(1) Except as provided in the articles of incorporation or bylaws, a member of a corporation may not transfer a membership or any right arising from membership ~~except as otherwise allowed in this section~~.

(2) ~~Except as set forth in the articles of incorporation or bylaws of a mutual benefit corporation, a member of a mutual benefit corporation may not transfer a membership or any right arising from membership.~~

~~(3)~~ Where the right to ~~If~~ transfer a membership has been provided in the articles of incorporation or bylaws ~~rights have been provided for one or more members of a mutual benefit corporation~~, a restriction on such rights is not binding with respect to a member holding a membership issued before the adoption of the restriction unless the restriction is approved by the ~~members and the~~ affected member.

Section 29. Section 617.0606, Florida Statutes, is amended to read:

617.0606 Resignation of members.—

(1) ~~Except as may be provided in the articles of incorporation or bylaws of a corporation,~~ A member may resign at

any time for any reason ~~of a mutual benefit corporation may not transfer a membership or any right arising from membership~~.

(2) The resignation of a member does not relieve the member from any obligations ~~that the member may have to the corporation as a result of obligations~~ incurred or commitments made before resignation.

Section 30. Subsections (3) and (4) of section 617.0607, Florida Statutes, are amended, and subsection (5) is added to that section, to read:

617.0607 Termination, expulsion, and suspension.—

(3) Any proceeding challenging an expulsion, suspension, or termination, including a proceeding in which ~~the~~ defective notice is alleged, must be commenced within 1 year after the effective date of the expulsion, suspension, or termination.

(4) A member who has been expelled or suspended or has had a membership suspended or terminated may be liable to the corporation for dues, assessments, or fees as a result of obligations incurred or commitments made before the expulsion, ~~or~~ suspension, or termination. The expulsion, suspension, or termination does not relieve the member of any obligations or commitments made before the expulsion, suspension, or termination.

(5) A corporation may, if authorized in the articles of incorporation or bylaws, levy fines or otherwise penalize its members. A fine or penalty, other than a late fee for nonpayment

of dues, may not be levied until after the corporation has provided notice thereof to the member concerned and has afforded the affected member an opportunity to be heard on the matter.

Section 31. Section 617.0608, Florida Statutes, is amended to read:

617.0608 Purchase of memberships.—

(1) A corporation described in s. 501(c)(3) of the Internal Revenue Code of 1986, as amended, may not purchase the membership interests of any of its members ~~any of its memberships~~ or any right arising from membership. Any corporation that is not described in s. 501(c)(3) of the Internal Revenue Code of 1986, as amended, may purchase the membership interest of any member or any right arising from membership to the extent provided in the articles of incorporation or bylaws. No such payment for purchase of membership interest or right arising from membership may be deemed a dividend or a distribution of income or earnings ~~except as provided in s. 617.0505 or subsection (2)~~.

(2) Subject to subsection (1) ~~s. 617.1302~~, a ~~mutual benefit~~ corporation may purchase the membership interest of a member who resigns, or whose membership is terminated, for the amount and pursuant to the conditions set forth in its articles of incorporation or bylaws, but only if, after the completing the purchase:

(a) The corporation is able to pay its debts as they

become due in the usual course of its activities; and

(b) The total assets of the corporation are at least equal to the sum of its liabilities.

Section 32. Section 617.0701, Florida Statutes, is amended to read:

617.0701 Meetings of members, generally; failure to hold annual meeting; special meeting; consent to corporate actions without meetings; waiver of notice of meetings.—

(1) A corporation with members may hold meetings of members for the transaction of any proper business at such times stated in or fixed in accordance with the articles of incorporation or bylaws. The frequency of all meetings of members, the time and manner of notice of such meetings, the conduct and adjournment of such meetings, the determination of members entitled to notice or to vote at such meetings, and the number or voting power of members necessary to constitute a quorum~~,~~ shall be determined by or in accordance with the articles of incorporation or the bylaws. Annual, regular, and special meetings of the members may be held in or out of this state, and the place and time of all meetings may be determined by the board of directors.

(2) The failure to hold an annual meeting at the time stated in or fixed in accordance with a corporation's articles of incorporation or bylaws or pursuant to this chapter does not work ~~cause~~ a forfeiture or ~~give cause for~~ dissolution of the

corporation, and ~~nor~~ does not ~~such failure~~ affect the validity of any corporate action ~~otherwise valid corporate acts~~, except as provided in s. 617.1430 in the case of a deadlock among the directors or the members.

(3)(a) Except as provided in the articles of incorporation or bylaws, special meetings of the members may be called ~~by~~ either:

1. By the corporation's board of directors or the person or persons authorized to do so by the articles of incorporation or bylaws; or

2. If members holding no less than 10 percent, or such other amount as specified in the articles of incorporation or bylaws, of all the votes entitled to be cast on any issue being considered at the proposed special meeting sign, date, and deliver to the corporation's secretary one or more written demands for the meeting describing the purpose or purposes for which it is to be held.

(b) Unless otherwise provided in the articles of incorporation or bylaws, a written demand for a special meeting may be revoked by a writing to that effect received by the corporation before the receipt by the corporation of demands sufficient in number to require holding a special meeting pursuant to subparagraph (a)2.

(c) Only business within the purpose or purposes described in the meeting notice may be conducted at a special meeting of

members.

(d) Special meetings of members may be held in or out of this state at a place stated in or fixed in accordance with the articles of incorporation or the bylaws or, when not inconsistent with the articles of incorporation or the bylaws, in the notice of the special meeting. If no place is stated or fixed in accordance with the articles of incorporation or the bylaws or in the notice of the special meeting, special meetings must be held at the corporation's principal office.

~~(a) The president;~~

~~(b) The chair of the board of directors;~~

~~(c) The board of directors;~~

~~(d) Other officers or persons as are provided for in the articles of incorporation or the bylaws;~~

~~(e) The holders of at least 5 percent of the voting power of a corporation when one or more written demands for the meeting, which describe the purpose for which the meeting is to be held, are signed, dated, and delivered to a corporate officer; or~~

~~(f) A person who signs a demand for a special meeting pursuant to paragraph (c) if notice for a special meeting is not given within 30 days after receipt of the demand. The person signing the demand may set the time and place of the meeting and give notice under this subsection.~~

(4) Unless otherwise provided in the articles of

incorporation or bylaws, action required or permitted by this chapter to be taken at an annual or special meeting of members may be taken without a meeting, without prior notice, and without a vote if the action is taken by the members entitled to vote on such action and having not less than the minimum number of votes necessary to authorize such action at a meeting at which all members entitled to vote on such action were present and voted.

(a) To be effective, the action must be evidenced by one or more written consents describing the action taken, dated and signed by approving members having the requisite number of votes and entitled to vote on such action, and delivered to the corporation to its principal office in this state, its principal place of business, the corporate secretary, or another officer or agent of the corporation having custody of the book in which proceedings of meetings of members are recorded. The action taken by written consent is effective when such written consent is signed by members entitled to cast the required number of votes on the action and has been delivered to the corporation by delivery as set forth in this section, but only if ~~Written consent to take the corporate action referred to in the consent is not effective unless~~ the consent is signed by members having the requisite number of votes necessary to authorize the action within 90 days after the date of the earliest dated consent ~~and is delivered in the manner required by this section~~.

(b) Any written consent may be revoked before ~~prior to~~ the date that the corporation receives the required number of consents to authorize the proposed action. A revocation is not effective unless in writing and until received by the corporation at its principal office ~~in this state~~ or its principal place of business, or received by the corporate secretary or other officer or agent of the corporation having custody of the book in which proceedings of meetings of members are recorded.

(c) If the articles of incorporation or bylaws require that notice of proposed corporate action be delivered to members not entitled to vote on the action and the action is to be taken by consent of the members entitled to vote, within 30 days after obtaining authorization by written consent, notice must be given to those members who are entitled to vote on the action but who have not consented in writing and to those members who are not entitled to vote. The notice must fairly summarize the material features of the authorized action.

(d) A consent signed under this section has the effect of a meeting vote and may be described as such in any document.

(e) If the action to which the members consent is such as would have required the filing of articles or a certificate under any other section of this chapter if such action had been voted on by members at a meeting, the articles or certificate filed under such other section must state that written consent

has been given in accordance with this section.

(f) Whenever action is taken pursuant to this section, the written consent of the members consenting thereto ~~to such action~~ or the written reports of inspectors appointed to tabulate such consents must be filed with the minutes of member proceedings.

(5)(a) A member may waive any notice required by this chapter, the articles of incorporation, or the bylaws before or after the date and time stated in the notice. The waiver must be in writing, signed electronically or otherwise by the member entitled to the notice, and delivered to the corporation for filing by the corporation with the minutes or corporate records ~~Notice of a meeting of members need not be given to any member who signs a waiver of notice, in person or by proxy, either before or after the meeting~~. Unless required by the articles of incorporation or bylaws, neither the affairs to be transacted at nor the purpose of the meeting need to be specified in the waiver.

(b) Attendance of a member at a meeting waives objection to:

1. Lack~~, either in person or by proxy, constitutes waiver~~ of notice or defective notice of the meeting, unless the member promptly objects to holding the meeting or transacting business at the beginning of the meeting and does not thereafter vote for or assent to action taken at the meeting; and

2. Consideration of a particular matter at the meeting

which is not within the purposes described in the meeting notice ~~waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened~~, unless the member objects to considering the matter when it is presented at the meeting ~~attends a meeting solely for the purpose of stating, at the beginning of the meeting, any such objection or objections to the transaction of affairs~~.

(6) Subsections (1) and (3) do not apply to any corporation that is an association as defined in s. 720.301; a corporation regulated by chapter 718, chapter 719, chapter 720, chapter 721, or chapter 723; or a corporation where membership in such corporation is required pursuant to a document recorded in the county official ~~property~~ records.

Section 33. Section 617.0721, Florida Statutes, is amended to read:

617.0721 Voting by members.—

(1) Members are not entitled to vote except as conferred by the articles of incorporation or the bylaws.

(2) A member who is entitled to vote may vote in person or, unless the articles of incorporation or the bylaws otherwise provide, may vote by proxy ~~executed in writing by the member or by his or her duly authorized attorney in fact~~.

(3)(a) A member or the member's attorney-in-fact may appoint a proxy to vote or otherwise act for the member by:

1. Signing an appointment form, with his or her signature affixed, by any reasonable means, including, but not limited to, facsimile or electronic signature;

2. Transmitting or authorizing the transmission of an electronic signature to the person who will be appointed as the proxy or to a proxy solicitation firm, a proxy support service organization, a registrar, or an agent authorized by the person who will be designated as the proxy to receive such transmission; or

3. Using such other means as provided for in the articles of incorporation or the bylaws.

(b) An appointment form must contain or be accompanied by information from which it can be determined that the member or the member's attorney in fact authorized the appointment of the proxy.

(4) Notwithstanding any provision to the contrary in the articles of incorporation or bylaws, any copy, facsimile transmission, or other reliable reproduction of the appointment form ~~original proxy~~ may be substituted or used in lieu of the original proxy for any purpose for which the original proxy could be used if the copy, facsimile transmission, or other reproduction is a complete reproduction of the appointment form ~~entire proxy~~. An appointment of a proxy is effective when a signed appointment in a record is received by the inspectors of election, the officer or agent of the corporation authorized to

count votes, or the secretary. An appointment of a proxy is ~~not~~ valid for ~~after~~ 11 months ~~following the date of its execution~~ unless a longer period, which may not exceed 3 years, is expressly ~~otherwise~~ provided in the appointment form ~~proxy~~. The death or incapacity of the member appointing a proxy does not affect the right of the corporation to accept the proxy's authority unless notice of the death or incapacity is received by the inspectors of election, the officer or agent authorized to count votes, or the secretary before the proxy exercises his or her authority under the appointment. A member may revoke appointment of a proxy unless the appointment form or electronic transmission states that it is irrevocable and the appointment is coupled with an interest.

(a) If directors or officers are to be elected by members, the bylaws may provide that such elections may be conducted by mail.

(b) A corporation may reject a vote, ballot, consent, waiver, demand, or proxy appointment if the person ~~secretary or other officer or agent~~ authorized to accept or reject such vote, ballot, consent, waiver, demand, or proxy appointment ~~tabulate votes~~, acting in good faith, has a reasonable basis to doubt ~~for doubting~~ the validity of the signature on it or the signatory's authority to sign for the member.

(5)(a) ~~(3) If authorized by the board of directors, and subject to such guidelines and procedures as the board of~~

~~directors may adopt,~~ Members of any class, their attorneys-in-fact, and proxies may participate in any ~~and proxy holders who are not physically present at a~~ meeting of members ~~may,~~ by means of remote communication to the extent the board of directors authorizes such participation for such class. Participation by means of remote communication is subject to the guidelines and procedures adopted by the board of directors and must be in conformity with paragraph (b).~~:~~

~~(a) Participate in the meeting.~~

(b) Members, their attorneys-in-fact, and proxies participating in a members' meeting by means of remote communication authorized in paragraph (a) are ~~Be~~ deemed to be present in person and may vote at the meeting if the corporation has implemented reasonable measures to:

1. ~~The corporation implements reasonable means to~~ Verify that each person participating remotely as a member is a member, a member's attorney-in-fact, or a proxy ~~deemed present and authorized to vote by means of remote communication is a member or proxy holder~~; and

2. ~~The corporation implements reasonable measures to~~ Provide such members, member's attorneys-in-fact, and proxies ~~or proxy holders with~~ a reasonable opportunity to participate in the meeting and to vote on matters submitted to the members, including an opportunity to communicate and to read or hear the proceedings of the meeting substantially concurrent with the

proceedings.

(c) If any member, attorney-in-fact for a member, or proxy ~~holder~~ votes or takes other action at a members' meeting by means of remote communication, a record of such vote or other action ~~that member's participation in the meeting~~ must be maintained by the corporation in accordance with s. 617.1601.

(d) Unless the articles of incorporation, bylaws, or demands of members in accordance with s. 617.0701(3) require a meeting of members to be held at a geographic location, the board of directors may determine that any meeting of members will not be held at a geographic location, and instead will be held solely by means of remote communication, but only if the corporation implements the measures required by paragraph (b).

(6)~~(4)~~ If any entity ~~corporation, whether for profit or not for profit,~~ is a member of a corporation organized under this chapter, the chair of the governing body ~~board~~, the president, any vice president, the secretary, or the treasurer of the member entity ~~corporation~~, and any such officer or cashier or trust officer of a banking or trust corporation holding such membership, and any like officer of a foreign entity ~~corporation whether for profit or not for profit,~~ holding such membership in a domestic corporation, is ~~shall be~~ deemed by the corporation in which membership is held to have the authority to vote on behalf of the member entity ~~corporation~~ and to execute proxies and written waivers and consents in relation

thereto, unless, before a vote is taken or a waiver or consent is acted upon, it appears pursuant to a certified copy of the bylaws or other governing documents of the entity or a resolution of the governing documents ~~board of directors~~ or executive committee of the member entity ~~corporation~~ that such authority does not exist or is vested in some other officer or person. In the absence of such certification, a person executing any such proxies, waivers, or consents or presenting himself or herself at a meeting as one of such officers of a ~~corporate~~ member entity is ~~shall be~~, for the purposes of this section, conclusively deemed to be duly elected, qualified, and acting as such officer and to be fully authorized. In the case of conflicting representation, the ~~corporate~~ member entity shall be represented by its senior officer, in the order stated in this subsection.

(7)~~(5)~~ The articles of incorporation or the bylaws may provide that, in all elections for directors, every member entitled to vote has the right to cumulate the member's ~~his or her~~ votes and to give one candidate a number of votes equal to the number of votes the member ~~he or she~~ could give if one director were being elected multiplied by the number of directors to be elected or to distribute such votes on the same principles among any number of such candidates. A corporation may not have cumulative voting unless such voting is expressly authorized in the articles of incorporation.

(8) ~~(6)~~ If a corporation has no members or its members do not have the right to vote, the directors ~~shall~~ have the sole voting power.

(9) ~~(7)~~ Subsections (1), (7) ~~(5)~~, and (8) ~~(6)~~ do not apply to a corporation that is an association, as defined in s. 720.301, or a corporation regulated by chapter 718 or chapter 719.

Section 34. Section 617.0741, Florida Statutes, is created to read:

617.0741 Standing.—A director, an officer, or a member may not commence a proceeding in the right of a domestic or foreign corporation unless such director, officer, or member holds that position at the time the action is commenced and:

(1) Was a director, an officer, or a member when the conduct giving rise to the action occurred; or

(2) The person became a member through transfer or by operation of law from a person who was a member when the conduct giving rise to the action occurred.

Section 35. Section 617.0742, Florida Statutes, is created to read:

617.0742 Complaint; demand and excuse.—A complaint in a proceeding brought in the right of a corporation must be verified and allege with particularity:

(1) The demand, if any, made to obtain the action desired by the director, officer, or member from the board of directors;

and

(2) Either:

(a) If such demand was made, that the demand was refused, rejected, or ignored by the board of directors before the expiration of 90 days from the date the demand was made.

(b) If such a demand was made, why irreparable injury to the corporation or misapplication or waste of corporate assets causing material injury to the corporation would result by waiting for the expiration of a 90-day period from the date the demand was made; or

(c) The reason or reasons the director, officer, or member did not make the effort to obtain the desired action from the board of directors or comparable authority.

Section 36. Section 617.0743, Florida Statutes, is created to read:

617.0743 Stay of proceedings.—If the corporation commences an inquiry into the allegations made in the demand or complaint, the court may stay any derivative proceeding for such period as the court deems appropriate.

Section 37. Section 617.0744, Florida Statutes, is created to read:

617.0744 Dismissal.—

(1) A derivative proceeding may be dismissed, in whole or in part, by the court upon motion by the corporation if a group specified in subsection (2) or subsection (3) has determined in

good faith, after conducting a reasonable inquiry, that the maintenance of the derivative proceeding is not in the best interests of the corporation. In all such cases, the corporation has the burden of proof regarding the qualifications, good faith, and reasonable inquiry of the group making the determination.

(2) Unless a panel is appointed pursuant to subsection (3), the determination required in subsection (1) must be made by:

(a) A majority of qualified directors present at a meeting of the board of directors if the qualified directors constitute a quorum; or

(b) A majority vote of a committee consisting of two or more qualified directors appointed by majority vote of qualified directors present at a meeting of the board of directors, regardless of whether such qualified directors constitute a quorum.

(3) Upon motion by the corporation, the court may appoint a panel consisting of one or more disinterested and independent persons to make a determination required in subsection (1).

(4) This section does not prevent the court from:

(a) Enforcing a person's rights under the corporation's articles of incorporation or bylaws or this chapter, including the person's rights to information under s. 617.1602; or

(b) Exercising its equitable or other powers, including

granting extraordinary relief in the form of a temporary restraining order or preliminary injunction.

Section 38. Section 617.0745, Florida Statutes, is created to read:

617.0745 Discontinuance or settlement; notice.—

(1) A derivative action on behalf of a corporation may not be discontinued or settled without the court's approval.

(2) If the court determines that a proposed discontinuance or settlement will substantially affect the interest of any of the corporation's members, the court must direct that notice be given to the members affected. The court may determine which party or parties to the derivative action bears the expense of giving the notice.

Section 39. Section 617.0746, Florida Statutes, is created to read:

617.0746 Proceeds and expenses.—On termination of a derivative proceeding, the court may:

(1) Order the corporation to pay from the amount recovered by the corporation the plaintiff's reasonable expenses, including attorney fees and costs, incurred in the derivative proceeding if it finds in favor of the plaintiff in whole or in part; or

(2) Order the plaintiff to pay any of the defendant's reasonable expenses, including reasonable attorney fees and costs, incurred in defending the proceeding if it finds that the

proceeding was commenced or maintained without reasonable cause or for an improper purpose.

Section 40. Section 617.0747, Florida Statutes, is created to read:

617.0747 Applicability to foreign corporations.—In any derivative proceeding in the right of a foreign corporation brought in the courts of this state, the matters covered by ss. 617.0741-617.0747 are governed by the laws of the jurisdiction of incorporation of the foreign corporation, except for ss. 617.0743, 617.0745, and 617.0746.

Section 41. Section 617.0803, Florida Statutes, is amended to read:

617.0803 Number of directors.—

~~(1)~~ A board of directors must consist of one ~~three~~ or more persons ~~individuals~~, as may be ~~with the number~~ specified in or fixed in accordance with the articles of incorporation or the bylaws, as may be amended, except that a corporation that is exempt from federal income taxation under s. 501(c)(3) of the Internal Revenue Code of 1986, as amended, must have a board of directors that consists of three or more persons.

~~(2) The number of directors may be increased or decreased from time to time by amendment to, or in the manner provided in, the articles of incorporation or the bylaws, but the corporation must never have fewer than three directors.~~

~~(3) Directors shall be elected or appointed in the manner~~

~~and for the terms provided in the articles of incorporation or the bylaws.~~

Section 42. Section 617.0804, Florida Statutes, is created to read:

617.0804 Selection of directors.—

(1) The directors of a membership corporation, except for any initial directors named in the articles of incorporation or elected by the incorporators, shall be elected by the members entitled to vote at the time at the first annual meeting of members, and at each annual meeting thereafter. Notwithstanding this subsection, the articles of incorporation or bylaws may provide some other time or method of election, or provide that some or all of the directors are appointed by some other person or designated in some other manner.

(2) The directors of a nonmembership corporation, except for any initial directors named in the articles of incorporation or elected by the incorporators, shall be elected, appointed, or designated as provided in the articles of incorporation or bylaws. If no method of election, appointment, or designation is set forth in the articles of incorporation or bylaws, such directors are elected by the board of directors.

(3) If the articles of incorporation or bylaws divide, or authorize dividing, the members into classes, the articles of incorporation or bylaws may also authorize the election of all or a specified number of directors by the holders of one or more

authorized classes of members. A class or multiple classes of members entitled to elect one or more directors is a separate voting group for purposes of the election of directors.

Section 43. Section 617.0805, Florida Statutes, is created to read:

617.0805 Terms of directors, generally.—

(1) The articles of incorporation or bylaws may specify the terms of directors. If a term is not specified in the articles of incorporation or bylaws, the term of a director is 1 year.

(2) A decrease in the number of directors or term of office does not shorten an incumbent director's term.

(3) Except as provided in the articles of incorporation or bylaws, the term of a director elected to fill a vacancy expires at the end of the term that the director is filling.

(4) Notwithstanding the expiration of a director's term, the director continues to serve until the director's successor is elected, appointed, or designated and until the director's successor takes office unless otherwise provided in the articles of incorporation or bylaws or there is a decrease in the number of directors.

Section 44. Present subsection (3) of section 617.0808, Florida Statutes, is redesignated as subsection (2) of that section, and subsection (1) and present subsection (2) of that section are amended, to read:

617.0808 Removal of directors.—

(1) ~~Subject to subsection (2),~~ A director may be removed from office pursuant to procedures provided in the articles of incorporation or the bylaws. Unless the articles of incorporation or bylaws provide otherwise, a director may be removed as follows ~~, which shall provide the following, and if they do not do so, shall be deemed to include the following~~:

(a) Any member of the board of directors may be removed from office with or without cause by:

1. Except as provided in paragraph (i), a majority of all votes of the directors, if the director was elected or appointed by the directors; or

2. A majority of all votes of the members, if the director was elected or appointed by the members.

(b) If a director is elected by a class, chapter, or other organizational unit, or by region or other geographic grouping, the director may be removed only by the members of that class, chapter, unit, or grouping. However:

1. A director may be removed only if the number of votes cast to remove the director would be sufficient to elect the director at a meeting to elect directors, except as provided in subparagraphs 2. and 3.

2. If cumulative voting is authorized, a director may not be removed if the number of votes sufficient to elect the director under cumulative voting is voted against the removal of

the director.

3. If at the beginning of the term of a director the articles of incorporation or bylaws provide that the director may be removed for missing a specified number of board meetings, the board may remove the director for failing to attend the specified number of meetings. The director may be removed only if a majority of the directors then in office vote for the removal.

(c) The notice of a meeting to recall a member or members of the board of directors must ~~shall~~ state the specific directors sought to be removed.

(d) A proposed removal of a director at a meeting requires ~~shall require~~ a separate vote for each director whose removal is sought. Where removal is sought by written consent, a separate consent is required for each director to be removed.

(e) If removal is effected at a meeting, any vacancies created must be ~~shall be~~ filled by the members or directors eligible to vote for the removal.

(f) Any director who is removed from the board is not eligible to stand for reelection until the next annual meeting at which directors are elected.

(g) Any director removed from office must ~~shall~~ turn over to the board of directors within 72 hours any and all records of the corporation in such director's ~~his or her~~ possession.

(h) If a director who is removed does not relinquish such

director's ~~his or her~~ office or turn over records as required under this section, the circuit court in the county where the corporation's principal office is located may summarily order the director to relinquish such director's ~~his or her~~ office and turn over corporate records upon application of any member.

(i) A director elected or appointed by the board may be removed without cause by a vote of two-thirds of the directors then in office or such greater number as is set forth in the articles of incorporation or bylaws.

~~(2) A director of a corporation described in s. 501(c) of the Internal Revenue Code may be removed from office pursuant to procedures provided in the articles of incorporation or the bylaws, and the corporation may provide in the articles of incorporation or the bylaws that it is subject to the provisions of subsection (1).~~

Section 45. Present subsection (4) of section 617.0809, Florida Statutes, is redesignated as subsection (3) of that section, and subsections (1) and (2) and present subsection (3) of that section are amended, to read:

617.0809 Board vacancy.—

(1) Except as otherwise provided in subsection (2) ~~s. 617.0808(1)(f)~~, the articles of incorporation, or the bylaws, if a ~~any~~ vacancy occurs ~~occurring~~ on the board of directors, including a vacancy resulting from an increase in the number of directors, the vacancy may be filled by a ~~the affirmative vote~~

~~of the~~ majority of the remaining directors in office, even if ~~though~~ the remaining directors constitute less than a quorum~~, or by the sole remaining director or, if the vacancy is not so filled or if no director remains, by the members or, on the application of any person, by the circuit court of the county where the registered office of the corporation is located~~.

(2) Except as otherwise provided in the articles of incorporation or bylaws, ~~Whenever~~ a vacancy in the position of a director who is: ~~occurs with respect to a director~~

(a) Elected by a voting group of members, a ~~class,~~ chapter or other organizational~~,~~ unit of members, or a region or other geographic grouping of members ~~group, the vacancy~~ may be filled during the first 3 months after the vacancy occurs only by ~~members of~~ that voting ~~class, chapter, unit, or~~ group, chapter, unit, region, or grouping, or by a majority of the directors then in office elected by such voting group, chapter, unit, region, or grouping ~~class, chapter, unit, or group~~. If the vacancy has not been filled within the 3-month period, the vacancy may be filled by vote of a majority of the directors remaining in office in accordance with subsection (1);

(b) Appointed by persons, other than the members, may be filled only by those persons; or

(c) Designated in the articles of incorporation or bylaws may not be filled by action of the board of directors.

~~(3) The term of a director elected or appointed to fill a~~

~~vacancy expires at the next annual meeting at which directors are elected. Any directorship to be filled by reason of an increase in the number of directors may be filled by the board of directors, but only for a term of office continuing until the next election of directors by the members or, if the corporation has no members or no members having the right to vote thereon, for such term of office as is provided in the articles of incorporation or the bylaws.~~

Section 46. Section 617.08091, Florida Statutes, is created to read:

617.08091 Removal of directors by judicial proceedings.—

(1) The court of the county where the principal office of a corporation, or if one is not in this state, its registered office, is located may remove a director from office in a proceeding commenced by or in the right of the corporation if the court finds that:

(a) The director engaged in fraudulent conduct with respect to the corporation or its members, grossly abused the position of director, or intentionally inflicted harm on the corporation; and

(b) Considering the director's course of conduct and the inadequacy of other available remedies, removal is in the best interest of the corporation.

(2) Only a member, an officer, or a director may bring an action under this section, and such action must comply with the

requirements of ss. 617.0742-617.0747. An action by a member may not be brought unless the complaint is filed by a member having, or is formally joined by members collectively having, no less than 10 percent of the corporation's voting power.

(3) In addition to removing the director, the court may bar the director from being reelected, redesignated, or reappointed for a period prescribed by the court.

(4) This section does not limit the equitable powers of the court to order other relief.

Section 47. Section 617.0820, Florida Statutes, is amended to read:

617.0820 Board meetings.—

(1) The board of directors may hold regular or special meetings in or out of this state.

(2) A majority of the directors present, whether or not a quorum exists, may adjourn any meeting of the board of directors to another time and place. Unless the bylaws otherwise provide, notice of any such adjourned meeting shall be given to the directors who were not present at the time of the adjournment and, unless the time and place of the adjourned meeting are announced at the time of the adjournment, to the other directors.

(3) Unless the articles of incorporation or the bylaws provide otherwise, meetings of the board of directors may be called and notice of the meeting delivered by the chair of the

board, the president or a similarly situated officer, or 20 percent of the directors then in office ~~or by the president unless otherwise provided in the articles of incorporation or the bylaws~~.

(4) Unless the articles of incorporation or the bylaws provide otherwise, the board of directors may permit any or all directors to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

(5) Unless the articles of incorporation or the bylaws provide for a longer or shorter period, regular meetings of the board of directors may be held without notice of the date, time, place, or purpose of the meeting.

(6) Unless the articles of incorporation or the bylaws provide otherwise, a special meeting of the board of directors must be preceded by at least 2 days' notice of the date, time, and place of the meeting. The notice need not describe the purpose of the special meeting unless required by the articles of incorporation or the bylaws.

Section 48. Subsections (1) and (2) of section 617.0821, Florida Statutes, are amended to read:

617.0821 Action by directors without a meeting.—

(1) Unless the articles of incorporation or the bylaws provide otherwise, action required or permitted by this chapter ~~act~~ to be taken at a board of directors' meeting or committee meeting may be taken without a meeting if the action is taken by all members of the board or of the committee. The action must be evidenced by one or more written consents describing the action taken and signed by each director or committee member and delivered to the corporation.

(2) Action taken under this section is effective when the last director signs the consent and delivers the consent to the corporation, unless the consent specifies a different effective date. A director's consent may be withdrawn by a revocation signed by the director and delivered to the corporation before delivery to the corporation of unrevoked written consents signed by all the directors.

Section 49. Section 617.0823, Florida Statutes, is amended to read:

617.0823 Waiver of notice.—Notice of a meeting of the board of directors need not be given to any director who signs a waiver of notice either before or after the meeting. Attendance of a director at a meeting constitutes ~~shall constitute~~ a waiver of notice of such meeting and a waiver of any objection ~~and all objections~~ to the date of the meeting, the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when a director states, at the

beginning of the meeting or promptly upon arrival at the meeting, any objection to holding the meeting or the transaction of affairs because the meeting is not lawfully called or convened and, after such objection, the director does not vote for or consent to action taken at the meeting.

Section 50. Section 617.0830, Florida Statutes, is amended to read:

(Substantial rewording of section. See s. 617.0830, F.S., for present text.)

617.0830 General standards for directors.—

(1) Each member of the board of directors, when discharging duties of a director, including in discharging duties as a member of a board committee, shall act:

(a) In good faith; and

(b) In a manner such director reasonably believes is in the best interests of the corporation.

(2) The members of the board of directors or a board committee, when becoming informed in connection with a decisionmaking function or devoting attention to an oversight function, shall discharge their duties with the care that an ordinary prudent person in a like position would reasonably believe appropriate under similar circumstances.

(3) In discharging board or board committee duties, a director who does not have knowledge that makes reliance unwarranted is entitled to rely on the performance by any of the

persons specified in paragraph (5)(a) or paragraph (5)(b) to whom the board may have delegated, formally or informally by course of conduct, the authority or duty to perform one or more of the board's functions that are delegable under applicable law.

(4) In discharging board or board committee duties, a director who does not have knowledge that makes reliance unwarranted is entitled to rely on any information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by any of the persons specified in subsection (5).

(5) A director is entitled to rely, in accordance with subsection (3) or subsection (4), on:

(a) One or more officers or employees of the corporation whom the director reasonably believes to be reliable and competent in the functions performed or the information, opinions, reports, or statements provided;

(b) Legal counsel, public accountants, or other persons retained by the corporation or by a committee of the board of the corporation as to matters involving skills or expertise the director reasonably believes are matters:

1. Within the particular person's professional or expert competence; or

2. As to which the particular person merits confidence; or

(c) A committee of the board of directors of which the

director is not a member if the director reasonably believes the committee merits confidence.

(d) In the case of a corporation engaged in religious activity, religious authorities and ministers, priests, rabbis, imams, or other persons whose positions or duties the director reasonably believes justify reliance and confidence and whom the director believes to be reliable and competent in the matters presented.

(6) A director is not a trustee with respect to the corporation or with respect to any property held or administered by the corporation in trust, including property that may be subject to restrictions imposed by the donor or transferor of the property.

Section 51. Section 617.0832, Florida Statutes, is amended to read:

(Substantial rewording of section.
See s. 617.0832, F.S., for present text.)

617.0832 General standards for directors.—

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

(a) "Director's conflict of interest transaction" means a transaction between a corporation and one or more of its directors, or another entity in which one or more of the corporation's directors is directly or indirectly a party to the transaction, other than being an indirect party as a result of being a member of the corporation, and has a direct or indirect

material financial interest or other material interest.

(b) "Fair to the corporation" means that the transaction, as a whole, is beneficial to the corporation and its members, taking into appropriate account whether it is:

1. Fair in terms of the director's dealings with the corporation in connection with that transaction; and

2. Comparable to what might have been obtainable in an arm's length transaction.

(c) "Family member" includes any of the following:

1. The director's spouse.

2. A child, stepchild, parent, stepparent, grandparent, sibling, step sibling, or half sibling of the director or the director's spouse.

(d) "Indirect material financial interest" or "indirectly a party to a transaction" means that a director's family member has a material financial interest in the transaction, other than having an indirect interest as a member of the corporation, or if the transaction is with an entity, other than the corporation, which has a material financial interest in the transaction and controls, or is controlled by, the director or another person specified in this chapter.

(e) "Indirect material financial interest" or "other material interest" means a director has a financial or other interest in the transaction which would reasonably be expected to impair the objectivity of the director's judgment when

participating in the action on the authorization of the transaction.

(f) "Indirectly a party to a transaction" means a director who has a material financial interest in or is a director, officer, member, manager, or partner of a person, other than the corporation, who is a party to the transaction.

(2) If a director's conflict of interest transaction is fair to the corporation at the time it is authorized, approved, effectuated, or ratified:

(a) Such transaction is not void or voidable; and

(b) The fact that the transaction is a director's conflict of interest transaction is not grounds for any equitable relief, an award of damages, or other sanctions, because of that relationship or interest, because such director or directors are present at the meeting of the board of directors or a committee thereof which authorizes, approves, or ratifies such transaction, or because such directors or their votes are counted for such purpose.

(3)(a) In a proceeding challenging the validity of a director's conflict of interest transaction or in a proceeding seeking equitable relief, award of damages, or other sanctions with respect to a director's conflict of interest transaction, the person challenging the validity or seeking equitable relief, award of damages, or other sanctions has the burden of proving the lack of fairness of the transaction if:

1. The material facts of the transaction and the director's interest in the transaction were disclosed or known to the board of directors or committee that authorizes, approves, or ratifies the transaction and the transaction was authorized, approved, or ratified by a vote of a majority of the qualified directors, even if the qualified directors constitute less than a quorum of the board or the committee; however, the transaction may not be authorized, approved, or ratified under this subsection solely by a single director; or

2. The material facts of the transaction and the director's interest in the transaction were disclosed or known to the members who voted upon such transaction and the transaction was authorized, approved, or ratified by a majority of the votes cast by disinterested members or by the written consent of disinterested members representing a majority of the votes that could be cast by all disinterested members. A membership interest owned by or voted under the control of a director who has a relationship or an interest in the director's conflict of interest transaction may not be considered a membership interest owned by a disinterested member and may not be counted in a vote of members to determine whether to authorize, approve, or ratify a director's conflict of interest transaction under this subsection. The vote of those membership interests, however, is counted in determining whether the transaction is approved under other sections of this chapter. A

majority of the membership interests, whether or not present, which are entitled to be counted in a vote on the transaction under this subsection, constitutes a quorum for the purpose of taking action under this section.

(b) If neither of the conditions provided in paragraph (a) have been satisfied, the person defending or asserting the validity of a director's conflict of interest transaction has the burden of proving its fairness in a proceeding challenging the validity of the transaction.

(4) The presence of or a vote cast by a director with an interest in the transaction does not affect the validity of an action taken in paragraph (3)(a) if the transaction is otherwise authorized, approved, or ratified as provided in subsection (3), but the presence or vote of the director may be counted for purposes of determining whether the transaction is approved under this chapter.

(5) In addition to other grounds for challenge, a party challenging the validity of the transaction is not precluded from asserting and proving that a particular director or member was not disinterested on grounds of financial or other interest for purposes of the vote on, consent to, or approval of the transaction.

(6) If directors' action under this section does not otherwise satisfy a quorum or voting requirement applicable to the authorization of the transaction by directors as required by

the articles of incorporation, the bylaws, this chapter, or any other law, an action to satisfy such authorization requirements, whether as part of the same action or by way of another action, must be taken by the board of directors or a committee in order to authorize the transaction. In such action, the vote or consent of directors who are not disinterested may be counted.

(7) If members' action under this section does not satisfy a quorum or voting requirement applicable to the authorization of the transaction by members as required by the articles of incorporation, the bylaws, this chapter, or any other law, an action to satisfy such authorization requirements, whether as part of the same action or by way of another action, must be taken by the members in order to authorize the transaction. In such action, the vote or consent of members who are not disinterested members may be counted.

Section 52. Section 617.0834, Florida Statutes, is reordered and amended to read:

617.0834 Liability of directors and officers ~~and directors of certain corporations and associations not for profit; immunity from civil liability~~.—

(1) A director or an officer ~~or director of a nonprofit organization recognized under s. 501(c)(3) or s. 501(c)(4) or s. 501(c)(6) of the Internal Revenue Code of 1986, as amended, or of an agricultural or a horticultural organization recognized under s. 501(c)(5), of the Internal Revenue Code of 1986, as~~

~~amended,~~ is not personally liable for monetary damages to the corporation or any person for any statement, vote, decision to take or not~~, or failure~~ to take an action, or any failure to take any action, as a director or an officer ~~regarding organizational management or policy by an officer or director~~, unless:

(a) The director or officer ~~or director~~ breached or failed to perform the director's or officer's ~~his or her~~ duties as a director or an officer ~~or director~~; and

(b) The director's or officer's ~~or director's~~ breach of, or failure to perform, the director's or officer's ~~his or her~~ duties constitutes any of the following:

1. A violation of the criminal law, unless the ~~officer or~~ director or officer had reasonable cause to believe the director's or officer's ~~his or her~~ conduct was lawful or had no reasonable cause to believe the director's or officer's ~~his or her~~ conduct was unlawful. A judgment or other final adjudication against a director or an officer ~~or director~~ in any criminal proceeding for violation of the criminal law estops that director or officer ~~or director~~ from contesting the fact that the director's or officer's ~~his or her~~ breach, or failure to perform, constitutes a violation of the criminal law, but does not estop the director or officer ~~or director~~ from establishing that the director or officer ~~he or she~~ had reasonable cause to believe that the director's or officer's ~~his or her~~ conduct was

lawful or had no reasonable cause to believe that the director's or officer's ~~his or her~~ conduct was unlawful;

2. A transaction from which the director or officer ~~or director~~ derived an improper personal benefit, directly or indirectly; ~~or~~

3. In a proceeding by or in the right of the corporation to procure a judgment in its favor or by or in the right of a member, conscious disregard for the best interest of the corporation, or willful or intentional misconduct; or

4. In a proceeding by or in the right of someone other than the corporation or a member, recklessness or an act or omission that was committed in bad faith or with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety, or property.

(2) A director or an officer is deemed not to have derived an improper personal benefit from any transaction if the transaction and the nature of any personal benefit derived by the director or officer are not prohibited by state or federal law or regulation and, without further limitation, the transaction is fair to the corporation at the time it is authorized, approved, or ratified as determined in accordance with s. 617.0832.

(3) The circumstances set forth in subsection (2) are not exclusive and do not preclude the existence of other circumstances under which a director or officer will be deemed

not to have derived an improper benefit.

(4) For the purposes of this section, the term:

(c) ~~(a)~~ "Recklessness" means the acting, or omission to act, in conscious disregard of a risk:

1. Known, or so obvious that it should have been known, to the director or officer ~~or director~~; and

2. Known to the director or officer ~~or director~~, or so obvious that it should have been known, to be so great as to make it highly probable that harm would follow from such action or omission.

(a) ~~(b)~~ "Director" means a person who serves as a director, trustee, or member of the governing board of an organization.

(b) ~~(c)~~ "Officer" means a person who serves as an officer without compensation except reimbursement for actual expenses incurred or to be incurred.

Section 53. Subsection (4) of section 617.0835, Florida Statutes, is amended to read:

617.0835 Prohibited activities by private foundations.—

(4) ~~The provisions of~~ Subsections (2) and (3) do not apply to any corporation that was incorporated before January 1, 1970, and that has been properly relieved from the requirements of 26 U.S.C. s. 508(e)(1) by a timely judicial proceeding ~~to the extent that a court of competent jurisdiction determines that such application would be contrary to the terms of the articles of incorporation or organization or other instrument governing~~

~~such corporation or governing the administration of charitable funds held by it and that the same may not properly be changed to conform to such subsections~~.

Section 54. Section 617.0844, Florida Statutes, is created to read:

617.0844 Standards of conduct for officers.—

(1) An officer, when discharging his or her duties, shall act:

(a) In good faith; and

(b) In a manner such officer reasonably believes to be in the best interests of the corporation.

(2) An officer, when becoming informed in connection with a decisionmaking function or devoting attention to an oversight function, shall discharge his or her duties with the care that an ordinary prudent person in a like position would reasonably believe appropriate under similar circumstances.

(3) In discharging his or her duties, an officer who does not have knowledge that makes reliance unwarranted is entitled to rely on the performance by any of the persons specified in paragraph (5)(a) or paragraph (5)(b) to whom the board may have delegated, formally or informally by course of conduct, the authority or duty to perform one or more of the board's functions that are delegable under applicable law.

(4) In discharging his or her duties, an officer who does not have knowledge that makes reliance unwarranted is entitled

to rely on any information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by any of the persons specified in subsection (5).

(5) An officer is entitled to rely, in accordance with subsection (3) or subsection (4), on:

(a) One or more officers or employees of the corporation whom the officer reasonably believes to be reliable and competent in the functions performed or the information, opinions, reports, or statements provided;

(b) Legal counsel, public accountants, or other persons retained by the corporation or by a committee of the board of the corporation as to matters involving skills or expertise the officer reasonably believes are matters:

1. Within the particular person's professional or expert competence; or

2. As to which the particular person merits confidence; or

(c) A committee of the board of directors of which the officer is not a member if the officer reasonably believes the committee merits confidence.

(d) In the case of a corporation engaged in religious activity, religious authorities and ministers, priests, rabbis, imams, or other persons whose positions or duties the officer reasonably believes justify reliance and confidence and whom the officer believes to be reliable and competent in the matters

presented.

(6) The duty of an officer includes the obligation to:

(a) Inform the superior officer to whom, or the board of directors or the committee to which, the officer reports of information about the affairs of the corporation known to the officer, within the scope of the officer's functions, and known or as should be known to the officer to be material to such superior officer, board, or committee; and

(b) Inform such officer's superior officer, or another appropriate person within the corporation, or the board of directors, or a committee thereof, of any actual or probable material violation of law involving the corporation or material breach of duty to the corporation by an officer, employee, or agent of the corporation the officer believes has occurred or is likely to occur.

(7) An officer is not a trustee with respect to the corporation or to any property held or administered by the corporation in trust, including property that may be subject to restrictions imposed by the donor.

Section 55. Subsection (1) of section 617.1001, Florida Statutes, is amended to read:

617.1001 Authority to amend the articles of incorporation.—

(1) A corporation may amend its articles of incorporation at any time to add or change a provision that is required or

permitted in the articles of incorporation or to delete a provision not required to be contained in the articles of incorporation. Whether a provision is required or permitted in the articles of incorporation is determined as of the effective date of the amendment ~~as provided in this act~~.

Section 56. Present paragraph (b) of subsection (1) and present subsections (2) and (3) of section 617.1002, Florida Statutes, are redesignated as subsections (2), (4), and (5), respectively, a new subsection (3) is added to that section, and present subsection (1) of that section is amended, to read:

617.1002 Procedure for amending articles of incorporation.—

(1) Unless the articles of incorporation provide otherwise ~~an alternative procedure~~, amendments to the articles of incorporation shall ~~must~~ be adopted ~~made~~ in the following manner:

(a) If there are members entitled to vote on a proposed amendment to the articles of incorporation, the proposed amendment shall first be adopted by the board of directors. ~~must adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of members entitled to vote on the proposed amendment, which may be either an annual or a special meeting. Written notice setting forth the proposed amendment or a summary of the changes to be effected by the amendment must be given to each member entitled to vote at~~

~~such meeting in accordance with the articles of incorporation or the bylaws. The proposed amendment shall be adopted upon receiving at least a majority, or any larger or smaller percentage specified in the articles of incorporation or the bylaws, of the votes which members present at such meeting or represented by proxy are entitled to cast; or~~

(b) Except as provided in subsection (3) or, with respect to restatements that do not require member approval, or s. 617.1007, the members shall approve the amendment.

(c) In submitting the proposed amendment to the members for approval, the board of directors shall recommend that the members approve the amendment unless the board of directors determines that, because of a conflict of interest or other special circumstances, it should not make such a recommendation, in which case the board must inform the members of the basis for proceeding without such recommendation.

(d) The board of directors may set conditions for the approval of the amendment by the members or the effectiveness of the amendment.

(e) If the amendment is required to be approved by the members, and the approval is to be given at a meeting, the corporation must notify each member entitled to vote on the amendment of the meeting of members at which the amendment is to be submitted for approval. The notice must state that the purpose, or one of the purposes, of the meeting is to consider

the amendment, and must contain or be accompanied by a copy of the amendment.

(f) Unless this chapter, the articles of incorporation, or the board of directors, acting pursuant to paragraph (d), requires a greater vote or a greater quorum, the approval of the amendment requires the approval of the members at a meeting at which the current required quorum exists.

(2) ~~(b)~~ If there are no members or if members are not entitled to vote on proposed amendments to the articles of incorporation, unless the articles of incorporation provide otherwise, an amendment may be adopted at a meeting of the board of directors by a majority vote of the directors then in office, or by the incorporators if no board has been elected. Unless the articles of incorporation provide otherwise, an amendment adopted by the board of directors under this subsection must also be approved, if the amendment changes or deletes a provision regarding the appointment of a director by persons other than the board, by those persons as if they constituted a voting group.

(3) Unless the articles of incorporation provide otherwise, the board of directors of a corporation with members entitled to vote on proposed amendments may adopt amendments to the corporation's articles of incorporation without approval of the members to:

(a) Extend the duration of the corporation if it was

incorporated at a time when limited duration was required by law;

(b) Delete the names and addresses of the initial directors;

(c) Delete the name and address of the initial registered agent or registered office, if a statement of change is on file with the department;

(d) Delete any other information contained in the articles of incorporation which is solely of historical interest;

(e) Change the corporate name by substituting the word "corporation," "incorporated," or the abbreviation "Corp.," or "Inc.," for a similar word or abbreviation in the name, or by adding, deleting, or changing a geographical attribution for the name; or

(f) Restate without change all of the then operative provisions of the articles of incorporation as provided in s. 617.1007.

Section 57. Section 617.1006, Florida Statutes, is amended to read:

617.1006 Contents of articles of amendment.—

(1) After an amendment to the articles of incorporation has been adopted and approved as required by this chapter, the corporation shall deliver to the department for filing articles of amendment which must be signed in accordance with ~~The articles of amendment must be executed by the corporation as~~

~~provided in~~ s. 617.01201 and must set forth:

(a)~~(1)~~ The name of the corporation;

(b)~~(2)~~ The text of each amendment adopted or the information required by s. 617.01201(10), if applicable;

(c) If the amendment provides for an exchange, a reclassification, or a cancellation of memberships, provisions for implementing the amendment if not contained in the amendment itself, which may be made dependent upon facts objectively ascertainable outside the articles of amendment in accordance with s. 617.01201(10);

(d) The date of each amendment's adoption; and

(e) If the amendment:

1. Was adopted by the incorporators or the board of directors without member approval, a statement that the amendment was adopted by the incorporators or by the board of directors and that member approval was not required;

2. Required approval by the members, a statement that the amendment was duly approved by the members in the manner required by this chapter and by the articles of incorporation and bylaws; or

3. Is being filed pursuant to s. 617.01201(10), a statement to that effect.

(2) Articles of amendment take effect on the effective date determined pursuant to s. 617.0123.

~~(3) If there are members entitled to vote on a proposed~~

~~amendment, the date of the adoption of the amendment by the members and a statement that the number of votes cast for the amendment was sufficient for approval; and~~

~~(4) If there are no members or if members are not entitled to vote on a proposed amendment, a statement of such fact and the date of the adoption of the amendment by the board of directors.~~

Section 58. Section 617.1101, Florida Statutes, is amended to read:

(Substantial rewording of section.
See s. 617.1101, F.S., for present text.)

617.1101 Plan of merger.—

(1) By complying with this chapter, including adopting a plan of merger in accordance with subsection (3) and complying with s. 617.1103:

(a) Subject to and except as otherwise provided in s. 617.1102, one or more domestic corporations may merge with one or more domestic or foreign eligible entities pursuant to a plan of merger, resulting in a survivor; and

(b) Any two or more eligible entities may merge, resulting in a surviving entity that is a domestic corporation created in the merger.

(2) Subject to and except as otherwise provided in s. 617.1102, a domestic eligible entity that is not a corporation may be a party to a merger with a domestic corporation, or may

be created as the survivor in a merger in which a domestic corporation is a party, but only if the parties to the merger comply with this chapter and the merger is permitted by the organic law of the domestic eligible entity that is not a corporation. A foreign eligible entity may be a party to a merger with a domestic corporation or, subject to and as otherwise provided in s. 617.1102, may be created as the survivor in a merger in which a domestic corporation is a party, but only if the parties to the merger comply with this chapter and the merger is permitted by the organic law of the foreign eligible entity.

(3) The plan of merger must set forth:

(a) As to each party to the merger, its name, jurisdiction of formation, and type of entity;

(b) The survivor's name, jurisdiction of formation, and type of entity, and, if the survivor is to be created in the merger, a statement to that effect;

(c) The terms and conditions of the merger, including:

1. A statement that the interests in such entity are to be canceled; or

2. The manner of converting the interests in such entity into interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing;

(d) The articles of incorporation of any domestic or

foreign corporation, or the public organic record of any other domestic or foreign eligible entity to be created by the merger, or if a new domestic or foreign corporation or other eligible entity is not to be created by the merger, any amendment to, or restatement of, the survivor's articles of incorporation or other public organic record;

(e) The effective date and time of the merger, which may be on or after the filing date of filing the articles of merger; and

(f) Any other provision required by the laws under which any party to the merger is organized or by which it is governed, or by the articles of incorporation or organic rules of any such party.

(4) In addition to the requirements of subsection (3), a plan of merger may contain any other provision that is not prohibited by law.

(5) Terms of a plan of merger may be made dependent upon facts objectively ascertainable outside the plan in accordance with s. 617.01201(10).

(6) A plan of merger may be amended only with the consent of each party to the merger, except as provided in the plan. A domestic party to a merger may approve an amendment to a plan:

(a) In the same manner as the plan was approved, if the plan does not provide for the manner in which it may be amended; or

(b) In the manner provided in the plan, except that an interest holder that was entitled to vote on or consent to the approval of the plan is entitled to vote on or consent to any amendment to the plan which will change:

1. The amount or kind of interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing, to be received under the plan by the interest holders of any party to the merger;

2. The articles of incorporation of any domestic corporation, or the organic rules of any other type of entity, that will be the survivor of the merger, except for changes permitted by s. 617.1002(3) or by comparable provisions of the organic law of any other type of entity; or

3. Any of the other terms or conditions of the plan if the change would adversely affect the interest holder in any material respect.

Section 59. Section 617.1102, Florida Statutes, is amended to read:

617.1102 Limitation on merger.—A domestic corporation that holds property for a charitable purpose ~~not for profit organized under this chapter~~ may merge with one or more other eligible entities~~, as identified in s. 607.1101(1),~~ only if the surviving entity of such merger is a domestic or foreign corporation ~~not for profit~~ or other eligible entity that has been organized as a

nonprofit ~~not-for-profit~~ entity under a governing statute or other applicable law that allows such a merger.

Section 60. Section 617.1103, Florida Statutes, is amended to read:

(Substantial rewording of section.
See s. 617.1103, F.S., for present text.)

617.1103 Approval of plan of merger; abandonment of plan thereafter.—

(1) In the case of a domestic corporation that is a party to a merger, the plan of merger shall be adopted in the following manner if there are members of the domestic corporation entitled to vote on the merger:

(a) The plan of merger shall first be adopted by the board of directors of such domestic corporation.

(b) Except as provided in paragraph (h), and in s. 617.1104, the members entitled to vote shall vote to adopt the plan of merger.

(c) In submitting the plan of merger to the members for approval, the board of directors shall recommend that the members approve the plan, unless the board of directors makes a determination that because of conflicts of interest or other special circumstances it should not make such a recommendation, in which case the board shall inform the members of the basis for proceeding without such recommendation.

(d) The board of directors may set conditions for the

approval of the proposed merger by the members or the effectiveness of the plan of merger.

(e) If the approval by members is to be given at a meeting, the corporation shall notify each member entitled to vote of the meeting of members at which the plan is submitted for approval in accordance with this chapter and the articles of incorporation and bylaws of the corporation. The notice must also state that the purpose, or one of the purposes, of the meeting is to consider the plan of merger, regardless of whether the meeting is an annual or a special meeting, and contain or be accompanied by a copy of the plan. If the corporation is not to be the surviving entity, the notice must also include or be accompanied by a copy of the articles of incorporation and bylaws or the organic rules of the surviving entity.

(f) Unless this chapter, the articles of incorporation, or the board of directors, acting pursuant to paragraph (d), requires a greater vote or a greater quorum in the respective case, approval of the plan of merger shall require the approval of the members at a meeting at which the current required quorum exists by a majority of the votes entitled to be cast on the plan and, if any class of members is entitled to vote as a separate voting group on the plan of merger, the approval of each such separate voting group at a meeting at which a quorum of the voting group is present by a majority of the votes entitled to be cast on the merger by that voting group.

(g) Subject to paragraph (h), unless otherwise provided in the articles of incorporation, separate voting on a plan of merger is required for each class of members that is to be converted under the plan of merger into securities, interests, or obligations; rights to acquire securities or other interests; or cash, other property, or any combination thereof.

(h) The articles of incorporation may expressly limit or eliminate the separate voting rights as to any class of members.

(2) If a domestic corporation that is a party to a merger has no members or if its members are not entitled to vote on a plan of merger, such plan may be adopted at a meeting of its board of directors by a majority vote of the directors then in office.

(3)(a) After a plan of merger has been approved and before articles of merger are effective, the plan may be abandoned as provided in the plan. Unless prohibited by the plan, the plan may be abandoned by the board of directors in the same manner as the plan was approved by:

1. A domestic corporation; or

2. A merging domestic eligible entity if the organic law of the entity does not provide for amendment of a plan of merger.

(b) If a merger is abandoned under paragraph (a) after articles of merger have been delivered to the department for filing but before the articles of merger have become effective,

a statement of abandonment signed by all the parties that signed the articles of merger shall be delivered to the department for filing before the articles of merger become effective. The statement takes effect on filing, whereupon the merger is deemed abandoned and does not become effective. The statement of abandonment must contain:

1. The name of each party to the merger;

2. The date on which the articles of merger were filed by the department; and

3. A statement that the merger has been abandoned in accordance with this section.

Section 61. Section 617.1104, Florida Statutes, is created to read:

617.1104 Short-form merger between parent and subsidiary or between subsidiaries.—

(1)(a) A domestic or foreign parent eligible entity that holds a membership in a domestic corporation that carries at least 80 percent of the voting power of each class of membership of the domestic corporation which has voting power may:

1. Merge the subsidiary into itself, or into another domestic or foreign eligible entity in which the parent eligible entity owns at least 80 percent of the voting power of each class and series of the outstanding interests that have voting power; or

2. Merge itself into the subsidiary.

(b) Mergers under subparagraphs (a)1. and 2. do not require the approval of the board of directors or members of the subsidiary unless the articles of incorporation or organic rules of the parent eligible entity or the articles of incorporation of the subsidiary entity otherwise provide. The articles of merger relating to a merger under this section do not need to be signed by the subsidiary entity.

(2) The parent eligible entity shall, within 10 days after the effective date of a merger approved under subsection (1), notify each of the subsidiary entity's members that the merger has become effective.

(3) Except as provided for in subsections (1) and (2), a merger between a parent eligible entity and a domestic subsidiary corporation is governed by ss. 617.1101-617.1107, which are applicable to mergers generally.

Section 62. Section 617.1105, Florida Statutes, is amended to read:

(Substantial rewording of section.

See s. 617.1105, F.S., for present text.)

617.1105 Articles of merger.—

(1) After a plan of merger has been adopted and approved as required by this chapter or, if the merger is being effected pursuant to s. 617.1101(1)(b), the merger has been approved as required by the organic law governing the parties to the merger, the articles of merger must be signed by each party to the

merger, except as provided in s. 617.1104. The articles of merger must set forth:

(a) The name, jurisdiction of formation, and type of entity of each party to the merger;

(b) If not already identified as the survivor pursuant to paragraph (a), the name, jurisdiction of formation, and type of entity of the survivor;

(c) If the articles of incorporation of the survivor are being amended, or if a new domestic corporation is being created as a result of the merger:

1. The amendments to the survivor's articles of incorporation; or

2. The articles of incorporation of the new corporation;

(d) If the plan of merger required approval by the members of a domestic corporation that is a party to the merger, a statement that the plan was duly approved by the members and, if voting by any separate voting group was required, by each such separate voting group, in the manner required by this chapter and the articles of incorporation of such domestic corporation;

(e) If the plan of merger did not require approval by the members of a domestic corporation that is a party to the merger, a statement to that effect;

(f) As to each foreign corporation that is a party to the merger, a statement that the participation of the foreign corporation was duly authorized in accordance with such

corporation's organic law;

(g) As to each domestic or foreign eligible entity that is a party to the merger and that is not a domestic or foreign corporation, a statement that the participation of the eligible entity in the merger was duly authorized in accordance with such eligible entity's organic law; and

(h) If the survivor is not a domestic or foreign corporation or other eligible entity that has been organized as a nonprofit entity under a governing statute or other applicable law that allows such a merger, as to each domestic corporation that is a party to the merger, a statement that it does not hold any property for a charitable purpose.

(2) In addition to the requirements of subsection (1), articles of merger may contain any other provision not prohibited by law.

(3) The articles of merger shall be delivered to the department for filing, and, subject to subsection (4), the merger must take effect on the effective date determined in accordance with s. 617.0123.

(4) With respect to a merger in which one or more foreign entities is a party or a foreign corporation created by the merger is the survivor, the merger itself becomes effective at the later of:

(a) When all documents required to be filed in all foreign jurisdictions to effect the merger have become effective; or

(b) When the articles of merger take effect.

(5) Articles of merger required to be filed under this section may be combined with any filing required under the organic law governing any other domestic eligible entity involved in the transaction if the combined filing satisfies the requirements of both this section and the other organic law.

Section 63. Section 617.1106, Florida Statutes, is amended to read:

(Substantial rewording of section.
See s. 617.1106, F.S., for present text.)

617.1106 Effect of merger.—

(1) When a merger becomes effective:

(a) The domestic or foreign eligible entity that is designated in the plan of merger as the survivor continues or comes into existence, as the case may be;

(b) The separate existence of every merging entity, other than the survivor, ceases;

(c) All property owned by, and every contract right and other right possessed by, each merging entity vests in the survivor, without transfer, reversion, or impairment;

(d) All debts, obligations, and other liabilities of each merging entity become debts, obligations, and liabilities of the survivor;

(e) The name of the survivor may be, but need not be, substituted in any pending proceeding for the name of any party

to the merger whose separate existence ceased in the merger;

(f) Neither the rights of creditors nor any liens upon the property of any corporation party to the merger are impaired by such merger;

(g) If the survivor is a domestic eligible entity, the articles of incorporation and bylaws or the organic rules of the survivor are amended to the extent provided in the plan of merger;

(h) The articles of incorporation and bylaws or the organic rules of a survivor that is a domestic eligible entity and is created by the merger become effective;

(i) The interests of each merging entity which are to be canceled or converted in the merger are canceled or converted, and the interest holders of those interests are entitled only to the rights provided to them under the plan of merger and to any appraisal rights they have under the merging entity's organic law;

(j) Except as provided by law or the plan of merger, all the rights, privileges, franchises, and immunities of each eligible entity that is a party to the merger, other than the survivor, become the rights, privileges, franchises, and immunities of the survivor; and

(k) If the survivor exists before the merger:

1. All the property and contract and other rights of the survivor remain its property and contract and other rights

without transfer, reversion, or impairment;

2. The survivor remains subject to all of its debts, obligations, and other liabilities; and

3. Except as provided by law or the plan of merger, the survivor continues to hold all of its rights, privileges, franchises, and immunities.

(2) Except as provided in the organic law governing a party to a merger or in its articles of incorporation or organic rules, the merger does not give rise to any rights that any interest holder or third party would have upon a dissolution, liquidation, or winding up of that party. The merger does not require a party to the merger to wind up its affairs and does not constitute or cause its dissolution or termination.

(3) Property held in trust or otherwise dedicated to a charitable purpose and held by a domestic or foreign eligible entity immediately before a merger becomes effective may not, as a result of the merger, be diverted from the purposes for which it was donated, granted, devised, or otherwise transferred except pursuant to the laws of this state addressing cy pres or dealing with nondiversion of charitable assets.

(4) Any bequest, devise, gift, grant, or promise contained in a will or other instrument of donation, subscription, or conveyance which is made to an eligible entity that is a party to a merger that is not the survivor and which takes effect or remains payable after the merger inures to the survivor.

(5) A trust obligation that would govern property if the property is directed to be transferred to a nonsurviving eligible entity applies to property that is to be transferred instead to the survivor after a merger becomes effective.

Section 64. Section 617.1107, Florida Statutes, is amended to read:

617.1107 Merger of domestic and foreign corporations.—

(1) ~~One or more foreign corporations and one or more domestic corporations may be merged into a corporation of this state or of another jurisdiction if such merger is permitted by the laws of the jurisdiction under which each such foreign corporation is organized and if:~~

~~(a) Each foreign corporation complies with the applicable laws of the jurisdiction under which it is organized; and~~

~~(b) Each domestic corporation complies with the provisions of this act relating to the merger of domestic corporations.~~

~~(2)~~ Following a merger in accordance with s. 617.1101, if the surviving eligible entity is a foreign eligible entity ~~corporation is to be governed by the laws of any jurisdiction other than this state~~, it must comply with ~~the provisions of~~ this chapter ~~act~~ with respect to foreign corporations if it is to conduct its affairs in this state, and in every case it will be deemed to have filed with the department ~~of State~~:

(a) An agreement that it may be served with process in this state in any proceeding for the enforcement of any

obligation of any domestic corporation which is a party to such merger; and

(b) An irrevocable appointment of the department ~~of State of this state~~ as its agent to accept service of process in any such proceeding.

(2)~~(3)~~ Following a merger in accordance with s. 617.1101, if the surviving eligible entity is a corporation ~~is~~ to be governed by the laws of this state, the effect of such merger is the same as in the case of the merger of domestic corporations. If the surviving eligible entity ~~corporation~~ is to be governed by the laws of any jurisdiction other than this state, the effect of such merger is governed by the laws of such other jurisdiction.

~~(4) At any time prior to the filing of the articles of merger by the Department of State, the merger may be abandoned pursuant to provisions therefor, if any, set forth in the plan of merger.~~

Section 65. Section 617.1202, Florida Statutes, is amended to read:

617.1202 Sale, lease, exchange, or other disposition of corporate property and assets requiring member approval.~~—A sale, lease, exchange, or other disposition of all or substantially all of the property and assets of a corporation, in all cases other than those not requiring member approval as specified in s. 617.1201, may be made upon such terms and conditions and for~~

~~such consideration, which may consist in whole or in part of money or property, real or personal, including shares, bonds, or other securities of any corporation or corporations for profit, domestic or foreign, and must be authorized in the following manner:~~

(1) If a ~~the~~ corporation has members entitled to vote, the corporation may sell, lease, exchange, or otherwise dispose of all, or substantially all, of its property, with or without good will, on the terms and conditions and for the consideration determined by the corporation's board of directors, but only if the board of directors proposes and its members approve the proposed transaction in the following manner: ~~on the sale, lease, exchange, or other disposition of corporate property, the board of directors must adopt a resolution approving such sale, lease, exchange, or other disposition, and directing that it be submitted to a vote at a meeting of members entitled to vote thereon, which may be either an annual or special meeting. Written notice stating that the purpose, or one of the purposes, of such meeting is to consider the sale, lease, exchange, or other disposition of all or substantially all of the property and assets of the corporation must be given to each member entitled to vote at such meeting in accordance with the articles of incorporation or the bylaws. At such meeting, the members may authorize such sale, lease, exchange, or other disposition and may approve or fix, or may authorize the board of directors to~~

~~fix, any or all of the terms and conditions thereof and the consideration to be received by the corporation therefor. Such authorization requires at least a majority of the votes which members present at such meeting or represented by proxy are entitled to cast. After such authorization by a vote of members, the board of directors may, in its discretion, abandon such sale, lease, exchange, or other disposition of assets, subject to the rights of third parties under any contracts relating to such sale, lease, exchange, or other disposition, without further action or approval by members.~~

(a) The board of directors shall first adopt a resolution approving the disposition, and thereafter, the disposition must also be approved by the corporation's members having voting rights thereon.

(b) In submitting the disposition to the members who have voting rights for approval, the board of directors shall recommend the proposed transaction to the members of record unless the board of directors makes a determination that because of a conflict of interest or other special circumstances it should not make such a recommendation, in which event the board of directors shall inform the members of the basis for its so proceeding without such recommendation.

(c) The board of directors may set conditions for approval of the disposition or the effectiveness of the disposition.

(d) If the disposition is required to be approved by the

members under this subsection and if the approval is to be given at the meeting, the corporation must notify each member entitled to vote of the meeting of members at which the disposition is to be submitted for approval. The notice must state that the purpose, or one of the purposes, of the meeting is to consider the disposition and must contain a description of the disposition and the consideration to be received by the corporation.

(e) Unless this chapter, the articles of incorporation, or the board of directors acting pursuant to paragraph (c) requires a greater vote or a greater quorum, the approval of the disposition shall require the approval of the members entitled to vote at a meeting at which the current required quorum exists consisting of a majority of all the votes entitled to be cast on the disposition.

(2) After a disposition has been approved by the members under this section, and at any time before the disposition has been consummated, it may be abandoned by the corporation without action by the members, subject to any contractual rights of other parties to the disposition.

(3) A disposition of assets in the course of dissolution is governed by ss. 617.1401-617.1440 and not by this section.

(4) If the corporation has no members or if its members are not entitled to vote thereon, a sale, lease, exchange, or other disposition of all or substantially all the property and

assets of a corporation may be authorized by a majority vote of the directors then in office.

Section 66. Subsection (2) of section 617.1401, Florida Statutes, is amended, and subsection (3) of that section is reenacted, to read:

617.1401 Voluntary dissolution of corporation prior to conducting its affairs.—

(2) Articles of dissolution must be executed in accordance with s. 617.01201 and must set forth:

(a) The name of the corporation;

(b) The date of filing of its articles of incorporation;

(c) That the corporation has not commenced to conduct its affairs;

(d) That no debts of the corporation remain unpaid; ~~and~~

(e) That any net assets of the corporation remaining after winding up have been distributed in accordance with s. 617.1406; and

(f) That the incorporator or a majority of the incorporators or a majority of the directors, as the case may be, authorized the dissolution.

(3) The articles of dissolution must be filed and shall become effective in accordance with s. 617.1403, may be revoked in accordance with s. 617.1404, and shall have the effect prescribed in s. 617.1405.

Section 67. Section 617.1402, Florida Statutes, is amended

to read:

617.1402 Dissolution of corporation subsequent to conducting its affairs.—A corporation desiring to dissolve and wind up its affairs must adopt a resolution to dissolve in the following manner:

(1) If the corporation has members entitled to vote on a resolution to dissolve, and unless the board of directors determines that because of a conflict of interest or other substantial reason it should not make any recommendation, the board of directors must adopt a resolution recommending that the corporation be dissolved and directing that the question of such dissolution be submitted to a vote at a meeting of members entitled to vote thereon, which may be either an annual or special meeting. Written notice stating that the purpose, or one of the purposes, of such meeting is to consider the advisability of dissolving the corporation must be given to each member entitled to vote at such meeting in accordance with the articles of incorporation or the bylaws. A resolution to dissolve the corporation must ~~shall~~ be adopted upon receiving at least a majority of the votes which members present at such meeting or represented by proxy are entitled to cast.

(2) If the corporation has no members or if its members are not entitled to vote on a resolution to dissolve, the dissolution of the corporation may be authorized at a meeting of the board of directors by a majority vote of the directors then

in office.

Section 68. Subsection (1) of section 617.1403, Florida Statutes, is amended, and subsection (3) is added to that section, to read:

617.1403 Articles of dissolution.—

(1) At any time after dissolution is authorized, the corporation may dissolve by delivering to the department ~~of State~~ for filing articles of dissolution setting forth:

(a) The name of the corporation;

(b) If the corporation has members entitled to vote on dissolution, the date of the meeting of members at which the resolution to dissolve was adopted, a statement that the number of votes cast for dissolution was sufficient for approval, or a statement that such a resolution was adopted by written consent and executed in accordance with s. 617.0701; and

(c) If the corporation has no members or if its members are not entitled to vote on dissolution, a statement of such fact, the date of the adoption of such resolution by the board of directors, the number of directors then in office, and the vote for the resolution.

(3) For purposes of ss. 617.1401-617.1422, the term "dissolved corporation" means a corporation whose articles of dissolution have become effective and includes a successor entity, as defined in s. 617.01401.

Section 69. Subsection (1) of section 617.1405, Florida

Statutes, is amended, subsections (5) and (6) are added to that section, and subsection (4) of that section is reenacted, to read:

617.1405 Effect of dissolution.—

(1) A ~~dissolved~~ corporation that has dissolved continues its corporate existence but may not conduct its affairs except to the extent appropriate to wind up and liquidate its affairs, including:

(a) Collecting its assets;

(b) Disposing of its properties that will not be distributed in kind pursuant to the plan of distribution of assets adopted under s. 617.1406;

(c) Discharging or making provision for discharging its liabilities;

(d) Distributing its remaining property in accordance with the plan of distribution of assets adopted under s. 617.1406; and

(e) Doing every other act necessary to wind up and liquidate its affairs.

(4) The name of a dissolved corporation is not available for assumption or use by another corporation until 120 days after the effective date of dissolution unless the dissolved corporation provides the department with an affidavit, executed pursuant to s. 617.01201, authorizing the immediate assumption or use of the name by another corporation.

(5) For purposes of this section, the circuit court may appoint a trustee, custodian, receiver, or provisional director as described in s. 617.1435 for any property owned or acquired by the corporation who may engage in any act permitted in accordance with subsection (1) if any director or officer of the dissolved corporation is unwilling or unable to serve or cannot be located.

(6) Property held in trust or otherwise dedicated to a public or charitable purpose may not be diverted from its trust or charitable purpose by the dissolution of a corporation except in compliance with and pursuant to the laws of this state addressing cy pres or otherwise dealing with the nondiversion of charitable assets.

Section 70. Section 617.1406, Florida Statutes, is amended to read:

617.1406 Plan of distribution of assets.—A plan providing for the distribution of assets, not inconsistent with this chapter ~~act~~ or the articles of incorporation, must be adopted by a corporation in the following manner:

(1) If the corporation has members entitled to vote on a plan of distribution of assets, the board of directors must adopt a resolution recommending a plan of distribution and directing its submission to a vote at a meeting of members entitled to vote thereon, which may be either an annual or a special meeting. Written notice setting forth the proposed plan

of distribution or a summary thereof must be given to each member entitled to vote at such meeting in accordance with the articles of incorporation or the bylaws. Such plan of distribution shall be adopted upon receiving at least a majority of the votes which the members present at such meeting or represented by proxy are entitled to cast.

(2) If the corporation has no members or if its members are not entitled to vote on a plan of distribution, such plan may be adopted at a meeting of the board of directors by a majority vote of the directors then in office.

(3) A plan of distribution of assets must provide that:

(a) All liabilities and obligations of the corporation be paid and discharged, or adequate provisions be made therefor;

(b) Assets held by the corporation upon condition requiring return, transfer, or conveyance, which condition occurs by reason of the dissolution, be returned, transferred, or conveyed in accordance with such requirements;

(c) Assets received and held by the corporation subject to limitations permitting their use only for charitable, religious, ~~eleemosynary,~~ benevolent, educational, or similar purposes, but not held upon a condition requiring return, transfer, or conveyance by reason of the dissolution, be transferred or conveyed to one or more domestic or foreign corporations, trusts, societies, or organizations engaged in activities substantially similar to those of the dissolving corporation, as

provided in the plan of distribution of assets;

(d) Other assets, if any, be distributed in accordance with the ~~provisions of the~~ articles of incorporation or the bylaws to the extent that the articles of incorporation or the bylaws determine the distributive rights of members, or any class or classes of members, or provide for distribution to others; and

(e) Any remaining assets be distributed to such persons, trusts, societies, organizations, or domestic or foreign corporations, whether for profit or not for profit, as specified in the plan of distribution of assets.

(4) A copy of the plan of distribution of assets, authenticated by an officer of the corporation and containing the officer's certificate of compliance with the requirements of subsection (1) or subsection (2) must be filed with the department ~~of State~~.

Section 71. Section 617.1407, Florida Statutes, is amended to read:

617.1407 Unknown claims against dissolved corporation.—

(1) A dissolved corporation or successor entity may execute one of the following procedures to resolve payment of unknown claims:

(a) A dissolved corporation or successor entity may file notice of its dissolution with the department on the form prescribed by the department and request that persons with

~~having~~ claims against the corporation which are not known claims as defined in s. 617.1408(5) to the corporation or successor entity present them in accordance with the notice. The notice must:

1. State the name of the corporation that is the subject ~~and the date~~ of the dissolution;

2. State that the corporation is the subject of a dissolution and the effective date of the dissolution;

3. Specify ~~Describe~~ the information that must be included in a claim;

4. State that a claim must be in writing and provide a mailing address to which the claim may be sent; and

5.~~3.~~ State that a claim against the corporation under this subsection will be ~~is~~ barred unless a proceeding to enforce the claim is commenced within 4 years after the date of the filing of the notice.

(b) A dissolved corporation or successor entity may, within 10 days after filing articles of dissolution with the department, publish a "Notice of Corporate Dissolution." The notice must appear once a week for 2 consecutive weeks in a newspaper of general circulation in the county in the state in which the corporation has its principal office, if any, or, if none, in a county in the state in which the corporation owns real or personal property. Such newspaper shall meet the requirements as are prescribed by law for such purposes. The

notice must:

1. State the name of the corporation that is the subject ~~and the date~~ of the dissolution;

2. State that the corporation is the subject of a dissolution and the effective date of the dissolution;

3. Specify ~~Describe~~ the information that must be included in a claim;

4. State that a claim must be in writing and provide a mailing address to which the claim may be sent; and

5.~~3.~~ State that a claim against the corporation under this subsection will be ~~is~~ barred unless a proceeding to enforce the claim is commenced within 4 years after the filing ~~date of the second consecutive weekly publication~~ of the notice.

(2) If the dissolved corporation or successor entity complies with paragraph (1)(a) or paragraph (1)(b), unless sooner barred by another statute limiting actions, the claim of each of the following claimants is barred unless the claimant commences a proceeding to enforce the claim against the dissolved corporation within 4 years after the date of filing the notice with the department or the date of the second consecutive weekly publication, as applicable:

(a) A claimant who was not given ~~did not receive~~ written notice under s. 617.1408;~~ (9), or whose claim is not provided for under s. 617.1408(10), regardless of whether such claim is based on an event occurring before or after the effective date of~~

~~dissolution.~~

(b) A claimant whose claim was timely sent to the dissolved corporation but on which no action was taken; or~~.~~

(c) A claimant whose claim was excluded as a known claim as defined in s. 617.1408(5)(b).

(3) This section does not preclude or relieve the corporation from its notification to claimants otherwise set forth in this chapter ~~A claim may be entered under this section:~~

~~(a) Against the dissolved corporation, to the extent of its undistributed assets; or~~

~~(b) If the assets have been distributed in liquidation, against a member of the dissolved corporation to the extent of such member's pro rata share of the claim or the corporate assets distributed to such member in liquidation, whichever is less; however, the aggregate liability of any member of a dissolved corporation may not exceed the amount distributed to the member in dissolution~~.

Section 72. Section 617.1408, Florida Statutes, is amended to read:

(Substantial rewording of section.
See s. 617.1408, F.S., for present text.)

617.1408 Known claims against dissolved corporation.

(1) A dissolved corporation or a successor entity may dispose of the known claims against it by giving written notice that satisfies the requirements of subsection (2) to its known

claimants of the dissolution at any time after the effective date of the dissolution, but no later than the date that is 270 days before the date which is 3 years after the effective date of the dissolution.

(2) The written notice must:

(a) State the name of the corporation that is the subject of the dissolution;

(b) State that the corporation is the subject of a dissolution and the effective date of the dissolution;

(c) Specify the information that must be included in a claim;

(d) State that a claim must be in writing and provide a mailing address where a claim may be sent;

(e) State the deadline, which may not be less than 120 days after the date of the written notice is received by the claimant, by which the dissolved corporation must receive the claim;

(f) State that the claim will be barred if not received by the deadline;

(g) State that the dissolved corporation or successor entity may make distributions thereafter to other claimants and the members of the corporation or persons interested as having been such claimants without further notice; and

(h) Be accompanied by a copy of ss. 617.1405-617.14091.

(3) A dissolved corporation or successor entity may

reject, in whole or in part, a claim submitted by a claimant and received before the deadline specified in the written notice pursuant to subsections (1) and (2) by mailing notice of the rejection to the claimant, on or before the date that is the earlier of 90 days after the dissolved corporation receives the claim, or the date that is at least 150 days before the date which is 3 years after the effective date of the dissolution. A rejection notice sent by the dissolved corporation pursuant to this subsection must state that the claim will be barred unless the claimant, not later than 120 days after the claimant receives the rejection notice, commences an action in the circuit court in the applicable county against the dissolved corporation to enforce the claim.

(4) A claim against a dissolved corporation is barred:

(a) If a claimant who is given written notice pursuant to this section does not deliver the claim to the dissolved corporation by the specified deadline; or

(b) If the claim was timely received by the dissolved corporation but was timely rejected by the dissolved corporation under subsection (3) and the claimant does not commence the required action in the applicable county within 120 days after the claimant receives the rejection notice.

(5)(a) For purposes of this chapter, "known claim" means any claim or liability that, as of the date of the giving of written notice described in subsections (1) and (2) above:

1. Has matured sufficiently on or before the date of dissolution to be legally capable of assertion against the dissolved corporation; or

2. Is unmatured as of the date of dissolution but will mature in the future solely because of the passage of time.

(b) For purposes of this chapter, "known claim" does not include a contingent liability or a claim based on an event occurring after the effective date of the dissolution.

(6) The giving of any notice pursuant to this section does not revive any claim then barred or constitute acknowledgment by the dissolved corporation that any person to whom such notice is sent is a proper claimant and does not operate as a waiver of any defense or counterclaim in respect of any claim asserted by any person to whom such notice is sent.

Section 73. Section 617.1409, Florida Statutes, is created to read:

617.1409 Court proceedings.—

(1) A dissolved corporation that has filed a notice under s. 617.1407(1)(a) or published a notice under s. 617.1407(1)(b) may file an application with the circuit court in the applicable county for a determination of the amount and form of security to be provided for payment of claims that are not known claims as defined in s. 617.1408(5) but that, based on the facts known to the dissolved corporation, are reasonably estimated to arise after the effective date of dissolution. Provisions need not be

made for any claim that is or is reasonably anticipated to be barred under s. 617.1407(2).

(2) Within 10 days after the filing of the application pursuant to subsection (1), notice of the proceeding must be given by the dissolved corporation to each claimant holding a claim whose identity and contingent claim is known to the dissolved corporation.

(3) In any proceeding under this section, the court may appoint a guardian ad litem to represent all claimants whose identities are unknown. The reasonable fees and expenses of such guardian ad litem, including all reasonable expert witness fees, must be paid by the dissolved corporation.

(4) Provisions by the dissolved corporation for security in the amount and the form ordered by the court under subsection (1) satisfies the dissolved corporation's obligations with respect to claims that are contingent, have not been made known to the dissolved corporation, or are based on an event occurring after the effective date of dissolution, and such claims may not be enforced against a person who received assets in liquidation.

Section 74. Section 617.14091, Florida Statutes, is created to read:

617.14091 Limitation on director liability for a dissolved corporation; claims against dissolved corporation; enforcement.—

(1) Directors of a dissolved corporation or governing persons of a successor entity that has disposed of claims under

s. 617.1407, s. 617.1408, or s. 617.1409 are not personally liable to the claimants of the dissolved corporation.

(2) For a claim that is not barred by s. 617.1407 or s. 617.1408, or by any other law, limiting actions may be enforced:

(a) Against the dissolved corporation, to the extent of its undistributed assets; or

(b) Except as provided in s. 617.1409(4), if the assets have been distributed in liquidation, against a member of the dissolved corporation to the extent of the member's pro rata share of the claim or the corporate assets distributed to the member in liquidation, whichever is less, provided that the aggregate liability of any member of a dissolved corporation arising under s. 617.1408 or otherwise may not exceed the total amount distributed to the member in dissolution.

Section 75. Subsection (1) of section 617.1420, Florida Statutes, is amended, and subsections (3) and (4) are added to that section, to read:

617.1420 Grounds for administrative dissolution.—

(1) The department ~~of State~~ may commence a proceeding under s. 617.1421 to administratively dissolve a corporation if:

(a) The corporation has failed to file its annual report and pay the annual report filing fee by 5 p.m. Eastern Time on the third Friday in September;

(b) The corporation is without a registered agent or registered office in this state for 30 days or more;

(c) The corporation does not notify the department ~~of State~~ within 30 days after its registered agent or registered office has been changed, after its registered agent has resigned, or after its registered office has been discontinued;

(d) The corporation has failed to answer truthfully and fully, within the time prescribed by this chapter ~~act~~, interrogatories propounded by the department ~~of State~~; or

(e) The corporation's period of duration stated in its articles of incorporation has expired.

(3) If the department determines that one or more grounds exist for administratively dissolving a corporation under paragraph (1)(a), paragraph (1)(b), paragraph (1)(c), or paragraph (1)(d), the department shall serve notice in a record to the corporation of its intent to administratively dissolve the corporation. Issuance of the notice may be made by electronic transmission to a corporation that has provided the department with an e-mail address.

(4) If, within 60 days after sending the notice of intent to administratively dissolve pursuant to subsection (3), a corporation does not correct each ground for dissolution under paragraph (1)(a), paragraph (1)(b), paragraph (1)(c), or paragraph (1)(d), or demonstrate to the reasonable satisfaction of the department that each ground determined by the department does not exist, the department shall dissolve the corporation administratively and issue to the corporation a notice in a

record of administrative dissolution that states the grounds for dissolution. Issuance of the notice of administrative dissolution may be made by electronic transmission to a corporation that has provided the department with an e-mail address.

Section 76. Subsections (1), (2), and (4) of section 617.1421, Florida Statutes, are amended, and subsection (3) of that section is reenacted, to read:

617.1421 Procedure for and effect of administrative dissolution.—

(1) If the department ~~of State~~ determines that one or more grounds exist under s. 617.1420 for administratively dissolving a corporation, it shall serve the corporation with notice of its intent under s. 617.0504(2) to administratively dissolve the corporation. If the corporation has provided the department with an e-mail ~~electronic mail~~ address, such notice shall be by electronic transmission. Administrative dissolution for failure to file an annual report shall occur on the fourth Friday in September of each year. The department ~~of State~~ shall issue a certificate of dissolution to each dissolved corporation. Issuance of the certificate of dissolution may be by electronic transmission to any corporation that has provided the department with an e-mail ~~electronic mail~~ address.

(2) If the corporation does not correct each ground for dissolution under s. 617.1420(1)(b), (c), (d), or (e) or

demonstrate to the reasonable satisfaction of the department ~~of State~~ that each ground determined by the department does not exist within 60 days after issuance of the notice, the department shall administratively dissolve the corporation by issuing a certificate of dissolution that recites the ground or grounds for dissolution and its effective date. Issuance of the certificate of dissolution may be by electronic transmission to any corporation that has provided the department with an e-mail ~~electronic mail~~ address.

(3) A corporation administratively dissolved continues its corporate existence but may not conduct any affairs except that necessary to wind up and liquidate its affairs under s. 617.1405 and adopt a plan of distribution of assets pursuant to s. 617.1406.

(4) A director, officer, or agent of a corporation dissolved pursuant to this section, purporting to act on behalf of the corporation, is not personally liable for the debts, obligations, and liabilities of the corporation arising from such action and incurred subsequent to the corporation's administrative dissolution unless that officer, director, or agent ~~only if he or she~~ has actual notice of the administrative dissolution at the time such action is taken. Any~~; but~~ such liability shall be terminated upon the ratification of such action by the corporation's board of directors or members subsequent to the reinstatement of the corporation.

Section 77. Section 617.1430, Florida Statutes, is amended to read:

617.1430 Grounds for judicial dissolution.—A circuit court may dissolve a corporation or order such other remedy as provided in s. 617.1432 or s. 617.1434:

(1)(a) In a proceeding by the Department of Legal Affairs if it is established that:

1. The corporation obtained its articles of incorporation through fraud; or

2. The corporation has exceeded or abused, or is continuing to exceed or abuse ~~continued to exceed or abuse~~ the authority conferred upon it by law.

(b) The enumeration in paragraph (a) of grounds for judicial dissolution does not exclude actions or special proceedings by the Department of Legal Affairs or any state official for the annulment or dissolution of a corporation for other causes as provided by law.

(2) In a proceeding brought by at least 50 members or members holding at least 10 percent of the voting power, whichever is less, or by a member or group or percentage of members as otherwise provided in the articles of incorporation or bylaws, or by a director or any person authorized in the articles of incorporation, if it is established that:

(a) The directors are deadlocked in the management of the corporate affairs, the members are unable to break the deadlock,

and irreparable injury to the corporation or its mission is threatened or being suffered because of the deadlock;

(b) The members are deadlocked in voting power and have failed, for a period that includes at least two consecutive annual meeting dates, to elect successors to directors whose terms have expired or would have expired upon qualification of their successors; ~~or~~

(c) The corporate assets are being misapplied or wasted;

(d) The directors or those in control of the corporation have acted, are acting, or are reasonably expected to act in a manner that is illegal or fraudulent; or

(e) The corporation has insufficient assets to continue its activities and is no longer able to assemble a quorum of directors or members.

(3) In a proceeding by a creditor if it is established that:

(a) The creditor's claim has been reduced to judgment, the execution on the judgment returned unsatisfied, and the corporation is insolvent; or

(b) The corporation has admitted in writing that the creditor's claim is due and owing and the corporation is insolvent.

(4) In a proceeding by the corporation to have its voluntary dissolution continued under court supervision.

Section 78. Section 617.1431, Florida Statutes, is amended

to read:

617.1431 Procedure for judicial dissolution.—

(1) Venue for a proceeding brought under s. 617.1430 lies in the circuit court of the applicable county ~~where the corporation's principal office is or was last located, as shown by the records of the Department of State, or, if none in this state, where its registered office is or was last located~~.

(2) It is not necessary to make members or directors parties to a proceeding to dissolve a corporation unless relief is sought against them individually.

(3) A court in a proceeding brought to dissolve a corporation may issue injunctions, appoint a receiver or custodian during the proceeding ~~pendente lite~~ with all powers and duties the court directs, take other action required to preserve the corporate assets wherever located, and carry on the affairs of the corporation until a full hearing can be held.

(4) If the court determines that any party has commenced, continued, or participated in a proceeding under s. 617.1430, and has acted arbitrarily, frivolously, vexatiously, or in bad faith, the court may award reasonable attorney fees and costs to the other parties to the proceeding who have been affected adversely by such actions.

Section 79. Subsections (1) through (5) of section 617.1432, Florida Statutes, are amended to read:

617.1432 Receivership or custodianship.—

(1) A court in a judicial proceeding brought under s. 617.1430 to dissolve a corporation may appoint one or more receivers to wind up and liquidate, or one or more custodians to manage, the affairs of the corporation, except as otherwise provided herein. The court shall hold a hearing, after notifying all parties to the proceeding and any interested persons designated by the court, before appointing a receiver or custodian. The court appointing a receiver or custodian has exclusive jurisdiction over the corporation and all of its property wherever located. A court may not appoint a custodian or a receiver in a judicial proceeding brought under s. 617.1430(2)(a) or s. 617.1430(2)(b) if the members, directors, or any person authorized in the articles of incorporation, by agreement or otherwise, or a court pursuant to s. 617.1435, have provided for the appointment of a provisional director or other means for the resolution of the deadlock, but the court may enforce the remedy so provided, if appropriate.

(2) The court may appoint a natural person or an eligible entity ~~a corporation~~ authorized to act as a receiver or custodian. The eligible entity ~~corporation~~ may be a domestic ~~corporation~~ or a foreign eligible entity ~~corporation~~ authorized to transact business in this state. The court may require the receiver or custodian to post bond, with or without sureties, in an amount the court directs.

(3) The court shall describe the powers and duties of the

receiver or custodian in its appointing order, which may be amended from time to time. Among other powers:

(a) The receiver:

1. May dispose of all or any part of the assets of the corporation wherever located, at a public or private sale, if authorized by the court; and

2. May sue and defend in the receiver's ~~his or her~~ own name as receiver of the corporation in all courts of this state.

(b) The custodian may exercise all of the powers of the corporation, through or in place of its board of directors or officers, to the extent necessary to manage the affairs of the corporation in the best interests of its members and creditors.

(4) The court during a receivership may redesignate the receiver to act as a custodian, and during a custodianship may redesignate the custodian to act as a receiver, if doing so is consistent with the mission of the corporation and in the best interests of the corporation, and its members, if any, and creditors. The court may amend the order designating the receiver as custodian and custodian as receiver as the court deems appropriate.

(5) The court from time to time during the receivership or custodianship may order compensation paid and expense disbursements or reimbursements made to the receiver or custodian and ~~his or her~~ counsel for the receiver or custodian from the assets of the corporation or proceeds from the sale of

the assets.

Section 80. Section 617.1433, Florida Statutes, is amended to read:

617.1433 Judgment of dissolution.—

(1) If after a hearing in a proceeding under s. 617.1430 the court determines that one or more grounds for judicial dissolution described in s. 617.1430 exist, it may enter a judgment dissolving the corporation and specifying the effective date of the dissolution, and the clerk of the court shall deliver a certified copy of the judgment to the department ~~of State~~, which shall file it.

(2) After entering the judgment of dissolution, the court shall direct or oversee the winding up and liquidation of the corporation's affairs in accordance with ss. 617.1405 and 617.1406, and the notification of claimants in accordance with ss. 617.1407 and 617.1408, subject to ~~the provisions of~~ subsection (3).

(3) In a proceeding for judicial dissolution, the court may require all creditors of the corporation to file with the clerk of the court or with the receiver, in such form as the court may prescribe, proofs under oath of their respective claims. If the court requires the filing of claims, it shall fix a date, which shall be not less than 4 months after the date of the order, as the last day for filing of claims. The court shall prescribe the method by which such notice for the deadline for

filing claims ~~that~~ shall be given to creditors and claimants. Before ~~Prior to~~ the fixed date ~~so fixed~~, the court may extend the time for the filing of claims by court order. Creditors and claimants failing to file proofs of claim on or before the fixed date ~~so fixed~~ may be barred, by order of court, from participating in the distribution of the assets of the corporation. ~~Nothing in~~ This section does not affect ~~affects~~ the enforceability of any recorded mortgage or lien or the perfected security interest or rights of a person in possession of real or personal property.

Section 81. Section 617.1434, Florida Statutes, is created to read:

617.1434 Alternative remedies to judicial dissolution.—

(1) In a proceeding under s. 617.1430, the court may, as an alternative to directing the dissolution of the corporation and upon a showing of sufficient merit to warrant such remedy:

(a) Appoint a receiver or a custodian during the proceeding as provided in s. 617.1432;

(b) Appoint a provisional director as provided in s. 617.1435; or

(c) Make any order or grant any equitable relief other than dissolution as in its discretion it may deem appropriate.

(2) Alternative remedies, such as the appointment of a receiver or custodian, may also be ordered upon a showing of sufficient merit to warrant such remedy, in advance of directing

the dissolution of the corporation or, after a judgment of dissolution is entered, to assist in facilitating the winding up of the corporation.

Section 82. Section 617.1435, Florida Statutes, is created to read:

617.1435 Provisional director.—

(1)(a) In a proceeding under s. 617.1430(2), the court may appoint a provisional director if it appears that such appointment will remedy the grounds alleged by the complaining members or director to support the jurisdiction of the court under s. 617.1430. A provisional director may be appointed notwithstanding the absence of a vacancy on the board of directors, and such director has all the rights and powers of a duly elected director, including the right to notice of and to vote at meetings of directors.

(b) A provisional director retains the rights described in paragraph (a) until such time as the provisional director is removed by order of the court or, unless otherwise ordered by a court, removed by a vote of the members or directors sufficient either to elect a majority of the board of directors or, if greater than majority voting is required by the articles of incorporation or the bylaws, to elect the requisite number of directors needed to take action. A provisional director shall be an impartial person who is neither a member nor a creditor of the corporation or of any subsidiary or affiliate of the

corporation, and whose further qualifications, if any, may be determined by the court.

(2) The provisional director shall report to the court as ordered by the court concerning the matter complained of, or the status of the deadlock, if any, and of the status of the corporation's affairs, as the court shall direct. A provisional director is not liable for any action taken or decision made, except as directors may be liable under s. 617.0831. In addition, the provisional director must submit to the court, if so directed, recommendations as to the appropriate disposition of the action. Whenever a provisional director is appointed, any officer or director of the corporation may petition the court for instructions clarifying the duties and responsibilities of such officer or director.

(3) In any proceeding under which a provisional director is appointed pursuant to this section, the court must allow reasonable compensation to the provisional director for services rendered and reimbursement or direct payment of reasonable costs and expenses, which amounts shall be paid by the corporation.

Section 83. Section 617.1440, Florida Statutes, is amended to read:

617.1440 Deposit with Department of Financial Services.—Unless otherwise provided in ss. 617.1407-617.1409, assets of a dissolved corporation that should be transferred to a creditor, claimant, member of the corporation, or other person who cannot

be found or who is not competent to receive them must ~~shall~~ be deposited, or reduced to cash and deposited, as appropriate, within 6 months after the date fixed for the payment of the final liquidating distribution, with the Department of Financial Services for safekeeping, where such assets shall be held as abandoned property. When the creditor, claimant, member, or other person furnishes satisfactory proof of entitlement to the amount or assets deposited, the Department of Financial Services shall pay the creditor, claimant, member, or other person, or their ~~him or her or his or her~~ representative for that creditor, claimant, member or other person, that amount or those assets.

Section 84. Section 617.15015, Florida Statutes, is created to read:

617.15015 Foreign corporation governing law.—

(1) The laws of this state or other jurisdiction under which a foreign corporation exists govern:

(a) The organization and internal affairs of the foreign corporation; and

(b) The interest holder liability of its members.

(2) A foreign corporation may not be denied a certificate of authority by reason of a difference between the laws of its jurisdiction of formation and the laws of this state.

(3) A certificate of authority does not authorize a foreign corporation to engage in any business or exercise any power that a corporation may not engage in or exercise in this

state.

Section 85. Subsection (4) of section 617.1502, Florida Statutes, is amended, and subsections (6), (7), and (8) are added to that section, to read:

617.1502 Consequences of conducting affairs without authority.—

(4) A foreign corporation which conducts its affairs in this state without authority to do so is ~~shall be~~ liable to this state for the years or parts thereof during which it conducted its affairs in this state without authority in an amount equal to all fees and taxes which would have been imposed by this chapter ~~act~~ upon such corporation had it duly applied for and received authority to conduct its affairs in this state as required by this chapter ~~act~~. In addition to the payments ~~thus~~ prescribed in this subsection, such corporation is ~~shall be~~ liable for a civil penalty of not less than $500 or more than $1,000 for each year or part thereof during which it conducts its affairs in this state without a certificate of authority. The department ~~of State~~ may collect all penalties due under this subsection.

(6) A member, an officer, or a director of a foreign corporation is not liable for the debts, obligations, or other liabilities of the foreign corporation solely because the foreign corporation transacted business in this state without a certificate of authority.

(7) Section 617.15015(1) applies even if a foreign corporation fails to have a certificate of authority to transact business in this state.

(8) If a foreign corporation transacts business in this state without a certificate of authority or cancels its certificate of authority, it appoints the Secretary of State as its agent for service of process in proceedings and actions arising out of the transaction of business in this state.

Section 86. Subsections (1) and (3) of section 617.1503, Florida Statutes, are amended to read:

617.1503 Application for certificate of authority.—

(1) A foreign corporation may apply for a certificate of authority to conduct its affairs in this state by delivering an application to the department ~~of State~~ for filing. Such application must ~~shall~~ be made on forms prescribed and furnished by the department ~~of State~~ and must ~~shall~~ set forth:

(a) The name of the foreign corporation or, if its name is unavailable for use in this state, a corporate name that satisfies the requirements of s. 617.1506;

(b) The jurisdiction under the law of which it is incorporated;

(c) Its date of incorporation and period of duration;

(d) The purpose or purposes which it intends to pursue in this state and a statement that it is authorized to pursue such purpose or purposes in the jurisdiction of its incorporation;

(e) The street address of its principal office;

(f) The address of its registered office in this state and the name of its registered agent at that office;

(g) The names and usual business addresses of its current directors and officers; and

(h) Such additional information as may be necessary or appropriate in order to enable the department ~~of State~~ to determine whether such corporation is entitled to file an application for authority to conduct its affairs in this state and to determine and assess the fees and taxes payable as prescribed in this chapter ~~act~~.

~~(3) A foreign corporation may not be denied authority to conduct its affairs in this state by reason of the fact that the laws of the jurisdiction under which such corporation is organized governing its organization and internal affairs differ from the laws of this state.~~

Section 87. Section 617.1504, Florida Statutes, is amended to read:

617.1504 Amended certificate of authority.—

(1) A foreign corporation authorized to conduct its affairs in this state shall make application to the department ~~of State~~ to obtain an amended certificate of authority if it changes:

(a) Its corporate name;

(b) The period of its duration;

(c) The purpose or purposes which it intends to pursue in this state; ~~or~~

(d) The jurisdiction of its incorporation; or

(e) The name and street address in this state of the foreign corporation's registered agent in this state, unless the change was timely made in accordance with s. 617.1508.

(2) Such application must ~~shall~~ be made within 90 days after the occurrence of any change mentioned in subsection (1)~~, shall be made~~ on forms prescribed by the department, and must ~~shall~~ be executed and filed in the same manner as an original application for authority, and must ~~shall~~ set forth:

(a) The name of the foreign corporation as it appears on the department's records;

(b) The jurisdiction of its incorporation;

(c) The date it was authorized to conduct its affairs in this state;

(d) If the name of the foreign corporation has changed, the name relinquished, the new name, a statement that the change of name has been effected under the laws of the jurisdiction of its incorporation, and the date the change was effected;

(e) If the period of duration has changed, a statement of such change and the date the change was effected;

(f) If the jurisdiction of incorporation has changed, a statement of such change and the date the change was effected; and

(g) If the purposes that the foreign corporation intends to pursue in this state have changed, a statement of such new purposes, and a further statement that the foreign corporation is authorized to pursue such purposes in the jurisdiction of its incorporation.

(3) The requirements of s. 617.1503 for obtaining an original certificate of authority apply to obtaining an amended certificate under this section unless the official having custody of the foreign corporation's publicly filed records in its jurisdiction of incorporation did not require an amendment to effectuate the change on its records.

(4) Subject to subsection (3), a foreign corporation authorized to transact business in this state may make an application to the department to obtain an amended certificate of authority to add, remove, or change the name, title, capacity, or address of an officer or director of the foreign corporation.

Section 88. Section 617.1505, Florida Statutes, is amended to read:

617.1505 Effect of certificate of authority.—

(1) Unless the department determines that an application for a certificate of authority does not comply with the filing requirements of this chapter, upon payment of all filing fees, a certificate of authority authorizes the foreign corporation to which it is issued to conduct its affairs in this state subject,

however, to the right of the department ~~of State~~ to suspend or revoke the certificate as provided in this chapter ~~act~~.

(2) A foreign corporation with a valid certificate of authority has the same but no greater rights and has the same but no greater privileges as, and except as otherwise provided by this chapter ~~act~~ is subject to the same duties, restrictions, penalties, and liabilities now or later imposed on, a domestic corporation of like character.

~~(3) This act does not authorize this state to regulate the organization or internal affairs of a foreign corporation authorized to conduct its affairs in this state.~~

Section 89. Section 617.1506, Florida Statutes, is amended to read:

617.1506 Corporate name of foreign corporation.—

(1) A foreign corporation whose name is unavailable under or whose name does not otherwise comply with s. 617.0401 must use an alternate name that complies with s. 617.0401 to transact business in this state. An alternate name adopted for use in this state must be cross-referenced to the actual name of the foreign corporation in the records of the Division of Corporations, provided that no cross-reference is required if the alternate name involves no more than adding the suffix "corporation" or "incorporated" or the abbreviation "Corp.," or "Inc.," or the designation "Corp" or "Inc" to the name; provided that the name of a foreign corporation may not contain the word

"company" or the abbreviation "co." If the actual name of the foreign corporation subsequently becomes available in this state and the foreign corporation elects to operate in this state under its actual name, or the foreign corporation chooses to change its alternate name, a record approving the election or change, as the case may be, by its board of directors or by its members if such members are entitled to vote on such a record, and signed as required pursuant to s. 617.01201, must be delivered to the department for filing ~~may not file an application for a certificate of authority unless the corporate name of such corporation satisfies the requirements of s. 617.0401. To obtain or maintain a certificate of authority to transact business in this state, the foreign corporation:~~

~~(a) May add the word "corporation" or "incorporated" or the abbreviation "corp." or "inc." or words of like import, which clearly indicate that it is a corporation instead of a natural person or partnership or other business entity; however, the name of a foreign corporation may not contain the word "company" or the abbreviation "co."; or~~

~~(b) May use an alternate name to transact business in this state if its real name is unavailable. Any alternate corporate name adopted for use in this state must be cross-referenced to the real corporate name in the records of the Division of Corporations. If the real corporate name of the corporation becomes available in this state or if the corporation chooses to~~

~~change its alternate name, a copy of the resolution of its board of directors, changing or withdrawing the alternate name and executed as required by s. 617.01201, must be delivered for filing~~.

(2) The corporate name, including the alternate name, of a foreign corporation must be distinguishable, within the records of the Division of Corporations, from:

(a) Any corporate name of a corporation for profit incorporated or authorized to transact business in this state.

(b) The alternate name of another foreign corporation authorized to transact business in this state.

(c) The corporate name of a nonprofit ~~not-for-profit~~ corporation incorporated or authorized to transact business in this state.

(d) The names of all other entities or filings, except fictitious name registrations pursuant to s. 865.09, organized, or registered under the laws of this state, that are on file with the Division of Corporations.

(3) A foreign corporation that adopts an alternate name under subsection (1) and obtains a certificate of authority with the alternate name need not comply with s. 865.09 with respect to the alternate name.

(4) So long as a foreign corporation maintains a certificate of authority with an alternate name, it may transact business in this state under the alternate name unless the

foreign corporation is authorized under s. 865.09 to transact business in this state under another name.

(5) If a foreign corporation authorized to transact business in this state changes its corporate name to one that does not satisfy the requirements of s. 617.0401, such corporation may not transact business in this state under the changed name until the corporation adopts a name satisfying the requirements of s. 617.0401 and obtains an amended certificate of authority under s. 617.1504.

(6) Notwithstanding this section, a foreign corporation may register under a name that is not otherwise distinguishable on the records of another entity registered with the department if:

(a) The other entity consents to the use and submits an undertaking in a form satisfactory to the Secretary of State to change its name to a name that is distinguishable upon the records of the department from the name of the applying corporation; or

(b) The applicant delivers to the department a certified copy of a final judgment of a court of competent jurisdiction establishing the applicant's right to use the name applied for in the state.

Section 90. Subsections (2) and (3) of section 617.1507, Florida Statutes, are amended, and subsection (4), (5), and (6) are added to that section, to read:

617.1507 Registered office and registered agent of foreign corporation.—

(2) Each initial ~~A~~ registered agent, and each ~~appointed pursuant to this section or a~~ successor registered agent appointed pursuant to s. 617.1508 on whom process may be served shall ~~each~~ file a statement in writing with the department ~~of State~~, in the ~~such~~ form and manner ~~as shall be~~ prescribed by the department, accepting the appointment as a registered agent while simultaneously ~~with his or her~~ being designated as the registered agent. Such statement of acceptance shall state that the registered agent is familiar with, and accepts, the obligations of that position.

(3) The duties of a registered agent are:

(a) To forward to the foreign corporation at the address most recently supplied to the registered agent by the foreign corporation, a process, notice, or demand pertaining to the foreign corporation which is served on or received by the registered agent; and

(b) If the registered agent resigns, to provide the statement required under s. 617.1509 to the foreign corporation at the address most recently supplied to the registered agent by the foreign corporation ~~For purposes of this section, "authorized entity" means:~~

~~(a) A corporation for profit;~~

~~(b) A limited liability company;~~

~~(c) A limited liability partnership; or~~

~~(d) A limited partnership, including a limited liability limited partnership~~.

(4) The department shall maintain an accurate record of the registered agents and registered offices for service of process and promptly furnish any information disclosed thereby upon request and payment of the required fee.

(5) A foreign corporation may not prosecute or maintain any action in a court in this state until the foreign corporation complies with this section, pays to the department the amounts required by this chapter, and, to the extent ordered by a court of competent jurisdiction, pays to the department a penalty of $5 for each day it has failed to so comply, or $500, whichever is less.

(6) A court may stay a proceeding commenced by a foreign corporation until the corporation complies with this section.

Section 91. Section 617.1508, Florida Statutes, is amended to read:

617.1508 Change of registered office and registered agent of foreign corporation.—

(1) A foreign corporation authorized to conduct its affairs in this state may change its registered office or registered agent by delivering to the department ~~of State~~ for filing a statement of change that sets forth:

(a) Its name;

(b) The street address of its current registered office;

(c) If the current registered office is to be changed, the street address of its new registered office;

(d) The name of its current registered agent; and

(e) If the current registered agent is to be changed, the name of its new registered agent and the new agent's written consent described in s. 617.1507(3), ~~(~~either on the statement or attached to it,~~)~~ to the appointment~~;~~

~~(f) That, after the change or changes are made, the street address of its registered office and the business office of its registered agent will be identical; and~~

~~(g) That any such change was authorized by resolution duly adopted by its board of directors or by an officer of the corporation so authorized by the board of directors~~.

(2) A statement of change is effective when filed by the department.

(3) If a registered agent changes the name or street address of the registered agent's ~~his or her~~ business office, they ~~he or she~~ may change the name or street address of the registered office of any foreign corporation for which they are ~~he or she is~~ the registered agent by notifying the corporation in writing of the change and signing, ~~(~~either manually or in facsimile,~~)~~ and delivering to the department ~~of State~~ for filing a statement of change that complies with the requirements of paragraphs (1)(a)-(e) ~~(1)(a)-(f)~~ and recites that the

corporation has been notified of the change.

(4) The changes described in this section may also be made on the foreign corporation's annual report or in an application for reinstatement filed with the department under s. 617.1422.

Section 92. Section 617.1509, Florida Statutes, is amended to read:

617.1509 Resignation of registered agent of foreign corporation.—

(1) The registered agent of a foreign corporation may resign as agent ~~his or her agency appointment~~ by signing and delivering to the department ~~of State~~ for filing a statement of resignation and mailing a copy of such statement to the corporation at the corporation's principal office address shown in its most recent annual report or, if none, shown in its application for a certificate of authority or other most recently filed document. After delivering the statement of resignation to the department for filing, the registered agent must promptly mail a copy to the foreign corporation at its current mailing address ~~The statement of resignation must state that a copy of such statement has been mailed to the corporation at the address so stated~~. The statement of resignation may include a statement that the registered office is also discontinued.

(2) A registered agent is terminated upon the earlier of:

(a) The 31st day after the department files the statement

of resignation; or

(b) When a statement of change or other record designating a new registered agent is filed with the department ~~The agency appointment is terminated as of the 31st day after the date on which the statement was filed and, unless otherwise provided in the statement, termination of the agency acts as a termination of the registered office~~.

(3) When a statement of resignation takes effect, the registered agent ceases to have responsibility for a matter thereafter tendered to them as agent for the foreign corporation. The resignation does not affect contractual rights that the foreign corporation has against the agent or that the agent has against the foreign corporation.

(4) A registered agent may resign from a foreign corporation regardless of whether the foreign corporation has active status.

Section 93. Section 617.15091, Florida Statutes, is created to read:

617.15091 Delivery of notice or other communication.—

(1) Except as otherwise provided in this chapter, permissible means of delivery of a notice or other communication includes delivery by hand, the United States Postal Service, a commercial delivery service, and electronic transmission, all as more particularly described in s. 617.0141.

(2) Except as provided in subsection (3), delivery to the

department is effective only when a notice or other communication is received by the department.

(3) If a check is mailed to the department for payment of an annual report fee, the check is deemed to have been received by the department as of the postmark date appearing on the envelope or package transmitting the check if the envelope or the package is received by the department.

Section 94. Section 617.1520, Florida Statutes, is amended to read:

(Substantial rewording of section.

See s. 617.1520, F.S., for present text.)

617.1520 Withdrawal and cancellation of certificate of authority for foreign corporation.—

(1) To cancel its certificate of authority to conduct affairs in this state, a foreign corporation must deliver to the department for filing a notice of withdrawal of certificate of authority. The certificate of authority is canceled when the notice of withdrawal becomes effective pursuant to s. 617.0123. The notice of withdrawal of certificate of authority must be signed by an officer or a director and state all of the following:

(a) The name of the foreign corporation as it appears on the records with the department.

(b) The name of the foreign corporation's jurisdiction of incorporation.

(c) The date the foreign corporation was authorized to conduct affairs in this state.

(d) That the foreign corporation is withdrawing its certificate of authority in this state.

(e) That the foreign corporation revokes the authority of its registered agent to accept service on its behalf and appoints the Secretary of State as its agent for service of process based on a cause of action arising during the time it was authorized to conduct its affairs in this state.

(f) A mailing address and an e-mail address to which a party seeking to effectuate service of process may send a copy of any process served on the Secretary of State under paragraph (e).

(g) A commitment to notify the department in the future of any change in its mailing address or e-mail address.

(2) After the withdrawal of the foreign corporation is effective, service of process is on the Secretary of State using the procedures in s. 48.161 for service on the foreign corporation.

Section 95. Section 617.1521, Florida Statutes, is created to read:

617.1521 Withdrawal of certificate of authority deemed on conversion to domestic filing entity.—A foreign corporation authorized to conduct affairs in this state that converts to a domestic corporation or another domestic eligible entity that is

organized, incorporated, registered, or otherwise formed through the delivery of a record to the department for filing is deemed to have withdrawn its certificate of authority on the effective date of the conversion.

Section 96. Section 617.1522, Florida Statutes, is created to read:

617.1522 Withdrawal on dissolution, merger, or conversion to certain non-filing entities.—

(1) A foreign corporation that is authorized to conduct affairs in this state that has dissolved and completed winding up, has merged into a foreign eligible entity that is not authorized to conduct affairs in this state, or has converted to a domestic or foreign eligible entity that is not organized, incorporated, registered, or otherwise formed through the public filing of a record, must deliver a notice of withdrawal of certificate of authority to the department for filing in accordance with s. 617.1520.

(2) After a withdrawal under this section of a foreign corporation that has converted to another type of entity is effective, service of process in any action or proceeding based on a cause of action arising during the time the foreign corporation was authorized to conduct affairs in this state may be made pursuant to s. 617.1510.

Section 97. Section 617.1523, Florida Statutes, is created to read:

617.1523 Action against foreign corporation by Department of Legal Affairs.—The Department of Legal Affairs may maintain an action to enjoin a foreign corporation from conducting affairs in this state in violation of this chapter.

Section 98. Section 617.1530, Florida Statutes, is amended to read:

617.1530 ~~Grounds for~~ Revocation of certificate of authority to transact business.—

(1) A ~~conduct affairs.—The Department of State may commence a proceeding under s. 617.1531 to revoke the~~ certificate of authority of a foreign corporation to transact business ~~authorized to conduct its affairs~~ in this state may be revoked by the department if:

(a) ~~(1)~~ The foreign corporation does not deliver ~~has failed to file~~ its annual report to ~~with~~ the department ~~of State~~ by 5 p.m. Eastern Time on the third Friday in September of each year; ~~.~~

(b) ~~(2)~~ The foreign corporation does not pay a fee or penalty due to~~, within~~ the department under ~~time required by~~ this chapter; ~~act, any fees, taxes, or penalties imposed by this act or other law.~~

(c) ~~(3)~~ The foreign corporation does not appoint and maintain ~~is without~~ a registered agent as required by s. 617.1507; ~~or registered office in this state for 30 days or more.~~

~~(4) The foreign corporation does not notify the Department of State under s. 617.1508 or s. 617.1509 that its registered agent has resigned or that its registered office has been discontinued within 30 days after the date of such resignation or discontinuance.~~

(d) ~~(5)~~ The foreign corporation does not deliver for filing a statement of a change under s. 617.1508 within 30 days after the change in the name or address of the agent has occurred, unless, within 30 days after the change occurred, either:

1. The registered agent files a statement of change under s. 617.1508; or

2. The change was made in accordance with s. 617.1508(4) or s. 617.1504(1)(e);

(e) The foreign corporation has failed to amend its certificate of authority to reflect a change in its name on the records of the department or its jurisdiction of incorporation;

(f) The foreign corporation's period of duration stated in its articles of incorporation has expired;

(g) An incorporator, director, officer, or agent of the foreign corporation signs ~~signed~~ a document that he or she knew was false in a ~~any~~ material respect with the intent that the document be delivered to the department ~~of State~~ for filing;~~.~~

(h) ~~(6)~~ The department receives a duly authenticated certificate from the secretary of state or other official having custody of corporate records in the jurisdiction under the law

of which the foreign corporation is incorporated stating that it has been dissolved or is no longer active on the official's record; or ~~disappeared as the result of a merger.~~

(i)~~(7)~~ The foreign corporation has failed to answer truthfully and fully, within the time prescribed by this chapter ~~act~~, interrogatories propounded by the department ~~of State~~.

(2) Revocation of a foreign corporation's certificate of authority for failure to file an annual report shall occur on the fourth Friday in September of each year. The department shall issue a notice in a record of the revocation to the revoked foreign corporation. Issuance of the notice may be made by electronic transmission to a foreign corporation that has provided the department with an e-mail address.

(3) If the department determines that one or more grounds exist under paragraph (1)(b) for revoking a foreign corporation's certificate of authority, the department shall issue a notice in a record to the foreign corporation of the department's intent to revoke the certificate of authority. Issuance of the notice may be made by electronic transmission to a foreign corporation that has provided the department with an e-mail address.

(4) If, within 60 days after the department sends the notice of intent to revoke in accordance with subsection (3), and the foreign corporation does not correct each ground for revocation or demonstrate to the reasonable satisfaction of the

department that each ground determined by the department does not exist, the department shall revoke the foreign corporation's authority to transact business in this state and issue a notice in a record of revocation which states the grounds for revocation. Issuance of the notice may be made by electronic transmission to a foreign corporation that has provided the department with an e-mail address.

(5) Revocation of a foreign corporation's certificate of authority does not terminate the authority of the registered agent of the corporation.

Section 99. Section 617.15315, Florida Statutes, is created to read:

617.15315 Reinstatement following revocation.—

(1) A foreign corporation whose certificate of authority has been revoked pursuant to s. 617.1530 or former s. 617.1531 may apply to the department for reinstatement at any time after the effective date of revocation of authority. The foreign corporation applying for reinstatement must submit all fees and penalties then owed by the foreign corporation at rates provided by law at the time the foreign corporation applies for reinstatement, together with an application for reinstatement prescribed and furnished by the department, which is signed by both the registered agent and an officer or director of the foreign corporation and states:

(a) The name under which the foreign corporation is

authorized to conduct affairs in this state.

(b) The street address of the foreign corporation's principal office and mailing address.

(c) The jurisdiction of the foreign corporation's formation and the date on which it became qualified to conduct affairs in this state.

(d) The foreign corporation's federal employer identification number or, if none, whether one has been applied for.

(e) The name, title or capacity, and address of at least one officer or director of the foreign corporation.

(f) Additional information that is necessary or appropriate to enable the department to carry out this chapter.

(2) In lieu of the requirement to file an application for reinstatement as described in subsection (1), a foreign corporation whose certificate of authority has been revoked may submit all fees and penalties owed by the corporation at the rates provided by law at the time the corporation applies for reinstatement, together with a current annual report, signed by both the registered agent and an officer or director of the corporation, which contains the information described in subsection (1).

(3) If the department determines that an application for reinstatement contains the information required under subsection (1) or subsection (2) and that the information is correct, upon

payment of all required fees and penalties, the department shall reinstate the foreign corporation's certificate of authority.

(4) When a reinstatement becomes effective, it relates back to and takes effect as of the effective date of the revocation of authority, and the foreign corporation may operate in this state as if the revocation of authority had never occurred.

(5) The name of the foreign corporation whose certificate of authority has been revoked is not available for assumption or use by another eligible entity until 1 year after the effective date of revocation of authority unless the corporation provides the department with a record signed as required by s. 617.01201, which authorizes the immediate assumption or use of the name by another eligible entity.

(6) If the name of the foreign corporation applying for reinstatement has been lawfully assumed in this state by another eligible entity, the department must require the foreign corporation to comply with s. 617.1506 before accepting its application for reinstatement.

Section 100. Section 617.1532, Florida Statutes, is amended to read:

(Substantial rewording of section.
See s. 617.1532, F.S., for present text.)

617.1532 Judicial review of denial of reinstatement.—

(1) If the department denies a foreign corporation's

application for reinstatement after revocation of its certificate of authority, the department shall serve the foreign corporation pursuant to s. 617.1510 with a written notice that explains the reasons for the denial.

(2) Within 30 days after service of a notice of denial of reinstatement, a foreign corporation may appeal the department's denial by petitioning the Circuit Court of Leon County to set aside the revocation. The petition must be served on the department and contain a copy of the department's notice of revocation, the foreign corporation's application for reinstatement, and the department's notice of denial.

(3) The circuit court may order the department to reinstate the certificate of authority of the foreign corporation or take other action the court considers appropriate.

(4) The circuit court's final decision may be appealed as in other civil proceedings.

Section 101. Section 617.1601, Florida Statutes, is amended to read:

617.1601 Corporate records.—

(1) A corporation shall maintain the following records:

(a) Its articles of incorporation, as currently in effect.

(b) Its bylaws, as currently in effect.

(c) If the corporation has members, the minutes of all members' meetings and records of all action taken by members

without a meeting for the past 3 years.

(d) The minutes of all meetings of its board of directors, a record of all actions taken by the board of directors without a meeting, and a record of all actions taken by a committee of the board of directors in place of the board of directors on behalf of the corporation.

(e) If the corporation has members, all written communications within the past 3 years to members generally or to members of a class, including the financial statements furnished for the past 3 years under s. 617.1605.

(f) A list of the names and business street addresses, or the home street addresses if there is no business street address, of its current directors and officers.

(g) Its most recent annual report delivered to the department under s. 617.1622 ~~keep as records minutes of all meetings of its members and board of directors, a record of all actions taken by the members or board of directors without a meeting, and a record of all actions taken by a committee of the board of directors in place of the board of directors on behalf of the corporation~~.

(2) A corporation shall maintain ~~accurate~~ accounting records in a form that permits preparation of its financial statements as required by s. 617.1605.

(3) If a corporation has members, a corporation or its agent must ~~shall~~ maintain a record of its members in a form that

permits preparation of a list of the names and addresses, which may be an e-mail address or other electronic contact information, of all members in alphabetical order by class of ~~voting~~ members. This subsection does not require the corporation to include the e-mail address or other electronic contact information of a member in such record.

(4) A corporation shall maintain the ~~its~~ records specified in this section in a manner that allows them to be made available for inspection ~~written form or in another form capable of conversion into written form~~ within a reasonable time.

~~(5) A corporation shall keep a copy of the following records:~~

~~(a) Its articles of incorporation or restated articles of incorporation and all amendments to them currently in effect.~~

~~(b) Its bylaws or restated bylaws and all amendments to them currently in effect.~~

~~(c) The minutes of all members' meetings and records of all action taken by members without a meeting for the past 3 years.~~

~~(d) Written communications to all members generally or all members of a class within the past 3 years, including the financial statements furnished for the past 3 years under s. 617.1605.~~

~~(e) A list of the names and business street, or home if there is no business street, addresses of its current directors~~

~~and officers.~~

~~(f) Its most recent annual report delivered to the Department of State under s. 617.1622.~~

Section 102. Section 617.1602, Florida Statutes, is amended to read:

617.1602 Inspection of records by members.—

(1) A member of a corporation is entitled to inspect and copy, during regular business hours at the corporation's principal office or at a reasonable location specified by the corporation, any of the records of the corporation described in s. 617.1601(1) ~~s. 617.1601(5)~~, excluding minutes of meetings of, and records of actions taken without a meeting by, the corporation's board of directors and any committee of the corporation, if the member delivers to ~~gives~~ the corporation written notice of the member's ~~his or her~~ demand at least 5 ~~10~~ business days before the date on which the member ~~he or she~~ wishes to inspect and copy.

(2) A member of a corporation is entitled to inspect and copy, during regular business hours at a reasonable location specified by the corporation, any of the following records of the corporation if the member meets the requirements of subsection (3) and gives the corporation written notice of the member's ~~his or her~~ demand at least 5 ~~10~~ business days before the date on which the member ~~he or she~~ wishes to inspect and copy:

(a) Excerpts from minutes of any meeting of, or records of any actions taken without a meeting by, the corporation's board of directors and board committees of the corporation maintained in accordance with s. 617.1601(1)(d);~~, records of any action of a committee of the board of directors while acting in place of the board of directors on behalf of the corporation, minutes of any meeting of the members, and records of action taken by the members or board of directors without a meeting, to the extent not subject to inspection under subsection (1).~~

(b) Accounting records of the corporation;~~.~~

(c) The record of members maintained in accordance with s. 617.1601(3); and~~.~~

(d) Any other books and records.

(3) A member may inspect and copy the records described in subsection (2) only if:

(a) The member's demand is made in good faith and for a proper purpose;

(b) The member's demand ~~member~~ describes with reasonable particularity the member's ~~his or her~~ purpose and the records the member ~~he or she~~ desires to inspect; and

(c) The records are directly connected with the member's purpose.

(4) The corporation may impose reasonable restrictions on the disclosure, use, or distribution of, and reasonable obligations to maintain the confidentiality of, records

described in subsection (2).

(5) For any meeting of members for which the record date for determining members entitled to vote at the meeting is different than the record date for notice of the meeting, any person who becomes a member after the record date for notice of the meeting and is entitled to vote at the meeting is entitled to obtain from the corporation upon request the notice and any other information provided by the corporation to members in connection with the meeting, unless the corporation has made such information generally available to members by posting it on its website or by other generally recognized means. Failure of a corporation to provide such information does not affect the validity of action taken at the meeting.

(6) The right of inspection granted by this section may not be abolished or limited by a corporation's articles of incorporation or bylaws.

(7) ~~(4)~~ This section does not affect:

(a) The right of a member in litigation with the corporation to inspect and copy records to the same extent as any other litigant; or~~.~~

(b) The power of a court, independently of this chapter, to compel the production of corporate records for examination and to impose reasonable restrictions as provided in s. 617.1604(3), provided that, in the case of production of records described in subsection (2) at the request of the member, the

member has met the requirements of subsection (3).

(8) ~~(5)~~ A corporation may deny any demand for inspection made pursuant to subsection (2) if the demand was made for an improper purpose, or if the demanding member has within 2 years preceding the member's ~~his or her~~ demand sold or offered for sale any list of members of the corporation or any other corporation, has aided or abetted any person in procuring any list of members for any such purpose, or has improperly used any information secured through any prior examination of the records of the corporation or any other corporation.

(9) A member may not sell or otherwise distribute any information or records inspected under this section, except to the extent that such use is for a proper purpose.

(10) Without consent of the board of directors, a membership list or any part thereof may not be obtained or used by any person for any purpose unrelated to a member's interest as a member. Without limiting the foregoing, without the consent of the board, a membership list or any part thereof may not be:

(a) Used to solicit money or property unless the money or property will be used solely to solicit the votes of the members;

(b) Used for any commercial purpose; or

(c) Sold to or purchased by any person.

(11) ~~(6)~~ For purposes of this section, the term "member" includes a beneficial owner whose beneficial interest is ~~shares~~

~~are~~ held in a voting trust or by a nominee on the individual's ~~his or her~~ behalf.

(12)~~(7)~~ For purposes of this section, a "proper purpose" means a purpose reasonably related to such person's interest as a member.

(13) The rights of a member to obtain records under subsections (1) and (2) apply to the records of subsidiaries of the corporation.

Section 103. Section 617.1603, Florida Statutes, is amended to read:

617.1603 Scope of inspection right.—

(1) A member's agent or attorney has the same inspection and copying rights as the member ~~he or she represents~~.

(2) The corporation may, if deemed reasonable, satisfy the right of a member to copy records under s. 617.1602 by furnishing to the member copies by such means as are chosen by the corporation, including furnishing copies through electronic delivery ~~The right to copy records under s. 617.1602 includes, if reasonable, the right to receive copies made by photographic, xerographic, or other means~~.

(3) The corporation may impose a reasonable charge, covering the costs of labor and material, for copies of any documents provided to the member. The charge may not exceed the estimated cost of production or reproduction of the records. If the records are kept in other than written form, the corporation

must ~~shall~~ convert such records into written form upon the request of any person entitled to inspect the same. The corporation shall bear the reasonable costs of converting any records described in s. 617.1601(1) ~~s. 617.1601(5)~~. The requesting member shall bear the costs, including the cost of compiling the information requested, incurred to convert any records described in s. 617.1602(2).

(4) If requested by a member, the corporation shall comply with a member's demand to inspect the records of members under s. 617.1602(2)(c) by providing the member ~~him or her~~ with a list of its members of the nature described in s. 617.1601(3). Such a list must ~~shall~~ be compiled as of the last record date for which it has been compiled or as of a subsequent date if specified by the member.

Section 104. Section 617.1604, Florida Statutes, is amended to read:

617.1604 Court-ordered inspection.—

(1) If a corporation does not, within a reasonable time, allow a member who complies with s. 617.1602 to inspect and copy any record, and the member complies with any prerequisites to inspection and copying imposed by this section, the member may apply to the circuit court in the county where the corporation's principal office, or, if none in this state, its registered office, is located for an order to permit inspection and copying of the records demanded. The court shall dispose of an

application under this subsection on an expedited ~~summary~~ basis.

(2) If the court orders inspection or copying of the records demanded, it shall also order the corporation and the custodian of the particular records demanded to pay the member's costs, including reasonable attorney ~~attorney's~~ fees, reasonably incurred to obtain the order and enforce its rights under this section unless the corporation establishes that the corporation~~, or the officer, director, or agent, as the case may be, provides that it or he or she~~ refused inspection in good faith because it ~~or he or she~~ had:

(a) A reasonable basis for doubt about the right of the member to inspect or copy the records demanded; or

(b) Required reasonable restrictions on the disclosure, use, or distribution of, and reasonable obligations to maintain the confidentiality of, such records demanded to which the demanding member had been unwilling to agree.

(3) If the court orders inspection or copying of the records demanded, it may impose reasonable restrictions on their confidentiality and the use or distribution of the records by the demanding member.

Section 105. Section 617.1605, Florida Statutes, is amended to read:

617.1605 Financial reports for members.—

(1) A corporation, upon a member's written demand, shall furnish that member its latest annual financial statements,

which may be consolidated or combined statements of the corporation and one or more of its subsidiaries or affiliates, as appropriate, and which include a balance sheet as of the end of the fiscal year and a statement of operations for that year. If financial statements are prepared for the corporation on the basis of generally accepted accounting principles, the annual financial statements must also be prepared on such basis.

(2) A corporation must deliver or make available the latest annual financial statements to such member within 5 business days after the request if the annual financial statements have already been prepared and are available. If the annual financial statements have not been prepared for the fiscal year requested, the corporation must notify the member within 5 business days that the annual financial statements have not yet been prepared and must deliver or make available such annual financial statements to the member within 60 days after the corporation receives the request, or within such additional time thereafter as is reasonably necessary to enable the corporation to prepare its annual financial statements if, for reasons beyond the corporation's control, it is unable to prepare its annual financial statements within the prescribed period.

(3) A corporation may fulfill its responsibilities under this section by delivering the specified annual financial statements by posting the specified annual financial statements

on its website or by any other generally recognized means.

(4) Notwithstanding subsections (1), (2), and (3):

(a) As a condition to delivering or making available annual financial statements to any requesting member, the corporation may require the requesting member to agree to reasonable restrictions on the confidentiality, use, and distribution of such annual financial statements; and

(b) The corporation may, if it reasonably determines that the member's request is not made in good faith or for a proper purpose, decline to deliver or make available such annual financial statements to that member.

(5) If a corporation does not respond to a member's request for annual financial statements pursuant to this section within the applicable period specified in subsection (2), all of the following apply:

(a) The requesting member may apply to the circuit court in the applicable county for an order requiring delivery of or access to the requested annual financial statements. The court shall dispose of an application under this subsection on an expedited basis.

(b) If the court orders delivery or access to the requested annual financial statements, it may impose reasonable restrictions on their confidentiality, use, or distribution.

(c) In such proceeding, if the corporation has declined to deliver or make available such annual financial statements

because the member had been unwilling to agree to restrictions proposed by the corporation on the confidentiality, use, and distribution of such financial statements, the corporation has the burden of demonstrating that the restrictions proposed by the corporation were reasonable.

(d) In such a proceeding, if the corporation has declined to deliver or make available such annual financial statements pursuant to this section, the corporation has the burden of demonstrating that it reasonably determined that the member's request was not made in good faith or for a proper purpose.

(6) If the court orders delivery or access to the requested annual financial statements, it shall order the corporation to pay the member's expenses, including reasonable attorney fees, incurred to obtain such order unless the corporation establishes that it had refused delivery or access to the requested annual financial statements because the member had refused to agree to reasonable restrictions on the confidentiality, use, or distribution of the annual financial statements or that the corporation had reasonably determined that the member's request was not made in good faith or for a proper purpose.

Section 106. Section 617.16051, Florida Statutes, is created to read:

617.16051 Inspection rights of directors.—

(1) A director of a corporation is entitled to inspect and

copy the books, records, and documents of the corporation at any reasonable time to the extent reasonably related to the performance of the director's duties as a director, including duties as a member of a board committee, but not for any other purpose or in any manner that would violate any duty to the corporation or attorney-client privilege or work-product privilege of the corporation.

(2) The circuit court of the applicable county may order inspection and copying of the books, records, and documents at the corporation's expense, upon application of a director who has been refused such inspection rights, unless the corporation establishes that the director is not entitled to such inspection rights. The court shall dispose of an application under this subsection on an expedited basis.

(3) If an order is issued, the court may include provisions protecting the corporation from undue burden or expense and prohibiting the director from using information obtained upon exercise of the inspection rights in a manner that would violate a duty to the corporation, and may also order the corporation to reimburse the director for the director's costs, including reasonable attorney fees, incurred in connection with the application.

Section 107. Section 617.1622, Florida Statutes, is amended to read:

617.1622 Annual report for department ~~of State~~.—

(1) Each domestic corporation and each foreign corporation authorized to transact business ~~conduct its affairs~~ in this state shall deliver to the department ~~of State~~ for filing an ~~a sworn~~ annual report~~, on such form as the Department of State prescribes,~~ that states the following ~~sets forth~~:

(a) The name of the corporation or, if a foreign corporation, the name under which the foreign corporation is authorized to transact business in this state ~~and the state or country under the law of which it is incorporated~~;

(b) The date of its incorporation and ~~or~~, if a foreign corporation, the jurisdiction of its incorporation and the date on which it became qualified to transact business ~~was admitted to conduct its affairs~~ in this state;

(c) The street address of its ~~the~~ principal office and the mailing address of the corporation;

(d) The corporation's or foreign corporation's federal employer identification number, if any, or, if none, whether one has been applied for;

(e) The names and business street addresses of its directors and principal officers; and

(f) ~~The street address of its registered office in this state and the name of its registered agent at that office; and~~

~~(g)~~ Any ~~such~~ additional information that the department has identified as ~~may be~~ necessary or appropriate to enable the department ~~of State~~ to carry out the provisions of this chapter

~~act~~.

(2) If an annual report contains the name and address of a registered agent which differs from the information shown in the records of the department immediately before the annual report becomes effective, the differing information in the annual report is considered a statement of change under s. 617.0502 or s. 617.1508, as the case may be ~~The deposit of such report, on or before May 1, in the United States mail in a sealed envelope, properly addressed with postage prepaid, constitutes compliance with subsection (1)~~.

(3) If an annual report does not contain the information required by this section ~~subsection (1)~~, the department ~~of State~~ shall promptly notify the reporting domestic corporation or foreign corporation ~~in writing and return the report to it for correction~~. If the report is corrected to contain the information required by subsection (1) and delivered to the department ~~of State~~ within 30 days after the effective date of notice, it will ~~is deemed to~~ be considered timely delivered ~~filed~~.

(4) ~~Each annual report must be executed by the corporation by an officer or director or, if the corporation is in the hands of a receiver or trustee, must be executed on behalf of the corporation by such receiver or trustee, and the signing of the annual report shall have the same legal effect as if made under oath, without the necessity of appending such oath thereto.~~

~~(5)~~ The first annual report must be delivered to the department ~~of State~~ between January 1 and May 1 of the year following the calendar year in which a domestic corporation's articles of incorporation became effective or a foreign corporation obtained its certificate of authority to transact business in this state ~~corporation was incorporated or a foreign corporation was authorized to conduct affairs~~. Subsequent annual reports must be delivered to the department ~~of State~~ between January 1 and May 1 of each ~~the subsequent~~ calendar year thereafter. If one or more forms of annual report are submitted for a calendar year, the department shall file each of them and make the information contained in them part of the official record. The first form of annual report filed in a calendar year shall be considered the annual report for that calendar year, and each report filed after that one in the same calendar year shall be treated as an amended report for that calendar year ~~years~~.

(5)~~(6)~~ Information in the annual report must be current as of the date the annual report is delivered to the department for filing ~~executed on behalf of the corporation~~.

~~(7) If an additional report is received, the department shall file the document and make the information contained therein part of the official record.~~

(6)~~(8)~~ Any domestic corporation or foreign corporation that fails to file an annual report that ~~which~~ complies with the requirements of this section may not prosecute or maintain ~~or~~

~~defend~~ any action in any court of this state until the ~~such~~ report is filed and all fees and penalties ~~taxes~~ due under this chapter ~~act~~ are paid, and ~~such corporation~~ is subject to dissolution or cancellation of its certificate of authority to transact business ~~conduct its affairs~~ as provided in this chapter ~~act~~.

(7) ~~(9)~~ The department shall prescribe the forms, which may be in an electronic format, on which to make the annual report called for in this section and may substitute the uniform business report, pursuant to s. 606.06, as a means of satisfying the requirement of this chapter ~~section~~.

(8) As a condition of a merger under s. 617.1101, each party to a merger which exists under the laws of this state, and each party to a merger which exists under the laws of another jurisdiction and has a certificate of authority to transact business or conduct its affairs in this state, must be active and current in filing its annual reports in the records of the department through December 31 of the calendar year in which the articles of merger are submitted to the department for filing.

(9) As a condition of a conversion of an entity to a corporation under s. 617.1804, the entity, if it exists under the laws of this state or if it exists under the laws of another jurisdiction and has a certificate of authority to transact business or conduct its affairs in this state, must be active and current in filing its annual reports in the records of the

department through December 31 of the calendar year in which the articles of conversion are submitted to the department for filing.

(10) As a condition of a conversion of a domestic corporation to another type of entity under s. 617.1804, the domestic corporation converting to the other type of entity must be active and current in filing its annual reports in the records of the department through December 31 of the calendar year in which the articles of conversion are submitted to the department for filing.

(11) As a condition of domestication of a domestic corporation into a foreign jurisdiction under s. 617.180301, the domestic corporation domesticating into a foreign jurisdiction must be active and current in filing its annual reports in the records of the department through December 31 of the calendar year in which the articles of domestication are submitted to the department for filing.

Section 108. Section 617.180301, Florida Statutes, is created to read:

617.180301 Domestication.—

(1) By complying with this section and ss. 617.18031-617.18034, as applicable, a foreign corporation may become a domestic corporation if the domestication is permitted by the organic law of the foreign corporation.

(2) By complying with this section and ss. 617.18031-

617.18034, as applicable, a domestic corporation may become a foreign corporation pursuant to a plan of domestication if the domestication is permitted by the organic law of the foreign corporation.

(3) In a domestication under subsection (2), the domesticating corporation must enter into a plan of domestication. The plan of domestication must include:

(a) The name of the domesticating corporation;

(b) The name and governing jurisdiction of the domesticated corporation;

(c) The manner and basis of cancelling or converting the eligible interests or other rights of the domesticating corporation into other eligible interests, obligations, rights to acquire eligible interests, cash, other property, or any combination of the foregoing of the domesticated corporation;

(d) The proposed organic rules of the domesticated corporation, which must be in writing; and

(e) The other terms and conditions of the domestication.

(4) In addition to the requirements of subsection (3), a plan of domestication may contain any other provision not prohibited by law.

(5) The terms of a plan of domestication may be made dependent upon facts objectively ascertainable outside the plan in accordance with s. 617.01201(10).

(6) If a protected agreement of a domesticating

corporation in effect immediately before the domestication becomes effective contains a provision applying to a merger of the corporation and the agreement does not refer to a domestication of the corporation, the provision applies to a domestication of the corporation as if the domestication were a merger until such time as the provision is first amended after July 1, 2026.

Section 109. Section 617.18031, Florida Statutes, is created to read:

617.18031 Action on a plan of domestication.—In the case of a domestication of a domestic corporation into a foreign jurisdiction, the plan of domestication must be adopted in the following manner:

(1) Except as otherwise provided in the articles of incorporation or bylaws, the plan of domestication must first be adopted by the board of directors of such domestic corporation. If the domesticating corporation does not have any members entitled to vote on the domestication, a plan of domestication is adopted by the corporation when it has been adopted by the board of directors pursuant to this section.

(2) If the domesticating corporation has members entitled to vote on the domestication, the plan of domestication must be approved by such members. In submitting the plan of domestication to the members for approval, the board of directors shall recommend that the members approve the plan,

unless the board of directors makes a determination that because of conflicts of interest or other special circumstances it should not make such a recommendation, in which case the board of directors must inform the members of the basis for its so proceeding without such recommendation.

(3) The board of directors may set conditions for approval of the plan of domestication by the members or the effectiveness of the plan of domestication.

(4) If the plan of domestication is required to be approved by the members, and if the approval of the members is to be given at a meeting, the corporation must notify each member entitled to vote on the domestication of the meeting of members at which the plan of domestication is to be submitted for approval. The notice must state that the purpose, or one of the purposes, of the meeting is to consider the plan of domestication and must contain or be accompanied by a copy of the plan. The notice must include or be accompanied by a written copy of the organic rules of the domesticated corporation as they will be in effect immediately after the domestication.

(5) Unless this chapter, the articles of incorporation, the bylaws, or the board of directors acting pursuant to subsection (3) require a greater vote or a greater quorum in the respective case, approval of the plan of domestication requires:

(a) The approval of the members entitled to vote on the domestication at a meeting at which a quorum exists consisting

of a majority of the votes entitled to be cast on the plan; and

(b) If any class of members is entitled to vote as a separate group on the plan of domestication, the approval of each class of members voting as a separate voting group at a meeting at which a quorum of the voting group exists consisting of a majority of the votes entitled to be cast on the plan by that voting group.

(6) The articles of incorporation may expressly limit or eliminate the separate voting rights provided in paragraph (5)(b) as to any class of members, except when the public organic rules of the foreign corporation resulting from the domestication include what would be in effect an amendment that would entitle the class to vote as a separate voting group if it were a proposed amendment of the articles of incorporation of a domestic domesticating corporation.

(7) If, as a result of a domestication, one or more members of a domestic domesticating corporation would become subject to interest holder liability, approval of the plan of domestication must require the signing in connection with the domestication, by each such member, of a separate written consent to become subject to such interest holder liability, unless in the case of a member that already has interest holder liability with respect to the domesticating corporation, the terms and conditions of the interest holder liability with respect to the domesticated corporation are substantially

identical to those of the existing interest holder liability, other than for changes that eliminate or reduce such interest holder liability.

(8) In addition to the adoption and approval of the plan of domestication by the board of directors and any members entitled to vote on the domestication as required by this section, the plan of domestication must be approved in writing by any person or group of persons whose approval is required under the articles of incorporation or bylaws or whose approval is required to amend the articles of incorporation or bylaws.

Section 110. Section 617.18032, Florida Statutes, is created to read:

617.18032 Articles of incorporation; effectiveness.—

(1) Articles of domestication must be signed by the domesticating corporation after:

(a) A plan of domestication of a domestic corporation has been adopted and approved as required by this chapter; or

(b) A foreign corporation that is the domesticating corporation has approved a domestication as required by this chapter and under the foreign corporation's organic law.

(2) Articles of domestication must set forth:

(a) The name of the domesticating corporation and its governing jurisdiction;

(b) The name and governing jurisdiction of the domesticated corporation; and

(c)1. If the domesticating corporation is a domestic corporation, a statement that the plan of domestication was approved in accordance with this chapter; or

2. If the domesticating corporation is a foreign corporation, a statement that the domestication was approved in accordance with its organic law.

(3) If the domesticated corporation is to be a domestic corporation, articles of incorporation of the domesticated corporation that satisfy the requirements of s. 617.0202 must be attached to the articles of domestication. Provisions that would not be required to be included in restated articles of incorporation may be omitted from the articles of incorporation attached to the articles of domestication.

(4) The articles of domestication shall be delivered to the department for filing and shall take effect on the effective date determined in accordance with s. 617.0123.

(5)(a) If the domesticated corporation is a domestic corporation, the domestication becomes effective when the articles of domestication are effective.

(b) If the domesticated corporation is a foreign corporation, the domestication becomes effective on the later of the date and time provided by the organic law of the domesticated corporation or when the articles of domestication are effective.

(6) If the domesticating corporation is a foreign

corporation that is qualified to transact business in this state under ss. 617.1501-617.1532, its certificate of authority is automatically canceled when the domestication becomes effective.

(7) A copy of the articles of domestication, certified by the department, may be filed in the official records of any county in this state in which the domesticating corporation holds an interest in real property.

Section 111. Section 617.18033, Florida Statutes, is created to read:

617.18033 Amendment of a plan of domestication; abandonment.—

(1) Except as otherwise provided in the plan of domestication and before the articles of domestication have taken effect, a plan of domestication of a domestic corporation adopted under s. 617.180301(3) may be amended:

(a) In the same manner as the plan of domestication was approved, if the plan does not provide for the manner in which it may be amended; or

(b) In the manner provided in the plan of domestication, except that an interest holder who was entitled to vote on or consent to approval of the plan is entitled to vote on or consent to any amendment of the plan which will change:

1. The amount or kind of eligible interests or other rights, obligations, rights to acquire eligible interests, cash, other property, or any combination of the foregoing, to be

received by any of the interest holders of the domesticating corporation under the plan;

2. The organic rules of the domesticated corporation that are to be in writing and that will be in effect immediately after the domestication becomes effective, except for changes that do not require approval of the interest holder of the domesticated corporation under its proposed organic rules as set forth in the plan of domestication; or

3. Any of the other terms or conditions of the plan, if the change would adversely affect the interest holder in any material respect.

(2) After a plan of domestication has been adopted and approved by a domestic corporation as required by this chapter, and before the articles of domestication have become effective, the plan may be abandoned by the corporation in the same manner as the plan was approved by the corporation without action by its interest holders in accordance with any procedures set forth in the plan or, if no such procedures are set forth in the plan, in the manner determined by the board of directors of the domestic corporation.

(3) If a domestication is abandoned after the articles of domestication have been delivered to the department for filing but before the articles of domestication become effective, a statement of abandonment signed by the domesticating corporation must be delivered to the department for filing before the

articles of domestication become effective. The statement shall take effect upon filing, and the domestication shall be deemed abandoned and may not become effective. The statement of abandonment must contain:

(a) The name of the domesticating corporation;

(b) The date on which the articles of domestication were filed by the department; and

(c) A statement that the domestication has been abandoned in accordance with this section.

Section 112. Section 617.18034, Florida Statutes, is created to read:

617.18034 Effect of domestication.—

(1) When a domestication becomes effective:

(a) All real property and other property owned by the domesticating corporation, including any interests therein and all title thereto, and every contract right and other right possessed by the domesticating corporation, are the property, contract rights, and other rights of the domesticated corporation without transfer, reversion, or impairment;

(b) All debts, obligations, and other liabilities of the domesticating corporation are the debts, obligations, and other liabilities of the domesticated corporation;

(c) The name of the domesticated corporation may be, but need not be, substituted for the name of the domesticating corporation in any pending action or proceeding;

(d) The organic rules of the domesticated corporation become effective;

(e) The eligible interests or other rights of the domesticating corporation are cancelled or reclassified into eligible interests or other rights, obligations, rights to acquire eligible interests, cash, other property, or any combination of the foregoing, in accordance with the terms of the domestication, and the interest holders of the domesticating corporation are entitled only to the rights provided to them by those terms; and

(f) The domesticated corporation is:

1. Incorporated under and subject to the organic law of the domesticated corporation;

2. The same corporation, without interruption, as the domesticating corporation; and

3. Deemed to have been incorporated on the date the domesticating corporation was originally incorporated.

(2) Except as otherwise provided in the organic law or organic rules of a domesticating foreign corporation, the interest holder liability of an interest holder in a foreign corporation that is domesticated into this state who had interest holder liability with respect to such domesticating corporation before the domestication becomes effective must be as follows:

(a) The domestication does not discharge that prior

interest holder liability with respect to any interest holder liabilities that arose before the domestication becomes effective.

(b) The organic law of the domesticating corporation must continue to apply to the collection or discharge of any interest holder liabilities preserved by paragraph (a), as if the domestication had not occurred.

(c) The interest holder shall have such rights of contribution from other persons as are provided by the organic law of the domesticating corporation with respect to any interest holder liabilities preserved by paragraph (a), as if the domestication had not occurred.

(d) The interest holder may not, by reason of such prior interest holder liability, have interest holder liability with respect to any interest holder liabilities that are incurred after the domestication becomes effective.

(3) An interest holder who becomes subject to interest holder liability in respect of the domesticated corporation as a result of the domestication has such interest holder liability only with respect to interest holder liabilities that arise after the domestication becomes effective.

(4) A domestication does not constitute or cause the dissolution of the domesticating corporation.

(5) Property held in trust or otherwise dedicated to a charitable purpose and held by a domestic or foreign corporation

immediately before a domestication becomes effective may not, as a result of the domestication, be diverted from the purposes for which it was donated, granted, devised, or otherwise transferred except pursuant to the laws of this state addressing cy pres or dealing with nondiversion of charitable assets.

(6) A bequest, devise, gift, grant, or promise contained in a will or other instrument of donation, subscription, or conveyance which is made to the domesticating corporation, and which takes effect or remains payable after the domestication inures to the domesticated corporation.

(7) A trust obligation that would govern property if transferred to the domesticating corporation applies to property that is to be transferred to the domesticated corporation after the domestication takes effect.

Section 113. Section 617.1804, Florida Statutes, is created to read:

617.1804 Conversion.—

(1) By complying with this chapter, including being eligible under s. 617.18041, adopting a plan of conversion in accordance with s. 617.18042, and complying with s. 617.18043, a domestic corporation may become:

(a) A domestic eligible entity, other than a domestic corporation; or

(b) If the conversion is permitted by the organic law of the foreign eligible entity, a foreign eligible entity.

(2) By complying with this section and ss. 617.18042-617.18046, as applicable, and applicable provisions of its organic law, a domestic eligible entity other than a domestic corporation may become a domestic corporation.

(3) By complying with this section and ss. 617.18042-617.18046, as applicable, and by complying with the applicable provisions of its organic law, a foreign eligible entity may become a domestic corporation, but only if the organic law of the foreign eligible entity permits it to become a nonprofit corporation in another jurisdiction.

(4) If a protected agreement of a domestic converting corporation in effect immediately before the conversion becomes effective contains a provision applying to a merger of the corporation that is a converting corporation and the agreement does not refer to a conversion of the corporation, the provision applies to a conversion of the corporation as if the conversion were a merger, until such time as the provision is first amended after July 1, 2026.

Section 114. Section 617.18041, Florida Statutes, is created to read:

617.18041 Limitation on conversion.—A domestic corporation that holds property for a charitable purpose is prohibited from becoming a domestic eligible entity or a foreign eligible entity, except by domestication to become a foreign corporation.

Section 115. Section 617.18042, Florida Statutes, is

created to read:

617.18042 Plan of conversion.—

(1) A domestic corporation may convert to a domestic or foreign eligible entity under this chapter by approving a plan of conversion. The plan of conversion must include all of the following:

(a) The name of the domestic converting corporation.

(b) The name, governing jurisdiction, and type of entity of the converted eligible entity.

(c) The manner and basis of canceling or converting the eligible interests or other rights of the domestic corporation; or the rights to acquire eligible interests, obligations, or any combination of the foregoing of the domestic corporation, into:

1. Shares.

2. Other securities.

3. Eligible interests.

4. Obligations.

5. Rights to acquire shares, other securities, or eligible interests.

6. Cash.

7. Other property.

8. Other rights.

(d) The other terms and conditions of the conversion.

(e) The full text, as it will be in effect immediately after the conversion becomes effective, of the organic rules of

the converted eligible entity, which are to be in writing.

(2) In addition to the requirements of subsection (1), a plan of conversion may contain any other provision not prohibited by law.

(3) The terms of a plan of conversion may be made dependent upon facts objectively ascertainable outside the plan in accordance with s. 617.01201(10).

Section 116. Section 617.18043, Florida Statutes, is created to read:

617.18043 Action on a plan of conversion.—In the case of a conversion of a domestic corporation to a domestic or foreign eligible entity other than a domestic corporation, the plan of conversion must be adopted in the following manner:

(1) Except as provided in the articles of incorporation or bylaws, the plan of conversion must first be adopted by the board of directors of such domestic corporation. If the converting corporation does not have any members entitled to vote on the conversion, a plan of conversion is adopted by the corporation when it has been adopted by the board of directors pursuant to this section.

(2)(a) If the converting corporation has members entitled to vote on the conversion, the plan of conversion must then be approved by such members.

(b) In submitting the plan of conversion to the members for approval, the board of directors must recommend that the

members approve the plan of conversion, unless the board of directors makes a determination that because of conflicts of interest or other special circumstances it should not make such a recommendation, in which case the board of directors must inform the members of the basis for proceeding without such recommendation.

(3) The board of directors may set conditions for approval of the plan of conversion by the members or the effectiveness of the plan of conversion.

(4) If a plan of conversion is required to be approved by the members, and if the approval of the members is to be given at a meeting, the corporation must notify each member entitled to vote on the conversion of the meeting of members at which the plan of conversion is to be submitted for approval. The notice must state that the purpose, or one of the purposes, of the meeting is to consider the plan of conversion and must contain or be accompanied by a copy of the plan. The notice must include or be accompanied by a written copy of the organic rules of the converted eligible entity as they will be in effect immediately after the conversion.

(5) Unless this chapter, the articles of incorporation, bylaws, or the board of directors acting pursuant to subsection (3) require a greater vote or a greater quorum in the respective case, approval of the plan of conversion requires:

(a) The approval of the members entitled to vote on the

conversion at a meeting at which a quorum exists consisting of a majority of the votes entitled to be cast on the plan; and

(b) If any class of members is entitled to vote as a separate group on the plan of conversion, the approval of each class of members voting as a separate voting group at a meeting at which a quorum of the voting group exists consisting of a majority of the votes entitled to be cast on the plan by that voting group.

(6) If, as a result of the conversion, one or more members of the converting domestic corporation would become subject to interest holder liability, approval of the plan of conversion must require the signing in connection with the conversion, by each such member, of a separate written consent to become subject to such interest holder liability, unless in the case of a member that already has interest holder liability with respect to the converting corporation, the terms and conditions of the interest holder liability with respect to the converted entity are substantially identical to those of the existing interest holder liability, other than for changes that eliminate or reduce such interest holder liability.

(7) If the converted eligible entity is a partnership or limited partnership, a member of the converting domestic corporation may not, as a result of the conversion, become a general partner of the partnership or limited partnership, unless such member specifically consents in writing to becoming

a general partner of such partnership or limited partnership, and, unless such written consent is obtained from each such member, such conversion may not become effective under s. 617.18044. Any member providing such consent in writing is deemed to have voted in favor of the plan of conversion pursuant to which the member became a general partner.

(8) In addition to the adoption and approval of the plan of conversion by the board of directors and any members entitled to vote on the conversion as required by this section, the plan of conversion must also be approved in writing by any person or group of persons whose approval is required under the articles of incorporation or bylaws or whose approval is required to amend the articles of incorporation or bylaws.

Section 117. Section 617.18044, Florida Statutes, is created to read:

617.18044 Articles of conversion; effectiveness.—

(1) After a plan of conversion of a domestic corporation has been adopted and approved as required by this chapter, or a domestic or foreign eligible entity, other than a domestic corporation, that is the converting eligible entity has approved a conversion as required by its organic law, articles of conversion must be signed by the converting eligible entity as required by s. 617.01201 and must:

(a) State the name, governing jurisdiction, and type of entity of the converting eligible entity;

(b) State the name, governing jurisdiction, and type of entity of the converted eligible entity;

(c) If the converting eligible entity is:

1. A domestic corporation, state that the plan of conversion was approved in accordance with this chapter; or

2. A domestic or foreign eligible entity other than a domestic corporation, state that the conversion was approved by the eligible entity in accordance with its organic law; and

(d) If the converted eligible entity is:

1. A domestic corporation or a domestic or foreign eligible entity that is not a domestic corporation, attach the public organic record of the converted eligible entity, except that provisions that would not be required to be included in a restated public organic record may be omitted; or

2. A domestic limited liability partnership, attach the filing or filings required to become a domestic limited liability partnership.

(2) If the converted eligible entity is a domestic corporation, its articles of incorporation must satisfy the requirements of s. 617.0202, except that provisions that would not be required to be included in restated articles of incorporation may be omitted from the articles of incorporation. If the converted eligible entity is a domestic eligible entity that is not a domestic corporation, its public organic record, if any, must satisfy the applicable requirements of the organic

law of this state, except that the public organic record does not need to be signed.

(3) The articles of conversion must be delivered to the department for filing and shall take effect on the effective date determined in accordance with s. 617.0123.

(4)(a) If the converted eligible entity is a domestic eligible entity, the conversion becomes effective when the articles of conversion are effective.

(b) If the converted eligible entity is a foreign eligible entity, the conversion becomes effective at the later of:

1. The date and time provided by the organic law of that eligible entity; or

2. When the articles of conversion take effect.

(5) Articles of conversion required to be filed under this section may be combined with any filing required under the organic law of a domestic eligible entity that is the converting eligible entity or the converted eligible entity if the combined filing satisfies the requirements of both this section and the other organic law.

(6) If the converting eligible entity is a foreign eligible entity that is authorized to transact business in this state under a law similar to ss. 617.1501-617.1532, its foreign qualification is canceled automatically on the effective date of its conversion.

(7) A copy of the articles of conversion, certified by the

department, may be filed in the official records of any county in this state in which the converting eligible entity holds an interest in real property.

Section 118. Section 617.18045, Florida Statutes, is created to read:

617.18045 Amendment to a plan of conversion; abandonment.—

(1) Except as otherwise provided in the plan of conversion and before the articles of conversion have taken effect, a plan of conversion of a converting eligible entity that is a domestic corporation may be amended:

(a) In the same manner as the plan of conversion was approved, if the plan does not provide for the manner in which it may be amended; or

(b) In the manner provided in the plan of conversion, except that an interest holder that was entitled to vote on or consent to approval of the plan is entitled to vote on or consent to any amendment of the plan which will change:

1. The amount or kind of interests; obligations; rights to acquire other interests; cash; other property; or any combination of the foregoing, to be received by any of the interest holders of the converting corporation under the plan;

2. The organic rules of the converted eligible entity which will be in effect immediately after the conversion becomes effective, except for changes that do not require approval of the eligible interest holders of the converted eligible entity

under its organic law or organic rules; or

3. Any other terms or conditions of the plan, if the change would adversely affect such interest holders in any material respect.

(2) After a plan of conversion has been adopted and approved by a converting eligible entity that is a domestic corporation in the manner required by this chapter and before the articles of conversion become effective, the plan may be abandoned by the domestic corporation without action by its interest holders in accordance with any procedures set forth in the plan or, if no such procedures are set forth in the plan, in the manner determined by the board of directors of the domestic corporation.

(3) If a conversion is abandoned after the articles of conversion have been delivered to the department for filing but before the articles of conversion have become effective, a statement of abandonment signed by the converting eligible entity must be delivered to the department for filing before the articles of conversion become effective. The statement takes effect upon filing, and the conversion is deemed abandoned and may not become effective. The statement of abandonment must contain:

(a) The name of the converting eligible entity;

(b) The date on which the articles of conversion were filed by the department; and

(c) A statement that the conversion has been abandoned in accordance with this section.

Section 119. Section 617.18046, Florida Statutes, is created to read:

617.18046 Effect of conversion.—

(1) When a conversion becomes effective:

(a) All real property and other property owned by the converting eligible entity, including any interest therein and all title thereto, and every contract right and other right possessed by the converting eligible entity remain the property, contract rights, and other rights of the converted eligible entity without transfer, reversion, or impairment;

(b) All debts, obligations, and other liabilities of the converting eligible entity remain the debts, obligations, and other liabilities of the converted eligible entity;

(c) The name of the converted eligible entity may be substituted for the name of the converting eligible entity in any pending action or proceeding;

(d) If the converted eligible entity is a filing entity, a domestic corporation, or a domestic or foreign corporation, its public organic record and its private organic rules become effective;

(e) If the converted eligible entity is a nonfiling entity, its private organic rules become effective;

(f) If the converted eligible entity is a limited

liability partnership, the filing required to become a limited liability partnership and its private organic rules become effective;

(g) The shares; obligations; eligible interests; other securities; and rights to acquire shares, obligations, eligible interests, or other securities of the converting eligible entity are reclassified into shares; obligations; eligible interests; other securities; and rights to acquire shares, obligations, eligible interests, or other securities; or eligible interests, cash; other property; or any combination of the foregoing, in accordance with the terms of the conversion, and the members or interest holders of the converting eligible entity are entitled only to the rights provided to them by those terms or under the organic law of the converting eligible entity; and

(h) The converted eligible entity is:

1. Deemed to be incorporated or organized under and subject to the organic law of the converted eligible entity;

2. Deemed to be the same entity without interruption as the converting eligible entity; and

3. Deemed to have been incorporated or otherwise organized on the date that the converting eligible entity was originally incorporated or organized.

(2) Except as otherwise provided in the articles of incorporation or bylaws of a domestic corporation or the organic law or organic rules of a domestic or foreign eligible entity

other than a domestic corporation, a member or eligible interest holder who becomes subject to interest holder liability in respect of a domestic corporation or domestic or foreign eligible entity other than a domestic corporation as a result of the conversion shall have such interest holder liability only in respect of interest holder liabilities that arise after the conversion becomes effective.

(3) Except as otherwise provided in the organic law or the organic rules of the domestic or foreign eligible entity, the interest holder liability of an interest holder in a converting eligible entity that converts to a domestic corporation who had interest holder liability in respect of such converting eligible entity before the conversion becomes effective is as follows:

(a) The conversion does not discharge that prior interest holder liability with respect to any interest holder liabilities that arose before the conversion became effective.

(b) The organic law of the eligible entity continues to apply to the collection or discharge of any interest holder liabilities preserved by paragraph (a), as if the conversion had not occurred.

(c) The eligible interest holder has such rights of contribution from other persons as are provided by the organic law of the eligible entity with respect to any interest holder liabilities preserved by paragraph (a), as if the conversion had not occurred.

(d) The eligible interest holder may not, by reason of such prior interest holder liability, have interest holder liability with respect to any interest holder liabilities that arise after the conversion becomes effective.

(4) A conversion does not require the converting eligible entity to wind up its affairs and does not constitute or cause the dissolution or termination of the entity.

(5) Property held for charitable purposes under the laws of this state by a domestic or foreign eligible entity immediately before a conversion becomes effective may not, as a result of the conversion, be diverted from the purposes for which it was donated, granted, devised, or otherwise transferred except and to the extent permitted by or pursuant to the laws of this state addressing cy pres or dealing with nondiversion of charitable assets.

(6) Any bequest, devise, gift, grant, or promise contained in a will or other instrument of donation, subscription, or conveyance which is made to the converting eligible entity and which takes effect or remains payable after the conversion inures to the converted eligible entity.

(7) A trust obligation that would govern property if transferred to the converting eligible entity applies to property that is to be transferred to the converted eligible entity after the conversion becomes effective.

Section 120. Section 617.2005, Florida Statutes, is

amended to read:

617.2005 Extinct churches and religious societies; dissolution.—Any church or religious society in this state which has ceased or failed to maintain religious worship or service, or to use its property for religious worship or services according to the tenets, usages, and customs of a church of the denomination of which it is a member in this state for the space of 2 consecutive years, or whose membership has so diminished in numbers or in financial strength as to render it impossible for such church or society to maintain religious worship or services, or to protect its property from exposure to waste and dilapidation for a period of 2 years, shall be extinct. Upon an action filed by a member of the church or religious society, the facts being established to the satisfaction of the circuit court in and for the county in which such church or society has been situated, an order of such court may be made dissolving the church or religious society and the property of such church or society, or the property which may be held in trust for such church or society, may by court order be transferred to and the title and possession thereof vested in the denomination of which such church or society was a member. A copy of the decree of dissolution must ~~shall~~ be filed with the department ~~of State~~.

Section 121. Section 617.2006, Florida Statutes, is amended to read:

617.2006 Incorporation of labor unions or bodies.—

(1) Any group or combination of groups of workers or wage earners, bearing the name labor, organized labor, federation of labor, brotherhood of labor, union labor, union labor committee, trade union, trades union, union labor council, building trades council, building trades union, allied trades union, central labor body, central labor union, federated trades council, local union, state union, national union, international union, district labor council, district labor union, American Federation of Labor, Florida Federation of Labor, or any component parts or significant words of such terms, whether the same be used in juxtaposition or with interspace, may be incorporated under this chapter ~~act~~.

(2)~~(1)~~ In addition to the requirements of ss. 617.02011 and 617.0202, the articles of incorporation for a labor union or body must ~~shall~~ set forth the necessity for the incorporation, ~~shall~~ be subscribed to by not less than five persons, and ~~shall~~ be acknowledged by all of the subscribers, who shall also make and subscribe to an oath, to be endorsed on the articles of incorporation, that it is intended in good faith to carry out the purposes and objects set forth in the articles of incorporation. ~~The articles of incorporation shall be filed in the office of the clerk of the circuit court of the county in which the labor union or body is organized, and the approval of the judge of the circuit court shall be obtained.~~

~~(2) The subscribers of the articles of incorporation shall~~

~~give notice of their intention to obtain approval thereof by the circuit judge. Such notice shall state the name of the judge, the date the articles of incorporation will be presented, and the general nature and necessity of the articles of incorporation. Notice shall be published in a newspaper of general circulation in the county in which the labor union or body is organized at least once, or posted at the courthouse door in counties having no newspapers, at least 10 days prior to the date the articles of incorporation will be presented to the judge.~~

~~(3) When presented to the judge, the articles of incorporation shall be accompanied by a petition, signed and sworn to by the subscribers, stating fully the aims and purposes of such organization and the necessity therefor.~~

~~(4) Upon the filing of the articles of incorporation and the petition, and the giving of such notice, the circuit judge to whom such petition may be addressed shall, upon the date stated in such notice, take testimony and inquire into the admissions and purposes of such organization and the necessity therefor, and upon such hearing, if the circuit judge shall be satisfied that the allegations set forth in the petition and articles of incorporation have been substantiated, and shall find that such organization will not be harmful to the community in which it proposes to operate, or to the state, and that it is intended in good faith to carry out the purposes and objects set~~

~~forth in the articles of incorporation, and that there is a necessity therefor, the judge shall approve the articles of incorporation and endorse his or her approval thereon. Upon the filing of the articles of incorporation with its endorsements thereupon with the Department of State and payment of the filing fees specified in s. 617.0122, the subscribers and their associates and successors shall be a corporation by the name given.~~

~~(5) Any person may intervene by filing an answer to the petition stating his or her reasons, if any, and be heard thereon, why the circuit judge shall not approve the articles of incorporation.~~

~~(6) The existence, amendment of the articles of incorporation, and dissolution of any such corporation shall be in accordance with this act.~~

Section 122. Subsection (7) of section 39.8298, Florida Statutes, is amended to read:

39.8298 Guardian ad Litem direct-support organization.—

(7) LIMITS ON DIRECT-SUPPORT ORGANIZATION.—The direct-support organization shall not exercise any power under s. 617.0302(11) or (15) ~~s. 617.0302(12) or (16)~~. No state employee shall receive compensation from the direct-support organization for service on the board of directors or for services rendered to the direct-support organization.

Section 123. Paragraph (a) of subsection (2) of section

381.00316, Florida Statutes, is amended to read:

381.00316 Discrimination by governmental and business entities based on health care choices; prohibition.—

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

(a) "Business entity" has the same meaning as in s. 606.03. The term also includes a charitable organization as defined in s. 496.404, a nonprofit corporation ~~not for profit~~ as defined in s. 617.01401, or any other business operating in this state.

Section 124. Subsection (6) of section 605.1025, Florida Statutes, is amended to read:

605.1025 Articles of merger.—

(6) A limited liability company is not required to deliver articles of merger for filing pursuant to subsection (1) if the limited liability company is named as a merging entity or surviving entity in articles of merger or a certificate of merger filed for the same merger in accordance with s. 607.1105, ~~s. 617.1108,~~ s. 620.2108(3), or s. 620.8918(3), and if such articles of merger or certificate of merger substantially comply with the requirements of this section. In such a case, the other articles of merger or certificate of merger may also be used for purposes of subsection (5).

Section 125. Section 617.0102, Florida Statutes, is amended to read:

617.0102 Reservation of power to amend or repeal.—The

Legislature has the power to amend or repeal all or part of this chapter ~~act~~ at any time, and all domestic and foreign corporations subject to this chapter ~~act~~ shall be governed by the amendment or repeal.

Section 126. Section 617.0121, Florida Statutes, is amended to read:

617.0121 Forms.—

(1) The department ~~of State~~ may prescribe and furnish on request forms for:

(a) An application for certificate of status,

(b) A foreign corporation's application for certificate of authority to conduct its affairs in the state,

(c) A foreign corporation's application for certificate of withdrawal, and

(d) The annual report, for which the department may prescribe the use of the uniform business report, pursuant to s. 606.06.

If the department ~~of State~~ so requires, the use of these forms are ~~shall be~~ mandatory.

(2) The department ~~of State~~ may prescribe and furnish on request forms for other documents required or permitted to be filed by this chapter ~~act~~, but their use may ~~shall~~ not be mandatory.

Section 127. Section 617.0122, Florida Statutes, is

amended to read:

617.0122 Fees for filing documents and issuing certificates.—The department ~~of State~~ shall collect the following fees on documents delivered to the department for filing:

(1) Articles of incorporation: $35.

(2) Application for registered name: $87.50.

(3) Application for renewal of registered name: $87.50.

(4) Corporation's statement of change of registered agent or registered office or both if not included on the annual report: $35.

(5) Designation of and acceptance by registered agent: $35.

(6) Agent's statement of resignation from a corporation that has not been dissolved: $87.50.

(7) Agent's statement of resignation from a dissolved corporation or a composite statement of resignation from two or more dissolved corporations pursuant to s. 617.05021(1)(b) ~~s. 617.0502(2)(b)~~: $35.

(8) Amendment of articles of incorporation: $35.

(9) Restatement of articles of incorporation with amendment of articles: $35.

(10) Articles of merger for each party thereto: $35.

(11) Articles of dissolution: $35.

(12) Articles of revocation of dissolution: $35.

(13) Application for reinstatement following administrative dissolution: $175.

(14) Application for certificate of authority to transact business in this state by a foreign corporation: $35.

(15) Application for amended certificate of authority: $35.

(16) Application for certificate of withdrawal by a foreign corporation: $35.

(17) Annual report: $61.25.

(18) Articles of correction: $35.

(19) Application for certificate of status: $8.75.

(20) Certified copy of document: $52.50.

(21) Serving as agent for substitute service of process: $87.50.

(22) Certificate of conversion of a limited agricultural association to a domestic corporation: $35.

(23) Any other document required or permitted to be filed by this chapter: $35.

Any citizen support organization that is required by rule of the Department of Environmental Protection to be formed as a nonprofit organization and is under contract with the Department of Environmental Protection ~~department~~ is exempt from any fees required for incorporation as a nonprofit organization, and the Secretary of State may not assess any such fees if the citizen

support organization is certified by the Department of Environmental Protection to the Secretary of State as being under contract with the Department of Environmental Protection.

Section 128. Section 617.0125, Florida Statutes, is amended to read:

617.0125 Filing duties of the department ~~of State~~.—

(1) If a document delivered to the department for filing satisfies the requirements of s. 617.01201, the department shall file it.

(2) The department files a document by stamping or otherwise endorsing "filed," together with the Secretary of State's official title and the date and time of receipt. After filing a document, the department shall send a notice of the filing to the electronic mail address on file for the domestic or foreign corporation or its representative or send a copy of the document to the mailing address of such corporation or its representative. If the record changes the electronic mail address of the domestic or foreign corporation, the department must send such notice to the new electronic mail address and to the most recent prior electronic mail address. If the record changes the mailing address of the domestic or foreign corporation, the department must send such notice to the new mailing address and to the most recent prior mailing address.

(3) If the department refuses to file a document, it shall return it to the domestic or foreign corporation or its

representative within 15 days after the document was received for filing, together with a brief, written explanation of the reason for refusal.

(4) The department's duty to file documents under this section is ministerial. The filing or refusing to file a document does not:

(a) Affect the validity or invalidity of the document in whole or part;

(b) Relate to the correctness or incorrectness of information contained in the document; or

(c) Create a presumption that the document is valid or invalid or that information contained in the document is correct or incorrect.

(5) If not otherwise provided by law and ~~the provisions of~~ this chapter ~~act~~, the department shall determine, by rule, the appropriate format for, number of copies of, manner of execution of, method of electronic transmission of, and amount of and method of payment of fees for, any document placed under its jurisdiction.

Section 129. Section 617.02011, Florida Statutes, is amended to read:

617.02011 Incorporators.—One or more persons may act as the incorporator or incorporators of a corporation by delivering articles of incorporation to the department ~~of State~~ for filing.

Section 130. Subsection (2) of section 617.0203, Florida

Statutes, is amended to read:

617.0203 Incorporation.—

(2) The department's ~~Department of State's~~ filing of the articles of incorporation, and the original recorded charter or certified copy of the charter of a corporation which has not been reincorporated under s. 617.0901, is conclusive proof that the incorporators satisfied all conditions precedent to incorporation and that the corporation has been incorporated under this chapter ~~act~~, except in a proceeding by the state to cancel or revoke the incorporation or involuntarily dissolve the corporation.

Section 131. Subsection (2) of section 617.0205, Florida Statutes, is amended to read:

617.0205 Organizational meeting of directors.—

(2) Action required or permitted by this chapter ~~act~~ to be taken by incorporators or directors at an organizational meeting may be taken without a meeting if the action taken is evidenced by one or more written consents describing the action taken and signed by each incorporator or director.

Section 132. Section 617.0301, Florida Statutes, is amended to read:

617.0301 Purposes and application.—Corporations may be organized under this chapter ~~act~~ for any lawful purpose or purposes not for pecuniary profit and not specifically prohibited to corporations under other laws of this state. Such

purposes include, without limitation, charitable, benevolent, ~~eleemosynary,~~ educational, historical, civic, patriotic, political, religious, social, fraternal, literary, cultural, athletic, scientific, agricultural, horticultural, animal husbandry, and professional, commercial, industrial, or trade association purposes. If special provisions are made, by law, for the organization of designated classes of nonprofit corporations ~~not for profit~~, such corporations must ~~shall~~ be formed under such provisions and not under this chapter ~~act~~.

Section 133. Subsection (2) of section 617.0504, Florida Statutes, is amended to read:

617.0504 Serving process, giving notice, or making a demand on a corporation.—

(2) Any notice to or demand on a corporation made pursuant to this chapter ~~act~~ may be made to the chair of the board, the president, any vice president, the secretary, the treasurer, the registered agent of the corporation at the registered office of the corporation in this state, or any address in this state that is in fact the principal office of the corporation in this state.

Section 134. Section 617.0806, Florida Statutes, is amended to read:

617.0806 Staggered terms for directors.—The articles of incorporation or bylaws may provide that directors be divided into classes. Each director shall hold office for the term to

which such director ~~he or she~~ is elected or appointed and until such director's ~~his or her~~ successor has been elected or appointed and qualified or until such director's ~~his or her~~ earlier resignation, removal from office, or death.

Section 135. Subsection (4) of section 617.0824, Florida Statutes, is amended to read:

617.0824 Quorum and voting.—

(4) A director of a corporation who is present at a meeting of the board of directors or a committee of the board of directors when corporate action is taken is deemed to have assented to the action taken unless:

(a) The director objects, at the beginning of the meeting or promptly upon such director's ~~his or her~~ arrival, to holding the meeting or transacting specified affairs at the meeting; or

(b) The director votes against or abstains from the action taken.

Section 136. Subsections (3), (4), and (7) of section 617.0825, Florida Statutes, are amended to read:

617.0825 Board committees and advisory committees.—

(3) To the extent provided by the board of directors in a resolution or in the articles of incorporation or the bylaws of the corporation, each such committee has ~~shall have~~ and may exercise powers and authority of the board of directors, except that ~~no~~ such committee does not ~~shall~~ have the power or authority to:

(a) Approve or recommend to members actions or proposals required by this chapter ~~act~~ to be approved by members.

(b) Fill vacancies on the board of directors or any committee thereof.

(c) Adopt, amend, or repeal the bylaws.

(4) Unless the articles of incorporation or the bylaws provide otherwise, ss. 617.0820, 617.0823, and 617.0824 ~~ss. 617.0820, 617.0822, 617.0823, and 617.0824~~, which govern meetings, ~~notice and~~ waiver of notice, and quorum and voting requirements of the board of directors, apply to committees and their members as well.

(7) ~~Neither~~ The designation of any such committee, the delegation thereto of authority, or ~~nor~~ action by such committee pursuant to such authority does not ~~shall~~ alone constitute compliance by any member of the board of directors not a member of the committee in question with such member's ~~his or her~~ responsibility to act in good faith, in a manner such member ~~he or she~~ reasonably believes to be in the best interests of the corporation, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.

Section 137. Section 617.0831, Florida Statutes, is amended to read:

617.0831 Indemnification and liability of officers, directors, employees, and agents.— Sections ~~Except as provided in s. 617.0834, s. 607.0831 and ss.~~ 607.0850-607.0859 apply to a

corporation organized under this chapter ~~act~~ and a rural electric cooperative organized under chapter 425. Any reference to "directors" in those sections includes the directors, managers, or trustees of a corporation organized under this chapter ~~act~~ or of a rural electric cooperative organized under chapter 425. However, the term "director" as used in s. 607.0831 and ss. 607.0850-607.0859 does not include a director appointed by the developer to the board of directors of a condominium association under chapter 718, a cooperative association under chapter 719, a homeowners' association defined in s. 720.301, or a timeshare managing entity under chapter 721. Any reference to "shareholders" in those sections includes members of a corporation organized under this chapter ~~act~~ and members of a rural electric cooperative organized under chapter 425.

Section 138. Section 617.0901, Florida Statutes, is amended to read:

617.0901 Reincorporation.—

(1) Any corporation which has a charter approved by a circuit judge under former chapter 617, Florida Statutes (1989), or a charter granted by the Legislature of this state, on or prior to September 1, 1959, the effective date of chapter 59-427, Laws of Florida, may reincorporate under this chapter ~~act~~ by filing with the department ~~of State~~ a copy of its charter and all amendments thereto, certified by the clerk of the circuit court of the county wherein recorded, as to charters and

amendments granted by circuit judges, and by the department ~~of State~~, as to legislative charters, together with a certificate containing the provisions required in original articles of incorporation by s. 617.0202, and accepting ~~the provisions of~~ this chapter ~~act~~.

(2) A certificate of reincorporation must be executed in accordance with s. 617.01201, and it must show that its issuance was duly authorized by a meeting of its members regularly called, or if there are no members entitled to vote on reincorporation, by a meeting of its board of directors. Upon the filing of a certificate of reincorporation in accordance with s. 617.01201, the corporation is ~~shall be~~ deemed to be incorporated under this chapter ~~act~~ and the certificate constitutes ~~shall constitute~~ its articles of incorporation.

(3) The corporation shall then be entitled to and be possessed of all the privileges, franchises, and powers as if originally incorporated under this chapter ~~act~~, and all the properties, rights, and privileges belonging to the corporation before ~~prior to~~ reincorporation, which were acquired by gift, grant, conveyance, assignment, or otherwise are hereby ratified, approved, confirmed, and assured to the corporation with like effect and to all intents and purposes as if they had been originally acquired pursuant to incorporation under this chapter ~~act~~. However, any corporation reincorporating under this chapter is ~~act shall be~~ subject to all the contracts, duties, and

obligations resting upon the corporation before ~~prior to~~ reincorporation or to which the corporation is ~~shall then be~~ in any way liable.

Section 139. Subsection (2) of section 617.1008, Florida Statutes, is amended to read:

617.1008 Amendment pursuant to reorganization.—

(2) The individual or individuals designated by the court shall deliver to the department ~~of State~~ for filing articles of amendment setting forth:

(a) The name of the corporation;

(b) The text of each amendment approved by the court;

(c) The date of the court's order or decree approving the articles of amendment;

(d) The title of the reorganization proceeding in which the order or decree was entered; and

(e) A statement that the court had jurisdiction of the proceeding under federal or state law.

Section 140. Section 617.1009, Florida Statutes, is amended to read:

617.1009 Effect of amendment.—An amendment to articles of incorporation does not affect a cause of action existing against or in favor of the corporation, a proceeding to which the corporation is a party, or the existing rights of persons other than members of the corporation. An amendment changing a corporation's name does not affect ~~abate~~ a proceeding brought by

or against the corporation in its former name.

Section 141. Subsection (3) of section 617.1404, Florida Statutes, is amended to read:

617.1404 Revocation of dissolution.—

(3) After the revocation of dissolution is authorized, the corporation may revoke the dissolution by delivering to the department ~~of State~~ for filing articles of revocation of dissolution, together with a copy of its articles of dissolution, that set forth:

(a) The name of the corporation;

(b) The effective date of the dissolution that was revoked;

(c) The date that the revocation of dissolution was authorized;

(d) If the corporation's board of directors revoked a dissolution authorized by the members, a statement that revocation was permitted by action by the board of directors alone pursuant to that authorization; and

(e) If member action was required to revoke the dissolution, the information required by s. 617.1403(1)(b) or (c), whichever is applicable.

Section 142. Subsection (1) of section 617.1422, Florida Statutes, is amended, and subsection (4) of that section is reenacted, to read:

617.1422 Reinstatement following administrative

dissolution.—

(1) A corporation administratively dissolved under s. 617.1421 may apply to the department for reinstatement at any time after the effective date of dissolution. The corporation must submit a reinstatement form prescribed and furnished by the department or a current uniform business annual report signed by a registered agent and an officer or director and submit all fees owed by the corporation and computed at the rate provided by law at the time the corporation applies for reinstatement.

(4) The name of the dissolved corporation is not available for assumption or use by another corporation until 1 year after the effective date of dissolution unless the dissolved corporation provides the department with an affidavit executed pursuant to s. 617.01201 authorizing the immediate assumption or use of the name by another corporation.

Section 143. Subsections (2) and (3) of section 617.1423, Florida Statutes, are amended to read:

617.1423 Appeal from denial of reinstatement.—

(2) After exhaustion of administrative remedies, the corporation may appeal the denial of reinstatement to the appropriate court as provided in s. 120.68 within 30 days after service of the notice of denial is perfected. The corporation appeals by petitioning the court to set aside the dissolution and attaching to the petition copies of the department's ~~department of State's~~ certificate of dissolution, the

corporation's application for reinstatement, and the department's notice of denial.

(3) The court may summarily order the department ~~of State~~ to reinstate the dissolved corporation or may take other action the court considers appropriate.

Section 144. Subsection (1) of section 617.1501, Florida Statutes, is amended to read:

617.1501 Authority of foreign corporation to conduct affairs required.—

(1) A foreign corporation may not conduct its affairs in this state until it obtains a certificate of authority from the department ~~of State~~.

Section 145. Subsection (2) of section 617.1510, Florida Statutes, is amended to read:

617.1510 Serving process, giving notice, or making a demand on a foreign corporation.—

(2) Any notice to or demand on a foreign corporation made pursuant to this chapter ~~act~~ may be made in accordance with the procedures for notice to or demand on domestic corporations under s. 617.0504.

Section 146. Section 617.1606, Florida Statutes, is amended to read:

617.1606 Access to records.—Sections 617.1601-617.16051 ~~617.1601-617.1605~~ do not apply to a corporation that is an association, as defined in s. 720.301, or a corporation

regulated under chapter 718 or chapter 719.

Section 147. Paragraphs (a), (b), (d), and (e) of subsection (1) of section 617.1623, Florida Statutes, are amended, to read:

617.1623 Corporate information available to the public; application to corporations incorporated by circuit courts and by special act of the Legislature.—

(1)(a) Each corporation incorporated in this state shall maintain a registered agent and registered office in accordance with s. 617.0501, and current information regarding the corporations incorporated in this state must ~~shall~~ be readily available to the public. At a minimum, such information must include the text of the charter or articles of incorporation and all amendments thereto, the name of the corporation, the date of incorporation, the street address of the principal office of the corporation, the corporation's federal employer identification number, the name and business street address of each officer, the name and business street address of each director, the name of its registered agent, and the street address of its registered office.

(b) Any corporation which has a charter approved by a circuit judge under former chapter 617, Florida Statutes 1989, or a charter granted by the Legislature on or before September 1, 1959, the effective date of chapter 59-427, Laws of Florida, must file with the department ~~of State~~, not later than July 1,

1992, a copy of its charter and all amendments thereto, certified by the clerk of the circuit court of the county wherein recorded, together with a registration containing the provisions required in paragraph (a), as to charters and amendments granted by circuit judges, and by the department ~~of State~~, as to legislative charters, and the corporation thereafter is ~~shall be~~ subject to the requirements of ss. 617.0501 and 617.1622.

(d) Any corporation dissolved pursuant to paragraph (c) shall be reinstated upon application to the department ~~of State~~, signed by an officer or director thereof, accompanied by a copy of its charter and all amendments thereto, certified by the clerk of the circuit court of the county wherein recorded, as to charters and amendments granted by circuit judges, and by the department ~~of State~~, as to legislative charters, together with a registration containing the provisions required in paragraph (a), and the payment of all fees due from the time of dissolution computed at the rate provided by law at the time the corporation applies for reinstatement.

(e) Whenever the application for reinstatement is approved and filed by the department ~~of State~~, the corporate existence is ~~shall be~~ deemed to have continued without interruption from the date of dissolution. The reinstatement terminates any personal liability of the directors, officers, or agents of the corporation incurred on account of actions taken during the

period between dissolution and reinstatement. Upon reinstatement, the corporation is ~~shall be~~ subject to the requirements of ss. 617.0501 and 617.1622.

Section 148. Section 617.1701, Florida Statutes, is amended to read:

617.1701 Application to existing domestic corporation.—This chapter ~~act~~ applies to all domestic corporations in existence on July 1, 1991, that were incorporated under any general statute of this state providing for incorporation of nonprofit corporations ~~not for profit~~ if power to amend or repeal the statute under which the corporation was incorporated was reserved.

Section 149. Section 617.1702, Florida Statutes, is amended to read:

617.1702 Application to qualified foreign corporations.—A foreign corporation authorized to conduct its affairs in this state on July 1, 1991, is subject to this chapter ~~act~~ but is not required to obtain a new certificate of authority to conduct its affairs under this chapter ~~act~~.

Section 150. Subsection (2) of section 617.1703, Florida Statutes, is amended to read:

617.1703 Application of chapter.—

(2) Sections ~~The provisions of ss.~~ 617.0605-617.0608 do not apply to corporations regulated by any of the foregoing chapters or to any other corporation where membership in the

corporation is required pursuant to a document recorded in the county's official ~~county property~~ records.

Section 151. Section 617.1711, Florida Statutes, is amended to read:

617.1711 Application to foreign and interstate commerce.—~~The provisions of~~ This chapter applies ~~act apply~~ to commerce with foreign nations and among the several states only insofar as such commerce may be permitted under the Constitution and laws of the United States.

Section 152. Section 617.1808, Florida Statutes, is amended to read:

617.1808 Application of chapter ~~act~~ to corporation converted to nonprofit corporation ~~not for profit~~.—~~All the provisions of~~ This chapter ~~act~~ relating to corporations ~~not for profit~~, except insofar as they are inconsistent with ss. 617.1804-617.18046, apply ~~ss. 617.1805, 617.1806, and 617.1807, shall be applicable~~ to any for profit corporation whose character has been changed under ss. 617.1804-617.18046 ~~ss. 617.1805, 617.1806, and 617.1807~~ and shall henceforth govern such corporation.

Section 153. Section 617.1809, Florida Statutes, is amended to read:

617.1809 Limited agricultural association; conversion to a domestic corporation ~~not for profit~~.—

(1) As used in this section, the term "limited

agricultural association" or "association" means a limited agricultural association formed under ss. 604.09-604.14.

(2) A limited agricultural association may convert to a domestic corporation ~~not for profit~~ by filing the following documents with the department in accordance with s. 617.01201:

(a) A certificate of conversion, which must be executed by a person authorized in s. 617.01201(6) and such other persons that may be required in the association's articles of association or bylaws.

(b) Articles of incorporation, which must comply with s. 617.0202 and be executed by a person authorized in s. 617.01201(6).

(3) The certificate of conversion must include:

(a) The date upon which the association was initially formed under ss. 604.09-604.14.

(b) The name of the association immediately before filing the certificate of conversion.

(c) The name of the domestic corporation as set forth in its articles of incorporation.

(d) The effective date of the conversion. If the conversion does not take effect upon filing the certificate of conversion and articles of incorporation, the delayed effective date for the conversion, subject to the limitation in s. 617.0123(1) ~~s. 617.0123(2)~~, must be a date certain and the same as the effective date of the articles of incorporation.

(4) When the certificate of conversion and articles of incorporation are filed with the department, or upon the delayed effective date, the association is converted to the domestic corporation, and the corporation becomes subject to this chapter. However, notwithstanding s. 617.0123, the existence of the corporation is deemed to have commenced when the association was initially formed under ss. 604.09-604.14.

(5) Conversion of a limited agricultural association to a domestic corporation does not affect any obligation or liability of the association that was incurred before the conversion.

(6) When a conversion takes effect under this section, all rights, privileges, and powers of the converting association, all property, real, personal, and mixed, and all debts due to the association, as well as all other assets and causes of action belonging to the association, are vested in the domestic corporation to which the association is converted and are the property of the corporation as they were of the association. The title to any real property that is vested by deed or otherwise in the converting association does not revert and is not impaired by the operation of this chapter, but all rights of creditors and all liens upon any property of the association are preserved unimpaired, and all debts, liabilities, and duties of the association attach to the domestic corporation and are enforceable against it to the same extent as if the debts, liabilities, and duties had been incurred or contracted by the

corporation.

(7) The limited agricultural association is not required to wind up its affairs or pay its liabilities and distribute its assets. Conversion does not constitute a dissolution of the association but is a continuation of the association's existence in the form of the domestic corporation.

(8) Before a limited agricultural association may file a certificate of conversion with the department, unless otherwise specified in the association's articles of association or bylaws, the conversion must be approved by a majority vote of the association's members, and the articles of incorporation must be approved by the same authorization required for approval of the conversion. As part of the approval, the converting association may provide a plan or other record of conversion which describes the manner and basis of converting the membership interests in the association into membership interests in the domestic corporation. The plan or other record may also contain other provisions relating to the conversion, including, but not limited to, the right of the converting association to abandon the proposed conversion or an effective date for the conversion that is consistent with paragraph (3)(d).

Section 154. Section 617.1904, Florida Statutes, is amended to read:

617.1904 Estoppel.—A ~~No~~ body of persons acting as a

corporation may not ~~shall~~ be permitted to set up the lack of legal organization as a defense to an action against them as a corporation, nor may ~~shall~~ any person sued on a contract made with the corporation or sued for an injury to its property or a wrong done to its interests be permitted to set up the lack of such legal organization in such person's ~~his or her~~ defense.

Section 155. Subsection (2) of section 617.1907, Florida Statutes, is amended to read:

617.1907 Effect of repeal or amendment of prior acts.—

(2) If a penalty or punishment imposed for violation of a statute repealed or amended by this chapter is reduced by this chapter ~~act~~, the penalty or punishment if not already imposed shall be imposed in accordance with this chapter.

Section 156. Section 617.1908, Florida Statutes, is amended to read:

617.1908 Applicability of Florida Business Corporation Act.—Except as made applicable by specific reference in any other section of this chapter, part I of chapter 607, the Florida Business Corporation Act, does not apply to any nonprofit corporations ~~not for profit~~.

Section 157. Section 617.2001, Florida Statutes, is amended to read:

617.2001 Corporations which may be incorporated hereunder; incorporation of certain medical services corporations.—

(1) Corporations may be organized and incorporated under

this chapter ~~act~~ for any one or more lawful purposes not for pecuniary profit. However, nonprofit corporations ~~not for profit~~ which may be incorporated under any other law of this state governing particular types of corporations may not be incorporated under this chapter ~~act~~.

(2) A nonprofit corporation ~~not for profit~~ organized before ~~prior to~~ December 1, 1987, pursuant to ~~the provisions of~~ chapter 85-56, Laws of Florida, or to ~~the provisions of~~ s. 2, chapter 87-296, Laws of Florida, may conduct the practice of medicine, conduct programs of medical education, and carry on major medical research efforts.

Section 158. Section 617.2002, Florida Statutes, is amended to read:

617.2002 Nonprofit corporation ~~not for profit~~ organized pursuant to s. 2, ch. 87-296; requirements.—A nonprofit corporation ~~not for profit~~ organized pursuant to ~~the provisions of~~ s. 2, chapter 87-296, Laws of Florida, must meet the following requirements:

(1) At least 25 percent of its physicians must have a full-time contract for the provision of medical services with the corporation, be currently certified as specialists by the appropriate American specialty boards accredited by the Council on Medical Education of the American Medical Association, and have clinical privileges at one or more hospitals in this state.

(2) A hospital owned by a corporation organized pursuant

to s. 2, chapter 87-296, Laws of Florida, must provide Medicaid and charity care.

Section 159. Section 617.2003, Florida Statutes, is amended to read:

617.2003 Proceedings to revoke articles of incorporation or charter or prevent its use.—If any member or citizen complains to the Department of Legal Affairs that any corporation organized under this chapter ~~act~~ was organized or is being used as a cover to evade any of the laws against crime, or for purposes inconsistent with those stated in its articles of incorporation or charter, or that an officer or director of a corporation has participated in a sale or transaction that is affected by a conflict of interest or from which the officer or director ~~he or she~~ derived an improper personal benefit, either directly or indirectly, and submits ~~shall submit~~ prima facie evidence to sustain such charge, together with sufficient money to cover court costs and expenses, the department shall institute and in due course prosecute to final judgment such legal or equitable proceedings as may be considered advisable either to revoke the articles of incorporation or charter, to prevent its improper use, or to recover on behalf of the corporation or its unknown beneficiaries any profits improperly received by the corporation or its officers or directors.

Section 160. Section 617.2007, Florida Statutes, is amended to read:

617.2007 Sponge packing and marketing corporations.—Persons engaged in the business of buying, selling, packing, and marketing commercial sponges may incorporate under this chapter ~~act~~ to aid in facilitating the orderly cooperative buying, selling, packing, and marketing of commercial sponges. Such association is not a combination in restraint of trade or an illegal monopoly or an attempt to lessen competition or fix prices arbitrarily, and any marketing contract or agreement by the corporation and its members, or the exercise of any power granted by this chapter ~~act~~ is not illegal or in restraint of trade.

Section 161. Section 617.2101, Florida Statutes, is amended to read:

617.2101 Corporation authorized to act as trustee.—Any corporation, organized under this chapter ~~act~~, may act as trustee of property whenever the corporation has either a beneficial, contingent, or remainder interest in such property. Any corporation may accept and hold the legal title to property, the beneficial interest of which is owned by any other ~~eleemosynary institution or~~ nonprofit corporation or fraternal, benevolent, charitable, or religious society or association.

Section 162. Subsection (1) of section 617.221, Florida Statutes, is amended to read:

617.221 Membership associations.—

(1) As used in this section, the term "membership

association" means a nonprofit ~~not-for-profit~~ corporation, including a department or division of such corporation, the majority of whose board members are constitutional officers who, pursuant to s. 1001.32(2), operate, control, and supervise public entities that receive annual state appropriations through a statutorily defined formulaic allocation that is funded and prescribed annually in the General Appropriations Act or the substantive bill implementing the annual appropriations act. The term does not include a labor organization as defined in s. 447.02 or an entity funded through the Justice Administrative Commission.

Section 163. Subsection (3) of section 620.2108, Florida Statutes, is amended to read:

620.2108 Filings required for merger; effective date.—

(3) Each constituent limited partnership shall deliver the certificate of merger for filing in the Department of State unless the constituent limited partnership is named as a party or constituent organization in articles of merger or a certificate of merger filed for the same merger in accordance with ~~s. 605.1025,~~ s. 607.1105, s. 617.1108, or s. 620.8918(1) and (2) and such articles of merger or certificate of merger substantially complies with the requirements of this section. In such a case, the other articles of merger or certificate of merger may also be used for purposes of s. 620.2109(3).

Section 164. Subsection (3) of section 620.8918, Florida

Statutes, is amended to read:

620.8918 Filings required for merger; effective date.—

(3) Each domestic constituent partnership shall deliver the certificate of merger for filing with the Department of State, unless the domestic constituent partnership is named as a party or constituent organization in articles of merger or a certificate of merger filed for the same merger in accordance with s. 605.1025, s. 607.1105, ~~s. 617.1108,~~ or s. 620.2108(3). The articles of merger or certificate of merger must substantially comply with the requirements of this section. In such a case, the other articles of merger or certificate of merger may also be used for purposes of s. 620.8919(3). Each domestic constituent partnership in the merger shall also file a registration statement in accordance with s. 620.8105(1) if it does not have a currently effective registration statement filed with the Department of State.

Section 165. Paragraph (b) of subsection (1) and subsections (5), (8), and (9) of section 628.910, Florida Statutes, are amended to read:

628.910 Incorporation options and requirements.—

(1) A pure captive insurance company may be:

(b) Incorporated as a public benefit, mutual benefit, or religious nonprofit corporation with members in accordance with the Florida Nonprofit ~~Not For Profit~~ Corporation Act.

(5) The articles of incorporation, the certificate issued

pursuant to this section, and the organization fees required by the Florida Business Corporation Act or the Florida Nonprofit ~~Not For Profit~~ Corporation Act, as applicable, must be transmitted to the Secretary of State, who must record the articles of incorporation and the certificate.

(8) A captive insurance company formed as a corporation or a nonprofit corporation, pursuant to ~~the provisions of~~ this chapter, has the privileges and is subject to the ~~provisions of the~~ general corporation law, including the Florida Nonprofit ~~Not For Profit~~ Corporation Act for nonprofit corporations, as applicable, as well as the applicable provisions contained in this chapter. If a conflict occurs between ~~a provision of~~ the general corporation law, including the Florida Nonprofit ~~Not For Profit~~ Corporation Act for nonprofit corporations, as applicable, and ~~a provision of~~ this chapter, the latter controls. The provisions of this title pertaining to mergers, consolidations, conversions, mutualizations, and redomestications apply in determining the procedures to be followed by a captive insurance company in carrying out any of the transactions described in such provisions, except that the office may waive or modify the requirements for public notice and hearing in accordance with rules the office may adopt addressing categories of transactions. If a notice of public hearing is required, but no one requests a hearing, the office may cancel the hearing.

(9) The articles of incorporation or bylaws of a captive insurance company may authorize a quorum of a board of directors to consist of no fewer than one-third of the fixed or prescribed number of directors as provided for by the Florida Business Corporation Act or the Florida Nonprofit ~~Not For Profit~~ Corporation Act.

Section 166. Paragraph (a) of subsection (2) of section 768.38, Florida Statutes, is amended to read:

768.38 Liability protections for COVID-19-related claims.—

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

(a) "Business entity" has the same meaning as provided in s. 606.03. The term also includes a charitable organization as defined in s. 496.404 and a nonprofit corporation ~~not for profit~~ as defined in s. 617.01401.

Section 167. Paragraph (f) of subsection (15) of section 893.055, Florida Statutes, is amended to read:

893.055 Prescription drug monitoring program.—

(15) The department may establish a direct-support organization to provide assistance, funding, and promotional support for the activities authorized for the prescription drug monitoring program.

(f) The direct-support organization may not exercise any power under s. 617.0302(11) or (15) ~~s. 617.0302(12) or (16)~~.

Section 168. Section 617.07401, Florida Statutes, is repealed.

Section 169. Section 617.0822, Florida Statutes, is repealed.

Section 170. Section 617.1108, Florida Statutes, is repealed.

Section 171. Section 617.1301, Florida Statutes, is repealed.

Section 172. Section 617.1302, Florida Statutes, is repealed.

Section 173. Section 617.1531, Florida Statutes, is repealed.

Section 174. Section 617.1533, Florida Statutes, is repealed.

Section 175. Section 617.1803, Florida Statutes, is repealed.

Section 176. Section 617.1805, Florida Statutes, is repealed.

Section 177. Section 617.1806, Florida Statutes, is repealed.

Section 178. Section 617.1807, Florida Statutes, is repealed.

Section 179. Section 617.2102, Florida Statutes, is repealed.

Section 180. For the purpose of incorporating the amendment made by this act to sections 617.01201 and 617.1006, Florida Statutes, in references thereto, subsection (3) of

section 617.1007, Florida Statutes, is reenacted to read:

617.1007 Restated articles of incorporation.—

(3) A corporation restating its articles of incorporation shall deliver to the department for filing articles of restatement, executed in accordance with s. 617.01201, setting forth the name of the corporation and the text of the restated articles of incorporation together with a certificate setting forth:

(a) Whether the restatement contains an amendment to the articles of incorporation requiring member approval and, if it does not, that the board of directors adopted the restatement; or

(b) If the restatement contains an amendment to the articles of incorporation requiring member approval, the information required by s. 617.1006.

Section 181. For the purpose of incorporating the amendment made by this act to section 617.0302, Florida Statutes, in a reference thereto, paragraph (a) of subsection (5) of section 295.21, Florida Statutes, is reenacted to read:

295.21 Florida Is For Veterans, Inc.—

(5) POWERS.—In addition to the powers and duties prescribed in chapter 617 and the articles and bylaws adopted thereunder, the board of directors may:

(a) Make and enter into contracts and other instruments necessary or convenient for the exercise of its powers and

functions. However, notwithstanding s. 617.0302, the corporation may not issue bonds.

The credit of the State of Florida may not be pledged on behalf of the corporation.

Section 182. For the purpose of incorporating the amendment made by this act to section 617.0830, Florida Statutes, in a reference thereto, paragraph (b) of subsection (4) of section 409.987, Florida Statutes, is reenacted to read:

409.987 Lead agency procurement; boards; conflicts of interest.—

(4) In order to serve as a lead agency, an entity must:

(b) Be governed by a board of directors or a board committee composed of board members. Board members shall provide oversight and ensure accountability and transparency for the system of care. The board of directors shall provide fiduciary oversight to prevent conflicts of interest, promote accountability and transparency, and protect state and federal funding from misuse. The board of directors shall act in accordance with s. 617.0830. The membership of the board of directors or board committee must be described in the bylaws or articles of incorporation of each lead agency, which must provide that at least 75 percent of the membership of the board of directors or board committee must be composed of persons residing in this state, and at least 51 percent of the state

residents on the board of directors must reside within the service area of the lead agency. The lead agency shall ensure that board members participate in annual training related to their responsibilities. The department shall set forth minimum training criteria in the contracts with the lead agencies. However, for procurements of lead agency contracts initiated on or after July 1, 2014:

1. At least 75 percent of the membership of the board of directors must be composed of persons residing in this state, and at least 51 percent of the membership of the board of directors must be composed of persons residing within the service area of the lead agency. If a board committee governs the lead agency, 100 percent of its membership must be composed of persons residing within the service area of the lead agency.

2. The powers of the board of directors or board committee include, but are not limited to, approving the lead agency's budget and setting the lead agency's operational policy and procedures. A board of directors must additionally have the power to hire the lead agency's executive director, unless a board committee governs the lead agency, in which case the board committee must have the power to confirm the selection of the lead agency's executive director.

Section 183. For the purpose of incorporating the amendment made by this act to section 617.0830, Florida Statutes, in a reference thereto, subsection (1) of section

718.1265, Florida Statutes, is reenacted to read:

718.1265 Association emergency powers.—

(1) To the extent allowed by law, unless specifically prohibited by the declaration of condominium, the articles, or the bylaws of an association, and consistent with s. 617.0830, the board of administration, in response to damage or injury caused by or anticipated in connection with an emergency, as defined in s. 252.34(4), for which a state of emergency is declared pursuant to s. 252.36 in the locale in which the condominium is located, may exercise the following powers:

(a) Conduct board meetings, committee meetings, elections, and membership meetings, in whole or in part, by telephone, real-time videoconferencing, or similar real-time electronic or video communication with notice given as is practicable. Such notice may be given in any practicable manner, including publication, radio, United States mail, the Internet, electronic transmission, public service announcements, and conspicuous posting on the condominium property or association property or any other means the board deems reasonable under the circumstances. Notice of decisions also may be communicated as provided in this paragraph.

(b) Cancel and reschedule any association meeting.

(c) Name as assistant officers persons who are not directors, which assistant officers shall have the same authority as the executive officers to whom they are assistants

during the state of emergency to accommodate the incapacity or unavailability of any officer of the association.

(d) Relocate the association's principal office or designate alternative principal offices.

(e) Enter into agreements with local counties and municipalities to assist counties and municipalities with debris removal.

(f) Implement a disaster plan or an emergency plan before, during, or following the event for which a state of emergency is declared which may include, but is not limited to, shutting down or off elevators; electricity; water, sewer, or security systems; or air conditioners.

(g) Based upon advice of emergency management officials or public health officials, or upon the advice of licensed professionals retained by or otherwise available to the board, determine any portion of the condominium property or association property unavailable for entry or occupancy by unit owners, family members, tenants, guests, agents, or invitees to protect the health, safety, or welfare of such persons.

(h) Require the evacuation of the condominium property in the event of an evacuation order in the locale in which the condominium is located. If a unit owner or other occupant of a condominium fails or refuses to evacuate the condominium property or association property for which the board has required evacuation, the association is immune from liability or

injury to persons or property arising from such failure or refusal.

(i) Based upon advice of emergency management officials or public health officials, or upon the advice of licensed professionals retained by or otherwise available to the board, determine whether the condominium property, association property, or any portion thereof can be safely inhabited, accessed, or occupied. However, such determination is not conclusive as to any determination of habitability pursuant to the declaration.

(j) Mitigate further damage, injury, or contagion, including taking action to contract for the removal of debris and to prevent or mitigate the spread of fungus or contagion, including, but not limited to, mold or mildew, by removing and disposing of wet drywall, insulation, carpet, cabinetry, or other fixtures on or within the condominium property, even if the unit owner is obligated by the declaration or law to insure or replace those fixtures and to remove personal property from a unit.

(k) Contract, on behalf of any unit owner or owners, for items or services for which the owners are otherwise individually responsible, but which are necessary to prevent further injury, contagion, or damage to the condominium property or association property. In such event, the unit owner or owners on whose behalf the board has contracted are responsible for

reimbursing the association for the actual costs of the items or services, and the association may use its lien authority provided by s. 718.116 to enforce collection of the charges. Without limitation, such items or services may include the drying of units, the boarding of broken windows or doors, the replacement of damaged air conditioners or air handlers to provide climate control in the units or other portions of the property, and the sanitizing of the condominium property or association property, as applicable.

(l) Regardless of any provision to the contrary and even if such authority does not specifically appear in the declaration of condominium, articles, or bylaws of the association, levy special assessments without a vote of the owners.

(m) Without unit owners' approval, borrow money and pledge association assets as collateral to fund emergency repairs and carry out the duties of the association when operating funds are insufficient. This paragraph does not limit the general authority of the association to borrow money, subject to such restrictions as are contained in the declaration of condominium, articles, or bylaws of the association.

Section 184. For the purpose of incorporating the amendment made by this act to section 617.0830, Florida Statutes, in a reference thereto, subsection (1) of section 719.128, Florida Statutes, is reenacted to read:

719.128 Association emergency powers.—

(1) To the extent allowed by law, unless specifically prohibited by the cooperative documents, and consistent with s. 617.0830, the board of administration, in response to damage or injury caused by or anticipated in connection with an emergency, as defined in s. 252.34(4), for which a state of emergency is declared pursuant to s. 252.36 in the area encompassed by the cooperative, may exercise the following powers:

(a) Conduct board meetings, committee meetings, elections, or membership meetings, in whole or in part, by telephone, real-time videoconferencing, or similar real-time electronic or video communication after notice of the meetings and board decisions is provided in as practicable a manner as possible, including via publication, radio, United States mail, the Internet, electronic transmission, public service announcements, conspicuous posting on the cooperative property, or any other means the board deems appropriate under the circumstances. Notice of decisions may also be communicated as provided in this paragraph.

(b) Cancel and reschedule an association meeting.

(c) Designate assistant officers who are not directors. If the executive officer is incapacitated or unavailable, the assistant officer has the same authority during the state of emergency as the executive officer he or she assists.

(d) Relocate the association's principal office or

designate an alternative principal office.

(e) Enter into agreements with counties and municipalities to assist counties and municipalities with debris removal.

(f) Implement a disaster or an emergency plan before, during, or following the event for which a state of emergency is declared, which may include turning on or shutting off elevators; electricity; water, sewer, or security systems; or air conditioners for association buildings.

(g) Based upon the advice of emergency management officials or public health officials, or upon the advice of licensed professionals retained by or otherwise available to the board of administration, determine any portion of the cooperative property unavailable for entry or occupancy by unit owners or their family members, tenants, guests, agents, or invitees to protect their health, safety, or welfare.

(h) Based upon the advice of emergency management officials or public health officials, or upon the advice of licensed professionals retained by or otherwise available to the board of administration, determine whether the cooperative property or any portion thereof can be safely inhabited or occupied. However, such determination is not conclusive as to any determination of habitability pursuant to the cooperative documents.

(i) Require the evacuation of the cooperative property in the event of an evacuation order in the area in which the

cooperative is located or prohibit or restrict access to the cooperative property in the event of a public health threat. If a unit owner or other occupant of a cooperative fails or refuses to evacuate the cooperative property for which the board has required evacuation, the association is immune from liability for injury to persons or property arising from such failure or refusal.

(j) Mitigate further damage, injury, or contagion, including taking action to contract for the removal of debris and to prevent or mitigate the spread of fungus, including mold or mildew, by removing and disposing of wet drywall, insulation, carpet, cabinetry, or other fixtures on or within the cooperative property, regardless of whether the unit owner is obligated by the cooperative documents or law to insure or replace those fixtures and to remove personal property from a unit or to sanitize the cooperative property.

(k) Contract, on behalf of a unit owner, for items or services for which the owner is otherwise individually responsible, but which are necessary to prevent further injury, contagion, or damage to the cooperative property. In such event, the unit owner on whose behalf the board has contracted is responsible for reimbursing the association for the actual costs of the items or services, and the association may use its lien authority provided by s. 719.108 to enforce collection of the charges. Such items or services may include the drying of the

unit, the boarding of broken windows or doors, the replacement of a damaged air conditioner or air handler to provide climate control in the unit or other portions of the property, and the sanitizing of the cooperative property.

(l) Notwithstanding a provision to the contrary, and regardless of whether such authority does not specifically appear in the cooperative documents, levy special assessments without a vote of the owners.

(m) Without unit owners' approval, borrow money and pledge association assets as collateral to fund emergency repairs and carry out the duties of the association if operating funds are insufficient. This paragraph does not limit the general authority of the association to borrow money, subject to such restrictions contained in the cooperative documents.

Section 185. For the purpose of incorporating the amendment made by this act to section 617.0830, Florida Statutes, in a reference thereto, subsection (1) of section 720.316, Florida Statutes, is reenacted to read:

720.316 Association emergency powers.—

(1) To the extent allowed by law, unless specifically prohibited by the declaration or other recorded governing documents, and consistent with s. 617.0830, the board of directors, in response to damage or injury caused by or anticipated in connection with an emergency, as defined in s. 252.34(4), for which a state of emergency is declared pursuant

to s. 252.36 in the area encompassed by the association, may exercise the following powers:

(a) Conduct board meetings, committee meetings, elections, or membership meetings, in whole or in part, by telephone, real-time videoconferencing, or similar real-time electronic or video communication after notice of the meetings and board decisions is provided in as practicable a manner as possible, including via publication, radio, United States mail, the Internet, electronic transmission, public service announcements, conspicuous posting on the common area, or any other means the board deems appropriate under the circumstances. Notice of decisions may also be communicated as provided in this paragraph.

(b) Cancel and reschedule an association meeting.

(c) Designate assistant officers who are not directors. If the executive officer is incapacitated or unavailable, the assistant officer has the same authority during the state of emergency as the executive officer he or she assists.

(d) Relocate the association's principal office or designate an alternative principal office.

(e) Enter into agreements with counties and municipalities to assist counties and municipalities with debris removal.

(f) Implement a disaster or an emergency plan before, during, or following the event for which a state of emergency is declared, which may include, but is not limited to, turning on

or shutting off elevators; electricity; water, sewer, or security systems; or air conditioners for association buildings.

(g) Based upon the advice of emergency management officials or public health officials, or upon the advice of licensed professionals retained by or otherwise available to the board, determine any portion of the common areas or facilities unavailable for entry or occupancy by owners or their family members, tenants, guests, agents, or invitees to protect their health, safety, or welfare.

(h) Based upon the advice of emergency management officials or public health officials or upon the advice of licensed professionals retained by or otherwise available to the board, determine whether the common areas or facilities can be safely inhabited, accessed, or occupied. However, such determination is not conclusive as to any determination of habitability pursuant to the declaration.

(i) Mitigate further damage, injury, or contagion, including taking action to contract for the removal of debris and to prevent or mitigate the spread of fungus, including mold or mildew, by removing and disposing of wet drywall, insulation, carpet, cabinetry, or other fixtures on or within the common areas or facilities or sanitizing the common areas or facilities.

(j) Notwithstanding a provision to the contrary, and regardless of whether such authority does not specifically

appear in the declaration or other recorded governing documents, levy special assessments without a vote of the owners.

(k) Without owners' approval, borrow money and pledge association assets as collateral to fund emergency repairs and carry out the duties of the association if operating funds are insufficient. This paragraph does not limit the general authority of the association to borrow money, subject to such restrictions contained in the declaration or other recorded governing documents.

Section 186. For the purpose of incorporating the amendment made by this act to section 617.0832, Florida Statutes, in a reference thereto, subsections (2) and (5) of section 718.3027, Florida Statutes, are reenacted to read:

718.3027 Conflicts of interest.—

(2) If a director or an officer, or a relative of a director or an officer, proposes to engage in an activity that is a conflict of interest, as described in subsection (1), 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. The association shall comply with the requirements of s. 617.0832, and the disclosures required by s. 617.0832 shall be entered into the written minutes of the meeting. Approval of the contract or other transaction requires an affirmative vote of two-thirds of all other directors present. At the next regular or special meeting

of the members, the existence of the contract or other transaction shall be disclosed to the members. Upon motion of any member, the contract or transaction shall be brought up for a vote and may be canceled by a majority vote of the members present. If the contract is canceled, the association is only liable for the reasonable value of the goods and services provided up to the time of cancellation and is not liable for any termination fee, liquidated damages, or other form of penalty for such cancellation.

(5) A contract entered into between a director or an officer, or a relative of a director or an officer, and the association, which is not a timeshare condominium association, that has not been properly disclosed as a conflict of interest or potential conflict of interest as required by this section or s. 617.0832 is voidable and terminates upon the filing of a written notice terminating the contract with the board of directors which contains the consent of at least 20 percent of the voting interests of the association.

Section 187. For the purpose of incorporating the amendment made by this act to sections 617.0832 and 617.0834, Florida Statutes, in references thereto, paragraphs (a) and (b) of subsection (2) and subsection (3) of section 720.3033, Florida Statutes, are reenacted to read:

720.3033 Officers and directors.—

(2) If the association enters into a contract or other

transaction with any of its directors or a corporation, firm, association that is not an affiliated homeowners' association, or other entity in which an association director is also a director or officer or is financially interested, the board must:

(a) Comply with the requirements of s. 617.0832.

(b) Enter the disclosures required by s. 617.0832 into the written minutes of the meeting.

(3) An officer, a director, or a manager may not solicit, offer to accept, or accept a kickback. As used in this subsection, the term "kickback" means any thing or service of value for which consideration has not been provided for an officer's, a director's, or a manager's benefit or for the benefit of a member of his or her immediate family from any person providing or proposing to provide goods or services to the association. An officer, a director, or a manager who knowingly solicits, offers to accept, or accepts a kickback commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084, and is subject to monetary damages under s. 617.0834. If the board finds that an officer or a director has violated this subsection, the board must immediately remove the officer or director from office. The vacancy shall be filled according to law until the end of the officer's or director's term of office. However, an officer, a director, or a manager may accept food to be consumed at a

business meeting with a value of less than $25 per individual or a service or good received in connection with trade fairs or education programs.

Section 188. For the purpose of incorporating the amendment made by this act to section 617.0834, Florida Statutes, in a reference thereto, paragraph (a) of subsection (13) of section 721.13, Florida Statutes, is reenacted to read:

721.13 Management.—

(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 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 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, is exempt from liability for monetary damages in the same manner as provided in s. 617.0834 unless such officer, director, agent, or firm breached or failed to perform its duties and the breach of, or failure to perform, its 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.

Section 189. For the purpose of incorporating the amendment made by this act to sections 617.0830 and 617.0834, Florida Statutes, in references thereto, paragraph (d) of subsection (1) of section 718.111, Florida Statutes, is reenacted to read:

718.111 The association.—

(1) CORPORATE ENTITY.—

(d) As required by s. 617.0830, an officer, director, or agent shall 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 association. An officer, director, or agent shall be liable for monetary damages as provided in s. 617.0834 if such 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; 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. Forgery of a ballot envelope or voting certificate used in a condominium association election is punishable as provided in s. 831.01, the theft or embezzlement of funds of a condominium association is punishable as provided in s. 812.014, and the destruction of or the refusal to allow inspection or copying of an official record of a condominium association that is accessible to unit owners within the time periods required by general law in furtherance of any crime is punishable as tampering with physical evidence as provided in s. 918.13 or as obstruction of justice as provided in chapter 843. An officer or director charged by information or indictment with a crime referenced in this paragraph must be removed from office, and the vacancy shall be filled as provided in s. 718.112(2)(d)2. until the end of the officer's or director's period of suspension or the end of his or her term of office, whichever occurs first. If a criminal charge is pending against the officer or director, he or she may not be appointed or elected to a position as an officer or a director of any association and may not have access to the official records of any association, except pursuant to a court order. However, if the charges are resolved without a finding of guilt, the officer or director must be reinstated for the remainder of his or her term of office, if any.

Section 190. This act shall take effect July 1, 2026.

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 879	**COMPANION BILL:** SB 874 (Gaetz)
TITLE: Professional Licensure Reciprocity for the Practice of Surveying and Mapping	**LINKED BILLS:** None
SPONSOR(S): Boyles	**RELATED BILLS:** None

Committee References

Industries & Professional Activities ➤ Agriculture & Natural Resources Budget ➤ Commerce

SUMMARY

Effect of the Bill:
The bill expands eligibility for licensure by endorsement for professional surveyors and mappers by providing an additional pathway to licensure for applicants who hold a valid license in another state or territory of the United States, are in good standing with the applicable licensing authority, and have at least five years of experience as a registered surveyor and mapper, during which the applicant was in responsible charge of the accuracy and correctness of the surveying work performed.

Fiscal or Economic Impact:
Indeterminate. The bill may have an indeterminate fiscal impact on state government and the private sector.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill expands licensure by endorsement eligibility for professional surveyors and mappers who:

- Hold a valid license in another state or territory of the United States;
- Are currently in good standing with the applicable licensing authority;
- Have five or more years of work experience as a registered surveyor and mapper; and
- All five years of work experience must have been in responsible charge[1] of the accuracy and correctness of the surveying work performed. (Section 1)

The bill authorizes the Board of Professional Surveyors and Mappers (Board) to require documentation, verification, or certification from the applicable licensing authority and to independently evaluate any disciplinary, regulatory, or competency records to determine whether the applicant is in good standing. (Section 1)

The effective date of the bill is July 1, 2026. (Section 2)

RULEMAKING:

Currently, the Board has authority to adopt rules to implement ch. 472, F.S., subject to approval by Department of Agriculture and Consumer Services (DACS).[2] The bill specifies that such authority extends as necessary to implement the provisions of the bill.

[1] "Responsible charge" means direct control and personal supervision of surveying and mapping work, but does not include experience as a chainperson, rodperson, instrumentperson, ordinary draftsperson, digitizer, scriber, photo lab technician, ordinary stereo plotter operator, aerial photo pilot, photo interpreter, and other positions of routine work. S. 472.005(6), F.S.

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 may have an indeterminate fiscal impact on state revenues.

PRIVATE SECTOR:

The bill creates an alternative pathway to licensure which may allow more people to practice as a surveyor and mapper.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Land Surveying and Mapping

Chapter 472, F.S., governs the practice of surveying and mapping in Florida. Through the Board, DACS licenses and regulates professional surveyors and mappers in the state.[3]

These regulations include, but are not limited to:[4]

- Examination;
- Licensure, including certificates of authorization;
- Continuing education;
- Standards of practice; and
- Disciplinary guidelines.

In the practice of surveying and mapping, licensed surveyors and mappers make exact measurements and determine property boundaries. They provide data relevant to the shape, contour, gravitation, location, elevation, or dimension of land or land features on or near the earth's surface for engineering, mapmaking, mining, land evaluation, construction, and other purposes.[5]

Currently, there are 2,364 actively licensed individual surveyors in Florida.[6]

Licensure Pathways

Florida offers licensure as a professional surveyor and mapper through examination or endorsement. All pathways to licensure as a professional surveyor and mapper require the applicant to receive a passing score on the applicable examinations and to satisfy all education and experience requirements.[7]

Licensure by Examination

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[2] S. 472.008, F.S.
[3] S. 472.007, F.S.
[4] *See* ch. 472, F.S.
[5] Florida Department of Agriculture and Consumer Services, Business Services, *Professional Surveyors and Mappers*, https://www.fdacs.gov/Business-Services/Professional-Surveyors-and-Mappers (last visited 1/8/2026).
[6] Board of Professional Surveyors and Mappers, *October 2025 General Business Meeting Minutes*, available at https://ccmedia.fdacs.gov/content/download/120133/file/october-2025-general-business-meeting-minutes.pdf (last visited 1/8/2026).
[7] S. 472.015, F.S.

To obtain licensure by examination as a professional surveyor and mapper, an applicant must be of good moral character, receive a passing score on the Fundamentals of Surveying, the Principles and Practice of Surveying, and the Florida Jurisdictional examinations, and meet the applicable education and work experience requirements. The education and work experience prerequisites to take the licensure examination are as follows:[8]

- A bachelor's degree in surveying and mapping or in a similarly titled program, with:
  - Four or more years of work experience under a professional surveyor;
  - All four years of work experience must have been in responsible charge of the accuracy and correctness of the surveying work performed; or
- A bachelor's degree in a course of study other than surveying and mapping, with:
  - Six or more years of work experience under a professional surveyor;
  - Five of the six years of experience must have been in responsible charge of the accuracy and correctness of the surveying work performed; and
  - A minimum of 25 semester hours from a college or university approved by the board in surveying and mapping subjects or in any combination of courses in civil engineering, surveying, mapping, mathematics, photogrammetry, forestry, or land la and the physical sciences.

An applicant who is not otherwise qualified for licensure is not entitled to licensure solely based on a passing score on the required examination.[9]

Licensure by Endorsement

To obtain licensure by endorsement as a professional surveyor and mapper, an applicant must hold a valid license to practice surveying and mapping issued by another state or territory of the United States and:[10]

- The licensing criteria for the applicable licensing authority was substantially the same as the criteria that existed in Florida when the license was issued; or
- If the license was issued prior to July 1, 1999:
  - Have passed a national, regional, state or territorial licensing examination that is substantially equivalent to the Florida licensing examination;
  - Have eight or more years of experience under a professional surveyor; and
  - Six of the eight years of experience must have been in responsible charge of the accuracy and correctness of the surveying work performed.

All applicants for licensure by endorsement must also pass the Florida Jurisdictional Examination.[11]

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Industries & Professional Activities Subcommittee			Anstead	Bunnell
Agriculture & Natural Resources Budget Subcommittee				
Commerce Committee				

[8] S. 472.013, F.S.
[9] S. 472.015(3)(a), F.S.
[10] S. 472.015(5), F.S.
[11] S. 472.015, F.S.

A bill to be entitled

An act relating to professional licensure reciprocity for the practice of surveying and mapping; amending s. 472.015, F.S.; expanding the requirements for applicants eligible to be qualified for licensure by endorsement by the Board of Professional Surveyors and Mappers to include applicants from outside of the state who meet certain requirements; authorizing the board to require and independently evaluate certain documents and information; authorizing the board to adopt certain rules; providing an effective date.

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

Section 1. Subsection (5) of section 472.015, Florida Statutes, is amended to read:

472.015 Licensure.—

(5)(a) The board shall certify as qualified for a license by endorsement an applicant who, at the time of application:

1. Holds a valid license to practice surveying and mapping issued before July 1, 1999, by another state or territory of the United States; has passed a national, regional, state, or territorial licensing examination that is substantially equivalent to the examination required by s. 472.013; and has a specific experience record of at least 8 years as a subordinate

to a registered surveyor and mapper in the active practice of surveying and mapping, 6 years of which must be of a nature indicating that the applicant was in responsible charge of the accuracy and correctness of the surveying and mapping work performed; ~~or~~

2. Holds a valid license to practice surveying and mapping issued by another state or territory of the United States if the criteria for issuance of the license were substantially the same as the licensure criteria that existed in Florida at the time the license was issued; or

3. Holds a valid license to practice surveying and mapping issued by another state or territory of the United States, is currently in good standing with such licensing authority, and has a specific experience record of at least 5 years as a registered surveyor and mapper in the active practice of surveying and mapping, which must be of a nature indicating that the applicant was in responsible charge of the accuracy and correctness of the surveying and mapping work performed.

(b) All applicants for licensure by endorsement must pass the Florida law and rules portion of the examination prior to licensure.

(c) For purposes of determining whether an applicant is in good standing under subparagraph (a)3., the board may require documentation, verification, or certification from the issuing authority, and may independently evaluate disciplinary,

regulatory, or competency records maintained by such authority or other reliable sources. The board may adopt rules to implement this section in a manner consistent with s. 472.008.

Section 2. This act shall take effect July 1, 2026.

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

HB 881

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 881	**COMPANION BILL:** SB 1564 (DiCeglie)
TITLE: Pari-Mutuel Wagering	**LINKED BILLS:** None
SPONSOR(S): Anderson	**RELATED BILLS:** None

Committee References

Industries & Professional Activities ➤ Commerce

SUMMARY

Effect of the Bill:
The bill removes live racing requirements for thoroughbred permitholders under certain conditions beginning in 2030, and requires such permitholders to provide the Florida Gaming Control Commission (Commission) with notice prior to ending live racing. The bill exempts all decoupled permitholders from cardroom licensure, application fees, and tax requirements.

The bill allows the lease of certain pari-mutuel facilities within 50 miles of the licensed premises of the lessee.

Fiscal or Economic Impact:
The bill may have an indeterminate fiscal impact on state government and the private sector. The extent to which thoroughbred permitholders will elect to conduct live racing is unknown.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

Live Racing Requirements

The bill removes live racing requirements, under certain conditions, for certain thoroughbred permitholders who apply for a pari-mutuel wagering operating license. (Section 1)

The bill provides that a thoroughbred permitholder that does not conduct live racing:

- Retains its permit;
- Is a pari-mutuel facility;
- If such permitholder has been issued a slot machine license, the facility where such permit is located:
  - Remains an eligible slot machine facility;
  - Continues to be eligible for a slot machine license; and
  - Is exempt from thoroughbred horse racing purses and awards agreement requirements, and slot machine gaming area requirements;
- Is eligible, but not required, to be a guest track; and
- Remains eligible for a cardroom license but is exempt from the cardroom license, application, and fees under s. 849.086(5), F.S., and is not required to pay the cardroom taxes under s. 849.086(13), F.S. (Section 1)

The bill requires thoroughbred permitholders to give notice prior to ending live racing and to continue to offer a full schedule of live racing until the end of such notice period. The notice cannot be made prior to July 1, 2027, and the term of the notice must ensure that live racing continues for at least three (3) years after the date of the notice. Thus, the earliest date that a thoroughbred permitholder may elect to end live racing is July 1, 2030. The

permitholder is also required to give notice when relocating under to s. 550.3345, F.S., or s. 550.475, F.S., with authorization by the Commission in accordance with s. 550.054, F.S. (Section 1)

Change of Location of a Thoroughbred Horse Racetrack
The bill revises the process for changing the location of a thoroughbred horse racetrack, removing the current requirement to hold a referendum election in order to relocate in the same county or, to a different county, to instead allow the Commission to authorize the change in location regardless of voter approval. (Section 2)

Escheated Thoroughbred Horse Permits
The bill removes the authority of the Commission to reissue escheated thoroughbred horse permits for failure of the permitholder to pay the required tax on handle for live performances. (Section 3)

Limited Thoroughbred Racing Permits
For a limited thoroughbred permit under s. 550.3345, F.S., the bill revises the authority for the not-for-profit corporation that holds such permit to move the location of the permit to another location in the same county, to instead allow the permit to be moved to a county that has previously authorized pari-mutuel wagering. The bill also revises one of the designating authorities of the board of directors of the not-for-profit corporation to require the Commission to appoint four of the members instead of the Florida Thoroughbred Breeders' Association. (Section 4)

Lease of Pari-Mutuel Facilities
The bill entitles any permitholder to lease the facilities of another permitholder within 50 miles. Currently, holders of valid pari-mutuel permits are only entitled to lease their facilities to holders of the same class permit within a 35 mile radius of each other. The bill includes thoroughbred training centers but does not define such. (Section 5)

The bill prohibits thoroughbred permitholders relocating pursuant to s. 550.3345, F.S., or s. 550.475, F.S., in accordance with s. 550.054, F.S., from operating a cardroom at a leased training center but does not define such. (Section 5)

The bill specifies that the lessor of a pari-mutuel facility that has been issued a slot machine license or a cardroom license remains an eligible facility as defined in s. 551.102(4), F.S. (Section 5)

Thoroughbred Racing Application Operating Days
The bill clarifies that only thoroughbred permitholders who are required to offer live racing must file an application that specifies the number and dates of racing performances. (Section 6)

Effective Date
The bill provides an effective date of July 1, 2026. (Section 8)

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

The Revenue Estimating Conference (REC) has not estimated the potential impacts of the current bill. The bill may have an insignificant impact on state government revenues. It is unknown how many thoroughbred permitholders will elect to terminate live racing.

PRIVATE SECTOR:

Individuals and businesses associated with thoroughbred horse racing will experience an indeterminate impact associated with the election by thoroughbred permitholders to conduct or not conduct live racing. Removing live race requirements for such permitholders may reduce certain expenditures related to these activities.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Pari-mutuel Wagering

Since approximately 1931, pari-mutuel wagering activities have been authorized in Florida for jai alai, greyhound racing, and horseracing. These activities are overseen and regulated[1] by the Division of Pari-Mutuel Wagering (Division) at the Commission, which is housed within the Department of Legal Affairs, Office of the Attorney General.[2] The Commission issues permits and operating licenses for PMW activities. Only pari-mutuel wagering permitholders under certain conditions are authorized to conduct other gaming activities like operating a cardroom or operating slot machines at their facilities.

Live Racing Requirements

Currently, only thoroughbred permitholders are required to conduct live racing in order to operate other pari-mutuel wagering activities. For example, in order to hold a cardroom license, thoroughbred permitholders are required to run a certain number of live races each year.

Greyhound permitholders are prohibited from conducting live racing.

Jai alai permitholders, harness horse racing permitholders, and quarter horse racing permitholders have the option to conduct live racing or games but are not required to do so.[3]

A greyhound permitholder, jai alai permitholder, harness horse racing permitholder, or quarter horse racing permitholder that does not conduct live racing or games:[4]

- Retains its permit;
- Is a pari-mutuel facility as defined in s. 550.002(23), F.S.;
- Is eligible, but not required, to be a guest track, and if the permitholder is a harness horse racing permitholder, is eligible to be a host track for purposes of intertrack wagering and simulcasting pursuant to ss. 550.3551, 550.615, 550.625, and 550.6305, F.S.;
- Remains eligible for a cardroom license; and
- If previously issued a slot machine license, remains eligible for such license.

Pari-mutuel Wagering Permitting and Licensure

The Florida Pari-mutuel Wagering Act (Act)[5] provides specific permitting and licensing requirements for the pari-mutuel industry.[6] Permitholders apply for an operating license annually to conduct pari-mutuel wagering activities.[7] Certain permitholders are also authorized to operate cardrooms[8] and slot machines at their facility.[9]

Currently, there are three pari-mutuel operating licenses that were issued for fiscal year 2025-2026 to conduct live thoroughbred racing performances. These licenses and their locations include:[10]

- Gulfstream Park Racing Association Inc., operates at Gulfstream Park in Broward County.

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[1] From 1932 to 1969, Florida's pari-mutuel industry was regulated by the State Racing Commission. In 1970, the commission became a division within the Department of Business Regulation, which, in 1993, became DBPR.
[2] *See* ss. 16.71-16.716, F.S.
[3] S. 550.01215, F.S.(1)(b)1., F.S.
[4] *Id.*
[5] *See* ch. 550, F.S.
[6] S. 550.054(1), F.S.
[7] S. 550.0115, F.S.
[8] S. 849.086, F.S.
[9] S. 551.104, F.S.
[10] Email from Henry Mahler, Director of Legislative Affairs, Florida Gaming Control Commission, RE: Thoroughbred Permitholders (Jan. 31, 2025).

- Gulfstream Park Thoroughbred After Racing Program, Inc., operates at Gulfstream Park in Broward County.
- Tampa Bay Downs, Inc., operates at Tampa Bay Downs in Hillsborough County.

Slot Machine Licensing

In order to apply to conduct slot machine gaming a permitholder must first obtain permission from the voters of the county where the applicant's facility is located by referendum as specified in s. 23, Art. X of the State Constitution.[11] Currently, slot machines are only authorized in eight licensed PMW facilities[12] located in Miami-Dade and Broward counties, and are also authorized by Compact on the Seminole Tribe of Florida's tribal property.[13]

Thoroughbred permitholders are required to conduct a full schedule of live racing, as defined in s. 550.002(10), F.S., in order to maintain their slot machine license.[14]

Cardroom Licensing

Currently, in order to operate a cardroom in this state a person is required to hold a valid cardroom license.[15]

In order to apply for a cardroom license an applicant must first obtain a majority vote of the governing body of the municipality or county the facility is located in.[16]

Municipalities are authorized to prohibit the establishment of a cardroom on or after July 1, 2021, within their jurisdiction. This does not apply to a licensed pari-mutuel permitholder who held an operating license for the conduct of pari-mutuel wagering for fiscal year 2020-2021 in the municipality's jurisdiction or to a cardroom that was previously approved by the municipality.[17]

A cardroom license may only be issued to a licensed pari-mutuel wagering permitholder, and operated at the same facility at which the permitholder is authorized to conduct pari-mutuel wagering activities.[18]

A pari-mutuel permitholder, other than a converted quarter horse to thoroughbred permitholder or a purchaser, transferee, or assignee holding a valid permit for the conduct of pari-mutuel wagering, may not be issued a license for the operation of a cardroom if the permitholder did not hold an operating license for the conduct of pari-mutuel wagering for fiscal year 2020-2021.[19]

In order for an initial cardroom license to be issued to a converted quarter horse to thoroughbred permitholder, the applicant must have requested, as part of its pari-mutuel annual license application, to conduct at least a full schedule of live racing.[20]

Currently, in order for a cardroom license to be renewed by a thoroughbred permitholder, it must run a certain number of races each year:

> "conduct at least 90 percent of the total number of live performances conducted by such permitholder during either the state fiscal year in which its initial cardroom license was issued or the state fiscal year

[11] S. 551.104(2), F.S.
[12] S. 551.104(3), F.S.
[13] S. 551.101, F.S.
[14] S. 551.104(4)(c), F.S.
[15] S. 849.086(5), F.S.
[16] S. 849.086(16)(a), F.S.
[17] *S.* 849.086(16)(b), F.S.
[18] S. 849.086(5)(a), F.S.
[19] S. 849.086(5)(c), F.S.
[20] *Id.*

immediately prior thereto if the permitholder ran at least a full schedule of live racing or games in the prior year".[21]

Cardroom Licensee Fees and Taxes

Currently, the annual cardroom license fee for each facility is $1,000 for each table that is operated at the cardroom. The license fee is deposited by the Commission with the Chief Financial Officer to the credit of the Pari-mutuel Wagering Trust Fund.[22]

Each cardroom operator is required to pay a tax to the state of 8 percent of the cardroom operation's monthly gross receipts. An admission tax equal to 15 percent of the admission charge for entrance to the licensee's cardroom facility, or 10 cents, whichever is greater, is imposed on each person entering the cardroom. The cardroom licensee is responsible for collecting the admission tax.[23] During the 2025 Session, legislation was passed reducing cardroom tax by two percentage points.[24]

Payment of the admission tax and gross receipts tax imposed must be paid to the Commission, and deposited by the Commission with the Chief Financial Officer, one-half being credited to the Pari-mutuel Wagering Trust Fund and one-half being credited to the General Revenue Fund. The cardroom licensee is required to remit to the Commission payment for the admission tax, the gross receipts tax, and the licensee fees.[25]

Failure of any licensee to make the admission tax and gross receipts tax payments is a violation, and the licensee may be subjected by the Commission to a civil penalty of up to $1,000 for each day the tax payment is not remitted. All penalties imposed and collected are deposited in the General Revenue Fund. Failure by a licenses to pay penalties imposed by the Commission, authorizes the Commission to suspend, revoke, or deny the issuance of any further license to the cardroom operator.[26]

According to a review by the Revenue Estimating Conference (REC) of pari-mutuel revenues on August 4 and August 8, 2025, cardroom gross receipts total collections were $22.5 million in FY 2024-25, just under $0.2 million higher than anticipated in the February 2025 forecast.[27]

Also, according to the REC, "totals for FY 2024-25 from Table Fees were $0.9 million, $0.1 million underestimate, Other Pari-Mutuel Tax was $0.9 million, $0.2 million overestimate, and Daily License Fees and Occupational Licenses & Fees were on estimate, totaling $0.3 million and $0.6 million, respectively."[28]

Change of Location of a Thoroughbred Horse Racetrack

Current law prohibits a thoroughbred horse racing permit or license from being transferred, or reissued for purposes of changing the location of a thoroughbred horse racetrack; however, such change in location is allowed pursuant to certain conditions:[29]

- If the location is within the same county as the already licensed location, the county holds a referendum election and a majority of the electors voting on that question in such county vote in favor of the transfer of such license.
- If the location is not within the same county as the already licensed location, the county where the licensee is already licensed to conduct the race meeting and the desired county both hold a referendum election where a majority of the electors voting on that question vote in favor of the transfer of such license.

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[21] *Id.*
[22] S. 849.086(5)(e), F.S.
[23] S. 849.086(13)(a)&(b), F.S.
[24] Ch. 2025-208, Laws of Fla.
[25] S. 849.086(13)(c), F.S.
[26] S. 849.086(13)(e), F.S.
[27] Revenue Estimating Conference, *Pari-Mutuel Revenues Executive Summary* (August 4 and August 8, 2025), https://edr.state.fl.us/Content/conferences/parimutuels/executivesummary.pdf (last visited January 9, 2026).
[28] *Id.*
[29] S. 550.054(13)(a), F.S.

Each such referendum must be held in accordance with the electoral procedures for ratification of permits, as provided in s. 550.0651, F.S., the expense of which must be borne by the licensee requesting the transfer.[30]

Escheated Thoroughbred Horse Permits

Currently, the tax on handle for thoroughbred horserace performances is 0.5 percent of handle per performance.[31] The permit of a thoroughbred permitholder who is conducting thoroughbred performances and who does not pay tax on handle for any such performances conducted during any 2 consecutive state fiscal years is void and may not be reissued unless such failure to operate and pay tax on handle was the direct result of fire, strike, war, hurricane, pandemic, or other disaster or event beyond the ability of the permitholder to control. Financial hardship does not constitute just cause for failure to operate and pay tax on handle.[32]

The Commission is authorized to reissue an escheated thoroughbred horse permit to a qualified applicant for the issuance of an initial permit without having to satisfy the referendum requirements for a pari-mutuel permit. As specified in the application and upon approval by the Commission, the new permitholder is authorized to operate a thoroughbred horse facility anywhere in the same county in which the escheated permit was authorized to be operated, notwithstanding the provisions of s. 550.054(2), F.S., relating to mileage limitations.[33]

Limited Thoroughbred Racing Permits

Current law allows a holder of a quarter horse racing permit to, within 1 year after the effective date of this law, which became effective in 2009, to apply to the Commission for a transfer of the quarter horse racing permit to a not-for-profit corporation, designated by the Florida Thoroughbred Breeders' Association, to request that the Commission convert the quarter horse racing permit to a permit authorizing the holder to conduct thoroughbred racing.[34]

The quarter horse racing permit nor its conversion to a limited thoroughbred permit are subject to the mileage limitation or the ratification election as set forth under s. 550.054(2) or s. 550.0651, F.S. After the conversion issuance of the initial license to conduct thoroughbred racing, the not-for-profit corporation is required to annually apply to the Commission for a thoroughbred racing license.[35]

Racing under the permit may take place only at the location for which the original quarter horse racing permit was issued, which may be leased by the not-for-profit corporation for that purpose; however, the not-for-profit corporation may, without the conduct of any ratification election pursuant to s. 550.054(13) or s. 550.0651, F.S., move the location of the permit to another location in the same county provided that such relocation is approved under the zoning and land use regulations of the applicable county or municipality.[36]

A converted permit and a license issued to the not-for-profit corporation under chapter 849 are not eligible for transfer to another person or entity.[37]

Unless otherwise provided, after conversion, the permit and the not-for-profit corporation are treated under the laws of this state as a thoroughbred permit and as a thoroughbred permitholder, respectively, with the exception of certain tax on handle and intertrack wagering requirements in ss. 550.09515(3) and 550.6308, F.S.[38]

Lease of Pari-mutuel Facilities

[30] S. 550.054(13)(b), F.S.
[31] S. 550.09515(2)(a), F.S.
[32] S. 550.09515(3)(a), F.S.
[33] S. 550.09515(3)(b), F.S.
[34] S. 550.3345(1), F.S.
[35] S. 550.3345(2), F.S.
[36] S. 550.3345(2)(d), F.S.
[37] S. 550.3345(2)(e), F.S.
[38] S. 550.3345(3), F.S.

Holders of valid pari-mutuel permits for the conduct of any pari-mutuel wagering in this state are entitled to lease any and all of their facilities, as follows:[39]

- The lease may only be to another holder of a same class valid pari-mutuel permit;
- The permitholders must be located within a 35-mile radius of each other; and
- The lessee is entitled to a permit and license to conduct intertrack wagering[40] and operate its race meet[41] or jai alai[42] games at the leased premises.

Thoroughbred Racing Application Operating Days

Currently, each thoroughbred permitholder is required to annually, during the period commencing January 15 of each year and ending February 4 of the following year, file in writing with the Commission its application to conduct one or more thoroughbred racing meetings during the thoroughbred racing season commencing on the following July 1.[43]

Each application must specify the number and dates of all performances that the permitholder intends to conduct during that thoroughbred racing season.[44]

- On or before April 15 of each year, the Commission is required to issue a license authorizing each permitholder to conduct performances on the dates specified in its application.
- Up to March 28 of each year, each permitholder may request and must be granted changes in its application to conduct performances; but thereafter, as a condition precedent to the validity of its license and its right to retain its permit, each permitholder is required to operate the full number of days authorized on each of the dates set forth in its license.

RECENT LEGISLATION:

YEAR	BILL #/SUBJECT	HOUSE/*SENATE* SPONSOR(S)	OTHER INFORMATION
2025	CS/HB 1467 - Gambling	Snyder, Anderson/ *Burgess*	The bill passed the House but died in the Senate.

OTHER RESOURCES:

Florida Gaming Control Commission

Florida Department of Agriculture & Consumer Services: Florida Horse Industry

Florida Thoroughbred Horsemen's Association

Florida Thoroughbred Breeders' and Owners' Association

[39] S. 550.475, F.S.
[40] S. 550.002(16), F.S., defines "intertrack wager" or "intertrack wagering" as a particular form of pari-mutuel wagering in which wagers are accepted at a permitted, in-state track, fronton, or pari-mutuel facility on a race or game transmitted from and performed live at, or simulcast signal rebroadcast from, another in-state pari-mutuel facility.
[41] S. 550.002(19), F.S., defines "meet" or "meeting" as the conduct of live racing or jai alai, or wagering on intertrack or simulcast events, for any stake, purse, prize, or premium.
[42] S. 550.002(17), F.S., defines "jai alai" or "pelota" as a ball game of Spanish origin played on a court with three walls.
[43] S. 550.5251(1), F.S.
[44] *Id.*

Gulfstream Park

Tampa Bay Downs

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Industries & Professional Activities Subcommittee			Anstead	Thompson
Commerce Committee				

A bill to be entitled

An act relating to pari-mutuel wagering; amending s. 550.01215, F.S.; authorizing certain permitholders to choose not to conduct live racing; providing that certain permitholders are not required to pay a specified tax; requiring certain permitholders to continue to conduct live racing until specified notice is provided to the Florida Gaming Control Commission; providing requirements for such notice; requiring certain notifications when permitholders are relocating; amending s. 550.054, F.S.; providing that thoroughbred racing permits may be transferred upon authorization of the commission; removing a requirement for certain referendums; amending s. 550.09515, F.S.; removing a requirement that certain permits escheat to the state following nonpayment of taxes; amending s. 550.3345, F.S.; revising the entity that designates certain members of the board of directors of a specified not-for-profit corporation; revising the circumstances under which certain permitholders may relocated; amending s. 550.475, F.S.; revising when certain permitholders may lease certain facilities and training centers; prohibiting certain relocating permitholders from operating cardrooms in leased training centers; authorizing

certain lessors to remain eligible facilities; amending ss. 550.5251 and 550.6335, F.S.; conforming provisions to changes made by the act; providing an effective date.

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

Section 1. Paragraphs (a) and (b) of subsection (1) of Section 550.01215, Florida Statutes, are amended to read:

550.01215 License application; periods of operation; license fees; bond.—

(1) Each permitholder shall annually, during the period between January 15 and February 4, file in writing with the commission its application for an operating license for a pari-mutuel facility for the conduct of pari-mutuel wagering during the next state fiscal year, including intertrack and simulcast race wagering. Each application for live performances must specify the number, dates, and starting times of all live performances that the permitholder intends to conduct. It must also specify which performances will be conducted as charity or scholarship performances.

(a) Each application for an operating license also must include:

1. For each permitholder, whether the permitholder intends to accept wagers on intertrack or simulcast events.

2. For each permitholder that elects to operate a cardroom, the dates and periods of operation the permitholder intends to operate the cardroom.

3. For each thoroughbred ~~racing~~ permitholder that elects to receive or rebroadcast out-of-state races, the dates for all performances that the permitholder intends to conduct.

(b)1. A greyhound permitholder may not conduct live racing. A thoroughbred permitholder, jai alai permitholder, harness horse racing permitholder, or quarter horse racing permitholder may elect not to conduct live racing or games. ~~A thoroughbred permitholder must conduct live racing.~~ A thoroughbred permitholder, greyhound permitholder, jai alai permitholder, harness horse racing permitholder, or quarter horse racing permitholder that does not conduct live racing or games retains its permit; is a pari-mutuel facility as defined in s. 550.002(23); if such permitholder has been issued a slot machine license, the facility where such permit is located remains an eligible facility as defined in s. 551.102(4), continues to be eligible for a slot machine license pursuant to s. 551.104(3), and is exempt from ss. 551.104(4)(c) and (10) and 551.114(2); is eligible, but not required, to be a guest track and, if the permitholder is a harness horse racing permitholder, to be a host track for purposes of intertrack wagering and simulcasting pursuant to ss. 550.3551, 550.615, 550.625, and 550.6305; and remains eligible for a cardroom license exempt

from requirements of s. 849.0876(5) and is not required to pay the tax under s. 849.086(13). A thoroughbred permitholder who operates a slot machine facility or cardroom shall offer a full schedule of live racing until such permitholder notifies the commission that it will no longer offer live racing. Notice under this subparagraph is not valid unless delivered on or after July 1, 2027, and contains the date on which the permitholder will no longer offer live racing, which may not be earlier than 3 years after the date of the notice. The permitholder is required to deliver such notice when relocating under to s. 550.3345 or s. 550.475 with authorization by the commission in accordance with s. 550.054.

2. A permitholder or licensee may not conduct live greyhound racing or dogracing in connection with any wager for money or any other thing of value in the state. The commission may deny, suspend, or revoke any permit or license under this chapter if a permitholder or licensee conducts live greyhound racing or dogracing in violation of this subparagraph. In addition to, or in lieu of, denial, suspension, or revocation of such permit or license, the commission may impose a civil penalty of up to $5,000 against the permitholder or licensee for a violation of this subparagraph. All penalties imposed and collected must be deposited with the Chief Financial Officer to the credit of the General Revenue Fund.

Section 2. Subsection (13) of section 550.054, Florida

Statutes, is amended to read:

550.054 Application for permit to conduct pari-mutuel wagering.—

(13)~~(a)~~ Notwithstanding any provisions of this chapter, a ~~no~~ thoroughbred horse racing permit or license issued under this chapter may ~~shall~~ be transferred, or reissued when such reissuance is in the nature of a transfer so as to permit or authorize a licensee to change the location of a thoroughbred horse racetrack ~~except~~ upon authorization by ~~proof in such form as~~ the commission ~~may prescribe that a referendum election has been held:~~

~~1. If the proposed new location is within the same county as the already licensed location, in the county where the licensee desires to conduct the race meeting and that a majority of the electors voting on that question in such election voted in favor of the transfer of such license.~~

~~2. If the proposed new location is not within the same county as the already licensed location, in the county where the licensee desires to conduct the race meeting and in the county where the licensee is already licensed to conduct the race meeting and that a majority of the electors voting on that question in each such election voted in favor of the transfer of such license.~~

~~(b) Each referendum held under the provisions of this subsection shall be held in accordance with the electoral~~

~~procedures for ratification of permits, as provided in s. 550.0651. The expense of each such referendum shall be borne by the licensee requesting the transfer~~.

Section 3. Paragraph (a) of subsection (3) of section 550.09515, Florida Statutes, is amended to read:

550.09515 Thoroughbred horse taxes; reissuance of ~~abandoned interest in~~ a permit following ~~for~~ nonpayment of taxes.—

(3)(a) The permit of a thoroughbred ~~horse~~ permitholder conducting live thoroughbred performances who does not pay tax on handle for live thoroughbred horse performances for a full schedule of live races during any 2 consecutive state fiscal years shall be void and shall not be reissued ~~escheat to and become the property of the state~~ unless such failure to operate and pay tax on handle was the direct result of fire, strike, war, or other disaster or event beyond the ability of the permitholder to control. Financial hardship to the permitholder shall not, in and of itself, constitute just cause for failure to operate and pay tax on handle.

Section 4. Paragraph (d) of subsection (2) of section 550.3345, Florida Statutes, is amended to read:

550.3345 Conversion of quarter horse permit to a limited thoroughbred permit.—

(2) Notwithstanding any other provision of law, the holder of a quarter horse racing permit issued under s. 550.334 may,

within 1 year after the effective date of this section, apply to the commission for a transfer of the quarter horse racing permit to a not-for-profit corporation formed under state law to serve the purposes of the state as provided in subsection (1). The board of directors of the not-for-profit corporation must be comprised of 11 members, 4 of whom shall be designated by the applicant, 4 of whom shall be designated by the commission ~~Florida Thoroughbred Breeders' Association~~, and 3 of whom shall be designated by the other 8 directors, with at least 1 of these 3 members being an authorized representative of another thoroughbred permitholder in this state. The not-for-profit corporation shall submit an application to the commission for review and approval of the transfer in accordance with s. 550.054. Upon approval of the transfer by the commission, and notwithstanding any other provision of law to the contrary, the not-for-profit corporation may, within 1 year after its receipt of the permit, request that the commission convert the quarter horse racing permit to a permit authorizing the holder to conduct pari-mutuel wagering meets of thoroughbred racing. Neither the transfer of the quarter horse racing permit nor its conversion to a limited thoroughbred permit shall be subject to the mileage limitation or the ratification election as set forth under s. 550.054(2) or s. 550.0651. Upon receipt of the request for such conversion, the commission shall timely issue a converted permit. The converted permit and the not-for-profit

corporation shall be subject to the following requirements:

(d) Racing under the permit may take place only at the location for which the original quarter horse racing permit was issued, which may be leased by the not-for-profit corporation for that purpose; however, the not-for-profit corporation may, without the conduct of any ratification election pursuant to s. 550.054(13) or s. 550.0651, move the location of the permit to another location in a ~~the same~~ county which has previously authorized pari-mutuel wagering provided that such relocation is approved under the zoning and land use regulations of the applicable county or municipality.

Section 5. Section 550.475, Florida Statutes, is amended to read:

550.475 Lease of pari-mutuel facilities by pari-mutuel permitholders.—

(1) Holders of valid pari-mutuel permits for the conduct of any pari-mutuel wagering in this state are entitled to lease any and all of the ~~their~~ facilities of ~~to~~ any other holder of a ~~same class~~ valid pari-mutuel permit or a thoroughbred training center holding a valid license issued by the commission, when located within a 50-mile ~~35-mile~~ radius of each other; and such lessee is entitled to a permit and license to conduct intertrack wagering and operate its race meet or jai alai games at the leased premises.

(2) Thoroughbred permitholders relocating pursuant to s.

550.3345 or s. 550.475 in accordance with s. 550.054 may not operate a cardroom at a leased training center.

(3) Notwithstanding any other provisions of law, the lessor of a pari-mutuel facility that has been issued a slot machine license or a cardroom license shall remain an eligible facility as defined in s. 551.102(4).

Section 6. Subsection (1) of section 550.5251, Florida Statutes, is amended to read:

550.5251 Florida thoroughbred racing; certain permits; operating days.—

(1) Each thoroughbred permitholder required to offer live racing shall annually, during the period commencing January 15 of each year and ending February 4 of the following year, file in writing with the commission its application to conduct one or more thoroughbred racing meetings during the thoroughbred racing season commencing on the following July 1. Each application shall specify the number and dates of all performances that the permitholder intends to conduct during that thoroughbred racing season. On or before April 15 of each year, the commission shall issue a license authorizing each permitholder to conduct performances on the dates specified in its application. Up to March 28 of each year, each permitholder may request and shall be granted changes in its application to conduct performances; but thereafter, as a condition precedent to the validity of its license and its right to retain its permit, each permitholder

must operate the full number of days authorized on each of the dates set forth in its license.

Section 7. Subsection (2) of section 550.6335, Florida Statutes, is amended to read:

550.6335 Surcharge.—

(2) A thoroughbred ~~horse~~ permitholder that accepts wagers on out-of-state races may impose a surcharge on each winning ticket, or interstate pool, on such out-of-state race in an amount not to exceed 5 percent of each winning pari-mutuel winning ticket cashed. If a permitholder rebroadcasts such signal and elects to impose a surcharge, the surcharge shall be imposed on any winning ticket at any guest facility at the same rate as the surcharge on wagers accepted at its own facility. The proceeds from the surcharge shall be distributed as follows: if the wager is made at the host facility, then one-half of the proceeds shall be retained by the host permitholder and one-half shall be paid as purses at the host facility; if the wager is made at a guest facility, then one-half shall be retained by the guest permitholder, one-quarter shall be paid to the host permitholder, and one-quarter shall be paid as purses at the host facility.

Any surcharge taken under this section must be calculated after breakage is deducted from the wagering pool.

Section 8. This act shall take effect July 1, 2026.

INDUSTRIES & PROFESSIONAL ACTIVITIES SUBCOMMITTEE

HB 881 by Rep. Anderson
Pari-Mutuel Wagering

AMENDMENT SUMMARY
January 14, 2026

Amendment by Rep. Anderson (lines 75-77):

- Removes the provision that exempts certain permitholders from the cardroom licensing fee and other tax requirements.

Amendment No.

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: Industries & Professional Activities Subcommittee

Representative Anderson offered the following:

Amendment (with title amendment)

Remove lines 75-77 and insert:

550.6305; and remains eligible for a cardroom license. A thoroughbred permitholder who

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

Remove lines 4-6 and insert:

choose not to conduct live racing; requiring certain permitholders to