

Housing, Agriculture & Tourism Subcommittee

Thursday, February 5, 2026
12:30 PM - 3:30 PM
Morris Hall (17 HOB)

Meeting Packet

Daniel Perez
Speaker

Michelle Salzman
Chair

Committee Meeting Notice

HOUSE OF REPRESENTATIVES

Housing, Agriculture & Tourism Subcommittee

Start Date and Time: Thursday, February 05, 2026 12:30 PM

End Date and Time: Thursday, February 05, 2026 03:30 PM

Location: Morris Hall (17 HOB)

Duration: 3.00 hrs

Consideration of the following bill(s):

CS/HB 399 Land Use and Development Regulations by Intergovernmental Affairs Subcommittee, Borrero
HB 691 Agricultural Enclaves by Botana
HB 741 Department of Commerce by Owen
HB 999 Refrigerant Safety and Agricultural Continuity by Gonzalez Pittman
CS/HB 1139 Impact Fees by Intergovernmental Affairs Subcommittee, Gentry
CS/HB 1245 Biosolids Management by Natural Resources & Disasters Subcommittee, Shoaf
HB 1387 State Economic Development Contracts by Overdorf
HB 1481 Housing for Veterans by Rosenwald, Daley
HB 1483 Trust Funds/Creation/Vacancy Relief Trust Fund and Risk Mitigation Trust Fund/Florida Housing Finance Corporation by Rosenwald, Daley

NOTICE FINALIZED on 02/03/2026 4:25PM by Marks.Amie

FLORIDA HOUSE OF REPRESENTATIVES
BILL ANALYSIS

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

BILL #: CS/HB 399	**COMPANION BILL:** CS/SB 208 (McClain)
TITLE: Land Use and Development Regulations	**LINKED BILLS:** None
SPONSOR(S): Borrero	**RELATED BILLS:** None

Committee References

Intergovernmental Affairs
10 Y, 3 N, As CS
➤ Housing, Agriculture & Tourism ➤ State Affairs

SUMMARY

Effect of the Bill:
The bill makes the following changes concerning land use and development regulations:

- Requires application fees for development permits and orders to reasonably related to the costs associated with reviewing and processing the application and prohibits fees based on a percentage of project costs.
- Provides that the exclusive method for the transmittal and adoption of an amendment to the future land use element of a comprehensive plan is by a majority vote of the members of the governing body present at the hearing, notwithstanding any county charter provision to the contrary.
- Requires each local government's comprehensive plan and land development regulations to include factors for assessing compatibility of residential uses and establishes requirements for examining an application for development for compatibility.

The bill requires Office of Program Policy Analysis and Government Accountability (OPPAGA) to conduct a study to identify the effect of removing the Urban Development Boundary or similar boundaries in Miami-Dade County and other counties. The bill requires the study to contain certain specified elements and for OPPAGA to report its conclusions by October 1, 2026.

Fiscal or Economic Impact:
The bill may have an indeterminate negative fiscal impact on state government and local governments and an indeterminate positive economic impact on applicants for development permits and orders.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

Application Fees for Development Permits and Orders

The bill requires the amount of any application fee charged by a county or municipality for a development permit or development order be reasonably related to the direct and reasonable indirect costs associated with the review, processing, and final disposition of the application. These rates must be published by the local government as part of their fee schedule. The bill prohibits a county or municipality from charging an application fee for a development permit or order that is based on a percentage of construction costs, site costs, or project valuation. This provision of the bill is effective on January 1, 2027. (Sections 1 and 2)

Approval of Comprehensive Plan Amendments

The bill provides that the exclusive method for the transmittal and adoption of an amendment to the future land use element of a comprehensive plan is by a majority vote of the members of the governing body present at the hearing, notwithstanding any county charter provision to the contrary. (Section 3)

Compatibility

The bill requires each local government's comprehensive plan and land development regulations to include factors for assessing the compatibility of allowable residential uses within residential zoning districts and within the residential future land use category. These factors may include intensity, density, scale, building size, mass, bulk, height and orientation, lot coverage, lot size and configuration, architectural style, permeability, screening, buffers, setbacks, stepbacks, transitional areas, signage, traffic and pedestrian circulation and access, and operational impacts, such as noise, odor, and lighting.

The bill provides that land development regulations must incorporate objective design standards or other measures for mitigating or minimizing potential incompatibility. (Section 4)

The bill requires local government staff reviewing an application for rezoning, subdivision, or site plan approval to identify with specificity each area of incompatibility before recommending denial of an application. The bill requires that a denial of an application on compatibility grounds must specify the area or areas of incompatibility with particularly, including the applicable evaluation standards used, an explanation of any mitigation measures the applicant has considered and declined, or the basis for determining that no feasible mitigation measures exist. References to "community character" or "neighborhood feel" are not sufficient in and of themselves to support a denial of an application on compatibility grounds. (Section 4)

The bill provides that local government staff may recommend mitigation measures to the applicant. If an applicant proposes mitigation measures, the bill prohibits a local government from denying an application on compatibility grounds unless the denial contains written findings stating that the proposed mitigation measures are inadequate and no feasible mitigation measures exist. The bill provides that a local government's approval of an application may include requirements or conditions to mitigate or minimize compatibility concerns. (Section 4)

These provisions do not apply to:

- Compatibility between uses in different future land use categories, including rural, agricultural, conservation, open space, mixed-use, industrial, or commercial use;
- Applications for development within planned unit developments or master planned communities; or
- Applications for development within historic districts designated before January 1, 2026. (Section 4)

These provisions do not require a local government to approve an application that is otherwise inconsistent with the applicable local government comprehensive plan or land development regulations. (Section 4)

This provision of the bill is effective on January 1, 2027. (Section 4)

Development Boundary Study

The bill requires the Office of Program Policy Analysis and Government Accountability to conduct a study to identify the effect of removing the Urban Development Boundary or similar boundaries in Miami-Dade County and other counties. The results of the study must be submitted to the President of the Senate and the Speaker of the House of Representatives by October 1, 2026. The bill requires that the study:

- Address whether counties may still control growth through other zoning and land use designations.
- Include an analysis of the economic benefits related to the cost of land and housing.
- Analyze whether local counties can still protect the environment and water quality without having a urban development boundary or a similar boundary within their jurisdiction. (Section 5)

Effective Date

The bill is effective upon becoming a law, but the provisions concerning application fees and compatibility are effective January 1, 2027. (Section 6)

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

The bill may have an indeterminate negative fiscal impact on state government to the extent additional comprehensive plan amendments that must be reviewed by the Department of Commerce are adopted by local governments.

LOCAL GOVERNMENT:

The bill may have an indeterminate negative fiscal impact on local governments that charge application fees for development permits and orders in excess of the limitations provided by the bill.

PRIVATE SECTOR:

The bill may have an indeterminate positive economic impact on developers to the extent local government application fees for development permits and orders are reduced to comply with the provisions of the bill.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Comprehensive Planning

The Community Planning Act[1] provides counties and municipalities with the power to plan for future development by adopting comprehensive plans.[2] Each county and municipality must maintain a comprehensive plan to guide future development and growth.[3]

All development, both public and private, and all development orders approved by local governments must be consistent with the local government's comprehensive plan.[4] A comprehensive plan is intended to provide for the future use of land, which contemplates a gradual and ordered growth, and establishes a long-range maximum limit on the possible intensity of land use.[5]

A locality's comprehensive plan lays out the locations for future public facilities, including roads, water and sewer facilities, neighborhoods, parks, schools, and commercial and industrial developments.[6] A comprehensive plan is made up of 10 required elements, each laying out regulations for a different facet of development.[7] Local governments may also include optional elements in their comprehensive plan.[8] The 10 required elements are:

- Capital improvements.
- Future land use plan.
- Transportation.
- General sanitary sewer, solid waste, drainage, potable water and natural groundwater aquifer recharge.
- Conservation.
- Recreation and open space.
- Housing.
- Coastal management.
- Intergovernmental coordination.
- Property rights.[9]

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[1] Ch. 163, Part II, F.S.
[2] S. 163.3167(1), F.S.
[3] S. 163.3167(1)(a), (2), F.S.
[4] S. 163.3194(1)(a), F.S.
[5] *See, e.g.*, *Sarasota County, Fla. Comprehensive Plan, Future Land Use Element, FLU Policy 1.1.1* (last visited Jan. 24, 2026).
[6] S. 163.3177(1), F.S.
[7] S. 163.3177(6), F.S.
[8] S. 163.3177(1)(a), F.S.
[9] S. 163.3177(3), (6)(a)-(i), F.S.

Comprehensive plans must include at least two planning periods, one covering the first 10-year period occurring after the plan's adoption and one covering a period of at least 20 years.[10] Additional planning periods are permissible and accepted as part of the planning process.

Future Land Use Element

Comprehensive plans must include an element regarding future land use that designates the proposed future general distribution, location, and extent of the uses of land for a number of uses and categories of public and private uses of land.[11] Each future land use category must be defined in terms of uses included, and must include standards to be followed in the control and distribution of population densities and building and structure intensities.[12] The proposed distribution, location, and extent of the various categories of land use must be shown on a land use map or map series. Future land use plans and plan amendments are based on surveys, studies, and data regarding the area.[13]

A comprehensive plan's future land use element establishes a range of allowable uses and densities and intensities over large areas, and the specific use and intensities for specific parcels within that range are decided by a more detailed, implementing zoning map.[14]

The future land use element of each comprehensive plan is required to consider both the amount of land required to accommodate anticipated growth and methods of discouraging urban sprawl.[15] Local governments balance these priorities by the adoption of an urban services area, which is intended to contain a certain proportion of new development over the planning period.[16] As a part of the local government's comprehensive plan, these areas can normally be adjusted by the local governing body by a majority vote.[17] Some counties, however, have adopted charter amendments that require extraordinary thresholds for the adoption of comprehensive plan amendments that adjust the boundary between urban and rural portions of the county.[18]

Compatibility

The future land use element must consider what uses are compatible with one another to guide rezoning requests, development orders, and plan amendments.[19] Compatibility means "a condition in which land uses or conditions can coexist in relative proximity to each other in a stable fashion over time such that no use or condition is unduly negatively impacted directly or indirectly by another use or condition."[20] In other words, the compatibility requirement permits local governments to consider whether a proposed use can peacefully coexist with existing uses.

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[10] S. 163.3177(5)(a), F.S.
[11] S. 163.3177(6)(a), F.S. Applicable uses and categories of public and private uses of land include, but are not limited to, residential, commercial, industrial, agricultural, recreational, conservation, educational, and public facilities.
[12] S. 163.3177(6)(a)1., F.S.
[13] S. 163.3177(6)(a)2., F.S.
[14] Richard Grosso, *A Guide to Development Order "Consistency" Challenges Under Florida Statutes Section 163.3215*, 34 J. Envtl. L. & Litig. 129, 154 (2019) (citing *Brevard Cty. v. Snyder,* 627 So. 2d 469, 475 (Fla. 1993)).
[15] S. 163.3177(6)(a)2.a. and h., F.S.
[16] *See, e.g.,* Tallahassee-Leon County 2030 Comprehensive Plan, Land Use, Goal 1 ("The location and size of the [Urban Services Area] shall be depicted on the Future Land Use Map and is based upon the area necessary to accommodate 90% of new residential dwelling units within the County by the Plan Horizon[.]").
[17] *See* s. 163.3184(11)(a), F.S. (providing that the transmittal or adopting of a comprehensive plan amendment "shall be by affirmative vote of not less than a majority of the members of the governing body present at the hearing").
[18] *See, e.g.* Miami-Dade County Charter, s. 1.01(A)(5) ("[A]ny decision to include any additional land within the Urban Development Boundary of the County's Comprehensive Development Master Plan shall require a two-thirds vote of the Board of County Commissioners then in office) and Seminole County Charter, s. 5.2(B) ("Any vote to remove property from the Rural Area, however, shall only be by Supermajority vote of the Board of County Commissioners").
[19] S. 163.3194(3), F.S.
[20] S. 163.3164(9), F.S.

Local governments, through the future land use plan, are responsible for ensuring compatibility of uses on adjacent lands, and particularly those lands in proximity to military installations and airports.[21] To act on this requirement, land use regulations are required to contain specific and detailed provisions necessary to ensure the compatibility of adjacent land uses.[22] In practice, these regulations take the form of zoning codes with compatibility standards for height, density, setbacks, parking, and other general regulations on what types of developments can coexist.[23]

Comprehensive Plan Amendments

Comprehensive plan amendments are generally governed by the state expedited review process, which typically begins with an initial public hearing during which the local government's governing body decides whether to transmit the proposed amendment to the reviewing agencies.[24] The local government's decision must be by an affirmative vote of at least a majority of the governing body's members present at the hearing.[25] Within 10 working days of such hearing, the local government must transmit the plan amendment and appropriate supporting data and analyses to the reviewing agencies for expedited comment[26] and to any other local government or governmental agency that filed a written request for such transmittal with the local government.[27] Interested persons may also provide the local government with written or oral comments, recommendations, or objections to the plan amendment.[28]

Within 180 days after receipt of any agency comments, the local government must generally hold a second public hearing to determine whether to adopt the plan amendment.[29] Where the proposed amendment is a small-scale development amendment,[30] however, the local government must hold only the public adoption hearing; the initial public hearing is not required.[31] In either case, plan amendment adoption must be by an affirmative vote of at least a majority of the governing body's members present at the hearing, and failure to hold a timely adoption hearing causes the amendment to be withdrawn unless the timeframe is extended by agreement with specified notice to the Department of Commerce (Department), and other parties.[32]

Within 10 working days of the adoption hearing, the local government must transmit the plan amendment to the Department and any affected person who provided timely comments on the amendment.[33] The Department must review the amendment package for any deficiencies and send notice of such deficiencies to the local government

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[21] S. 163.3177(6)(a)2.-3., F.S.
[22] S. 163.3202(2)(b), F.S.
[23] *See, e.g.,* City of Maitland Land Development Code, s. 5.10 (Residential Compatibility Standards).
[24] Section 163.3184(1)(c), F.S., provides that "reviewing agencies" are the state land planning agency (Department of Commerce), the appropriate regional planning council, the appropriate water management district, the Department of Environmental Protection, the Department of State, the Department of Transportation, the Department of Education (for plan amendments relating to public schools), the commanding officer of an affected military installation, the Fish and Wildlife Conservation Commission and the Department of Agriculture and Consumer Services (for county plans and plan amendments), and, for municipal plans and plan amendments, the county in with the municipality is located. Amendments that do not use the state expedited review process include plan amendments that are in an area of critical state concern; propose a rural land stewardship area; propose a sector plan or an amendment to an adopted sector plan; or update a comprehensive plan based on an evaluation and appraisal, which use the state coordinated review process and small-scale development amendments that involve the use of 50 acres or fewer, only proposes a land use change to the future land use map for a site-specific small-scale development activity, and only applies to property not located within an area of critical state concern, absent an exception related to affordable housing development. Ss. 163.3184(2)(b)-(c), (4) and 163.3187, F.S.
[25] S. 163.3184(11), F.S.
[26] The expedited review process is set out in s. 163.3184(3), F.S.
[27] S. 163.3184(3), F.S.
[28] S. 163.3184(1), (3), (4), F.S.
[29] S. 163.3184(3)(c)1., F.S. Plan amendments under the expedited state review process must be adopted within 180 days of the second public hearing held to consider the amendments.
[30] Small-scale comprehensive plan amendments are generally not reviewed by the Department. *See* ss. 163.3184(2)(b) and 163.3187, F.S.
[31] Ss. 163.3184(2) and 163.3187(2), F.S.
[32] S. 163.3184(3), (4), and (11), F.S.
[33] *Id.*

within five working days of receipt of the amendment package.[34] If no deficiencies are found, the amendment takes effect 31 days after the Department notifies the local government that the amendment package is complete for the expedited state review process, 31 days after the adoption of the amendment for small-scale development amendments, or pursuant to the Department's notice of intent determining the amendment is in compliance for the state coordinated review process.[35]

Land Development Regulations

Comprehensive plans are implemented via land development regulations. Land development regulations are ordinances enacted by governing bodies for the regulation of any aspect of development and includes any local government zoning, rezoning, subdivision, building construction, sign regulations, or any other regulations controlling the development of land.[36]

Each county and municipality must adopt and enforce land development regulations that are consistent with and that implement its adopted comprehensive plan.[37] Local governments are encouraged to use innovative land development regulations[38] and may adopt measures for the purpose of increasing affordable housing using land use mechanisms.[39]

Zoning

A comprehensive plan's future land use element establishes a range of allowable uses and densities[40] and intensities[41] over large areas, while the specific use and intensities for specific parcels within that range are decided by a more detailed, implementing zoning map.[42]

Zoning maps and zoning districts are adopted by a local government for developments within each land use category or sub-category. While land uses are general in nature, one or more zoning districts may apply within each land use designation.[43] Common regulations within the zoning map districts include density, height and bulk of buildings, setbacks, and parking requirements. Regulations for a zoning category in a downtown area may allow for more density and height than allowed in a suburb, for instance.

If a developer or landowner believes that a proposed development may have merit but it does not meet the requirements of a zoning map in a jurisdiction, the developer or landowner can seek a rezoning through a rezoning application.[44] Rezoning applications are initially reviewed by local government staff, then by an appointed body that makes recommendations to the governing body of the local government, which makes the final determination.[45] If a property has unique circumstances or small nonconformities but otherwise meets zoning regulations, local governments may ease restrictions on certain regulations such as building size or setback through an application for a variance.[46] However, any action to rezone or grant a variance must be consistent with the local government's comprehensive plan.

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[34] S. 163.3184(3)(c)3. and (4)(e)3., F.S.
[35] Ss. 163.3184(3)(c)4., 163.3184(4)(e)4.-5., and 163.3187(5)(c), F.S.
[36] S. 163.3164(26), F.S.
[37] S. 163.3202(1), F.S.
[38] S. 163.3202(3), F.S.
[39] S. 125.01055 and 166.04151, F.S.
[40] "Density" means an objective measurement of the number of people or residential units allowed per unit of land, such as residents or employees per acre. S. 163.3164(12), F.S.
[41] "Intensity" means an objective measurement of the extent to which land may be developed or used, including the consumption or use of the space above, on, or below ground; the measurement of the use of or demand on natural resources; and the measurement of the use of or demand on facilities and services. S. 163.3164(22), F.S.
[42] Grosso, *supra* note 14.
[43] *See, e.g.,* Indian River County, *Planning and Development Services FAQ* (last visited Jan. 24, 2026).
[44] *See e.g.,* City of Tallahassee, *Application for Rezoning Review* (last visited Jan. 24, 2026).
[45] *See id.* and City of Redington Shores, *Planning and Zoning Board* (last visited Jan. 24, 2026).
[46] *See e.g.*, City of Tallahassee, *Variance and Appeals* and Seminole County, *Variance Process Requirements* (last visited Jan. 24, 2026).

Ordinances or resolutions that change the actual list of permitted, conditional, or prohibited uses within a zoning category or ordinances or resolutions initiated by the local government that change the actual zoning map designation of a parcel or parcels of land must follow additional enhanced notice requirements:

- If the area affected is less than 10 acres, the local government must notify by mail each property owner and hold a public meeting to discuss the ordinance or resolution before passage.
- If the area affected is 10 acres or greater, the local government must hold two separate meetings to discuss the changes, and notice the public through either mail to each property owner or to the public generally by newspaper.[47]

Development Orders and Permits

Under the Community Planning Act, a development permit is any official action of a local government permitting the development of land.[48] Development permits include, but are not limited to, building permits, zoning permits, subdivision approval, rezoning, certifications, special exceptions, and variances.[49] A development order is issued by a local government and grants, denies, or grants with conditions an application for a development permit.[50]

Within five business days after receiving an application for approval of a development permit or development order, a county or municipality must review the application for completeness and issue a written notification to the applicant indicating that all required information is submitted or specify any areas that are deficient.[51] If the application is deficient, the applicant has 30 days to address the deficiencies by submitting the required additional information.

Within 120 days after the county or municipality has deemed the application complete, or 180 days for applications that require final action through a quasi-judicial hearing or a public hearing, the county or municipality must approve, approve with conditions, or deny the application for a development permit or development order.[52] Both the applicant and the local government may agree to an extension of time, particularly in the event of a force majeure or other extraordinary circumstance. An approval, approval with conditions, or denial of the application for a development permit or development order must include written findings supporting the local government's decision. These timeframes do not apply in an area of critical state concern.[53]

When reviewing an application for a development permit or development order, not including building permit applications, a county or municipality may not request additional information from the applicant more than three times, unless the applicant waives the limitation in writing.[54] If a county or municipality makes a request for additional information from the applicant and the applicant provides the information within 30 days of receiving the request, the county or the municipality may take the following actions:

- *First Request for Information*: Review the additional information and issue a letter to the applicant indicating that the application is complete or specify the remaining deficiencies within 30 days of receiving the information.[55]
- *Second Request for Information*: Same as the first request but the letter must be issued within 10 days of receiving the additional information.[56]

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[47] *See* ss. 125.66(5) and 166.041(3), F.S.
[48] S. 163.3164(16), F.S.
[49] *Id*. The provisions of ss. 125.022 and 166.033, F.S., however, do not apply to building permits. S. 122.022(6) and 166.033(6), F.S.
[50] *See* ss. 125.022, F.S., 163.3164(15), F.S., and 166.033, F.S.
[51] Ss. 125.022(2), F.S. and 166.033(2), F.S.
[52] *Id*.
[53] *Id*. Areas of critical state concern are designated in s. 380.0552, F.S., and ch. 28-36, F.A.C.
[54] Ss. 125.022(3)(a) and 166.033(3)(a), F.S.
[55] Ss. 125.022(3)(b) and 166.033(3)(b), F.S.
[56] Ss. 125.022(3)(c) and 166.033(3)(c), F.S.

- *Third Request for Information*: Deem the application complete within 10 days of receiving the additional information or proceed to process the application for approval or denial unless the applicant waived the county's or municipality's time limitations in writing.[57]

Before a third request for information, the applicant must be offered a meeting to attempt to resolve outstanding issues.[58] If the applicant believes the request for additional information is not authorized by ordinance, rule, statute, or other legal authority, the applicant can request that the county or municipality proceed to process the application for approval or denial.[59]

A county or municipality that fails to meet the above timeframes is required to issue refunds to the applicant ranging from 10 percent to 100 percent of the application fee, if the parties did not agree to an extension of time or the delay was not caused by the applicant or a force majeure[60] or other extraordinary circumstance.[61]

If a development permit or order is denied, the county or municipality must give written notice to the applicant and must reference the applicable legal authority for the denial of the permit.[62]

Building Permit Fees

Local governments may provide a schedule of reasonable fees for enforcing the Florida Building Code (FBC). Such fees, and any fines or investment earnings related to the fees, may only be used for carrying out the local government's responsibilities in enforcing the FBC. A reasonable fee for enforcing the FBC includes direct costs and reasonable indirect costs associated with review of building plans, building inspections, reinspections, and building permit processing; building code enforcement; fire inspections associated with new construction; training costs associated with the enforcement of the FBC; and enforcement actions pertaining to unlicensed contractor activity to the extent not funded by other user fees.[63] A local government must post its permit and inspection fee schedules on its website.[64]

[57] Ss. 125.022(3)(d) and 166.033(3)(d), F.S.
[58] *Id.*
[59] Ss. 125.022(3)(e) and 166.033(3)(e), F.S.
[60] Force majeure means "an event or effect that can be neither anticipated nor controlled; esp., an unexpected event that prevents someone from doing or completing something that he or she had agreed or officially planned to do." Black's Law Dictionary (12th ed. 2024).
[61] Ss. 125.022(4) and 166.033(4), F.S.
[62] Ss. 125.022(5) and 166.033(5), F.S.
[63] S. 553.80(7)(a), F.S.
[64] Ss. 125.56(4)(c), F.S. and 166.222(2), F.S.

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Intergovernmental Affairs Subcommittee	10 Y, 3 N, As CS	1/28/2026	Darden	Darden
THE CHANGES ADOPTED BY THE COMMITTEE:	• Requires application fees for development permits and orders to reasonably relate to the direct and reasonable indirect costs associated with reviewing applications. • Provides that amendments to the future land use element of the comprehensive plan must be adopted by majority vote of the members present, notwithstanding any county charter. • Requires local governments to include factors for assessing compatibility of residential uses in their comprehensive plans and land development regulations and provides standards for applying the adopted factors.			
Housing, Agriculture & Tourism Subcommittee			Curtin	Wright
State Affairs Committee				

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

A bill to be entitled

An act relating to land use and development regulations; amending ss. 125.022 and 166.033, F.S.; requiring that the amount of certain application fees reasonably relate to certain costs; requiring that such fees be published on the county's or municipality's fee schedule, respectively; prohibiting such fees from being based on certain costs or valuations; amending s. 163.3184, F.S.; requiring the transmittal and adoption of an amendment to the future land use element of a comprehensive plan to be by a majority vote of the members of the governing body; amending s. 163.3194, F.S.; requiring that local government comprehensive plans and land development regulations include specified factors for assessing the compatibility of certain residential uses; requiring that land development regulations incorporate certain objective standards or other measures for mitigating or minimizing potential incompatibility; requiring local government staff to meet certain requirements before recommending denial of certain applications on compatibility grounds; prohibiting a local government from denying certain applications on compatibility grounds if the applicant has proposed certain measures; providing an exception;

requiring that the denial of an application specify certain information; authorizing local government approval of an application to include certain requirements or conditions; providing applicability; providing construction; requiring the Office of Program Policy Analysis and Government Accountability to conduct a specified study; providing study requirements; requiring the office to submit the results of the study to the Legislature by a specified date; providing effective dates.

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

Section 1. Effective January 1, 2027, subsection (9) of section 125.022, Florida Statutes, is renumbered as subsection (10), and a new subsection (9) is added to that section to read:

125.022 Development permits and orders.—

(9) The amount of any application fee associated with a development permit or development order must reasonably relate to the direct and reasonable indirect costs associated with the review, processing, and final disposition of the application and must be published on the county's fee schedule. The fee may not be based on a percentage of construction costs, site costs, or project valuation.

Section 2. Effective January 1, 2027, subsection (9) of

section 166.033, Florida Statutes, is renumbered as subsection (10), and a new subsection (9) is added to that section to read:

166.033 Development permits and orders.—

(9) The amount of any application fee associated with a development permit or development order must reasonably relate to the direct and reasonable indirect costs associated with the review, processing, and final disposition of the application and must be published on the municipality's fee schedule. The fee may not be based on a percentage of construction costs, site costs, or project valuation.

Section 3. Paragraph (a) of subsection (11) of section 163.3184, Florida Statutes, is amended to read:

163.3184 Process for adoption of comprehensive plan or plan amendment.—

(11) PUBLIC HEARINGS.—

(a) The procedure for transmittal of a complete proposed comprehensive plan or plan amendment pursuant to subparagraph (3)(b)1. and paragraph (4)(b) and for adoption of a comprehensive plan or plan amendment pursuant to subparagraphs (3)(c)1. and (4)(e)1. shall be by affirmative vote of not less than a majority of the members of the governing body present at the hearing. Notwithstanding any provision of a county charter, the exclusive method for the transmittal and adoption of an amendment to the future land use element of a comprehensive plan must be by affirmative vote of a majority of the members of the

governing body present at the hearing. The adoption of a comprehensive plan or plan amendment shall be by ordinance. For the purposes of transmitting or adopting a comprehensive plan or plan amendment, the notice requirements in chapters 125 and 166 are superseded by this subsection, except as provided in this part.

Section 4. Effective January 1, 2027, subsection (7) is added to section 163.3194, Florida Statutes, to read:

163.3194 Legal status of comprehensive plan.—

(7)(a) Local government comprehensive plans and land development regulations must include factors for assessing the compatibility of allowable residential uses within a residential zoning district and future land use category. Such factors may include intensity, density, scale, building size, mass, bulk, height and orientation, lot coverage, lot size and configuration, architectural style, permeability, screening, buffers, setbacks, stepbacks, transitional areas, signage, traffic and pedestrian circulation and access, and operational impacts, such as noise, odor, and lighting.

(b) Land development regulations must incorporate objective design standards or other measures for mitigating or minimizing potential incompatibility.

(c)1. Before recommending denial of an application for rezoning, subdivision, or site plan approval on compatibility grounds, local government staff must identify with specificity

each area of incompatibility and may recommend mitigation measures to the applicant.

2. If the applicant has proposed mitigation measures, the local government may not deny an application on compatibility grounds unless the denial includes written findings stating that the proposed mitigation measures are inadequate and that no feasible mitigation measures exist.

3. A denial of an application on compatibility grounds must specify with particularity the area or areas of incompatibility, including applicable standards and an explanation of any mitigation measures considered and declined by the applicant, or the basis for determining that no feasible mitigation measures exist. References to "community character" or "neighborhood feel" are not sufficient in and of themselves to support a denial of an application on compatibility grounds.

4. A local government's approval of an application may include requirements or conditions to mitigate or minimize compatibility concerns.

(d) This subsection does not apply to any of the following:

1. Compatibility between uses in different future land use categories, including rural, agricultural, conservation, open space, mixed-use, industrial, or commercial use.

2. Applications for development within planned unit developments or master planned communities.

3. Applications for development within historic districts designated before January 1, 2026.

(e) This section does not require approval of an application that is otherwise inconsistent with the applicable local government comprehensive plan or land development regulations.

Section 5. The Office of Program Policy Analysis and Government Accountability (OPPAGA) shall conduct a study to identify the effect of removing the Urban Development Boundary (UDB) or similar boundaries in Miami-Dade County and other counties.

(1) The study shall:

(a) Address whether counties may still control growth through other zoning and land use designations.

(b) Include an analysis of the economic benefits related to the cost of land and housing.

(c) Analyze whether local counties can still protect the environment and water quality without having a UDB or a similar boundary within their jurisdictions.

(2) By October 1, 2026, OPPAGA shall submit the results of the study to the President of the Senate and the Speaker of the House of Representatives.

Section 6. Except as otherwise expressly provided in this act, this act shall take effect upon becoming a law.

HOUSING, AGRICULTURE & TOURISM SUBCOMMITTEE

HB 399 by Rep. Borrero
Land Use and Development Regulations

AMENDMENT SUMMARY
February 5, 2026

Amendment #791203 by Rep. Borrero (Line 145): The amendment extends the deadline for the Office of Program Policy Analysis and Government Accountability (OPPAGA) to submit a report to the Legislature regarding the effect of removing Urban Development Boundaries to December 1, 2026, from October 1, 2026.

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: Housing, Agriculture & Tourism Subcommittee

Representative Borrero offered the following:

Amendment

Remove line 145 and insert:

(2) By December 1, 2026, OPPAGA shall submit the results of

HB 691

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 691	**COMPANION BILL:** CS/SB 686 (McClain)
TITLE: Agricultural Enclaves	**LINKED BILLS:** None
SPONSOR(S): Botana	**RELATED BILLS:** None

Committee References

Intergovernmental Affairs
13 Y, 0 N
➤ Housing, Agriculture & Tourism ➤ State Affairs

SUMMARY

Effect of the Bill:
The bill repeals the existing procedure allowing the owner of an agricultural enclave to apply for an amendment to a local government's comprehensive plan and replaces it with a new public hearing and review process that allows for development of the parcel without a comprehensive plan amendment. The revised process applies to development plans for single-family residential housing on the parcel that are consistent with the land use requirements, or future land use designations, including uses, density, and intensity, of one or more adjacent parcels or an adjacent development.

Fiscal or Economic Impact:
None

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill repeals the existing procedure allowing the owner of an agricultural enclave to apply for an amendment to a local government's comprehensive plan to allow for the development of the parcel and replaces it with a new public hearing and review process that allows for development without a comprehensive plan amendment. Under the bill, the owner of an agricultural enclave (applicant) may apply for certification of land as an agricultural enclave, subject to public hearing and approval, if one or more adjacent parcels or an adjacent development permits the same or higher density than the proposed development. The county or municipality must provide a written report to the applicant within 30 days of receipt of the application stating whether or not the application meets this requirement. (Section 1)

Within 30 days of providing the written report, the county or municipality must hold a public hearing to approve or deny certification of the parcel as an agricultural enclave. If the local government fails to approve or deny certification within 90 days of receipt of the application, the bill requires the parcel to be certified as an agricultural enclave. (Section 1)

If the application is denied, the bill requires the governing body of the county or municipality to issue a decision in writing containing detailed findings of fact and conclusions of law. The applicant may seek review of the denial by filing a petition for a writ of certiorari in circuit court within 30 days after the date of the county or municipality renders its decision. (Section 1)

If the application is approved, the applicant may submit development plans for single-family residential housing on the parcel that are consistent with the land use requirements, or future land use designations, including uses, density, and intensity, of one or more adjacent parcels or an adjacent development. The bill requires this development to treated as a conforming use—regardless of the local government's comprehensive plan, future

land use designation, or zoning of the parcel. Within 30 business days of receiving the development plans, the local government and the applicant must agree in writing to a process and schedule for information submittal, analysis, and final approval, which may be administrative in nature, of the development plans. The bill prohibits a local government from requiring the applicant to agree to a process that exceeds 180 days or that includes further review of the plans in a quasi-judicial process or public hearing. (Section 1)

The bill prohibits a county or municipality from enacting or enforcing a law or regulation for an agricultural enclave that is more burdensome than for other types of applications for comparable uses or densities. The bill requires a local government to treat an agricultural enclave that is adjacent to an urban service district as if it is part of the urban service district. (Section 1)

The bill provides that the agricultural enclave process does not apply to military installation or ranges identified by statute. (Section 1)

The bill revises which parcels qualify as an agricultural enclave by:

- Limiting the designation to parcels that met the criteria as of January 1, 2025.
- Expanding the definition to include parcels that are:
    - Surrounded on at least 75 percent of their perimeter by a combination of an interstate highway and a parcel or parcels that are within an urban service district, area, or line and that the local government has designated in the local government's future land use map as land that is to be developed for industrial, commercial, or residential purposes.
    - Surrounded on at least 50 percent of their perimeter by a parcel or parcels that the local government has designated on the local government's future land use map as land that is to be developed for industrial, commercial, or residential purposes and the parcel or parcels are surrounded on at least 50 percent of their perimeter by a parcel or parcels within an urban service district, area, or line. Such a parcel may not exceed 700 acres.
    - Located within the boundary of an established rural study area adopted in the local government's comprehensive plan that was intended to be developed with residential uses.
- Allowing an applicant to offer to enter a binding agreement to pay for, construct, or contribute land for its proportionate share of necessary public improvements to service the development.
- Requiring the parcels to be located in a county with 1.75 million or fewer residents as of the most recent official state population estimate.

If a right-of-way, body of water, or canal exists along the perimeter of a parcel, the bill provides that perimeter calculations for the agricultural enclave must be based on the adjacent parcel or parcels across the right-of-way, body of water, or canal. (Section 2)

The changes made by the bill expire on January 1, 2028, and the bill provides the text of the amended subsections shall revert to that in existence of September 30, 2026, on that date. (Section 3)

The effective date of the bill is July 1, 2026. (Section 4)

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Comprehensive Planning

The Community Planning Act[1] provides counties and municipalities with the power to plan for future development by adopting comprehensive plans.[2] Each county and municipality must maintain a comprehensive plan to guide future development and growth.[3]

[1] Ch. 163, Part II, F.S.
[2] S. 163.3167(1), F.S.
[3] S. 163.3167(2), F.S.

All development, both public and private, and all development orders approved by local governments must be consistent with the local government's comprehensive plan.[4] A comprehensive plan is intended to provide for the future use of land, which contemplates a gradual and ordered growth, and establishes a long-range maximum limit on the possible intensity of land use.[5]

A locality's comprehensive plan lays out the locations for future public facilities, including roads, water and sewer facilities, neighborhoods, parks, schools, and commercial and industrial developments.[6] A comprehensive plan is made up of 10 required elements, each laying out regulations for a different facet of development.[7] Local governments may also include optional elements in their comprehensive plan.[8] The 10 required elements are:

- Capital improvements.
- Future land use plan.
- Transportation.
- General sanitary sewer, solid waste, drainage, potable water and natural groundwater aquifer recharge.
- Conservation.
- Recreation and open space.
- Housing.
- Coastal management.
- Intergovernmental coordination.
- Property rights.[9]

Comprehensive plans must include at least two planning periods, one covering the first 10-year period occurring after the plan's adoption and one covering a period of at least 20 years.[10] Additional planning periods are permissible and accepted as part of the planning process.

Future Land Use Element

Comprehensive plans must include an element regarding future land use that designates the proposed future general distribution, location, and extent of the uses of land for a number of uses and categories of public and private uses of land.[11] Each future land use category must be defined in terms of uses included, and must include standards to be followed in the control and distribution of population densities and building and structure intensities.[12] The proposed distribution, location, and extent of the various categories of land use must be shown on a land use map or map series. Future land use plans and plan amendments are based on surveys, studies, and data regarding the area.[13]

A comprehensive plan's future land use element establishes a range of allowable uses and densities and intensities over large areas, and the specific use and intensities for specific parcels within that range are decided by a more detailed, implementing zoning map.[14]

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[4] S. 163.3194(1)(a), F.S.
[5] *See, e.g.,* *Sarasota County, Fla. Comprehensive Plan, Future Land Use Element, FLU Policy 1.1.1* (last visited Jan. 24, 2026).
[6] S. 163.3177(1), F.S.
[7] S. 163.3177(6), F.S.
[8] S. 163.3177(1)(a), F.S.
[9] S. 163.3177(3), (6)(a)-(i), F.S.
[10] S. 163.3177(5)(a), F.S.
[11] S. 163.3177(6)(a), F.S. Applicable uses and categories of public and private uses of land include, but are not limited to, residential, commercial, industrial, agricultural, recreational, conservation, educational, and public facilities.
[12] S. 163.3177(6)(a)1., F.S.
[13] S. 163.3177(6)(a)2., F.S.
[14] Richard Grosso, *A Guide to Development Order "Consistency" Challenges Under Florida Statutes Section 163.3215*, 34 J. Envtl. L. & Litig. 129, 154 (2019) (citing *Brevard Cty. v. Snyder,* 627 So. 2d 469, 475 (Fla. 1993)).

The future land use element of each comprehensive plan is required to consider both the amount of land required to accommodate anticipated growth and methods of discouraging urban sprawl.[15] Local governments balance these priorities by the adoption of an urban services area, which is intended to contain a certain proportion of new development over the planning period.[16] As a part of the local government's comprehensive plan, these areas can normally be adjusted by the local governing body by a majority vote.[17] Some counties, however, have adopted charter amendments that require extraordinary thresholds for the adoption of comprehensive plan amendments that adjust the boundary between urban and rural portions of the county.[18]

Compatibility

The future land use element must consider what uses are compatible with one another to guide rezoning requests, development orders, and plan amendments.[19] Compatibility means "a condition in which land uses or conditions can coexist in relative proximity to each other in a stable fashion over time such that no use or condition is unduly negatively impacted directly or indirectly by another use or condition."[20] In other words, the compatibility requirement permits local governments to consider whether a proposed use can peacefully coexist with existing uses.

Local governments, through the future land use plan, are responsible for ensuring compatibility of uses on adjacent lands, and particularly those lands in proximity to military installations and airports.[21] To act on this requirement, land use regulations are required to contain specific and detailed provisions necessary to ensure the compatibility of adjacent land uses.[22] In practice, these regulations take the form of zoning codes with compatibility standards for height, density, setbacks, parking, and other general regulations on what types of developments can coexist.[23]

Comprehensive Plan Amendments

Comprehensive plan amendments are generally governed by the state expedited review process, which typically begins with an initial public hearing during which the local government's governing body decides whether to transmit the proposed amendment to the reviewing agencies.[24] The local government's decision must be by an

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[15] S. 163.3177(6)(a)2.a. and h., F.S.

[16] *See, e.g.,* Tallahassee-Leon County 2030 Comprehensive Plan, Land Use, Goal 1 ("The location and size of the [Urban Services Area] shall be depicted on the Future Land Use Map and is based upon the area necessary to accommodate 90% of new residential dwelling units within the County by the Plan Horizon[.]").

[17] *See* s. 163.3184(11)(a), F.S. (providing that the transmittal or adopting of a comprehensive plan amendment "shall be by affirmative vote of not less than a majority of the members of the governing body present at the hearing").

[18] *See, e.g.* Miami-Dade County Charter, s. 1.01(A)(5) ("[A]ny decision to include any additional land within the Urban Development Boundary of the County's Comprehensive Development Master Plan shall require a two-thirds vote of the Board of County Commissioners then in office) and Seminole County Charter, s. 5.2(B) ("Any vote to remove property from the Rural Area, however, shall only be by Supermajority vote of the Board of County Commissioners").

[19] S. 163.3194(3), F.S.

[20] S. 163.3164(9), F.S.

[21] S. 163.3177(6)(a)2.-3., F.S.

[22] S. 163.3202(2)(b), F.S.

[23] *See, e.g.,* City of Maitland Land Development Code, s. 5.10 (Residential Compatibility Standards).

[24] Section 163.3184(1)(c), F.S., provides that "reviewing agencies" are the state land planning agency (Department of Commerce), the appropriate regional planning council, the appropriate water management district, the Department of Environmental Protection, the Department of State, the Department of Transportation, the Department of Education (for plan amendments relating to public schools), the commanding officer of an affected military installation, the Fish and Wildlife Conservation Commission and the Department of Agriculture and Consumer Services (for county plans and plan amendments), and, for municipal plans and plan amendments, the county in with the municipality is located. Amendments that do not use the state expedited review process include plan amendments that are in an area of critical state concern; propose a rural land stewardship area; propose a sector plan or an amendment to an adopted sector plan; or update a comprehensive plan based on an evaluation and appraisal, which use the state coordinated review process and small-scale development amendments that involve the use of 50 acres or fewer, only proposes a land use change to the future land use map for a site-specific small-scale development activity, and only applies to property not located within an area of critical state concern, absent an exception related to affordable housing development. Ss. 163.3184(2)(b)-(c), (4) and 163.3187, F.S.

affirmative vote of at least a majority of the governing body's members present at the hearing.[25] Within 10 working days of such hearing, the local government must transmit the plan amendment and appropriate supporting data and analyses to the reviewing agencies for expedited comment[26] and to any other local government or governmental agency that filed a written request for such transmittal with the local government.[27] Interested persons may also provide the local government with written or oral comments, recommendations, or objections to the plan amendment.[28]

Within 180 days after receipt of any agency comments, the local government must generally hold a second public hearing to determine whether to adopt the plan amendment.[29] Where the proposed amendment is a small-scale development amendment,[30] however, the local government must hold only the public adoption hearing; the initial public hearing is not required.[31] In either case, plan amendment adoption must be by an affirmative vote of at least a majority of the governing body's members present at the hearing, and failure to hold a timely adoption hearing causes the amendment to be withdrawn unless the timeframe is extended by agreement with specified notice to the Department of Commerce (Department), and other parties.[32]

Within 10 working days of the adoption hearing, the local government must transmit the plan amendment to the Department and any affected person who provided timely comments on the amendment.[33] The Department must review the amendment package for any deficiencies and send notice of such deficiencies to the local government within five working days of receipt of the amendment package.[34] If no deficiencies are found, the amendment takes effect 31 days after the Department notifies the local government that the amendment package is complete for the expedited state review process, 31 days after the adoption of the amendment for small-scale development amendments, or pursuant to the Department's notice of intent determining the amendment is in compliance for the state coordinated review process.[35]

Land Development Regulations

Comprehensive plans are implemented via land development regulations. Land development regulations are ordinances enacted by governing bodies for the regulation of any aspect of development and includes any local government zoning, rezoning, subdivision, building construction, sign regulations, or any other regulations controlling the development of land.[36]

Each county and municipality must adopt and enforce land development regulations consistent with and that implement its adopted comprehensive plan.[37] Local governments are encouraged to use innovative land development regulations[38] and may adopt measures for the purpose of increasing affordable housing using land use mechanisms.[39]

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[25] S. 163.3184(11), F.S.
[26] The expedited review process is set out in s. 163.3184(3), F.S.
[27] S. 163.3184(3), F.S.
[28] *Id.*
[29] S. 163.3184(3)(c)1., F.S. Plan amendments under the expedited state review process must be adopted within 180 days of the second public hearing held to consider the amendments.
[30] Small-scale comprehensive plan amendments are generally not reviewed by the Department. *See* ss. 163.3184(2)(b) and 163.3187, F.S.
[31] Ss. 163.3184(2) and 163.3187(2), F.S.
[32] S. 163.3184(3), (4), and (11), F.S.
[33] *Id.*
[34] S. 163.3184(3)(c)3. and (4)(e)3., F.S.
[35] Ss. 163.3184(3)(c)4., 163.3184(4)(e)4.-5., and 163.3187(5)(c), F.S.
[36] S. 163.3164(26), F.S.
[37] S. 163.3202(1), F.S.
[38] S. 163.3202(3), F.S.
[39] S. 125.01055 and 166.04151, F.S.

Zoning

A comprehensive plan's future land use element establishes a range of allowable uses and densities[40] and intensities[41] over large areas, while the specific use and intensities for specific parcels within that range are decided by a more detailed, implementing zoning map.[42]

Zoning maps and zoning districts are adopted by a local government for developments within each land use category or sub-category. While land uses are general in nature, one or more zoning districts may apply within each land use designation.[43] Common regulations within the zoning map districts include density, height and bulk of buildings, setbacks, and parking requirements. Regulations for a zoning category in a downtown area may allow for more density and height than allowed in a suburb, for instance.

If a developer or landowner believes that a proposed development may have merit but it does not meet the requirements of a zoning map in a jurisdiction, the developer or landowner can seek a rezoning through a rezoning application.[44] Rezoning applications are initially reviewed by local government staff, then by an appointed body that makes recommendations to the governing body of the local government, which makes the final determination.[45] If a property has unique circumstances or small nonconformities but otherwise meets zoning regulations, local governments may ease restrictions on certain regulations such as building size or setback through an application for a variance.[46] However, any action to rezone or grant a variance must be consistent with the local government's comprehensive plan.

Ordinances or resolutions that change the actual list of permitted, conditional, or prohibited uses within a zoning category or ordinances or resolutions initiated by the local government that change the actual zoning map designation of a parcel or parcels of land must follow additional enhanced notice requirements:

- If the area affected is less than 10 acres, the local government must notify by mail each property owner and hold a public meeting to discuss the ordinance or resolution before passage.
- If the area affected is 10 acres or greater, the local government must hold two separate meetings to discuss the changes, and notice the public through either mail to each property owner or to the public generally by newspaper.[47]

Agricultural Enclaves

An agricultural enclave is an unincorporated, undeveloped parcel that:

- Is owned by a single person or entity;
- Has been in continuous use for bona fide agricultural purposes for five years before the date of any comprehensive plan amendment application;
- Is surrounded on at least 75 percent of its perimeter by:
    - Existing industrial, commercial, or residential development; or
    - Property designated in the local government's comprehensive plan and land development regulations for future industrial, commercial, or residential development, and 75 percent of which currently contains such development.

[40] "Density" means an objective measurement of the number of people or residential units allowed per unit of land, such as residents or employees per acre. S. 163.3164(12), F.S.

[41] "Intensity" means an objective measurement of the extent to which land may be developed or used, including the consumption or use of the space above, on, or below ground; the measurement of the use of or demand on natural resources; and the measurement of the use of or demand on facilities and services. S. 163.3164(22), F.S.

[42] Richard Grosso, *A Guide to Development Order "Consistency" Challenges Under Florida Statutes Section 163.3215*, 34 J. Envtl. L. & Litig. 129, 154 (2019) citing *Brevard Cnty. v. Snyder*, 627 So. 2d 469, 475 (Fla. 1993).

[43] *See, e.g.,* Indian River County, *Planning and Development Services FAQ* (last visited Jan. 24, 2026).

[44] *See e.g.,* City of Tallahassee, *Application for Rezoning Review* (last visited Jan. 24, 2026).

[45] *See id.* and City of Redington Shores, *Planning and Zoning Board* (last visited Jan. 24, 2026).

[46] *See e.g.*, City of Tallahassee, *Variance and Appeals* and Seminole County, *Variance Process Requirements* (last visited Jan. 24, 2026).

[47] *See* ss. 125.66(5) and 166.041(3), F.S.

- Has public services, including water, wastewater, transportation, schools, and recreation facilities, available or such public services are scheduled in the capital improvement element to be provided by the local government (or provided by an alternative provider of local government infrastructure); and
- Does not exceed 1,280 acres, or 4,480 acres if the property is surrounded by existing or authorized residential development with a density buildout of at least 1,000 residents per square mile.[48]

Current law allows the owner of an agricultural enclave to apply for an amendment to the local government comprehensive plan for the purpose of developing the land in a manner consistent with surrounding uses.[49] The amendment is presumed not to be urban sprawl if it includes land uses and intensities of use that are consistent with the uses and intensities of use of the industrial, commercial, or residential areas that surround the parcel.[50] This presumption may be rebutted by clear and convincing evidence.[51]

Once the complete application is submitted, the local government and applicant must agree in writing within 30 days to a schedule for submission of information, public hearings, negotiations, and final action on the amendment.[52] This schedule may only be altered by mutual written consent of the parties. The parties have 180 days from the submission of a completed application to negotiate in good faith to reach consensus on the land uses and intensities of use that are consistent with the uses and intensities of use of the industrial, commercial, or residential areas that surround the parcel.

Regardless of whether the local government and owner reach consensus on the land uses and intensities of use that are consistent with the uses and intensities of use of the industrial, commercial, or residential areas that surround the parcel, the amendment must be transmitted to the Department for review.[53] The amendment is presumed to not be urban sprawl, but this presumption may be rebutted by clear and convincing evidence.

If an owner does not negotiate in good faith, the plan amendment is not entitled to the rebuttable presumption that the amendment is not urban sprawl in either process.[54] However, compliance with the schedule contained in the written agreement between the parties constitutes good faith negotiations.[55]

The agricultural enclave provisions do not preempt or replace any protection currently existing for property located within the boundaries of the Wekiva Study Area or to the Everglades Protection Area.[56]

Writ of Certiorari

A writ of certiorari is an "extraordinary writ issued by an appellate court, at its discretion, directing a lower court to deliver the record in the case for review."[57] Circuit courts and District Courts of Appeal in the state are empowered by the State Constitution to issue writs of certiorari.[58] The writ of certiorari "is generally the proper procedural vehicle to challenge a final action of an administrative tribunal not subject to the Administrative Procedure Act, such as a local zoning board decision, under Florida law."[59] Circuit courts most often serve as trial

[48] S. 163.3164(4), F.S.
[49] S. 163.3162(4), F.S.
[50] *Id*. "Urban sprawl" means a development pattern characterized by low density, automobile-dependent development with either a single use or multiple uses that are not functionally related, requiring the extension of public facilities and services in an inefficient manner, and failing to provide a clear separation between urban and rural uses. S. 163.3164(54), F.S.
[51] Clear and convincing evidence is a legal standard that means "evidence indicating that the thing to be proved is highly probable or reasonably certain. This is a greater burden than preponderance of the evidence, the standard applied in most civil trials, but less than beyond a reasonable doubt, the norm for criminal trials." Black's Law Dictionary (12th ed).
[52] S. 163.3162(4)(a), F.S.
[53] S. 163.3162(4)(b), F.S.
[54] S. 163.3162(4)(c), F.S.
[55] S. 163.3162(4)(c), F.S.
[56] S. 163.3162(4)(d), F.S.
[57] Black's Law Dictionary (12 ed. 2024).
[58] Art. V, ss. 4(b)(3) and 5(b), Fla. Const.
[59] Cory W. Eichhorn, *Second-Tier Certiorari Standard of Review Under Florida Law*, 81 Fla. B.J. 30 (Feb. 2007).

court, not as an appellate court, but when presented with a writ of certiorari, a "circuit court reviews the decision of an administrative tribunal much as it would on plenary appeal."[60]

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Intergovernmental Affairs Subcommittee	13 Y, 0 N	1/28/2026	Darden	Darden
Housing, Agriculture & Tourism Subcommittee			Curtin	Fletcher
State Affairs Committee				

[60] *Id.*

A bill to be entitled

An act relating to agricultural enclaves; amending s. 163.3162, F.S.; authorizing owners of certain parcels to apply to the governing body of the local government for certification of such parcels as agricultural enclaves; requiring the local government to provide to the applicant a certain report within a specified timeframe; requiring the local government to hold a public hearing within a specified timeframe to approve or deny such certification; requiring the certification of a parcel as an agricultural enclave under certain circumstances; requiring the governing body to issue certain decisions in writing; authorizing an applicant to seek judicial review under certain circumstances; authorizing the owner of a parcel certified as an agricultural enclave to submit certain development plans; requiring that certain developments be treated as a conforming use; prohibiting a local government from enacting or enforcing certain laws or regulations; requiring a local government to treat certain agricultural enclaves as if they are within urban service districts; requiring the local government and the owner of a parcel certified as an agricultural enclave to enter a certain written agreement; deleting

provisions relating to certain amendments to a local government's comprehensive plan; revising construction; amending s. 163.3164, F.S.; revising the definition of the term "agricultural enclave"; providing for the future expiration and reversion of specified provisions; providing an effective date.

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

Section 1. Subsection (4) of section 163.3162, Florida Statutes, is amended to read:

163.3162 Agricultural lands and practices.—

(4) PUBLIC HEARING PROCESS.—

(a) Notwithstanding any other law or local ordinance, resolution, or regulation, the owner of a parcel of land may apply to the governing body of the local government for certification of the parcel as an agricultural enclave as defined in s. 163.3164 if one or more adjacent parcels or an adjacent development permits the same density as, or higher density than, the proposed development.

(b) Within 30 days after the local government's receipt of such an application, the local government shall provide to the applicant a written report detailing whether the application complies with the requirements of paragraph (a).

(c) Within 30 days after the local government provides the

report required under paragraph (b), the local government shall hold a public hearing to approve or deny certification of the parcel as an agricultural enclave. If the local government does not approve or deny certification of the parcel as an agricultural enclave within 90 days after receipt of the application, the parcel must be certified as an agricultural enclave.

(d) If the application is denied, the governing body of the local government must issue its decision in writing with detailed findings of fact and conclusions of law. The applicant may seek review of the denial by filing a petition for writ of certiorari in the circuit court within 30 days after the date the local government renders its decision.

(e) If the application is approved, the owner of the parcel certified as an agricultural enclave may submit development plans for single-family residential housing which are consistent with the land use requirements, or future land use designations, including uses, density, and intensity, of one or more adjacent parcels or an adjacent development. A development for which plans are submitted under this paragraph must be treated as a conforming use, notwithstanding the local government's comprehensive plan, future land use designation, or zoning.

(f) A local government may not enact or enforce a law or regulation for an agricultural enclave which is more burdensome

than for other types of applications for comparable uses or densities. A local government shall treat an agricultural enclave that is adjacent to an urban service district as if such enclave is within the urban service district.

(g) Within 30 business days after the local government's receipt of development plans under paragraph (e), the local government and the owner of the parcel certified as an agricultural enclave must agree in writing to a process and schedule for information submittal, analysis, and final approval, which may be administrative in nature, of the development plans. The local government may not require the owner to agree to a process that is longer than 180 days in duration or that includes further review of the plans in a quasi-judicial process or public hearing ~~AMENDMENT TO LOCAL GOVERNMENT COMPREHENSIVE PLAN.—The owner of a parcel of land defined as an agricultural enclave under s. 163.3164 may apply for an amendment to the local government comprehensive plan pursuant to s. 163.3184. Such amendment is presumed not to be urban sprawl as defined in s. 163.3164 if it includes land uses and intensities of use that are consistent with the uses and intensities of use of the industrial, commercial, or residential areas that surround the parcel. This presumption may be rebutted by clear and convincing evidence. Each application for a comprehensive plan amendment under this subsection for a parcel larger than 640 acres must include appropriate new urbanism~~

~~concepts such as clustering, mixed-use development, the creation of rural village and city centers, and the transfer of development rights in order to discourage urban sprawl while protecting landowner rights~~.

~~(a) The local government and the owner of a parcel of land that is the subject of an application for an amendment shall have 180 days following the date that the local government receives a complete application to negotiate in good faith to reach consensus on the land uses and intensities of use that are consistent with the uses and intensities of use of the industrial, commercial, or residential areas that surround the parcel. Within 30 days after the local government's receipt of such an application, the local government and owner must agree in writing to a schedule for information submittal, public hearings, negotiations, and final action on the amendment, which schedule may thereafter be altered only with the written consent of the local government and the owner. Compliance with the schedule in the written agreement constitutes good faith negotiations for purposes of paragraph (c).~~

~~(b) Upon conclusion of good faith negotiations under paragraph (a), regardless of whether the local government and owner reach consensus on the land uses and intensities of use that are consistent with the uses and intensities of use of the industrial, commercial, or residential areas that surround the parcel, the amendment must be transmitted to the state land~~

~~planning agency for review pursuant to s. 163.3184. If the local government fails to transmit the amendment within 180 days after receipt of a complete application, the amendment must be immediately transferred to the state land planning agency for such review. A plan amendment transmitted to the state land planning agency submitted under this subsection is presumed not to be urban sprawl as defined in s. 163.3164. This presumption may be rebutted by clear and convincing evidence.~~

~~(c) If the owner fails to negotiate in good faith, a plan amendment submitted under this subsection is not entitled to the rebuttable presumption under this subsection in the negotiation and amendment process.~~

(h) ~~(d)~~ Nothing within this subsection relating to agricultural enclaves shall preempt or replace any protection currently existing for any property located within the boundaries of any of the following areas:

1. The Wekiva Study Area, as described in s. 369.316.~~; or~~

2. The Everglades Protection Area, as defined in s. 373.4592(2).

3. A military installation or range identified in s. 163.3175(2).

Section 2. Subsection (4) of section 163.3164, Florida Statutes, is amended to read:

163.3164 Community Planning Act; definitions.—As used in this act:

(4) "Agricultural enclave" means an unincorporated, undeveloped parcel or parcels that, as of January 1, 2025:

(a) Are ~~Is~~ owned or controlled by a single person or entity;

(b) Have ~~Has~~ been in continuous use for bona fide agricultural purposes, as defined by s. 193.461, for a period of 5 years before ~~prior to~~ the date of any comprehensive plan amendment or development application;

(c)1. Are ~~Is~~ surrounded on at least 75 percent of their ~~its~~ perimeter by:

a.~~1.~~ A parcel or parcels ~~Property~~ that have ~~has~~ existing industrial, commercial, or residential development; ~~or~~

b.~~2.~~ A parcel or parcels ~~Property~~ that the local government has designated, in the local government's ~~comprehensive plan,~~ zoning map~~,~~ and future land use map, as land that is to be developed for industrial, commercial, or residential purposes, and at least 75 percent of such parcel or parcels ~~property~~ is existing industrial, commercial, or residential development; or

c. A combination of an interstate highway and a parcel or parcels that are within an urban service district, area, or line and that the local government has designated in the local government's future land use map as land that is to be developed for industrial, commercial, or residential purposes;

2. Do not exceed 700 acres and are surrounded on at least

50 percent of their perimeter by a parcel or parcels that the local government has designated on the local government's future land use map as land that is to be developed for industrial, commercial, or residential purposes; and the parcel or parcels are surrounded on at least 50 percent of their perimeter by a parcel or parcels within an urban service district, area, or line; or

3. Are located within the boundary of an established rural study area adopted in the local government's comprehensive plan which was intended to be developed with residential uses;

(d) Have ~~Has~~ public services, including water, wastewater, transportation, schools, and recreation facilities, available or such public services are scheduled in the capital improvement element to be provided by the local government or can be provided by an alternative provider of local government infrastructure in order to ensure consistency with applicable concurrency provisions of s. 163.3180, or the applicant offers to enter into a binding agreement to pay for, construct, or contribute land for its proportionate share of such improvements; ~~and~~

(e) Do ~~Does~~ not exceed 1,280 acres; however, if the parcel or parcels are ~~property is~~ surrounded by existing or authorized residential development that will result in a density at buildout of at least 1,000 residents per square mile, ~~then~~ the area must ~~shall~~ be determined to be urban and the parcel or

parcels may not exceed 4,480 acres; and

(f) Are located within a county with a population of 1.75 million or less. For purposes of this subsection, population is determined in accordance with the most recent official estimate pursuant to s. 186.901.

Where a right-of-way, body of water, or canal exists along the perimeter of a parcel, the perimeter calculations of the agricultural enclave must be based on the adjacent parcel or parcels across the right-of-way, body of water, or canal.

Section 3. The amendments made by this act to ss. 163.3162(4) and 163.3164(4), Florida Statutes, shall expire January 1, 2028, and the text of those subsections shall revert to that in existence on September 30, 2026, except that any amendment to such text enacted other than by this act shall be preserved and continue to operate to the extent that such amendment is not dependent upon the portions of text which expire pursuant to this section.

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

HOUSING, AGRICULTURE & TOURISM SUBCOMMITTEE

HB 691 by Rep. Botana
Agricultural Enclaves

AMENDMENT SUMMARY
February 5, 2026

Amendment #305719 by Rep. Botana (Lines 145-146): The amendment exempts Areas of Critical State Concern and the Florida wildlife corridor from the agricultural enclave development process.

Amendment #354223 by Rep. Botana (Lines 212-214): The amendment provides that the bill's changes to current law – with the exception of the change exempting Areas of Critical State Concern and the Florida wildlife corridor from the agricultural enclave development process – expire on January 1, 2028, at which point such laws revert to those in existence on June 30, 2026.

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: Housing, Agriculture & Tourism Subcommittee

Representative Botana offered the following:

Amendment

Remove lines 145-146 and insert:

3. Any area of critical state concern, as designated in ss. 380.055, 380.0551, 380.0552, 380.0553, and 380.0555.

4. The Florida wildlife corridor, as defined in s. 259.1055(4).

5. A military installation or range, as identified in s. 163.3175(2).

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: Housing, Agriculture & Tourism Subcommittee

Representative Botana offered the following:

Amendment

Remove lines 212-214 and insert:

163.3162(4)(a)-(g), 163.3162(4)(h)5., and 163.3164(4), Florida Statutes, shall expire January 1, 2028, and the text of those subsections, paragraphs, and sub-paragraphs, as applicable, shall revert to that in existence on June 30, 2026, except that any

HB 741

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 741	**COMPANION BILL:** SB 998 (Yarborough)
TITLE: Department of Commerce	**LINKED BILLS:** None
SPONSOR(S): Owen	**RELATED BILLS:** None

Committee References

Housing, Agriculture & Tourism ➤ Transportation & Economic Development Budget ➤ Commerce

SUMMARY

Effect of the Bill:
The bill addresses various matters related to community, workforce, and economic development and the Florida Department of Commerce (Department). The bill revises provisions related to:

- The acquisition of state lands for the purpose of buffering a military installation against encroachment;
- The Rural Economic Development Initiative;
- The Florida Small Cities Community Development Block Grant Program;
- Florida Is For Veterans, Inc.; and
- Employment eligibility and verification.

Fiscal or Economic Impact:
The bill may have an indeterminate fiscal impact on state government, because while the Department is granted rulemaking and enforcement authority, these activities align with current responsibilities and resources. The bill may have an indeterminate, positive impact on local governments due to reduced administrative processes.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

Acquisition of State Lands for Military Buffers

The bill exempts from the requirement that certain lands buffering a military installation against encroachment revert back to the Board of Trustees of the Internal Improvement Fund if the land is not used for its intended purposes as a buffer for a military installation, even if the specific military mission, use, or function of the land is modified or changed. (Section 1)

Rural Economic Development Initiative

The bill redefines what qualifies as a "rural community" for purposes of the Rural Economic Development Initiative (REDI) by: providing that an unincorporated area recommended by the Department of Commerce (Department) and designated by the Governor which has a population of 25,000 or fewer and which meets three or more economic distress factors may qualify as a rural community for REDI; removing unincorporated federal enterprise communities and incorporated rural cities with a population of 25,000 or fewer and an employment base focused on traditional agricultural or resource-based industries, located in a county not defined as rural, from the definition of a "rural community." (Section 2)

Community Development Block Grant Program

The bill replaces the Florida Small Cities Community Development Block Grant Program with the Community Development Block Grant Program (Program). (Sections 3, 4, and 5)

The bill repeals the following program provisions: (Section 3)

- S. 290.0411, F.S., relating to legislative intent and purpose.
- S. 290.042, F.S., relating to definitions.
- S. 290.0455, F.S., relating to the Small Cities Community Development Block Grant Loan Guarantee Program.
- S. 290.046, F.S., relating to procedures and requirements for grant applications.
- S. 290.047, F.S., relating to grant ceilings and maximum administrative cost percentages, elimination of population bias, and loans in default.
- S. 290.0475, F.S., relating to circumstances when grant applications are ineligible for funding.
- S. 290.048, F.S., relating to powers of the Department to carry out the purposes and provisions of the program.

The bill designates the Department as the state agency to receive federal funding from the U.S. Department of Housing and Urban Development (HUD) and to administer the Program. The bill allows the Department to award grants under the Program in any manner and in any amount, consistent with the purposes and requirements of the Housing and Community Development Act of 1974, as amended, and applicable federal regulations (Act). The Department may expend funds received from HUD consistent with the Act. (Section 5)

The bill provides that, if, in any year, the Department receives additional federal funding through HUD for necessary expenses related to disaster recovery, long-term recovery, and restoration of infrastructure in impacted and distressed areas arising from the consequences of a federally declared disaster, the Department must administer such funding in accordance with the federal law authorizing such funding, including any implementing guidance or regulations adopted by HUD. (Section 5)

The bill provides that, if, in any year, the Department receives additional federal funding through HUD for any purpose not specifically provided in the bill, the Department must administer such funding in accordance with the law authorizing such funding, including any implementing guidance or regulations adopted by HUD. (Section 5)

The bill allows the Department to adopt rules to administer the program. (Section 5)

Collaborations with Florida Is For Veterans, Inc.

The bill removes programs and initiatives under the international trade and tourism direct support organization as programs that "Florida Is For Veterans, Inc.," may collaborate with for outreach, information exchange, marketing, and referrals. (Section 6)

Employment Verification

The bill clarifies and adds procedures for enforcing employment verification and eligibility procedures.

The bill creates the following definitions related to employment verification: (Section 7)

- "Employer" means any person, firm, company, corporation, association, joint stock company, partnership, organization, or other legal entity, or any agent thereof, which engages one or more individuals to perform labor or services in this state in exchange for salary, wages, or other remuneration. The term does not include:
    - An occupant or owner of a private residence with respect to an individual hired for casual labor, as defined in s. 443.036, F.S., which is to be performed entirely within that private residence.
    - A person or entity solely with respect to its engagement of an independent contractor, as defined in federal laws or regulations.

- "Noncompliance" means:
  - The failure of an employer to verify a new employee's employment eligibility through the E-Verify system.
  - An employer's failure to timely provide, upon request by a specified government entity, copies of the documentation the employer relied upon to verify a new employee's employment eligibility.

The bill requires employers to maintain an E-Verify case for each employee which verifies the employee's employment eligibility. (Section 7)

The bill provides that if an employer fails to provide requested documentation that was relied upon by the employer for the verification of a new employee's employment eligibility within 30 days after a request made by specified government entities, it constitutes noncompliance. Each failure to timely provide the documentation constitutes a noncompliance event for the application of fines. (Section 7)

If the Department has a reasonable basis to believe that an employer failed to use the E-Verify system to verify the employment eligibility of employees, then the Department must, before the imposition of a fine or suspension of licenses, issue an initial notification of noncompliance to the employer. (Section 7)

The bill provides that an employer's failure to provide copies of any documentation relied upon by the employer for the verification of a new employee's employment eligibility to the specified government entities constitutes a reasonable basis that an employer failed to use the E-Verify system. The Department must notify the employer that it must cure the noncompliance within 30 days after the date of the initial notification. The Department, for good cause shown by the employer, may grant the employer an additional 30 days to cure the noncompliance. If the employer does not timely cure the noncompliance, the Department shall issue a final determination of noncompliance to the employer, which is subject to Ch. 120, F.S., the Administrative Procedure Act (APA). If the employer requests a hearing, the hearing shall be held pursuant to ss. 120.569 and 120.57(1), F.S., except that the order of an administrative law judge is a final order and reviewable under s. 120.68, F.S. (Section 7)

If the Department determines that an employer failed to use the E-Verify system and the employer failed to cure the noncompliance, then the Department must impose a fine of $1,000 for each employee who is not verified, rather than a fine of $1,000 per day until the employer provides the Department with sufficient proof that the noncompliance was cured after failing to use the E-Verify system three times in a 24-month period. Any subsequent noncompliance by the employer after the final determination of noncompliance constitutes grounds for the suspension of all licenses issued by a licensing agency until the noncompliance is cured, subject to the APA. (Section 7)

The bill provides that to cure noncompliance, the employer must: (Section 7)

- Register with the E-Verify system if the employer is not already registered.
- Use the E-Verify system or the Employment Eligibility Verification form (Form I-9) to properly verify the employment eligibility of each employee.
- Provide an E-Verify case result for each employee which verifies the employee's employment eligibility.
- Provide an affidavit to the Department, under penalty of perjury, that all instances of noncompliance have been corrected and that the employer is now in full compliance.

The bill provides that, in addition to any fines, the Department is entitled to recover the reasonable costs of investigation and prosecution if the employer is found to have violated employment eligibility provisions. The court determines the amount of costs to be assessed after its consideration of an affidavit of itemized costs and any written objections to the affidavit. If the assessed costs are not paid within 60 days after assessment, the Department may contract for the collection of such costs, in which case any fees charged by the collection agent may be added to the amount recovered from the employer, or the Department may bring a civil action to recover such costs, in which case the Department is also entitled to recover reasonable attorney fees and court costs incurred in such action. All recovered costs, including additional amounts recovered for collection efforts, must be deposited into the State Economic Enhancement and Development Trust Fund. (Section 7)

The bill provides that the Department may not investigate a complaint that is based solely on race, color, or national origin. (Section 7)

The bill changes the date on which the E-Verify provision expires. The bill provides that the provision expires after the E-Verify system is no longer provided or maintained by the Federal Government, or when the Federal Government requires the use of the E-Verify system by all employers in the United States, rather than 60 days after the E-Verify system is no longer a pilot program, and the Federal Government requires the use of the E-Verify system by all employers in the United States. (Section 7)

The bill provides a presumption that an employer knowingly employs an unauthorized alien when the employer is aware of the unauthorized alien's unauthorized status or fails to take reasonable steps to verify the unauthorized alien's employment eligibility after being made aware of potential violations. (Section 8)

The bill provides that if the Department finds or is notified by a specified government entity that an employer has knowingly employed an unauthorized alien, then the Department must provide the employer with a written determination subject to the APA. If the employer requests a hearing, the hearing shall be held pursuant to ss. 120.569 and 120.57(1), F.S., except that the order of an administrative law judge is a final order and reviewable under s. 120.68, F.S. The bill removes a redundant provision. (Section 8)

When an employer is on probation for a violation of s. 448.09, F.S., the bill requires the employer to submit an affidavit on or before the last day of each quarter that affirms the employer is not employing any unauthorized aliens and is in compliance with employment verification laws. The first quarter starts from the issuance date of the final order. Each subsequent quarter starts 90 days after the previous quarter. The Department may enforce compliance by filing a petition for enforcement with the circuit court in Leon County, and the venue for all such actions is in Leon County. (Section 8)

When any violation of s. 448.09, F.S., takes place within 24 months after a previous violation, constituting grounds for the suspension or revocation of all licenses, the bill requires the Department to provide the employer with a written determination subject to the APA. The hearing shall be held pursuant to ss. 120.569 and 120.57(1), F.S., except that the order of the administrative law judge is a final order and appealable pursuant to s. 120.68, F.S. (Section 8)

The bill allows the Department to adopt rules necessary to establish procedures for reporting, enforcement, compliance, noncompliance, license suspension, and the application of fines, as well as any other rules required for effective enforcement and administration of employment eligibility and employment of unauthorized alien provisions. (Sections 7 and 8)

The bill makes a conforming change. (Section 9)

The bill provides an effective date of July 1, 2026. (Section 10)

RULEMAKING:

The bill gives rulemaking authority to the Department to administer the Community Development Block Grant Program and for enforcement of employment verification requirements.

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:

According to the Department, the bill has no direct impact on state revenues. State fiscal impacts are expected to be minimal and largely absorbed within existing resources. While the Department is granted rulemaking and enforcement authority, these activities align with current responsibilities. Streamlining the Community Development Block Grant program framework may improve administrative efficiency without increasing overall costs.[1]

LOCAL GOVERNMENT:

According to the Department, the bill reduces administrative processes which may deliver a positive fiscal impact to local governments. Local governments may experience reduced administrative and consulting expenses due to fewer procedural requirements.[2]

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Florida Department of Commerce

The Department of Commerce (Department) was formed to assist the Governor in working with the Legislature, state agencies, business leaders, and economic development professionals to formulate and implement coherent and consistent policies and strategies designed to promote economic opportunities for all Floridians. The Department is the state's chief agency for business recruitment and expansion and economic development.[3] The Department has the following divisions and offices:[4]

- The Division of Economic Development,
- The Division of Community Development,
- The Division of Workforce Services,
- The Division of Finance and Administration,
- The Division of Information Technology,
- The Office of the Secretary, and
- The Office of Economic Accountability and Transparency.

Acquisition of State Lands for Military Buffers

The Board of Trustees of the Internal Improvement Trust Fund (Board of Trustees) holds state lands in trust for the use and benefit of the people of Florida.[5] The Board of Trustees consists of the Governor, Attorney General, Chief Financial Officer, and Commissioner of Agriculture. The Board of Trustees may acquire, sell, transfer, and administer state lands in the manner consistent with Chs. 253 and 259, F.S.[6] The Department of Environmental Protection, through its Division of State Lands, performs all staff duties and functions related to the acquisition, administration, and disposition of state lands.[7]

"Conservation lands" are lands managed for conservation, outdoor resource-based recreation, or archaeological or historic preservation, except those lands acquired solely to facilitate the acquisition of other conservation lands.[8]

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[1] Department of Commerce, Analysis of 2026 House Bill 741, p.6 (Dec. 22, 2025).
[2] *Id.*
[3] S. 20.60(4), F.S.
[4] S. 20.60(3)(a), F.S.
[5] S. 253.001, F.S.
[6] S. 253.02(1), F.S.
[7] S. 253.002(1), F.S.
[8] S. 253.034(2)(c), F.S.

The Board of Trustees may acquire nonconservation lands from the Department's annual list through the Military Base Protection Program to buffer a military installation against encroachment.[9] A conveyance at less than appraised value must state that the land will revert to the Board of Trustees if it is not used for its intended purpose as a military installation buffer, or if the military installation closes.[10]

Rural Economic Development Initiative

The Rural Economic Development Initiative (REDI) was established by the Legislature to encourage and facilitate the location and expansion of major economic development projects of significant scale in rural communities.[11] Today, REDI operates as a statewide initiative led by the Department to better serve Florida's rural communities by providing a more focused and coordinated effort among state and regional agencies to improve the fiscal, economic, and community viability of these areas.[12]

Specified agencies and organizations[13] are required to designate a high-level staff person to serve as their REDI representative. Each REDI representative is responsible for ensuring that their agency or organization is informed about REDI and helps to identify opportunities to accommodate or include rural local governments in their agency programs.

REDI is required to review and evaluate the impact of statutes and rules on rural communities and work to minimize any adverse impacts, and undertake outreach and capacity-building efforts.[14] Under the REDI statute, a rural community is defined as:

- A county with a population of 75,000 or fewer;
- A county with a population of 125,000 or fewer, if the county is contiguous to a county with a population of 75,000 or fewer;
- Any municipality in a county that meets the above criteria; or
- An unincorporated federal enterprise community or an incorporated rural city with a population of 25,000 or fewer, with an employment base focused on traditional agriculture or resource-based industries, located in a county not defined as rural, and which has at least three or more economic distress factors.[15]

Each REDI member agency is required to review financial match requirements for projects in rural areas and develop a proposal to waive or reduce match requirements, and such proposals must be submitted to REDI.[16] REDI must call a meeting within 30 days of receipt of such proposals for comment and recommendation.[17] Waivers and reductions of financial match requirements must be requested by the county or community, and, to the fullest extent possible, member organizations must expedite the adoption of rules and amendments to incorporate the reduction in match for rural areas in financial distress.[18] REDI must prepare an annual report as a supplement to FloridaCommerce's annual report, which includes an evaluation of the status of changes to rules, the number of awards made with waivers, and recommendations for future changes.[19]

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[9] S. 253.025(21)(a), F.S.
[10] S. 253.025(21)(d), F.S.
[11] S. 288.0656(1)(a), F.S.
[12] S. 288.0656(3), F.S.
[13] The Department of Transportation, Department of Environmental Protection, Department of Agriculture and Consumer Services, Department of State, Department of Health, Department of Children and Families, Department of Corrections, Department of Education, Department of Juvenile Justice, Fish and Wildlife Conservation Commission, each water management district, CareerSource Florida, Inc., VISIT Florida, the Florida Regional Planning Council Association, Agency for Health Care Administration, and the Institute of Food and Agricultural Sciences (IFAS). *See* s. 288.0656(6)(a), F.S.
[14] S. 288.0656(4), F.S.
[15] S. 288.0656(2)(e), F.S.
[16] S. 288.06561, F.S.
[17] S. 288.06561(3), F.S.
[18] S. 288.06561(4), (7), F.S.
[19] S. 288.06561(8), F.S.

Based on recommendations of REDI, the Governor may designate up to three rural areas of opportunity (RAOs) by executive order,[20] which establishes certain local governments as a priority for the Department. The orders also permit all state agencies and departments to use all available tools and resources, to the extent permitted by law, to promote the creation and development of projects designated by the RAO that have been recommended by the department.[21]

Community Development Block Grant Program

The Community Development Block Grant (CDBG) program under the U.S. Department of Housing and Urban Development (HUD) was established under Title I of the Housing and Community Development Act of 1974 (Act)[22] and has funded more than $160 billion in block grants to support eligible program activities.[23]

The CDBG program is a long-standing program providing flexible federal funding to states and localities to support economic development, community development, and infrastructure. As a block grant program, CDBG provides grantees with some discretion in administering program funds within specific activity categories. Grantees are required to demonstrate that each grant-funded activity is aligned with one of the following three statutorily defined national objectives:[24]

- Principally benefit low- and moderate-income persons;
- Aid in the prevention or elimination of slums or blight; or
- Meet an urgent need by addressing conditions that pose a serious and immediate threat to the health and safety of residents.

Approximately 70% of CDBG program funds are distributed to entitlement communities, defined as:[25]

- Principal metropolitan cities,
- Other cities with populations of 50,000 or greater, and
- Urban counties with populations of 200,000 or greater (excluding entitlement city populations).

The remaining 30% of funds are allocated to states based on a separate formula allocation process. State CDBG funds are to be distributed by states to communities that do not qualify for entitlement funds. Before allocations are made to states and localities, $7 million is statutorily set aside to be distributed among U.S. territories.[26]

The CDBG program works to provide decent housing and a suitable living environment by expanding economic opportunities to the most vulnerable in Florida communities. A need is considered urgent if it poses a serious and immediate threat to the health or welfare of the community and has arisen in the past 18 months.[27]

In Florida, the Department manages four CDBG programs:[28]

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[20] S. 288.0656(7)(a), F.S.
[21] Executive Orders 20-170, 21-149, and 23-132 and 25-141, https://www.flgov.com/eog/sites/default/files/executive-orders/2024/EO_20-170.pdf, https://www.flgov.com/eog/sites/default/files/executive-orders/2024/EO_21-149.pdf, https://www.flgov.com/eog/sites/default/files/executive-orders/2024/EO-23-132.pdf, and https://www.flgov.com/eog/sites/default/files/executive-orders/2025/EO%2025-141.pdf (last visited Jan. 29, 2026)
[22] Public Law 93-383.
[23] Joseph V. Jaroscak, *Community Development Block Grants: Funding and Allocation Processes*, Congressional Research Service, R46733 (Mar. 24, 2021) https://www.congress.gov/crs-product/R46733?q=%7B%22search%22%3A%22Housing+and+Community+Development+Act+of+1974%22%7D&s=2&r=11 (last visited Feb. 2, 2026).
[24] *Id*.
[25] *Id*.
[26] *Id*.
[27] Florida Department of Commerce, *Community Development Block Grant Program*, https://floridajobs.org/community-planning-and-development/assistance-for-governments-and-organizations/community-development-block-grant-program (last visited Jan. 29, 2026).
[28] *Id.*

- Florida Small Cities Community Development Block Grant Program,
- CDBG – Coronavirus Relief Funding,
- Office of Disaster Recovery, and
- Neighborhood Stabilization Program.

Small Cities Community Development Block Grant Program

The Department administers the Small Cities CDBG Program and distributes funds to eligible non-entitlement communities. To be eligible, a city must have a population under 50,000 or a county must have a population under 200,000.[29] Subgrants are awarded to communities in the following funding categories: economic development, neighborhood revitalization, housing rehabilitation, commercial revitalization, and any other activity by federal law.[30]

The Department may annually set aside up to 15 percent of CDBG funds for use in eligible local government jurisdictions for which an emergency or natural disaster has been declared by executive order.[31]

The Department is prohibited from awarding a grant until it has conducted a site visit to verify the information contained in the local government's application.[32] The Department must rank each grant application and may prohibit an applicant from receiving the grant or penalize an applicant in the rating of an application if the Department determines that any applicant has failed to substantially accomplish the results it proposed in previously funded applications.[33] Additionally, applicants must hold at least two public hearings in the local jurisdiction where the project is to be completed: one for public input and community needs, and one for comments on the proposed application, including a published summary.[34]

Collaborations with Florida Is For Veterans, Inc.

"Florida Is For Veterans, Inc.," (Corporation) was created within the Florida Department of Veterans' Affairs as a nonprofit corporation and is not a unit or entity of state government.[35] The Corporation serves as the state's initial point of military transition assistance dedicated to promoting Florida as a veteran-friendly state helping to provide veterans and their spouses with employment opportunities and promoting the hiring of veterans and their spouses by the business community. The Corporation encourages retired and recently separated military personnel to remain in this state, promotes the value of military skill sets to businesses in this state, assists in tailoring the training of veterans and their spouses to match the needs of the employment marketplace, and enhances the entrepreneurial skills of veterans and their spouses.[36]

The Corporation may assist state agencies and entities with recruiting veteran talent into their workforces. The Corporation may collaborate with other state agencies and entities for outreach, information exchange, marketing, and referrals regarding programs and initiatives from several agencies, including the following from the Department:[37]

- The Disabled Veteran Outreach Program and local veteran employment representatives.
- CareerSource Florida, Inc., and local workforce boards employment and recruitment services.
- The Quick-Response Training Program.

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[29] *Id.*
[30] S. 290.044(3), F.S.
[31] S. 290.044(5), F.S.
[32] S. 290.046(2)(d), F.S.
[33] S. 290.046(2)(c), F.S.
[34] S. 290.046(4), F.S.
[35] S. 295.21(1), F.S.
[36] S. 295.21(2), F.S.
[37] S. 295.22(5), F.S.

- Efforts of the Florida Defense Support direct-support organization created under s. 288.987, the Florida Small Business Development Center Network, and the international trade and tourism direct support organization established in s. 288.012(6).

Employment Verification

E-Verify is a web-based system that allows enrolled employers to confirm whether new employees are eligible to work in the United States. Florida requires the use of the E-Verify system to verify a new employee's employment eligibility by:[38]

- All public employers.
- Private employers with 25 or more employees.

Each employer in Florida that is required, or who volunteers, to use the E-Verify system, must certify on its first return each calendar year to the tax service provider that it is in compliance with E-Verify requirements when making contributions to or reimbursing the state's unemployment compensation or reemployment assistance system.[39]

The law provides requirements for employers when the system is unavailable,[40] requires employers to retain documentation of verifications,[41] and prohibits an employer from continuing to knowingly employ an unauthorized alien.[42]

If the E-Verify system is unavailable for the three business days after the first day a new employee begins working and the employer cannot access the system to verify the employee's employment eligibility, the employer must use the Employment Eligibility Verification Form (Form I-9) to verify employment eligibility. The employer must document the unavailability of the system by retaining: a screenshot each day that shows the employer's inability to access the system; a public announcement that the E-Verify system is not available; or any other communication or notice regarding the unavailability of the system.[43]

The following specified government entities may request, and an employer must provide, copies of any documentation relied upon by the employer for the verification of a new employee's employment eligibility:[44]

- The Department of Law Enforcement;
- The Attorney General;
- The state attorney in the circuit in which the new employee works;
- The statewide prosecutor; or
- The Department.

These entities must rely on the federal government to verify an employee's employment eligibility and may not independently make a final determination as to whether an employee is an unauthorized alien.[45]

An employer that uses the E-Verify system or, if that system is unavailable, the Form I-9, with respect to the employment of an unauthorized alien has established a rebuttable presumption and an affirmative defense that the

[38] S. 448.095(2)(a), (b), F.S.
[39] S. 448.095(2)(b)3., F.S.
[40] S. 448.095(2)(c), F.S.
[41] S. 448.095(2)(d), F.S.
[42] S. 448.095(2)(e), F.S.
[43] S. 448.095(2)(c), F.S.
[44] S. 448.095(3)(a), F.S.
[45] S. 448.095(3)(b), F.S.

employer has not violated the state prohibition on hiring unauthorized aliens,[46] with respect to such employment.[47]

The Department is responsible for the administration of compliance requirements, as follows:[48]

- If it determines that an employer failed to use the E-Verify system, the Department is required to:
  - Notify the employer of its determination; and
  - Provide the employer with 30 days to cure the noncompliance.
- If the Department determines that an employer failed to use the E-Verify system as required three times in any 24-month period, it must impose a fine of $1,000 per day until the employer provides proof of compliance.
- Noncompliance constitutes grounds for the suspension of all licenses issued by a licensing agency subject to the Administrative Procedure Act, until the noncompliance is cured.
- Fines must be deposited into the State Economic Enhancement and Development Trust Fund for use by the Department for employer outreach and public notice of the state's employment verification laws.

Federal E-Verify Law

To use the E-Verify system, an employer must open a "case" for the employee on the system and enter basic information from the employee's Form I-9 (name, address, and Social Security Number) into the case.[49] Then, the system checks the submitted information to records that are available to the U.S. Department of Homeland Security (DHS) and the U.S. Social Security Administration (SSA), and issues one of the following possible results to the employer:[50]

- **Employment Authorized** - The employee's information matched records available to the DHS and/or SSA.
- **E-Verify Needs More Time** - This case was referred to the DHS for further verification.
- **Tentative Non-confirmation (Mismatch)** - Information did not match records available to the DHS and/or SSA. Additional action is required.
- **Case in Continuance** - The employee has contacted the DHS or visited an SSA field office, but more time is needed to determine a final case result.
- **Close Case and Resubmit** – The DHS or SSA requires that the employer close the case and create a new case for the employee. This result may be issued when the employee's United States passport, passport card, or driver's license information is incorrect.
- **Final Non-confirmation** - E-Verify cannot confirm the employee's employment eligibility after the employee contacted the DHS or SSA, the time for resolving the case expired, or the DHS closed the case without confirming the employee's employment eligibility for some other reason.

If the result is Tentative Non-confirmation, then the employer must notify the employee, who must take further action to verify his or her eligibility. If the result is E-Verify Needs More Time or Case in Continuance, then the E-Verify system needs more time to process the case.[51]

E-Verify Defenses for Employers

[46] S. 448.09, F.S.
[47] S. 448.095(4)(a), F.S.
[48] S. 448.095(6), F.S.
[49] E-Verify, *Verification Process*, for details on how the system works, https://www.e-verify.gov/employers/verification-process (last visited Feb. 2, 2026). Before using E-Verify, an employer must enroll and sign a Memorandum of Understanding that provides the terms of agreement between the employer and the DHS. *See* E-Verify, *The E-Verify Memorandum of Understanding for Employers*, https://www.e-verify.gov/sites/default/files/everify/memos/MOUforEVerifyEmployer.pdf (last visited Feb. 2, 2026).
[50] *Id*.
[51] *Id.*

The Immigration Reform and Control Act (IRCA) provides sanctions to be imposed on employers who knowingly employ aliens who are not authorized to work.[52] Federal law contains no criminal sanction for working without authorization, although document fraud is a civil violation.[53] The United States Citizenship and Immigration Services (USCIS) enforces these provisions.[54]

According to the Immigration and Nationality Act (INA), an employer using E-Verify or the Form I-9, establishing good faith compliance with the law, has established an affirmative defense and a rebuttable presumption that the person or entity has not violated the federal law with respect to such hiring, recruiting, or referring.[55]

The Administrative Procedure Act

The Administrative Procedure Act[56] provides a process for determining when an agency action affects a person's substantial interests.[57] The process differs depending on whether the hearing involves a disputed issue of material fact.[58] If the dispute does not involve a disputed issue of material fact, the agency must:

- Give reasonable notice to all parties of the agency's action or inaction, including a summary of factual, legal, and policy grounds for making the decision.
- Give parties or their counsel the option to present the agency or hearing officer evidence in opposition to the action or inaction or provide a written statement.
- If the objections of the parties are overruled, provide a written explanation within seven days.[59]

If a disputed issue of material fact does exist, the issue is assigned to an administrative law judge who conducts a hearing in which all parties have an opportunity to respond, present evidence and argument on all issues involved, conduct cross-examination and submit rebuttal evidence, submit proposed findings of facts and orders, and file exceptions to the presiding officer's recommended order.[60] A hearing may only occur if the agency determines the petition contains all required information.[61]

Unless waived or extended with the consent of all parties, a final order in the proceeding must be rendered within 90 days:

- After the hearing is concluded, if conducted by the agency;
- After a recommended order is submitted to the agency and mailed to all parties, if the hearing is conducted by an administrative law judge; or
- After the agency has received the written and oral material it has authorized to be submitted, if there has been no hearing.[62]

The final order must be in writing and include findings of fact, if any, as well as the conclusions of law.[63] A party who is adversely affected by final agency action is entitled to judicial review.[64]

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[52] 8 U.S.C. s. 1324a(a)(1)-(2).
[53] 8 U.S.C. s. 1324c.
[54] 8 U.S.C. s. 1324a.
[55] 8 U.S.C. s. 1324a(a)(3) and (b)(6); 8 U.S.C. s. 1324a notes, *Pilot Programs for Employment Eligibility Confirmation.*
[56] Ch. 120, F.S.
[57] S. 120.569, F.S.
[58] S. 120.569(1), F.S.
[59] S. 120.57(2)(a), F.S.
[60] S. 120.57(1), F.S.
[61] S. 120.569(2)(c)-(d), F.S.
[62] S. 120.569(2)(l), F.S.
[63] *Id*.
[64] S. 120.68, F.S.

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Housing, Agriculture & Tourism Subcommittee			Curtin	Wright
Transportation & Economic Development Budget Subcommittee				
Commerce Committee				

A bill to be entitled

An act relating to the Department of Commerce; amending s. 253.025, F.S.; exempting federal agencies from a requirement that a conveyance at less than appraised value must state that the land will revert to the board of trustees if the land is not used for its intended purposes as a military installation buffer or if the military installation closes; amending s. 288.0656, F.S.; revising the definition of the term "rural community"; repealing ss. 290.0401, 290.0411, 290.042, 290.0455, 290.046, 290.047, 290.0475, and 290.048, F.S., relating to Florida Small Cities Community Development Block Grant Program Act, legislative intent and purpose, definitions, Florida Small Cities Community Development Block Grant Loan Guarantee Program, applications for grants, establishment of grant ceilings and maximum administrative cost percentages and the elimination of population bias, rejection of grant applications and penalties for failure to meet application conditions, and general powers of department under s. 290.0401, respectively; amending s. 290.043, F.S.; renaming the "Florida Small Cities Community Development Block Grant Program" as the "Community Development Block Grant Program"; amending s. 290.044, F.S.; revising

provisions relating to the Florida Small Cities Community Development Block Grant Program Fund; renaming the fund as the "Community Development Block Grant Program Fund"; providing definitions; designating the Department of Commerce as the state agency to receive federal funding from the United States Department of Housing and Urban Development to administer the Community Development Block Grant Program; providing that the department shall administer additional federal funding in accordance with federal law and guidance from the Department of Housing and Urban Development; authorizing the Department of Commerce to adopt rules; amending s. 295.22, F.S.; conforming a cross reference; amending s. 448.095, F.S.; defining the terms "employer" and "noncompliance"; providing that an employer must maintain an E-Verify case for each employee; providing that an employer's failure to provide requested documentation within a specified time period constitutes noncompliance; requiring the department to issue a notification of noncompliance containing specified information; providing that if the employer fails to cure the noncompliance, the department shall issue a final determination of noncompliance; providing requirements for specified hearings for

employers under certain circumstances; providing penalties; providing requirements for an employer to cure specified noncompliance with the E-Verify system; authorizing the department to adopt rules; providing that the department may recover specified costs; requiring such funds to be deposited into the State Economic Enhancement and Development Trust Fund; providing construction; amending s. 448.09, F.S.; providing that an employer knowingly employs an unauthorized alien if specified conditions are met; requiring the department to provide an employer with a written determination that an employer has knowingly employed an unauthorized alien; providing that if an employer requests a hearing the administrative law judge's final order is appealable; providing that an employer report quarterly to the department to demonstrate compliance; authorizing the department to adopt rules; amending s. 163.3184, F.S.; conforming cross-references and changes made by the act; providing an effective date.

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

Section 1. Paragraph (e) is added to subsection (21) of section 253.025, Florida Statutes, to read:

253.025 Acquisition of state lands.—

(21)

(e) Federal agencies, including the United States Department of Defense, are exempt from s. 253.025(21)(d) if the land continues to serve the general purpose of acting as a buffer for a military installation, even if the specific military mission, use, or function of the land is modified or changed.

Section 2. Paragraph (e) of subsection (2) of section 288.0656, Florida Statutes, is amended to read:

288.0656 Rural Economic Development Initiative.—

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

(e) "Rural community" means:

1. A county with a population of 75,000 or fewer.

2. A county with a population of 125,000 or fewer which is contiguous to a county with a population of 75,000 or fewer.

3. A municipality within a county described in subparagraph 1. or subparagraph 2.

4. An unincorporated area recommended by the department and designated by the Governor which has ~~federal enterprise community or an incorporated rural city with~~ a population of 25,000 or fewer and which meets ~~an employment base focused on traditional agricultural or resource-based industries, located in a county not defined as rural, which has at least~~ three or more ~~of the~~ economic distress factors ~~identified in paragraph~~

~~(c) and verified by the department~~.

For purposes of this paragraph, population shall be determined in accordance with the most recent official estimate pursuant to s. 186.901.

Section 3. Sections 290.0401, 290.0411, 290.042, 290.0455, 290.046, 290.047, 290.0475, and 290.048, Florida Statutes, are repealed.

Section 4. Section 290.043, Florida Statutes, is amended to read:

290.043 ~~Florida Small Cities~~ Community Development Block Grant Program; administration.—There is created the ~~Florida Small Cities~~ Community Development Block Grant Program. The department shall administer the program as authorized and described in Title I of the Housing and Community Development Act of 1974, as amended; Pub. L. No. 93-383, as amended by Pub. L. No. 96-399 and Pub. L. No. 97-35; 42 U.S.C. ss. 5301 et seq.

Section 5. Section 290.044, Florida Statutes, is amended to read:

(Substantial rewording of section. See s. 290.044, F.S., for present text.)

290.044 Community Development Block Grant Program Fund; administration; distribution.—

(1) The Community Development Block Grant Program Fund is created.

(2) For the purpose of this section, the term:

(a) "Act" means the Housing and Community Development Act of 1974, as amended, and applicable federal regulations.

(b) "Program" means the Community Development Block Grant Program.

(3) The department is designated as the state agency to receive federal funding from the Department of Housing and Urban Development and to administer the program. The department may award grants under the program in any manner and in any amount, consistent with the purposes and requirements of the act. The department may expend funds received from Department of Housing and Urban Development consistent with the act.

(4) If, in any year, the department receives additional federal funding through the Department of Housing and Urban Development for necessary expenses related to disaster recovery, long-term recovery, and restoration of infrastructure in impacted and distressed areas arising from the consequences of a federally declared disaster, the department shall administer such funding in accordance with the federal law authorizing such funding, including any implementing guidance or regulations adopted by the Department of Housing and Urban Development.

(5) If, in any year, the department receives additional federal funding through the Department of Housing and Urban Development for any purpose not specifically provided in this section, the department shall administer such funding in

accordance with the law authorizing such funding, including any implementing guidance or regulations adopted by the Department of Housing and Urban Development.

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

Section 6. Paragraph (c) of subsection (5) of section 295.22, Florida Statutes, is amended to read:

295.22 Veterans Employment and Training Services Program.—

(5) COLLABORATION.—

(c) The corporation may collaborate with other state agencies and entities for outreach, information exchange, marketing, and referrals regarding programs and initiatives that include, but are not limited to, the program created by this section and those within any of the following:

1. The Department of Veterans' Affairs:

a. Access to benefits and assistance programs.

b. Hope Navigators Program.

2. The Department of Commerce:

a. The Disabled Veteran Outreach Program and local veteran employment representatives.

b. CareerSource Florida, Inc., and local workforce boards employment and recruitment services.

c. The Quick-Response Training Program.

d. Efforts of the direct-support organization created under s. 288.987 and~~,~~ the Florida Small Business Development

Center Network~~, and the direct support organization established in s. 288.012(6)~~.

3. The Department of Business and Professional Regulation, reciprocity and the availability of certain license and fee waivers.

4. The Department of Education:

a. CAPE industry certifications under s. 1008.44.

b. Information related to earning postsecondary credit at public postsecondary educational institutions for college-level training and education acquired in the military under s. 1004.096.

5. The Department of Health:

a. The Office of Veteran Licensure Services.

b. The Florida Veterans Application for Licensure Online Response expedited licensing.

6. The Office of Reimagining Education and Career Help.

Section 7. Paragraph (c) and paragraphs (d) through (f) of subsection (1) of section 448.095, Florida Statutes, are redesignated as paragraph (d) and paragraphs (f) through (h), respectively, paragraph (b) of subsection (2), subsection (6), and paragraphs (a) and (c) of subsection (7) are amended, new paragraphs (c) and (e) are added to subsection (1), and paragraph (c) is added to subsection (3) of that section, to read:

448.095 Employment eligibility.—

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

(c) "Employer" means any person, firm, company, corporation, association, joint stock company, partnership, organization, or other legal entity, or any agent thereof, which engages one or more individuals to perform labor or services in this state in exchange for salary, wages, or other remuneration. The term does not include:

1. An occupant or owner of a private residence with respect to an individual hired for casual labor, as defined in s. 443.036, which is to be performed entirely within that private residence.

2. A person or entity solely with respect to its engagement of an independent contractor, as defined in federal laws or regulations.

(e) "Noncompliance" means:

1. The failure of an employer to verify a new employee's employment eligibility through the E-Verify system.

2. An employer's failure to timely provide, upon request by an entity or person listed in paragraph (3)(a), copies of the documentation the employer relied upon to verify a new employee's employment eligibility.

(2) EMPLOYMENT VERIFICATION.—

(b)1. A public agency shall use the E-Verify system to verify a new employee's employment eligibility as required under paragraph (a).

2. Beginning on July 1, 2023, a private employer with 25 or more employees shall use the E-Verify system to verify a new employee's employment eligibility as required under paragraph (a). The employer must maintain an E-Verify case for each employee which verifies the employee's employment eligibility.

3. Each employer required to use the E-Verify system under this paragraph must certify on its first return each calendar year to the tax service provider that it is in compliance with this section when making contributions to or reimbursing the state's unemployment compensation or reemployment assistance system. An employer that voluntarily uses the E-Verify system may also make such a certification on its first return each calendar year in order to document such use.

(3) ENFORCEMENT.—

(c) Failure by an employer to provide the requested documentation within 30 days after a request made under paragraph (a) constitutes noncompliance. Each failure to timely provide the documentation constitutes a noncompliance event for the application of fines under paragraph (6)(b).

(6) COMPLIANCE.—

(a) In addition to the requirements under s. 288.061(6), beginning on July 1, 2024, if the Department of Commerce has a reasonable basis to believe ~~determines~~ that an employer failed to use the E-Verify system to verify the employment eligibility of employees as required under this section, the department

must, before the imposition of a fine or suspension of licenses, issue an initial notification of noncompliance to the employer. An employer's failure to provide copies of any documentation relied upon by the employer for the verification of a new employee's employment eligibility to a person or entity listed in paragraph (3)(a) constitutes a reasonable basis that an employer failed to use the E-Verify system. The department must notify the employer that it must cure the noncompliance within 30 days after the date of the department's initial notification. The department, for good cause shown by the employer, may grant the employer an additional 30 days to cure the noncompliance. If the employer does not timely cure the noncompliance, the department shall issue a final determination of noncompliance to the employer, which is subject to chapter 120. If the employer requests a hearing, the hearing shall be held pursuant to ss. 120.569 and 120.57(1), except that the order of an administrative law judge is a final order and reviewable under s. 120.68 ~~notify the employer of the department's determination of noncompliance and provide the employer with 30 days to cure the noncompliance~~.

(b) If the Department of Commerce determines that an employer failed to use the E-Verify system as required under this section and the employer failed to cure the noncompliance in accordance with paragraph (a) ~~three times in any 24-month period~~, the department must impose a fine of $1,000 for each

employee not verified pursuant to this section. Any subsequent noncompliance by the employer after the final determination of ~~per day until the employer provides sufficient proof to the department that the noncompliance is cured.~~ noncompliance constitutes grounds for the suspension of all licenses issued by a licensing agency subject to chapter 120 until the noncompliance is cured.

(c) To cure noncompliance, the employer must:

1. Register with the E-Verify system if the employer is not already registered.

2. Use the E-Verify system or the Employment Eligibility Verification form (Form I-9) as provided in paragraph (2)(c) to properly verify the employment eligibility of each employee.

3. Provide an E-Verify case result for each employee which verifies the employee's employment eligibility.

4. Provide an affidavit to the Department of Commerce, under penalty of perjury, that all instances of noncompliance have been corrected and that the employer is now in full compliance with this section.

(d) ~~(c)~~ Fines collected under this subsection must be deposited into the State Economic Enhancement and Development Trust Fund for use by the department for employer outreach and public notice of the state's employment verification laws.

(e) The Department of Commerce may adopt rules necessary to implement this section. The department may establish

procedures for reporting, enforcement, compliance, noncompliance, license suspension, and the application of fines, as well as any other rules required for effective enforcement and administration of this section.

(f) In addition to any penalties imposed under this section, the Department of Commerce is entitled to recover the reasonable costs of investigation and prosecution if the employer is found to have violated this section. The court shall determine the amount of costs to be assessed after its consideration of an affidavit of itemized costs and any written objections thereto. If the assessed costs are not paid within 60 days after assessment, the department may contract for the collection of such costs, in which case any fees charged by the collection agent may be added to the amount recovered from the employer, or may bring a civil action to recover such costs, in which case the department is also entitled to recover reasonable attorney fees and court costs incurred in such action. All recovered costs, including additional amounts recovered for collection efforts, shall be deposited into the State Economic Enhancement and Development Trust Fund.

(7) CONSTRUCTION.—

(a) This section must be enforced without regard to race, color, or national origin and must be construed in a manner so as to be fully consistent with any applicable federal laws or regulations. The Department of Commerce may not investigate a

complaint that is based solely on race, color, or national origin.

(c) This section shall expire ~~60 days~~ after the E-Verify system is no longer provided or maintained by the Federal Government, or when ~~a pilot program, and~~ the Federal Government requires the use of the E-Verify system by all employers in the United States.

Section 8. Section 448.09, Florida Statutes, is amended to read:

448.09 Unauthorized aliens; employment prohibited.—

(1) It is unlawful for any person to knowingly employ, hire, recruit, or refer, either for herself or himself or on behalf of another, for private or public employment within this state, an alien who is not duly authorized to work by the immigration laws of the United States, the Attorney General of the United States, or the United States Secretary of the Department of Homeland Security. An employer knowingly employs an unauthorized alien if the employer is aware of the unauthorized alien's unauthorized status or fails to take reasonable steps to verify the unauthorized alien's employment eligibility after being made aware of potential violations.

(2) If the Department of Commerce finds or is notified by an entity specified in s. 448.095(3)(a) that an employer has knowingly employed an unauthorized alien, the department must provide the employer with a written determination subject to

chapter 120. If the employer requests a hearing, the hearing shall be held pursuant to ss. 120.569 and 120.57(1), except that the order of an administrative law judge is a final order and reviewable under s. 120.68 ~~without verifying the employment eligibility of such person, the department must enter an order pursuant to chapter 120 making such determination and require repayment of any economic development incentive pursuant to s. 288.061(6)~~.

(3) For a violation of this section, the department shall place the employer on probation for a 1-year period and require that the employer report quarterly to the department to demonstrate compliance with the requirements of subsection (1) and s. 448.095. On or before the last day of each quarter, the employer must submit an affidavit that affirms the employer is not employing any unauthorized aliens and is in compliance with s. 448.095. The first quarter will commence from the issuance date of the final order. Each subsequent quarter commences 90 days after the previous quarter. The department may enforce compliance with this subsection by filing a petition for enforcement with the circuit court in and for Leon County. Venue for all actions under this subsection is in Leon County.

(4) Any violation of this section which takes place within 24 months after a previous violation constitutes grounds for the suspension or revocation of all licenses issued by a licensing agency subject to chapter 120. The Department of Commerce must

provide the employer with a written determination subject to chapter 120. The hearing shall be held pursuant to ss. 120.569 and 120.57(1), except that the order of the administrative law judge is a final order and appealable pursuant to s. 120.68. The department shall take the following actions for a violation involving:

(a) One to ten unauthorized aliens, suspension of all applicable licenses held by a private employer for ~~up to~~ 30 days by the respective agencies that issued them.

(b) Eleven to fifty unauthorized aliens, suspension of all applicable licenses held by a private employer for ~~up to~~ 60 days by the respective agencies that issued them.

(c) More than fifty unauthorized aliens, revocation of all applicable licenses held by a private employer by the respective agencies that issued them.

(5) An alien who is not duly authorized to work by the immigration laws of the United States, the Attorney General of the United States, or the United States Secretary of the Department of Homeland Security and who knowingly uses a false identification document or who fraudulently uses an identification document of another person for the purpose of obtaining employment commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(6) The Department of Commerce may adopt rules to implement this section.

Section 9. Paragraph (b) of subsection (8) of section 163.3184, Florida Statutes, is amended to read:

163.3184 Process for adoption of comprehensive plan or plan amendment.—

(8) ADMINISTRATION COMMISSION.—

(b) The commission may specify the sanctions provided in subparagraphs 1. and 2. to which the local government will be subject if it elects to make the amendment effective notwithstanding the determination of noncompliance.

1. The commission may direct state agencies not to provide funds to increase the capacity of roads, bridges, or water and sewer systems within the boundaries of those local governmental entities which have comprehensive plans or plan elements that are determined not to be in compliance. The commission order may also specify that the local government is not eligible for grants administered under the following programs:

a. The ~~Florida Small Cities~~ Community Development Block Grant Program, as authorized by ss. 290.043-290.044 ~~ss. 290.0401-290.048~~.

b. The Florida Recreation Development Assistance Program, as authorized by chapter 375.

c. Revenue sharing pursuant to ss. 206.60, 210.20, and 218.61 and chapter 212, to the extent not pledged to pay back bonds.

2. If the local government is one which is required to

include a coastal management element in its comprehensive plan pursuant to s. 163.3177(6)(g), the commission order may also specify that the local government is not eligible for funding pursuant to s. 161.091. The commission order may also specify that the fact that the coastal management element has been determined to be not in compliance shall be a consideration when the department considers permits under s. 161.053 and when the Board of Trustees of the Internal Improvement Trust Fund considers whether to sell, convey any interest in, or lease any sovereignty lands or submerged lands until the element is brought into compliance.

3. The sanctions provided by subparagraphs 1. and 2. do not apply to a local government regarding any plan amendment, except for plan amendments that amend plans that have not been finally determined to be in compliance with this part, and except as provided in this paragraph.

Section 10. This act shall take effect July 1, 2026.

HOUSING, AGRICULTURE & TOURISM SUBCOMMITTEE

HB 741 by Rep. Owen
Department of Commerce

AMENDMENT SUMMARY
February 5, 2026

Amendment #846551 by Rep. Owen (Line 94): The amendment:

- Removes the requirement that an unincorporated area must be recommended by the Department of Commerce and designated by the Governor in order to qualify for the Rural Economic Development Initiative.
- Allows the Department to award grants under the Community Development Block Grant program consistent with the Housing and Community Development Act of 1974 (Act), rather than *in any manner and in any amount* consistent with the Act.
- Removes the provision prohibiting certain collaborations with Florida Is For Veterans, Inc.

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: Housing, Agriculture & Tourism Subcommittee

Representative Owen offered the following:

Amendment (with title amendment)

Remove lines 94-191 and insert:

4. An unincorporated area that has ~~federal enterprise community or an incorporated rural city with~~ a population of 25,000 or fewer and that meets ~~an employment base focused on traditional agricultural or resource-based industries, located in a county not defined as rural, which has at least~~ three or more ~~of the~~ economic distress factors ~~identified in paragraph (c) and verified by the department~~.

For purposes of this paragraph, population shall be determined in accordance with the most recent official estimate pursuant to

s. 186.901.

Section 3. Sections 290.0401, 290.0411, 290.042, 290.0455, 290.046, 290.047, 290.0475, and 290.048, Florida Statutes, are repealed.

Section 4. Section 290.043, Florida Statutes, is amended to read:

290.043 ~~Florida Small Cities~~ Community Development Block Grant Program; administration.—There is created the ~~Florida Small Cities~~ Community Development Block Grant Program. The department shall administer the program as authorized and described in Title I of the Housing and Community Development Act of 1974, as amended; Pub. L. No. 93-383, as amended by Pub. L. No. 96-399 and Pub. L. No. 97-35; 42 U.S.C. ss. 5301 et seq.

Section 5. Section 290.044, Florida Statutes, is amended to read:

(Substantial rewording of section. See s. 290.044, F.S., for present text.)

290.044 Community Development Block Grant Program Fund; administration; distribution.—

(1) The Community Development Block Grant Program Fund is created.

(2) For the purpose of this section, the term:

(a) "Act" means the Housing and Community Development Act of 1974, as amended, and applicable federal regulations.

(b) "Program" means the Community Development Block Grant

Program.

(3) The department is designated as the state agency to receive federal funding from the Department of Housing and Urban Development and to administer the program. The department may award grants under the program consistent with the purposes and requirements of the act. The department may expend funds received from Department of Housing and Urban Development consistent with the act.

(4) If, in any year, the department receives additional federal funding through the Department of Housing and Urban Development for necessary expenses related to disaster recovery, long-term recovery, and restoration of infrastructure in impacted and distressed areas arising from the consequences of a federally declared disaster, the department shall administer such funding in accordance with the federal law authorizing such funding, including any implementing guidance or regulations adopted by the Department of Housing and Urban Development.

(5) If, in any year, the department receives additional federal funding through the Department of Housing and Urban Development for any purpose not specifically provided in this section, the department shall administer such funding in accordance with the law authorizing such funding, including any implementing guidance or regulations adopted by the Department of Housing and Urban Development.

(6) The department may adopt rules to administer this

section.

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

Remove lines 38-39 and insert:
Department of Commerce to adopt rules; amending

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 999	**COMPANION BILL:** SB 1226 (Burgess)
TITLE: Refrigerant Safety and Agricultural Continuity	**LINKED BILLS:** None
SPONSOR(S): Gonzalez Pittman	**RELATED BILLS:** None

Committee References

Housing, Agriculture & Tourism ➤ Natural Resources & Disasters ➤ Commerce

SUMMARY

Effect of the Bill:
The bill creates the "Refrigerant Safety and Agricultural Continuity Act," which addresses refrigerant requirements for agricultural use. The bill provides that Florida's agricultural food processing and cold chain industries may continue to purchase, install, and service equipment utilizing R-410A refrigerant through January 1, 2035, or until otherwise determined by the Legislature, notwithstanding any federal phase-down schedule or other conflicting law.

Fiscal or Economic Impact:
The bill will likely have an indeterminate, negative fiscal impact on state government and an indeterminate, positive fiscal impact on the private sector.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill creates s. 604.74, F.S., the "Refrigerant Safety and Agricultural Continuity Act," which addresses refrigerant requirements for agricultural use.

The bill provides the following definitions:

- "Agricultural refrigerant application" means any cooling or cold storage system used for agricultural production or food processing, packaging, or transport.
- "A2L refrigerant" means any refrigerant classified as lower toxicity and mildly flammable under American Society of Heating, Refrigerating and Air-Conditioning Engineers Standard 34.

The bill provides that Florida's agricultural food processing and cold chain industries may continue to purchase, install, and service equipment utilizing R-410A refrigerant through January 1, 2035, or until otherwise determined by the Legislature, notwithstanding any federal phase-down schedule or other conflicting law.

The bill provides that a person or business entity operating in compliance with the bill and using R-410A refrigerant may not be held liable solely for continued use of such refrigerant under any federal phase-down schedule until a state-certified safe alternative is fully available.

The bill requires the Florida Department of Agriculture and Consumer Services (FDACS) to maintain records of R-410A equipment installations and coordinate with relevant federal agencies to ensure compliance with applicable reporting requirements.

The bill requires FDACS, in consultation with the Department of Environmental Protection and the State Fire Marshal, by January 1, 2027, to provide an annual report to the President of the Senate and the Speaker of the House of Representatives on:

- Safety performance data for A2L refrigerants, including R-454B refrigerants.
- Availability of compliant equipment and certified technicians for statewide transition to A2L refrigerants.
- Insurance and liability standards applicable to A2L refrigerant systems.
- Recommendations regarding readiness for statewide transition to A2L refrigerants.

The bill allows FDACS to coordinate with Florida College System institutions, career centers, and industry trade associations to expand training and certification programs for the safe handling, installation, and servicing of A2L refrigerants.

The bill allows FDACS to adopt rules to implement the bill.

The bill provides the following Legislative findings:

- Florida's agricultural food processing and cold chain industries rely upon refrigerant systems that ensure product safety, temperature stability, and export reliability.
- The U.S. Environmental Protection Agency's (EPA) technology transition rule requires replacement of R-410A refrigerants with A2L refrigerants, including R-454B refrigerants, beginning in calendar years 2025 and 2026. R-454B refrigerant is classified as a mildly flammable refrigerant and has not been fully tested or certified for all commercial agricultural refrigerant applications, creating potential risk of fire, equipment failure, and insurance exclusion.
- A rapid transition to A2L refrigerants may impose substantial costs on Florida's agricultural food processing and cold chain industries with statewide economic impacts estimated in the billions of dollars.
- It is in the public interest to protect safety, food supply integrity, and small business continuity during the refrigerant transition period.
- It is the intent of the Legislature to ensure the safety, economic stability, and operational continuity of this state's agricultural food processing and cold chain industries by authorizing the continued use of R-410A refrigerants until alternative refrigerants such as R-454B refrigerants are proven safe, fully certified, and supported by adequate equipment availability, workforce training, and insurance coverage.

The bill provides that Florida's enforcement discretion and safety timeline are consistent with its interest in agriculture and public safety, and therefore the bill may not be construed to preempt or contravene the authority of the EPA.

The bill provides an effective date of July 1, 2026.

RULEMAKING:

The bill allows FDACS to adopt rules to implement the bill.

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

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

The bill will likely have an indeterminate, negative fiscal impact on state government related to regulation and implementation of the bill by the Florida Department of Agriculture and Consumer Services.

PRIVATE SECTOR:

The bill will likely have an indeterminate, positive fiscal impact on the private sector. The bill will allow Florida companies to continue to install new and repair R-410A systems when parts for the systems are available.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

The American Innovation and Manufacturing Act

The American Innovation and Manufacturing (AIM) Act of 2020, enacted on December 27, 2020,[1] authorizes the U.S. Environmental Protection Agency (EPA) to phase down the production and consumption of hydrofluorocarbons (HFCs) by 85 percent in a stepwise manner by 2036 in three main areas: phasing down the production and consumption of listed HFCs, managing these HFCs and their substitutes, and facilitating the transition to next-generation technologies through sector-based restrictions.[2]

HFCs are a class of potent greenhouse gases commonly used in refrigeration and air conditioning, aerosols, and foam products. Their climate impact can be hundreds to thousands of times greater than carbon dioxide and have a high global warming potential (GWP).[3]

EPA has issued final rules[4] under the AIM Act to phase down the production and import of HFCs. The rules include reporting and recordkeeping requirements for entities that produce, import, export, destroy, use as a feedstock, reclaim, package, or otherwise distribute HFCs. EPA provides reporting forms and reporting instructions to assist entities in fulfilling these requirements.[5]

As part of the phasedown, EPA uses an allowance allocation and trading program. An allowance is the unit of measure that controls production and consumption of bulk HFCs. EPA will issue allowances that will be valid between January 1 and December 31 of a given year, known as a "calendar-year allowance." A calendar-year allowance represents the privilege granted to an entity to produce or import bulk regulated substances in that year.[6]

The Technology Transition Rule places restrictions on the manufacture and import of products and installation of refrigeration, air conditioning, and heat pump systems take effect on different dates varying by subsector. The earliest restrictions began on January 1, 2025, and the latest restrictions begin on January 1, 2028. EPA set these

[1] 42 U.S.C. § 7675 (2020).
[2] U.S. Department of Environmental Protection (EPA), *Background on HFCs and the AIM Act*, https://www.epa.gov/climate-hfcs-reduction/background-hfcs-and-aim-acthttps://www.epa.gov/climate-hfcs-reduction/background-hfcs-and-aim-act (last visited Feb. 2, 2026).
[3] EPA, *Enforcement of the American Innovation and Manufacturing Act of 2020*, https://www.epa.gov/enforcement/enforcement-american-innovation-and-manufacturing-act-2020 (last visited Feb. 3, 2026).
[4] 40 C.F.R. part 40.
[5] EPA, *Reporting and Recordkeeping*, https://www.epa.gov/climate-hfcs-reduction/reporting-and-recordkeeping (last visited Feb. 3, 2026).
[6] EPA, *HFC Allowances*, https://www.epa.gov/climate-hfcs-reduction/hfc-allowances (last visited Feb. 3, 2026).

dates by considering the availability of substitutes and other factors prescribed in the AIM Act.[7] R-410A, which is a refrigerant[8] that is a blend of HFC compounds R-32 and R-125, is part of the phasedown.[9]

R-410A and R-454B Refrigerants

R-410A is a refrigerant that has been used as a replacement for R-22, commonly known as Freon.[10] R-410A is widely used in commercial and industrial air conditioning systems. While it has been a reliable choice for cooling, R-410A has a high GWP.[11]

R-454B is a type of A2L refrigerant that is replacing R-410A due to its lower GWP and improved energy efficiency. It is designed to provide the same cooling performance while reducing environmental impact without HFCs.[12]

Companies installing A2L systems, including R-454 systems, will experience a transition and adjustment period due to needed additional training. While A2L refrigerants are less flammable than A2 or A3 options, they are still mildly flammable. With this in mind, professionals will need to understand the safety precautions they need to take in order to protect themselves while working with A2L refrigerants.[13] Technicians who work with A2L refrigerants need to receive proper training and education regarding the safe handling of these new refrigerants, and will likely need a EPA Section 608 Technician Certification, which is required for technicians who maintain, service, repair, or dispose of equipment that could release refrigerants into the atmosphere.[14]

ASHRAE Standard 34

The American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) Standard 34 establishes a uniform system for assigning refrigerant reference numbers, safety classification based on toxicity and flammability, application guidelines, and concentration limits, which provides a systematic approach to identifying refrigerants and assessing their safety characteristics to enable proper selection, handling, and application in refrigeration and air conditioning systems.[15]

R-410A is in safety group A1, meaning it has a low toxicity and is not flammable. A2L refrigerants have a low toxicity and have a low flammability.[16] Since R-454B is classified as an A2L refrigerant, it is mildly flammable but

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[7] EPA, *Technology Transitions Program Fact Sheet*, https://www.epa.gov/system/files/documents/2023-10/technology-transitions-final-rule-fact-sheet-2023.pdf (last visited Feb. 3, 2026); 40 C.F.R. § 84.54.

[8] In general, a refrigerant is a fluid that runs through the refrigerant lines of a system to cool warm air. The refrigerant changes from liquid to gas during this process. The refrigerant gas is then condensed to a liquid to start the cycle again. Refrigerants have traditionally contained hydrochlorofluorocarbons (HCFCs) or hydrofluorocarbons (HFCs), which are potent greenhouse gases. Trane, *Understanding R-454B Refrigerant*, https://www.trane.com/residential/en/resources/glossary/what-is-r454b-refrigerant/ (last visited Feb. 3, 2026).

[9] Trane, *R-410A Refrigerant*, https://www.trane.com/residential/en/resources/glossary/what-is-r410a-refrigerant/ (last visited Feb. 3, 2026).

[10] *Id*.

[11] A&G Services, *A Deep Dive into the R-410A Phase-Out Timeline*, https://agservicestx.com/r-410a-timeline/ (last visited Feb. 3, 2026).

[12] Five Star Home Services, Is R-454B Flammable: Safety, Risks, and HVAC Compatibility, https://www.myfivestarhomeservices.com/is-r-454b-flammable/ (last visited Feb. 3, 2026).

[13] CareerEnterprise, *A2L Refrigerants: Training and Certification for HVAC Professionals*, (Aug. 20, 2024) https://www.carrierenterprise.com/hvac-news/a2l-refrigerants-training-and-certification (last visited Feb. 3, 2026).

[14] 40 CFR Part 82, Subpart F; EPA, *Section 608 Technician Certification Requirements*, https://www.epa.gov/section608/section-608-technician-certification-requirements (last visited Feb. 3, 2026).

[15] ASHRAE, *ASHRAE Refrigerant Designations*, https://www.ashrae.org/technical-resources/standards-and-guidelines/ashrae-refrigerant-designations (last visited Feb. 3, 2026); HVAC Engineering Blog, *ASHRAE 34: Complete Guide to Refrigerant Classification and Safety Designation*, (Jan. 1, 2025) https://hvac.solver360.com/blog/ashrae-34-refrigerant-classification-complete-guide (last visited Feb. 3, 2026).

[16] HVAC Engineering Blog, *supra* note 15.

does not ignite easily and requires a specific set of conditions to catch fire, including a high concentration and an open flame. R-454B is considered safe for residential HVAC systems when handled by licensed professionals.[17]

Agricultural Food Processing and Cold Chain Industries

Food processing includes many procedures, techniques, and technologies used to convert fresh ingredients into food products. The complexity of food processing ranges from basic tasks such as washing and cutting fresh produce, to sophisticated industrial operations that produce complex formulated foods.

The ability for fresh fruits, vegetables, dairy products, and meat to be available for days or weeks at a time is made possible by sophisticated refrigeration systems that have revolutionized how we process, store, and distribute food. Refrigeration in food processing works by maintaining low temperatures that dramatically slow down the chemical reactions and microbial growth responsible for food spoilage, effectively extending shelf life from days to weeks or even months. Temperature is a powerful control mechanism because both chemical reactions and microbial growth follow predictable patterns. For every 10°C decrease in temperature, chemical reaction rates typically slow down by half to three-quarters. Refrigeration dramatically extends the window of freshness, giving processors, distributors, and consumers valuable time to handle food safely.[18]

Maintaining temperature control is a necessity for the agriculture industry. Maintaining the correct temperature throughout the journey from raw materials to distribution is essential to keeping food safe, fresh, and compliant. Any deviation, even if temporary, can cause a cold chain[19] break that compromises product quality and could lead to health risks, waste, and financial loss.[20] Temperature-sensitive products, such as food, rely on cold chain management for product efficacy, product safety, and adherence to relevant regulatory requirements.[21]

Florida Department of Agriculture and Consumer Services

The Florida Department of Agriculture and Consumer Services (FDACS) supports and promotes Florida agriculture, protects the environment, safeguards consumers, and ensures the safety and wholesomeness of food.[22] FDACS regulates commercial food establishments that manufacture, process, pack, hold, and prepare food for sale or distribution or sell food directly to customers, including retail food establishments such as convenience stores and grocery stores, wholesale and retail food processing operations, storage and warehouse operations, and nonalcoholic beverage operations.

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[17] Five Star Home Services, *supra* note 12.
[18] Agriculture Institute, *Refrigeration Systems in Food Processing: Components and Efficiency*, (Nov. 6, 2023) https://agriculture.institute/food-processing-and-engineering-i/refrigeration-systems-food-processing/#google_vignette (last visited Feb. 3, 2026).
[19] "Cold chain management" is the management of all phases of the cold chain, including products in transit, in process, in storage, and in display. Cold Chain Technologies, *What is Cold Chain Management*, (Nov. 15, 2021) https://www.coldchaintech.com/blog/knowledge/what-is-cold-chain-management (last visited Feb. 3, 2026).
[20] RVN Blog, *What Will Break the Cold Chain in Food Delivery*, (Jul. 20, 2025) https://reefervannetwork.com/blog/what-will-break-the-cold-chain-in-food-delivery/ (last visited Feb. 3, 2026).
[21] Cold Chain Technologies, *supra* note 19.
[22] FDACS, *About Us*, https://www.fdacs.gov/about-us (last visited Feb. 3, 2026).

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Housing, Agriculture & Tourism Subcommittee			Curtin	Wright
Natural Resources & Disasters Subcommittee				
Commerce Committee				

A bill to be entitled

An act relating to refrigerant safety and agricultural continuity; creating s. 604.74, F.S.; providing a short title; providing legislative findings and intent; providing definitions; authorizing agricultural food processing and cold chain industries to continue to purchase, install, and service equipment utilizing R-410A refrigerant through a specified date; requiring the Department of Agriculture and Consumer Services to maintain certain records; requiring the department to provide an annual report to the Legislature by a specified date; providing requirements for the annual report; providing immunity from liability for certain persons and business entities; authorizing the department to coordinate with certain entities for a specified purpose; authorizing the department to adopt rules; providing construction; providing an effective date.

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

Section 1. Section 604.74, Florida Statutes, is created to read:

604.74 Refrigerant safety and agricultural continuity.—

(1) This section may be cited as the "Refrigerant Safety

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

and Agricultural Continuity Act."

(2) The Legislature finds that this state's agricultural food processing and cold chain industries rely upon refrigerant systems that ensure product safety, temperature stability, and export reliability. The United States Environmental Protection Agency's technology transition rule requires replacement of R-410A refrigerants with A2L refrigerants, including R-454B refrigerants, beginning in calendar years 2025 and 2026. R-454B refrigerant is classified as a mildly flammable refrigerant and has not been fully tested or certified for all commercial agricultural refrigerant applications, creating potential risk of fire, equipment failure, and insurance exclusion. A rapid transition to A2L refrigerants may impose substantial costs on this state's agricultural food processing and cold chain industries with statewide economic impacts estimated in the billions of dollars. It is in the public interest to protect safety, food supply integrity, and small business continuity during the refrigerant transition period. It is the intent of the Legislature to ensure the safety, economic stability, and operational continuity of this state's agricultural food processing and cold chain industries by authorizing the continued use of R-410A refrigerant until alternative refrigerants such as R-454B refrigerants are proven safe, fully certified, and supported by adequate equipment availability, workforce training, and insurance coverage.

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

(a) "Agricultural refrigerant application" means any cooling or cold storage system used for agricultural production or food processing, packaging, or transport.

(b) "A2L refrigerant" means any refrigerant classified as lower toxicity and mildly flammable under American Society of Heating, Refrigerating and Air-Conditioning Engineers Standard 34.

(c) "Department" means the Department of Agriculture and Consumer Services.

(4) Notwithstanding any federal phase-down schedule or other conflicting law, this state's agricultural food processing and cold chain industries may continue to purchase, install, and service equipment utilizing R-410A refrigerant through January 1, 2035, or until otherwise determined by the Legislature. The department shall maintain records of R-410A equipment installations and coordinate with relevant federal agencies to ensure compliance with applicable reporting requirements.

(5) By January 1, 2027, and annually thereafter, the department, in consultation with the Department of Environmental Protection and the State Fire Marshal, shall provide a report to the President of the Senate and the Speaker of the House of Representatives on:

(a) Safety performance data for A2L refrigerants, including R-454B refrigerants.

(b) Availability of compliant equipment and certified technicians for statewide transition to A2L refrigerants.

(c) Insurance and liability standards applicable to A2L refrigerant systems.

(d) Recommendations regarding readiness for statewide transition to A2L refrigerants.

(6) A person or business entity operating in compliance with this section and using R-410A refrigerant may not be held liable solely for continued use of such refrigerant under any federal phase-down schedule until a state-certified safe alternative is fully available.

(7) The department may coordinate with Florida College System institutions, career centers, and industry trade associations to expand training and certification programs for the safe handling, installation, and servicing of A2L refrigerants.

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

(9) This section establishes this state's enforcement discretion and safety timeline consistent with its interest in agriculture and public safety and may not be construed to preempt or contravene the authority of the United States Environmental Protection Agency.

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

HOUSING, AGRICULTURE & TOURISM SUBCOMMITTEE

HB 999 by Rep. Gonzalez Pittman
Refrigerant Safety and Agricultural Continuity

AMENDMENT SUMMARY
February 5, 2026

Amendment #354835 by Rep. Gonzalez Pittman (Strike-all): The amendment:

- Removes the authorization for agricultural food processing and cold chain industries to continue to purchase, install, and service equipment utilizing R-410A refrigerants through January 1, 2035, despite the federal phase-down schedule or other conflicting law.
- Removes certain immunity from liability for using an R-410A refrigerant.
- Removes a provision regarding the authority of the U.S. Environmental Protection Agency (EPA).
- Removes the requirement that the Florida Department of Agriculture and Consumer Services (FDACS) maintain records of R-410A equipment installations and coordinate with relevant federal agencies to ensure compliance with applicable reporting requirements.
- Removes authority for FDACS to adopt rules to implement the bill.
- Adds that FDACS must give the status of and any updates to the EPA's Technology Transitions rule in their annual report to the Legislature on A2L refrigerants.

COMMITTEE/SUBCOMMITTEE ACTION

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

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

Representative Gonzalez Pittman offered the following:

Amendment (with title amendment)

Remove everything after the enacting clause and insert:

S**ection 1. Section 604.74, Florida Statutes, is created to read:**

604.74 Refrigerant safety and agricultural continuity.—

(1) This section may be cited as the "Refrigerant Safety and Agricultural Continuity Act."

(2) The Legislature finds that this state's agricultural food processing and cold chain industries rely upon refrigerant systems that ensure product safety, temperature stability, and export reliability. The United States Environmental Protection Agency's Technology Transition rule requires replacement of R-

410A refrigerants with A2L refrigerants, including R-454B refrigerants, beginning in calendar years 2025 and 2026. R-454B refrigerant is classified as a mildly flammable refrigerant and has not been fully tested or certified for all commercial agricultural refrigerant applications, creating potential risk of fire, equipment failure, and insurance exclusion. A rapid transition to A2L refrigerants may impose substantial costs on this state's agricultural food processing and cold chain industries with statewide economic impacts estimated in the billions of dollars.

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

(a) "A2L refrigerant" means any refrigerant classified as lower toxicity and mildly flammable under American Society of Heating, Refrigerating and Air-Conditioning Engineers Standard 34.

(b) "Department" means the Department of Agriculture and Consumer Services.

(4) By January 1, 2027, and annually thereafter, the department, in consultation with the Department of Environmental Protection and the State Fire Marshal, shall provide a report to the President of the Senate and the Speaker of the House of Representatives on:

(a) Safety performance data for A2L refrigerants, including R-454B refrigerants.

(b) Availability of compliant equipment and certified technicians for statewide transition to A2L refrigerants.

(c) Insurance and liability standards applicable to A2L refrigerant systems.

(d) Recommendations regarding readiness for statewide transition to A2L refrigerants.

(e) The status of and any updates to the United States Environmental Protection Agency's Technology Transitions rule as set forth in 40 C.F.R. part 84.

(5) The department may coordinate with Florida College System institutions, career centers, and industry trade associations to expand training and certification programs for the safe handling, installation, and servicing of A2L refrigerants.

Section 2. 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 refrigerant safety and agricultural continuity; creating s. 604.74, F.S.; providing a short title; providing legislative findings and intent; providing definitions; requiring the department to provide an annual report to the Legislature by a specified date; providing

requirements for the annual report; authorizing the department to coordinate with certain entities for a specified purpose; 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 #: CS/HB 1139	**COMPANION BILL:** CS/SB 548 (McClain)
TITLE: Impact Fees	**LINKED BILLS:** None
SPONSOR(S): Gentry	**RELATED BILLS:** None

Committee References

Intergovernmental Affairs	➤	Housing, Agriculture & Tourism	➤	State Affairs
12 Y, 0 N, As CS				

SUMMARY

Effect of the Bill:
The bill revises the process for calculating and collecting impact fees by:

- Requiring impact fees for transportation capacity impacts be calculated using a plan-based methodology.
- Providing that certain interlocal agreements for mitigating transportation impacts entered into on or before October 1, 2024, may not be extended beyond October 1, 2031.
- Requiring the use of a plan-based methodology and localized data in determining whether extraordinary circumstances exist.
- Prohibiting a local government, school board, or special district from increasing its impact fee rate beyond the phase-in limitations by establishing the existence of extraordinary circumstances in certain circumstances.
- Prohibiting a local government, school board, or special district from increasing impact fees by more than 100 percent divided equally over a four year period.
- Providing for the payment of interest and prevailing petitioner attorney fees and costs in certain actions concerning the overpayment of an impact fee.

Fiscal or Economic Impact:
The bill may have an indeterminate negative fiscal impact on local governments and an indeterminate positive economic impact on persons who pay impact fees to the extent those local governments will be prohibited from increasing impact fees beyond the limitations provided by the bill.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

Plan-Based Methodology and Interlocal Agreements
Current law requires local governments that charge an impact fee to mitigate transportation capacity impacts in order to enter into an interlocal agreement concerning the calculation of such fees. The bill requires these agreements to use a plan-based methodology for calculating the fee. The bill defines a plan-based methodology as a study that uses the most recent localized data to project:

- Population growth within a local government jurisdiction in the 10 years immediately preceding the study.
- Anticipated capacity impacts on the relevant systems which will be created by the projected growth.
- A list of capital projects to be constructed or purchased in a defined period of time in order to mitigate the anticipated capacity impacts as part of a new or updated impact fee study. (Sections 1 and 3)

Any capital projects identified in the impact fee study and any necessary interlocal agreement must comply with the intergovernmental coordination requirements for comprehensive plans, which must include a plan to provide mitigation funding for any extra-jurisdiction impacts created by development or redevelopment. (Sections 1 and 2)

The requirement for local governments that charge an impact fee to mitigate transportation capacity impacts to enter into an interlocal agreement currently does not apply to counties and municipalities that entered into or otherwise updated an interlocal agreement that existed on or before October 1, 2024, to coordinate the mitigation of transportation impacts. The bill prohibits the extension of these agreements beyond October 1, 2031. (Section 3)

Impact Fee Increases

The bill implements new requirements for local governments seeking to increase impact fee rates beyond the base phase-in limitations due to extraordinary circumstances based on a demonstrated-need study. The bill requires the demonstrated-need study use a plan-based methodology and local data that reflects the differences in area costs and modality of projects between urban, emerging urban, and rural area costs, as relevant. (Section 4)

The bill prohibits a local government, school board, or special district from:

- Increasing its impact fee rate beyond the phase-in limitations if the entity has not increased its impact fee within the past five years.
- Using data that is more than four years old to demonstrate extraordinary circumstances.
- Including in an impact fee increase any deduction authorized by a previous or existing impact fee.
- Increasing its impact fee rate by more than 100 percent divided equally over a four year period. (Section 4)

The bill defines "extraordinary circumstances" as the measurable effects of development that require mitigation by the affected local government which exceeds the current impact fee rate together with any increase in the rate in excess of the rate authorized by the phase-in limitations in less than four years. The capacity standards used to support a declaration of extraordinary circumstances must be defined in the demonstrated-need study and the projected capacity demand must be accompanied by a declaration of how and when the proposed impact fee will be used to construct or purchase the necessary capacity increase that is the basis of the fee rate and the period of time the improvements will be implemented. (Section 4)

The bill provides that if a court determines that a petitioner made an overpayment due to an improperly assessed impact fee, the petitioner is entitled to a refund plus an amount of interest determined by the court. The local government, school board, or special district must issue the refund within 90 days of the judgment becoming final. The bill also provides a prevailing petitioner who is a resident of or an owner of a business located within the jurisdiction is entitled reasonable attorney fees and costs in any action seeks a refund of the overpayment as well as any action necessary to collect the refund. (Section 4)

Effective Date

The effective date of the bill is July 1, 2026. (Section 6)

FISCAL OR ECONOMIC IMPACT:

LOCAL GOVERNMENT:

The bill may have an indeterminate negative fiscal impact on local governments to the extent those local governments will be prohibited from increasing impact fees beyond the limitations provided by the bill.

PRIVATE SECTOR:

The bill may have an indeterminate positive economic impact on persons who pay impact fees to the extent local governments will be prohibited from increasing impact fees beyond the limitations provided by the bill.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Comprehensive Planning

The Community Planning Act[1] provides counties and municipalities with the power to plan for future development by adopting comprehensive plans.[2] Each county and municipality must maintain a comprehensive plan to guide future development and growth.[3]

All development, both public and private, and all development orders approved by local governments must be consistent with the local government's comprehensive plan.[4] A comprehensive plan is intended to provide for the future use of land, which contemplates a gradual and ordered growth, and establishes a long-range maximum limit on the possible intensity of land use.[5]

A locality's comprehensive plan lays out the locations for future public facilities, including roads, water and sewer facilities, neighborhoods, parks, schools, and commercial and industrial developments.[6] A comprehensive plan is made up of 10 required elements, each laying out regulations for a different facet of development.[7] Local governments may also include optional elements in their comprehensive plan.[8] The 10 required elements are:

- Capital improvements.
- Future land use plan.
- Transportation.
- General sanitary sewer, solid waste, drainage, potable water and natural groundwater aquifer recharge.
- Conservation.
- Recreation and open space.
- Housing.
- Coastal management.
- Intergovernmental coordination.
- Property rights.[9]

Comprehensive plans must include at least two planning periods, one covering the first 10-year period occurring after the plan's adoption and one covering a period of at least 20 years.[10] Additional planning periods are permissible and accepted as part of the planning process.

Concurrency

In the context of comprehensive planning, "concurrency" refers to the concept of providing additional public facilities necessary to achieve and maintain standards of service in the community in a timely manner in response to increased demand caused by development.[11] All local government comprehensive plans must provide for concurrency in providing public facilities and services for sanitary sewer, solid waste, drainage, and potable water, but local governments may extend concurrency requirements to other public facilities such as transportation and schools.[12] When concurrency is applied to other public facilities and services, the local comprehensive plan must provide sufficient principles, standards, and adopted levels of service to guide its implementation.[13] Concurrency requirements apply to state facilities and other public facilities to the same extent as all other facilities and development.[14]

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[1] Ch. 163, Part II, F.S.
[2] S. 163.3167(1), F.S.
[3] S. 163.3167(2), F.S.
[4] S. 163.3194(1)(a), F.S.
[5] *See, e.g.*, *Sarasota County, Fla. Comprehensive Plan, Future Land Use Element, FLU Policy 1.1.1* (last visited Jan. 24, 2026).
[6] S. 163.3177(1), F.S.
[7] S. 163.3177(6), F.S.
[8] S. 163.3177(1)(a), F.S.
[9] S. 163.3177(3), (6)(a)-(i), F.S.
[10] S. 163.3177(5)(a), F.S.
[11] *See* s. 163.3180(5)(d), F.S. *See also*, David M. Layman, *Concurrency and Moratoria*, 71 Fla. B.J. 49 (January 1997).
[12] S. 163.3180(1), (5), and (6), F.S.
[13] S. 163.3180(1)(a), F.S.
[14] S. 163.3180(4), F.S.

If a local government applies concurrency to transportation facilities, the comprehensive plan must provide the principles, guidelines, standards, and strategies to guide its application, including adopted levels of service.[15] Local governments use professionally accepted studies and techniques to evaluate the appropriate level of service and the potential impacts of proposed development.[16] Concurrency for transportation facilities is premised on the idea that public facilities will be provided to achieve and maintain the local government's adopted level of service standard.[17]

Each county or municipality that charges the developer of a new development or redevelopment a fee for transportation capacity impacts must create and execute an interlocal agreement to coordinate the mitigation of its respective transportation capacity impacts.[18] The interlocal agreement must:

- Ensure that any new development or redevelopment is not charged twice for the same transportation capacity impacts.
- Establish a plan-based methodology for determining the legally permissible fee to be charged to a new development or redevelopment.
- Require the county or municipality issuing the building permit to collect the fee, unless agreed to otherwise.
- Provide a method for the proportionate distribution of the revenue collected by the county or municipality to address the transportation capacity impacts of a new development or redevelopment, or provide a method of assigning responsibility for the mitigation of the transportation capacity impacts belonging to the county and the municipality.[19]

If there is no interlocal agreement between the counties and municipalities charging for such impacts:

- The fee charged to a new development or redevelopment is based on the transportation capacity impacts apportioned to the county and municipality as identified in the developer's traffic impact study or the mobility plan adopted by the county or municipality.
- The developer must receive a 10 percent reduction in the total fee calculated.
- The county or municipality issuing the building permit must collect the fee calculated and distribute the proceeds to the county and municipality within 60 days after the developer's payment.[20]

The requirement to enter into an interlocal agreement does not apply to a county as defined in s. 125.011(1), F.S. or to a county or municipality that has entered into, or otherwise updated, an existing interlocal agreement as of October 1, 2024, to coordinate the mitigation of transportation impacts.[21] If the existing interlocal agreement is terminated, the affected county and municipality must enter into a conforming interlocal agreement, unless the prior agreement is extended by mutual agreement of the parties before the expiration of the agreement.

Intergovernmental Coordination

Each local government's comprehensive plan must contain an intergovernmental coordination element stating the principles and guidelines to be used when considering the particular effect of the plan on the development of state and other local governments, including school boards and other governmental entities that do not have regulatory authority over land.[22] Within one year of adopting their intergovernmental coordination elements, each county, as well as all municipalities within the county, the school board, and any other unit of local government must establish joint processes by an interlocal or other formal agreement to implement this element.[23] The agreement must ensure each local government addresses the impacts of development proposed in the local comprehensive

[15] S. 163.3180(5)(a), F.S.
[16] S. 163.3180(5)(b)-(c), F.S.
[17] S. 163.3180(5)(d), F.S.
[18] S. 163.3180(5)(j)1., F.S.
[19] S. 163.3180(5)(j)2., F.S.
[20] S. 163.3180(5)(j)3., F.S.
[21] S. 163.3180(5)(j)3., F.S.
[22] S. 163.3177(6)(h)1.-2., F.S.
[23] S. 163.3177(6)(h)3., F.S.

plan on neighboring counties and municipalities and ensure coordination in establishing level-of-service standards for public facilities with any state, regional, or local entity having operational and maintenance responsibility for such facilities.

Impact Fees

Impact fees are a type of regulatory fee "imposed by local governments against new development to provide for capital facilities' costs made necessary by population growth. Rather than imposing the costs of these additional capital facilities upon the general public, the purpose of impact fees is to shift the expense burden to newcomers."[24] Examples of capital facilities include the provision of additional water and sewer systems, schools, libraries, parks and recreation facilities.[25] Impact fees are typically assessed using a fee schedule that sets forth the charge per type of dwelling unit or per square footage of floor space.[26] The charges are usually paid at the time the building permit is approved.[27]

The Florida Impact Fee Act (Act) provides requirements and procedures to be followed by a county, municipality, school district, or special district when it adopts an impact fee.[28] Impact fees must meet the following minimum criteria when adopted:

- The fee must be calculated based on a study using the most recent and localized data available within four years of the update.
- The local government adopting the impact fee must account for and report impact fee collections and expenditures.
- Charges imposed for the collection of impact fees must be limited to the actual administrative costs.
- All local governments must give notice of a new or increased impact fee at least 90 days before the new or increased fee takes effect (but need not wait 90 days before decreasing, suspending, or eliminating an impact fee).
- A local government may not require payment of the impact fee before the date of issuing a building permit for the property that is subject to the fee.
- The impact fee must be reasonably connected to, or have a rational nexus with:
    - The need for additional capital facilities and the increased impact generated by the new residential or commercial construction.
    - The expenditures of the revenues generated and the benefits accruing to the new residential or commercial construction.
- The local government must specifically earmark revenues generated by the impact fee to acquire, construct, or improve capital facilities to benefit new users.
- The local government may not use revenues generated by the impact fee to pay existing debt or for previously approved projects unless the expenditure is reasonably connected to, or has a rational nexus with, the increased impact generated by the new residential or commercial construction.[29]

Phase-In Limitations

Under the Act, a county, municipality, school district, or special district may increase an impact fee subject to the following phase-in limitations:

- Increases of up to 25 percent of the current rate must be implemented in two equal annual increments beginning with the date on which the increased fee is adopted.
- Increases between 25 and 50 percent of the current rate must be implemented in four equal annual increments beginning with the date on which the increased fee is adopted.
- An impact fee increase may not exceed 50 percent of the current impact fee rate.

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[24] Florida Housing Finance Corporation, *Overview of Impact Fees and Affordable Housing* (Oct. 2017), p. 1 (last visited Jan. 24, 2026).
[25] *Id.*
[26] *Id.*
[27] *Id.*
[28] S. 163.31801, F.S.
[29] S. 163.31801(4), F.S.

- An impact fee may not be increased more than once every four years or increased retroactively for a previous or current fiscal or calendar year.[30]

However, a county, municipality, school district, or special district may increase an impact fee rate beyond these phase-in limitations by:

- Establishing the need for the increase in conformity with the above minimum criteria for impact fees.
- Completing a demonstrated-need study justifying any increase in excess of those authorized by the Act within the 12 months before the adoption of the impact fee increase that expressly demonstrates the extraordinary circumstances necessitating the need to exceed the phase-in limitations.
- Holding at least two publicly noticed workshops dedicated to the extraordinary circumstances necessitating the need to exceed the phase-in limitations set forth in the Act.
- Approving the impact fee increase ordinance by a unanimous vote of its governing body.[31]

An impact fee increase beyond the phase-in limitations must be implemented in at least two, but no more than four, equal annual increments beginning with the date the impact fee increase ordinance is adopted.[32] A local government may not increase its impact fee beyond the phase-in limitations if it has not increased its fee within the past five years.[33]

RECENT LEGISLATION:

YEAR	BILL #/SUBJECT	HOUSE/*SENATE* SPONSOR(S)	OTHER INFORMATION
2025	CS/SB 1080 - Local Government Land Regulation	Overdorf/ *McClain*	The bill became a law on October 1, 2025.
2024	CS/HB 479 - Alternative Mobility Funding Systems and Impact Fees	Robinson, W./ *Martin*	The bill became a law on October 1, 2024.

[30] S. 163.31801(6)(b)–(f), F.S.
[31] S. 163.31801(6)(g)1., F.S.
[32] S. 163.31801(6)(g)2., F.S.
[33] S. 163.31801(6)(g)3., F.S. Any year in which the local government is prohibited from increasing an impact fee because the jurisdiction is in a hurricane disaster area is not included in the five year period.

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Intergovernmental Affairs Subcommittee	12 Y, 0 N, As CS	1/28/2026	Darden	Darden
THE CHANGES ADOPTED BY THE COMMITTEE:	• Revised definitions to improve clarify. • Provided that a petitioner in any action for overpayment is entitled to a refund of the overpayment plus interest. • Provided that a provision concerning the payment of attorney fees and costs only applies to actions by a local resident or business owner challenging overpayment of an impact fee.			
Housing, Agriculture & Tourism Subcommittee			Curtin	Fletcher
State Affairs Committee				

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

A bill to be entitled

An act relating to impact fees; amending s. 163.3164, F.S.; defining the term "plan-based methodology"; amending s. 163.3177, F.S.; providing requirements for coordination mechanisms that are required for certain agreements required as part of the intergovernmental coordination element of a comprehensive plan; amending s. 163.3180, F.S.; requiring that certain interlocal agreements use a plan-based methodology for a certain purpose; prohibiting certain interlocal agreements from extending beyond a specified date; deleting an exception to an applicability provision relating to concurrency; amending s. 163.31801, F.S.; defining the term "extraordinary circumstances"; requiring that a demonstrated-need study use a plan-based methodology for a certain purpose; requiring that certain capacity standards be specified in a certain impact fee study; requiring that a demonstrated-need study be accompanied by a certain declaration; requiring local governments, school districts, and special districts to use localized data for a certain purpose; prohibiting local governments, school districts, and special districts from using certain data for a specified purpose; prohibiting local governments, school districts, and special districts from including

certain deductions in certain impact fee increases and from increasing impact fee rates beyond certain phase-in limitations by more than a specified percentage within a certain timeframe; providing that a prevailing petitioner is entitled to an impact fee overpayment refund, with interest, under certain circumstances; requiring local governments, school districts, and special districts to issue such refunds within a specified timeframe; providing that certain prevailing petitioners are entitled to reasonable attorney fees and costs; amending s. 212.055, F.S.; conforming a cross-reference; providing an effective date.

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

Section 1. Present subsections (39) through (54) of section 163.3164, Florida Statutes, are redesignated as subsections (40) through (55), respectively, and a new subsection (39) is added to that section, to read:

163.3164 Community Planning Act; definitions.—As used in this act:

(39) "Plan-based methodology" means a study methodology that uses the most recent and localized data to project growth within a jurisdiction over a 10-year period, anticipate capacity

impacts on relevant systems which will be created by the projected growth, and establish a list of capital projects to be constructed or purchased in a defined time period to mitigate the anticipated capacity impacts as part of a new or updated impact fee study. The capital projects identified in the study and any necessary interlocal agreement must comport with the requirements of s. 163.3177(6)(h).

Section 2. Paragraph (h) of subsection (6) of section 163.3177, Florida Statutes, is amended to read:

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

(6) In addition to the requirements of subsections (1)-(5), the comprehensive plan shall include the following elements:

(h)1. An intergovernmental coordination element showing relationships and stating principles and guidelines to be used in coordinating the adopted comprehensive plan with the plans of school boards, regional water supply authorities, and other units of local government providing services but not having regulatory authority over the use of land, with the comprehensive plans of adjacent municipalities, the county, adjacent counties, or the region, with the state comprehensive plan and with the applicable regional water supply plan approved pursuant to s. 373.709, as the case may require and as such adopted plans or plans in preparation may exist. This element of

the local comprehensive plan must demonstrate consideration of the particular effects of the local plan, when adopted, upon the development of adjacent municipalities, the county, adjacent counties, or the region, or upon the state comprehensive plan, as the case may require.

a. The intergovernmental coordination element must provide procedures for identifying and implementing joint planning areas, especially for the purpose of annexation, municipal incorporation, and joint infrastructure service areas.

b. The intergovernmental coordination element shall provide for a dispute resolution process, as established pursuant to s. 186.509, for bringing intergovernmental disputes to closure in a timely manner.

c. The intergovernmental coordination element shall provide for interlocal agreements as established pursuant to s. 333.03(1)(b).

2. The intergovernmental coordination element shall also state principles and guidelines to be used in coordinating the adopted comprehensive plan with the plans of school boards and other units of local government providing facilities and services but not having regulatory authority over the use of land. In addition, the intergovernmental coordination element must describe joint processes for collaborative planning and decisionmaking on population projections and public school siting, the location and extension of public facilities subject

to concurrency, and siting facilities with countywide significance, including locally unwanted land uses whose nature and identity are established in an agreement.

3. Within 1 year after adopting their intergovernmental coordination elements, each county, all the municipalities within that county, the district school board, and any unit of local government service providers in that county shall establish by interlocal or other formal agreement executed by all affected entities, the joint processes described in this subparagraph consistent with their adopted intergovernmental coordination elements. The agreement must:

a. Ensure that the local government addresses through coordination mechanisms the impacts of development proposed in the local comprehensive plan upon development in adjacent municipalities, the county, adjacent counties, the region, and the state. The area of concern for municipalities shall include adjacent municipalities, the county, and counties adjacent to the municipality. The area of concern for counties shall include all municipalities within the county, adjacent counties, and adjacent municipalities. Such coordination mechanisms must include plans to provide mitigation funding to address any extrajurisdictional impacts of development, consistent with the requirements of s. 163.3180(5)(j).

b. Ensure coordination in establishing level of service standards for public facilities with any state, regional, or

local entity having operational and maintenance responsibility for such facilities.

Section 3. Paragraph (j) of subsection (5) of section 163.3180, Florida Statutes, is amended to read:

163.3180 Concurrency.—

(5)

(j)1. If a county and municipality charge the developer of a new development or redevelopment a fee for transportation capacity impacts, the county and municipality must create and execute an interlocal agreement to coordinate the mitigation of their respective transportation capacity impacts.

2. The interlocal agreement must, at a minimum:

a. Ensure that any new development or redevelopment is not charged twice for the same transportation capacity impacts.

b. Establish a plan-based methodology for determining the legally permissible fee to be charged to a new development or redevelopment.

c. Require the county or municipality issuing the building permit to collect the fee, unless agreed to otherwise.

d. Provide a method for the proportionate distribution of the revenue collected by the county or municipality to address the transportation capacity impacts of a new development or redevelopment, or provide a method of assigning responsibility for the mitigation of the transportation capacity impacts belonging to the county and the municipality.

e. Use a plan-based methodology in complying with the requirements of s. 163.3177(6)(h).

3. By October 1, 2025, if an interlocal agreement is not executed pursuant to this paragraph:

a. The fee charged to a new development or redevelopment shall be based on the transportation capacity impacts apportioned to the county and municipality as identified in the developer's traffic impact study or the mobility plan adopted by the county or municipality.

b. The developer shall receive a 10 percent reduction in the total fee calculated pursuant to sub-subparagraph a.

c. The county or municipality issuing the building permit must collect the fee charged pursuant to sub-subparagraphs a. and b. and distribute the proceeds of such fee to the county and municipality within 60 days after the developer's payment.

4. This paragraph does not apply to:

a. A county as defined in s. 125.011(1).

b. A county or municipality that has entered into, or otherwise updated, an existing interlocal agreement, as of October 1, 2024, to coordinate the mitigation of transportation impacts. However, if such existing interlocal agreement is terminated, the affected county and municipality that have entered into the agreement are ~~shall be~~ subject to the requirements of this paragraph. An interlocal agreement entered into before October 1, 2024, may not extend beyond October 1,

2031 ~~unless the county and municipality mutually agree to extend the existing interlocal agreement before the expiration of the agreement~~.

Section 4. Present paragraphs (a) and (b) of subsection (3) of section 163.31801, Florida Statutes, are redesignated as paragraphs (b) and (c), respectively, a new paragraph (a) is added to that subsection, and paragraph (g) of subsection (6) and subsection (9) of that section are amended, to read:

163.31801 Impact fees; short title; intent; minimum requirements; audits; challenges.—

(3) For purposes of this section, the term:

(a) "Extraordinary circumstances" means measurable effects of development which will require mitigation by the affected local government, school district, or special district and which exceed the total of the current adopted impact fee amount and any increase as provided in paragraphs (6)(c), (d), and (e) in less than 4 years.

(6) A local government, school district, or special district may increase an impact fee only as provided in this subsection.

(g)1. A local government, school district, or special district may increase an impact fee rate beyond the phase-in limitations established under paragraph (b), paragraph (c), paragraph (d), or paragraph (e) by establishing the need for

such increase in full compliance with the requirements of subsection (4), provided the following criteria are met:

a. A demonstrated-need study using a plan-based methodology which justifies ~~justifying~~ any increase in excess of those authorized in paragraph (b), paragraph (c), paragraph (d), or paragraph (e) has been completed within the 12 months before the adoption of the impact fee increase and expressly demonstrates the extraordinary circumstances necessitating the need to exceed the phase-in limitations. The capacity standards used to support the existence of such extraordinary circumstances must be specified in the impact fee study adopted under paragraph (4)(a). The demonstrated-need study must be accompanied by a declaration stating how and the timeframe during which the proposed impact fee increase will be used to construct or purchase the improvements necessary to increase capacity. The local government, school district, or special district must use localized data reflecting differences in costs and modality of projects between urban, emerging urban, and rural areas, as applicable within the study area, to project the anticipated growth or capacity impacts which underlie the extraordinary circumstances necessitating the impact fee increase.

b. The local government jurisdiction has held at least two publicly noticed workshops dedicated to the extraordinary circumstances necessitating the need to exceed the phase-in

limitations set forth in paragraph (b), paragraph (c), paragraph (d), or paragraph (e).

c. The impact fee increase ordinance is approved by a unanimous vote of the governing body.

2. An impact fee increase approved under this paragraph must be implemented in at least two but not more than four equal annual increments beginning with the date on which the impact fee increase ordinance is adopted.

3. A local government, school district, or special district may not:

a. Increase an impact fee rate beyond the phase-in limitations under this paragraph if the local government, school district, or special district has not increased the impact fee within the past 5 years. Any year in which the local government, school district, or special district is prohibited from increasing an impact fee because the jurisdiction is in a hurricane disaster area is not included in the 5-year period.

b. Use data that is older than 4 years to demonstrate extraordinary circumstances.

c. Include in the impact fee increase any deduction authorized by a previous or existing impact fee.

d. Increase an impact fee rate beyond the phase-in limitations under this paragraph by more than 100 percent divided equally over a 4-year period.

(9) In any action challenging an impact fee or the

government's failure to provide required dollar-for-dollar credits for the payment of impact fees as provided in s. 163.3180(6)(h)2.b.:~~,~~

(a) The government has the burden of proving by a preponderance of the evidence that the imposition or amount of the fee or credit meets the requirements of state legal precedent and this section. The court may not use a deferential standard for the benefit of the government. If the court determines that the petitioner made an overpayment due to an improperly assessed impact fee, the petitioner is entitled to a refund in the amount of the overpayment with interest, with such interest amount determined by the court. The local government, school district, or special district that assessed the impact fee must issue the refund within 90 days after the judgment becomes final.

(b) A prevailing petitioner who is a resident of or an owner of a business located within the jurisdiction of the local government, school district, or special district that imposed the impact fee in violation of this section is entitled to reasonable attorney fees and costs. Such petitioner is further entitled to reasonable attorney fees and costs in any subsequent action necessary to collect a refund ordered by the court for any impact fee overpayment.

Section 5. Paragraph (d) of subsection (2) of section 212.055, Florida Statutes, is amended to read:

212.055 Discretionary sales surtaxes; legislative intent; authorization and use of proceeds.—It is the legislative intent that any authorization for imposition of a discretionary sales surtax shall be published in the Florida Statutes as a subsection of this section, irrespective of the duration of the levy. Each enactment shall specify the types of counties authorized to levy; the rate or rates which may be imposed; the maximum length of time the surtax may be imposed, if any; the procedure which must be followed to secure voter approval, if required; the purpose for which the proceeds may be expended; and such other requirements as the Legislature may provide. Taxable transactions and administrative procedures shall be as provided in s. 212.054.

(2) LOCAL GOVERNMENT INFRASTRUCTURE SURTAX.—

(d) The proceeds of the surtax authorized by this subsection and any accrued interest shall be expended by the school district, within the county and municipalities within the county, or, in the case of a negotiated joint county agreement, within another county, to finance, plan, and construct infrastructure; to acquire any interest in land for public recreation, conservation, or protection of natural resources or to prevent or satisfy private property rights claims resulting from limitations imposed by the designation of an area of critical state concern; to provide loans, grants, or rebates to residential or commercial property owners who make energy

efficiency improvements to their residential or commercial property, if a local government ordinance authorizing such use is approved by referendum; or to finance the closure of county-owned or municipally owned solid waste landfills that have been closed or are required to be closed by order of the Department of Environmental Protection. Any use of the proceeds or interest for purposes of landfill closure before July 1, 1993, is ratified. The proceeds and any interest may not be used for the operational expenses of infrastructure, except that a county that has a population of fewer than 75,000 and that is required to close a landfill may use the proceeds or interest for long-term maintenance costs associated with landfill closure. Counties, as defined in s. 125.011, and charter counties may, in addition, use the proceeds or interest to retire or service indebtedness incurred for bonds issued before July 1, 1987, for infrastructure purposes, and for bonds subsequently issued to refund such bonds. Any use of the proceeds or interest for purposes of retiring or servicing indebtedness incurred for refunding bonds before July 1, 1999, is ratified.

1. For the purposes of this paragraph, the term "infrastructure" means:

a. Any fixed capital expenditure or fixed capital outlay associated with the construction, reconstruction, or improvement of public facilities that have a life expectancy of 5 or more years, any related land acquisition, land improvement, design,

and engineering costs, and all other professional and related costs required to bring the public facilities into service. For purposes of this sub-subparagraph, the term "public facilities" means facilities as defined in s. 163.3164(42) ~~s. 163.3164(41)~~, s. 163.3221(13), or s. 189.012(5), and includes facilities that are necessary to carry out governmental purposes, including, but not limited to, fire stations, general governmental office buildings, and animal shelters, regardless of whether the facilities are owned by the local taxing authority or another governmental entity.

b. A fire department vehicle, an emergency medical service vehicle, a sheriff's office vehicle, a police department vehicle, or any other vehicle, and the equipment necessary to outfit the vehicle for its official use or equipment that has a life expectancy of at least 5 years.

c. Any expenditure for the construction, lease, or maintenance of, or provision of utilities or security for, facilities, as defined in s. 29.008.

d. Any fixed capital expenditure or fixed capital outlay associated with the improvement of private facilities that have a life expectancy of 5 or more years and that the owner agrees to make available for use on a temporary basis as needed by a local government as a public emergency shelter or a staging area for emergency response equipment during an emergency officially declared by the state or by the local government under s.

252.38. Such improvements are limited to those necessary to comply with current standards for public emergency evacuation shelters. The owner must enter into a written contract with the local government providing the improvement funding to make the private facility available to the public for purposes of emergency shelter at no cost to the local government for a minimum of 10 years after completion of the improvement, with the provision that the obligation will transfer to any subsequent owner until the end of the minimum period.

e. Any land acquisition expenditure for a residential housing project in which at least 30 percent of the units are affordable to individuals or families whose total annual household income does not exceed 120 percent of the area median income adjusted for household size, if the land is owned by a local government or by a special district that enters into a written agreement with the local government to provide such housing. The local government or special district may enter into a ground lease with a public or private person or entity for nominal or other consideration for the construction of the residential housing project on land acquired pursuant to this sub-subparagraph.

f. Instructional technology used solely in a school district's classrooms. As used in this sub-subparagraph, the term "instructional technology" means an interactive device that assists a teacher in instructing a class or a group of students

and includes the necessary hardware and software to operate the interactive device. The term also includes support systems in which an interactive device may mount and is not required to be affixed to the facilities.

2. For the purposes of this paragraph, the term "energy efficiency improvement" means any energy conservation and efficiency improvement that reduces consumption through conservation or a more efficient use of electricity, natural gas, propane, or other forms of energy on the property, including, but not limited to, air sealing; installation of insulation; installation of energy-efficient heating, cooling, or ventilation systems; installation of solar panels; building modifications to increase the use of daylight or shade; replacement of windows; installation of energy controls or energy recovery systems; installation of electric vehicle charging equipment; installation of systems for natural gas fuel as defined in s. 206.9951; and installation of efficient lighting equipment.

3. Notwithstanding any other provision of this subsection, a local government infrastructure surtax imposed or extended after July 1, 1998, may allocate up to 15 percent of the surtax proceeds for deposit into a trust fund within the county's accounts created for the purpose of funding economic development projects having a general public purpose of improving local economies, including the funding of operational costs and

incentives related to economic development. The ballot statement must indicate the intention to make an allocation under the authority of this subparagraph.

4. Surtax revenues that are shared with eligible charter schools pursuant to paragraph (c) shall be allocated among such schools based on each school's proportionate share of total school district capital outlay full-time equivalent enrollment as adopted by the education estimating conference established in s. 216.136. Surtax revenues must be expended by the charter school in a manner consistent with the allowable uses provided in s. 1013.62(4). All revenues and expenditures shall be accounted for in a charter school's monthly or quarterly financial statement pursuant to s. 1002.33(9). If a school's charter is not renewed or is terminated and the school is dissolved under the provisions of law under which the school was organized, any unencumbered funds received under this paragraph shall revert to the sponsor.

Section 6. 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 #: CS/HB 1245	**COMPANION BILL:** CS/SB 1294 (Bradley)
TITLE: Biosolids Management	**LINKED BILLS:** None
SPONSOR(S): Shoaf	**RELATED BILLS:** CS/SB 1294 (Bradley)

Committee References

Natural Resources & Disasters
18 Y, 0 N, As CS
➤ Housing, Agriculture & Tourism ➤ State Affairs

SUMMARY

Effect of the Bill:
The bill creates new regulations for Class AA biosolids. The bill, in part:

- Prohibits land application of bulk Class AA biosolids fertilizer and compost products from exceeding certain agronomic rates and requires land application site operators to maintain application records.
- Authorizes bulk Class AA biosolids or biosolid products to be distributed or marketed as fertilizer and land applied if certain requirements are met.
- Authorizes bulk Class AA biosolids compost products to be distributed or marketed as soil amendments and land applied if certain requirements are met.
- Requires that bulk AA biosolids compost and fertilizer products that are not distributed, marketed, or sold through a bona fide sale as a fertilizer or soil amendment may only be land applied at land application sites approved by the Department of Environmental Protection.
- Requires the University of Florida's Institute of Food and Agricultural Sciences to, on a biennial basis, publish recommended agronomic rates for the beneficial reuse of bulk Class AA biosolids fertilizer and compost products.

Fiscal or Economic Impact:
None.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

Effective July 1, 2026, the bill prohibits the land application of bulk Class AA biosolids fertilizer and compost products from exceeding the appropriate rate and requires the land application site operator to maintain application records. The bill requires the University of Florida's Institute of Food and Agricultural Sciences to biennially publish and make publicly available recommended agronomic rates for the beneficial reuse of bulk Class AA biosolids fertilizer and compost products. (Section 1)

Effective July 1, 2028, the bill defines "bona fide sale" as a sale in which monetary consideration is paid for the biosolids fertilizer or biosolids compost product, and the amount paid bears a reasonable relationship to the fair market value of comparable fertilizer or soil-amendment products. The bill specifies that a nominal charge, exchange arrangement, a transfer to offset disposal costs, or a transfer in which a biosolids treatment facility compensates the recipient does not constitute a bona fide sale. In addition, a transaction does not constitute a bona fide sale if its price, structure, or associated payments are arranged for the purpose of avoiding compliance with the law. (Section 2)

The bill provides that Bulk Class AA biosolids products and biosolids compost products may only be land applied and marketed or distributed as fertilizer (for biosolids products) or soil amendments (for biosolids compost) if

these products are transferred pursuant to a bona fide sale and meet all labeling and registration requirements. Class AA biosolids compost and fertilizer products that are not distributed, marketed, or sold through a bona fide sale may only be land applied at land application sites expressly approved by the Department of Environmental Protection (DEP). The bill exempts sales or exchanges between importers, manufacturers, or licensees from these requirements. (Section 2)

The bill specifies that Class AA biosolids compost products, if their labeling does not claim any plant nutrients or beneficial plant growth properties, that are enrolled and certified under the United States Composting Council's Seal of Testing Assurance Program are not required to be distributed and marketed as a soil amendment or fertilizer. Furthermore, such biosolids compost products are not limited to land application sites expressly approved by DEP. (Section 2)

The bill exempts from the bona fide sale requirement any biosolids treatment facility that owns or controls the land where the Class AA fertilizer or compost biosolids products are applied, but the Class AA products that are land applied on such lands must still meet all applicable registration and labeling requirements prior to application. (Section 2)

The effective date of the bill is July 1, 2026, but the provisions in section 2 become effective July 1, 2028. (Section 3)

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Biosolids

When domestic wastewater is treated, solid, semisolid, or liquid residue known as biosolids[1] accumulates in the wastewater treatment plant and must be removed periodically to keep the plant operating properly.[2] Biosolids also include products and treated material from biosolids treatment facilities and septage management facilities regulated by DEP.[3] The collected residue is high in organic content and contains moderate amounts of nutrients.[4]

Wastewater treatment facilities produce about 340,000 dry tons of biosolids each year.[5] Biosolids can be disposed of in several ways including placement in a landfill, distribution and marketing as fertilizer, and land application to pasture or agricultural lands.[6] Biosolids are subject to regulatory requirements established by DEP to protect public health and the environment.[7]

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[1] Section 373.4595, F.S., defines biosolids are the solid, semisolid, or liquid residue generated during the treatment of domestic wastewater in a domestic wastewater treatment facility and include products and treated material from biosolids treatment facilities and septage management facilities. The term does not include the treated effluent or reclaimed water from a domestic wastewater treatment facility, solids removed from pump stations and lift stations, screenings and grit removed from the preliminary treatment components of domestic wastewater treatment facilities, or ash generated during the incineration of biosolids.

[2] DEP, *Domestic wastewater biosolids*, https://floridadep.gov/water/domestic-wastewater/content/domestic-wastewater-biosolids (last visited Jan. 25, 2026).

[3] Rule 62-640.200(6), F.A.C.

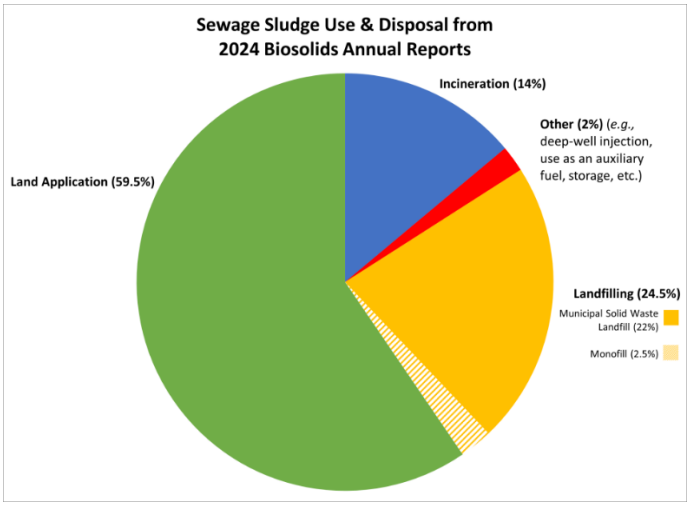
[4] *Id*.

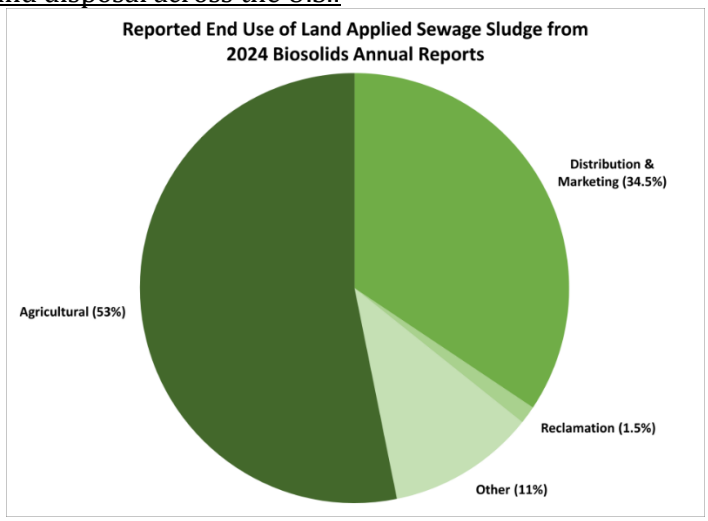
[5] DEP, *Biosolids in Florida,* https://www.florida-stormwater.org/assets/MemberServices/Conference/AC19/02%20-%20Frick%20Tom.pdf#:~:text=Biosolids%20and%20Management%20in%20Florida%20Estimated%20Total%20Production,two-thirds%20are%20beneficially%20used%20and%20onethird%20is%20landfilled (last visited Jan. 25, 2026).

[6] *Id*.

[7] Rule 62-640, F.A.C.

U.S. Environmental Protection Agency – Biosolids use and disposal across the U.S.:[8]





Land application of biosolids involves spreading biosolids on the soil surface or incorporating or injecting biosolids into the soil at a permitted site.[9] This practice provides nutrients and organic matter to the soil on agricultural land, golf courses, forests, parks, mine reclamation sites, and other disturbed lands. Composted and treated biosolids are used by landscapers and nurseries, and by homeowners for their lawns and home gardens.[10]

Biosolids are classified at the federal level in two classes, "Class A" or "Class B."[11] In Florida, there is an additional "Class AA" designation for biosolids treated to the highest quality standard, which are distributed and marketed as fertilizer,[12] and DEP regulates the three classes of biosolids for beneficial use.[13] The classes are categorized based on treatment and quality, with Class AA biosolids receiving the highest level of treatment, and Class B receiving the lowest.[14] Treatment of biosolids must reduce pathogens, the attractiveness of the biosolids for pests like insects and rodents, and the amount of toxic metals in the biosolids.[15]

Biosolids are regulated under Rule 62-640 of the Florida Administrative Code. The rules provide minimum requirements, including monitoring and reporting requirements, for the treatment, management, use, and disposal of biosolids. The rules are applicable to wastewater treatment facilities, appliers, and distributors[16] and include permit requirements for both treatment facilities and biosolids application sites.[17]

Each permit application for a biosolids application site must include a site-specific nutrient management plan (NMP) that establishes the specific rates of application and procedures to apply biosolids to land.[18] Biosolids may

[8] EPA, *Basic Information about Sewage Sludge and Biosolids,* https://www.epa.gov/biosolids/fact-sheet-use-landfilling-biosolids-management (last visited Jan. 25, 2026).
[9] EPA, *Land application of biosolids*, https://www.epa.gov/biosolids/land-application-biosolids (last visited Jan. 25, 2026).
[10] *Id.*
[11] 40 C.F.R. Part 503; EPA, *Land Application of Biosolids*, https://www.epa.gov/biosolids/land-application-biosolids (last visited Jan. 25, 2026).
[12] Rule 62-640.200(11), F.A.C.; *see also* National Biosolids Data Project, *Florida Biosolids* (last updated 2018), https://www.biosolidsdata.org/florida (last visited Jan. 25, 2026).
[13] Rule 62-640.200, F.A.C.
[14] *Id.*; Rule 62-640.200(6), F.A.C.,
[15] Rule 62-640.200, F.A.C.
[16] Rule 62-640.100, F.A.C.
[17] Rule 62-640.300, F.A.C.
[18] Rule 62-640.500, F.A.C.

only be applied to land application sites that are permitted by DEP and have a valid NMP.[19] Once a facility or site is permitted, it is subject to monitoring, record-keeping, reporting, and notification requirements.[20]

Section 403.0855, F.S., requires all biosolids application sites to meet the DEP rules in effect at the time of the renewal of the biosolids application site permit or facility permit, effective July 1, 2020. Permittees applying Class A or Class B biosolids must ensure a minimum unsaturated soil depth of 2 feet between the depth of biosolids placement and the water table level at the time of application. Permittees must also be enrolled in the Florida Department of Agriculture (FDACS) best management practices (BMP) program or be within an agricultural operation enrolled in the program for the applicable commodity type.

Class AA biosolids may be distributed and marketed like other commercial fertilizers with few further restrictions and less regulation under Rule 62-640, F.A.C. than Class A and Class B biosolids;[21] and, like other commercial fertilizers, they are primarily regulated by FDACS's BMP Program.[22] Section 403.067, F.S., authorizes and directs FDACS to develop and adopt by rule BMPs that will help Florida's agricultural industry achieve the reductions allocated in basin management action plans (BMAPs), which are restoration plans developed for the watersheds and basins connected to certain impaired waterbodies.[23]

FDACS develops and adopts BMPs by rule for different types of agricultural commodities.[24] At least every 2 years, DACS must perform onsite inspections of each agricultural producer that enrolls in a BMP to ensure that such practice is being properly implemented.[25] Such verification must include a collection and review of the BMP documentation from the previous 2 years, including, but not limited to, nitrogen and phosphorus fertilizer application records, which must be collected and retained.[26]

Producers or agricultural landowners who properly implement the applicable BMPs or who are in compliance with the Equivalent Program[27] requirements of Rule Chapter 5M-1, F.A.C., are entitled to a presumption of compliance with state water quality standards.[28]

The application of biosolids is prohibited in certain areas. The Legislature banned the disposal of domestic wastewater biosolids within the Lake Okeechobee,[29] Caloosahatchee River,[30] and St. Lucie River[31] watersheds unless the applicant can affirmatively demonstrate that the nutrients in the biosolids will not add to nutrient loadings in the watershed. The prohibition against land application in these watersheds does not apply to Class AA biosolids that are distributed as fertilizer products.[32]

Biosolids Rulemaking

The Legislature passed the Clean Waterways Act in 2020 to address a number of environmental issues relating to water quality improvement, including biosolids. DEP was directed to promulgate rules to implement the Clean

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[19] *Id*.
[20] Rule 62-640.650, F.A.C.
[21] Rule 62-640.800, F.A.C.
[22] DEP. *Domestic wastewater biosolids*; National Biosolids Data Project. *Florida biosolids*. https://www.biosolidsdata.org/florida (last visited Jan. 25, 2026); Rule 62-640.850, F.A.C.; R. 62-640.850(2), F.A.C.; *see also* s. 576.181(1), F.S., and R. Ch. 5E-1, F.A.C.
[23] S. 403.067(7)(a)1., F.S.; Rule 62-303.100(1), F.A.C.
[24] *Id.*
[25] S. 403.067(7)(d)3., F.S.
[26] *Id.*
[27] Equivalent Programs provide water quality protections equal to or more stringent than the applicable BMPs.
[28] S. 403.067(7)(c)3., F.S.
[29] S. 373.4595(3)(b)16., F.S.
[30] S. 373.4595(4)(b)5., F.S.
[31] S. 373.4595(4)(d)5., F.S.
[32] *Id.*; ss. 373.4595(3)(b)16. and 373.4595(4)(b)5., F.S.; *see also* R. 62-640.850, F.A.C.

Waterways Act, including rules addressing biosolids management in Florida.[33] All rules adopted by DEP related to biosolids management require ratification by the Legislature prior to taking effect.[34] The initial biosolids rulemaking process included multiple workshops and opportunities for public input, and the rules were developed to minimize the migration of nutrients to waterbodies. [35] In 2021, the Legislature ratified the initial biosolids rules.[36]

Clean Water Act

The federal Clean Water Act (1972) establishes the basic structure for regulating discharges of pollutants into the waters of the United States and regulating quality standards for surface waters.[37] The Clean Water Act requires the U.S. Environmental Protection Agency (EAP) to establish requirements and management practices for the use and disposal of sewage sludge.[38] The EPA's Standards for the Use or Disposal of Sewage Sludge, regulates sewage sludge that is applied to land, fired in a sewage sludge incinerator or placed on a surface disposal site.[39]

Agronomic rate refers to the amount of biosolids and other organic materials that are applied to soils.[40] The appropriate agronomic rate depends on crop type, geographic location, and soil characteristics.[41] The Clean Water Act establishes standards and requirements for annual pollutant loading rates.[42]

US Composting Council

The US Composting Council (USCC) is a is a national organization of compost manufacturers, compost marketers, equipment manufacturers, product suppliers, academic institutions, public agencies, nonprofit groups, and consulting/engineering firms dedicated to the development, expansion, and promotion of the composting industry.[43] The USCC's Seal of Testing Assurance Program (STA) is a testing and information disclosure program aimed at improving customer confidence in compost selection and utilization.[44] STA certified compost must:

- Meet the USCC's definition of compost;
- Stay in compliance with all federal, state, and local regulations and meet EPA limits for heavy metals and pathogens;
- Use STA approved labs for testing;
- Test compost product in accordance with the required schedule;
- Provide customers with technical data sheets; and
- Sign the STA contract, pay the USCC yearly fees, and renew contracts and payments annually.[45]

Fertilizer Licensing and Labeling Requirements

A company whose name and address appears on a fertilizer label and that guarantees a fertilizer must obtain a license to distribute from FDACS before the company may distribute that fertilizer to a nonlicensee.[46] A company whose name and address appears on a fertilizer label and that guarantees a fertilizer may not distribute a specialty

[33] Ch. 2020-150, L.O.F.
[34] S. 403.0855, F.S.
[35] DEP, *DEP Chapter 62-640, F.A.C., Rulemaking*, https://floridadep.gov/water/domestic-wastewater/content/dep-chapter-62-640-fac-rulemaking (last visited Jan. 25, 2026).
[36] Ch. 2021-153, L.O.F..
[37] U.S. Environmental Protection Agency, *Summary of the Clean Water Act* (last visited Jan. 25, 2026).
[38] *Id.*
[39] Title 40 C.F.R., Part 503. *See also* U.S. Environmental Protection Agency, *Sewage Sludge Laws and Regulations* (last visited Jan. 25, 2026).
[40] Northeast Biosolids & Residuals Association, *Agronomic Rate* (last visited Jan. 25, 2026).
[41] U.S. Environmental Protection Agency, *Basic Information about Biosolids* (last visited Jan. 25, 2026).
[42] *See* § 503.14, C.F.R. *and* Table 4 of § 503.13 – Annual Pollutant Loading Rates.
[43] National Composting Council, *US Composting Council (UCC)* (last visited Jan. 25, 2026).
[44] BioCycle, *Introducing ... STA Certified Compost* (last visited Jan. 25, 2026).
[45] US Composting Council, *STA Requirements* (last visited Jan. 25, 2026).
[46] S. 576.021(1), F.S.

fertilizer[47] in this state until the fertilizer is registered with FDACS, and each brand and grade of specialty fertilizer must be registered with FDACS.[48]

Any fertilizer distributed in Florida in containers must have a label placed on or affixed to the immediate and outside container setting forth in clearly legible and conspicuous form the following information:[49]

- The brand and grade.
- The guaranteed analysis.
- The name and address of the licensee.
- The net weight of the fertilizer.
- The sources from which the nitrogen, phosphorus, and potassium are derived.
- The sources of secondary plant nutrients and micro plant nutrients if guaranteed, claimed, or advertised.
- The Florida license number.

If the fertilizer is distributed in bulk, two labels containing the required label information must accompany delivery and be supplied to the purchaser at time of delivery with the delivery ticket, which must show the certified net weight of the fertilizer.[50]

If a property owner or leaseholder implements interim measures, best management practices, or other measures adopted by FDACS which have been verified by DEP to be effective, and complies with certain other requirements, there is a presumption of compliance with state water quality standards with respect to the application of fertilizers or other soil-applied nutritional materials containing nitrogen or phosphorus.[51]

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Natural Resources & Disasters Subcommittee	18 Y, 0 N, As CS	1/28/2026	Skinner	Jones
THE CHANGES ADOPTED BY THE COMMITTEE:	• Changed the effective date of certain provisions regarding the distribution and marketing of Class AA biosolids and the requirements for a bona fide sale to July 1, 2028. • Removed the reference to the federal definition of "agronomic rate." • Provided that the exemption from the requirement that Class AA biosolids compost products be distributed or marketed as a soil amendment or fertilizer applies only if the labeling does not claim any plant nutrients or beneficial plant growth properties. • Removed the provision that limited the agronomic rate requirement to applications constituting disposal. • Removed the reference to the slow-release nature of the nutrients in biosolids-derived products.			
Housing, Agriculture & Tourism Subcommittee			Curtin	Wright
State Affairs Committee				

[47] "Specialty fertilizer" means any fertilizer packaged, marketed, and distributed for home and garden use and packaged in containers or bags such that the net weight is 49 pounds or less. S. 576.011(40), F.S.
[48] S. 576.021(2)(a), F.S.
[49] S. 576.031, F.S.
[50] *Id.*
[51] S. 576.045(6), F.S.

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

A bill to be entitled

An act relating to biosolids management; amending s. 403.0855, F.S.; prohibiting the land application of Class AA biosolids fertilizer and compost products from exceeding the appropriate agronomic rate; requiring the land application site operator to maintain application records; requiring the University of Florida's Institute of Food and Agricultural Sciences to publish and make publicly available recommended agronomic rates for the reuse of bulk Class AA biosolids fertilizer and compost products, based on certain criteria; authorizing bulk Class AA biosolids or biosolids products to be distributed or marketed as fertilizer and land applied if specified requirements are met; defining the term "bona fide sale"; authorizing bulk Class AA biosolids compost products to be distributed or marketed as soil amendments and land applied if specified requirements are met; providing an exception; requiring that certain bulk Class AA biosolids compost and fertilizer products be land applied at land application sites approved by the Department of Environmental Protection; providing applicability; requiring certain bulk Class AA products that are land applied on certain lands meet certain requirements before land

application; providing applicability; providing effective dates.

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

Section 1. Subsections (7) and (8) are added to section 403.0855, Florida Statutes, to read:

403.0855 Biosolids management.—

(7) The land application of bulk Class AA biosolids fertilizer and compost products may not exceed the appropriate agronomic rate. Application records must be maintained by the land application site operator.

(8) The University of Florida's Institute of Food and Agricultural Sciences shall, on a biennial basis, publish and make publicly available the recommended agronomic rates for the beneficial reuse of bulk Class AA biosolids fertilizer and compost products based on predominant application practices.

Section 2. Effective July 1, 2028, subsections (9) through (13) are added to section 403.0855, Florida Statutes, as amended by this act, to read:

403.0855 Biosolids management.—

(9)(a) Bulk Class AA biosolids or biosolids products may be distributed or marketed as fertilizer in accordance with chapter 576 and may be land applied if such biosolids and products are transferred pursuant to a bona fide sale as

fertilizer and meet all applicable labeling and registration requirements.

(b) As used in this section, the term "bona fide sale" means a sale in which monetary consideration is paid for the biosolids fertilizer or biosolids compost product, and the amount paid bears a reasonable relationship to the fair market value of comparable marketable fertilizer or soil-amendment products. A nominal charge, an exchange arrangement, a transfer made to offset disposal costs, or a transfer in which the biosolids treatment facility compensates the recipient does not constitute a bona fide sale. A transaction does not constitute a bona fide sale if its price, structure, or associated payments are arranged for the purpose of avoiding compliance with paragraph (a) or subsection (10).

(10)(a) Bulk Class AA biosolids compost products may be distributed or marketed as soil amendments in accordance with chapter 576 and may be land applied if such products are transferred pursuant to a bona fide sale and meet all applicable labeling and registration requirements.

(b) Class AA biosolids compost products, if their labeling does not claim any plant nutrients or beneficial plant growth properties, are not required to be distributed or marketed as a soil amendment or a fertilizer, as those terms are defined in s. 576.011, if the Class AA biosolids compost products are enrolled and certified under the U.S. Composting Council's Seal of

Testing Assurance program.

(11) Bulk Class AA biosolids compost and fertilizer products that are not distributed, marketed, or sold through a bona fide sale as a fertilizer or soil amendment may be land applied only at land application sites expressly approved by the Department of Environmental Protection. This subsection does not apply to Class AA biosolids compost products enrolled and certified under the U.S. Composting Council's Seal of Testing Assurance program.

(12) The requirement for a bona fide sale does not apply to biosolids treatment facilities that own or control the land where the bulk Class AA fertilizer or compost biosolids products are being land applied; however, bulk Class AA products that are land applied on land owned or controlled by a biosolids treatment facility must still meet all applicable registration and labeling requirements before land application.

(13) Subsections (9), (10), and (11) do not apply to sales or exchanges between importers, manufacturers, or licensees under s. 576.141.

Section 3. Except as otherwise expressly provided in this act, this act shall take effect July 1, 2026.

HB 1387

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 1387	**COMPANION BILL:** SB 1236 (Massullo)
TITLE: State Economic Development Contracts	**LINKED BILLS:** None
SPONSOR(S): Overdorf	**RELATED BILLS:** None

Committee References

Housing, Agriculture & Tourism ➤ Transportation & Economic Development Budget ➤ Commerce

SUMMARY

Effect of the Bill:

The bill creates the Taxpayer Dollars Protect Workers Act (Act) to provide that, in order to be eligible for an economic development incentive, an employer may not:

- Grant recognition rights for employees solely on the basis of signed labor organization authorization cards if the selection of a bargaining representative could instead be accomplished through a secret ballot election by the National Labor Relations Board;
- Voluntarily disclose an employee's personal contact information to a labor organization without the employee's prior written consent;
- Sign a neutrality agreement with a labor organization; or
- Require a subcontractor to engage in any of the foregoing activities.

The bill requires the Department of Commerce (Department), before awarding an economic development incentive, to enter into a separate agreement with the recipient of the incentive to reserve the right of the Department to recover any money, grants, funds, or other incentives if the recipient violates the Act. The bill allows anyone to report an employer believed to have violated the Act, and requires the Department to perform certain related investigations.

Fiscal or Economic Impact:

The bill has an indeterminate impact on state government and the private sector.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill creates the "Taxpayer Dollars Protect Workers Act" (Act).

The bill provides the following definitions:

- "Contract" means an agreement between an employer and the state, or an agreement between an employer and a labor organization. The term includes a memorandum of understanding mutually accepted by the Department of Commerce and an employer before the effective date of this act, including a legally binding agreement subsequent and subject to the memorandum of understanding.
- "Economic development incentive" means a state grant, authorized under this chapter for the purposes of economic development, provided to an employer to attract or retain the employer's physical presence in this state.
- "Employee" means a person who performs services for an employer for wages that are subject to a federal income tax.

- "Employer" means a business entity that voluntarily pursues economic development incentives authorized under this chapter or enters into an agreement with the state for the purpose of receiving those incentives.
- "Labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, hours of employment, or conditions of work.
- "Neutrality agreement" means an agreement signed with a labor organization wherein the employer agrees to conditions including, but not limited to, not speaking to employees about labor organization issues.
- "Personal contact information" means an employee's home address, home or personal cellular telephone number, or personal e-mail address.
- "Secret ballot election" means a process conducted by the National Labor Relations Board (NLRB) in which an employee casts a secret ballot for or against labor organization representation.
- "Subcontractor" means a person or entity that has contracted with an employer to perform work or provide services. (Section 2).

The bill establishes that to be eligible for an economic development incentive, an employer may not:

- Grant recognition rights for employees solely and exclusively on the basis of signed labor organization authorization cards if the selection of a bargaining representative could have been conducted through a secret ballot election by the National Labor Relations Board (NLRB).
- Voluntarily disclose an employee's personal contact information to a labor organization, or a third party acting on behalf of a labor organization, without the employee's prior written consent.
- Sign a neutrality agreement with a labor organization.
- Require a subcontractor to engage in the above prohibited activities.

The bill provides that eligibility requirements apply to any work or service for an employer on a project for which an economic development incentive is provided. (Section 2).

The bill provides that a person or entity may report a suspected violation of the Act to the Department. Such report must be made during the term of the separate agreement entered into by the Department and the employer. Upon receiving a report, the Department shall determine whether a violation has occurred. If the Department finds that an employer has violated the Act, the Department shall deliver written notice of its findings to the employer and the Office of the Attorney General to initiate proceedings to recover funds. (Section 2).

Before awarding an economic development incentive, the bill requires the Department to execute a separate agreement with the recipient of the incentive that reserves the right of the Department to recover the amount of money, grants, funds, or other incentives disbursed by the Department if the recipient benefitting from such money, grants, funds, or other incentives fails to comply with this section. Such agreement must have a term of not less than:

- The term the Department would require for an agreement executed pursuant to Chapter 288, Florida Statutes, for an economic development incentive of less than $5 million; or
- Twenty years for an economic development incentive of $5 million or more. (Section 2).

The bill provides that it is a breach of the separate agreement entered into between the Department and the employer for the employer to refuse to provide the written statement. (Section 2).

The bill applies prospectively and excludes:

- A contract between the state and an employer executed before July 1, 2026; or
- A contract between an employer and a labor organization executed before July 1, 2026. (Section 2).

The bill provides an effective date of July 1, 2026. (Section 3).

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

The bill has an indeterminate impact on the Department of Commerce (Department) to the extent the bill:

- Requires the Department to enter into certain agreements with recipients of economic development incentives; and
- Requires the Department to receive and investigate complaints that an employer has violated the bill's requirements.

PRIVATE SECTOR:

The bill has an indeterminate impact on the private sector to the extent a recipient of an economic development incentive will be required to enter into a certain agreement with the Department in order to be eligible for such incentive.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Economic Development Incentives

Florida's current economic incentive framework reflects a major restructuring following the enactment of Chapter 2023-173, Laws of Florida, which eliminated Enterprise Florida, Inc. and consolidated economic development authority under the Florida Department of Commerce (Department).[1] The legislation repealed or removed several long-standing incentive programs, including the Qualified Target Industry Tax Refund, Quick Action Closing Fund, and Innovation Incentive Program, while adding programs such as the Florida Job Growth Grant Fund, the Research and Development Tax Credit Program, and rural and urban job tax credits to the state's review cycle.[2]

Florida's economic development system is multi-faceted and includes public agencies, non-profit corporations, and private entities at the state, regional, and local level.[3] A core principle of the state's economic development incentive programs is that businesses are paid based on verified performance, meaning no tax dollars are paid until job creation or capital investment numbers are audited and confirmed.[4] Florida provides different types of incentives such as tax refunds, tax exemptions, tax credits, and performance based grants.[5]

To apply for an economic incentive program, a business must submit a complete application to the Division of Economic Development of the Department, which will ensure completeness, identify required state and local permits (and whether they can be waived), and evaluate the potential incentives and their economic benefits using methods from the Office of Economic and Demographic Research.[6] Within 10 business days of receiving a complete application, the Secretary of Commerce approves or denies the request and provides a written justification.[7] Approved incentives are governed by contracts detailing the award amount, performance requirements, payment schedule, and sanctions, with funds released only if appropriated by the Legislature.[8] The Department validates contractor performance annually and reports the results, while applicants must certify the accuracy of submitted information and comply with the E-Verify system, with noncompliance requiring repayment of funds.[9]

Labor Organizations

[1] Office of Program Policy Analysis and Government Accountability (OPPAGA), *Economic Development Programs: 2025*, https://oppaga.fl.gov/Documents/Reports/25-08.pdf (last visited Feb. 2, 2026).
[2] *Id.*
[3] FloridaCommerce, *Types of Incentive Awards*, https://www.floridajobs.org/office-directory/division-of-economic-development/economic-development-incentives-portal/types-of-incentive-awards (last visited Feb. 2, 2026).
[4] FloridaCommerce, *Economic Development Incentives Portal*, https://floridajobs.org/office-directory/division-of-economic-development/economic-development-incentives-portal (last visited Feb. 2, 2026).
[5] FloridaCommerce, *supra* note 3.
[6] S. 288.061(1), F.S.
[7] S. 288.061(3), F.S.
[8] S. 288.061(3)(a), F.S.
[9] S. 288.061(4) and (6), F.S.

The State Constitution provides that "[t]he right of persons to work shall not be denied or abridged on account of membership or non-membership in any labor union or labor organization."[10] Based on this constitutional right, Florida is regarded as a "right-to-work" state.

Florida law defines "labor organization" as any organization of employees or local or subdivision thereof, the members of which are residents of the state, whether incorporated or not, organized for the purpose of negotiating with employers on issues such as work hours, rate of pay, working conditions, or grievances of any kind relating to employment, and which is recognized as a unit of bargaining by one or more employers doing business in Florida.[11]

The State Constitution also guarantees that "the right of employees, by and through a labor organization, to bargain collectively shall not be denied or abridged."[12] To implement this constitutional provision, the Legislature enacted ch. 447, F.S., which provides that employees in Florida have the right to:

- Self-organization;
- Form, join, or assist labor unions or labor organizations, or refrain from such activity;
- Bargain collectively through representatives of their own choosing; and
- Engage in concerned activities for the purpose of collective bargaining or other mutual aid or protection.[13]

Labor organizations in Florida are prohibited from charging an initiation fee in excess of $15,[14] and are required to keep accurate books of accounts that itemize all receipts and expenditures.[15] Additionally, it is unlawful for any person in Florida to engage in any of the following activities:[16]

- To interfere with or prevent the "right of franchise"[17] of any member of a labor organization.[18]
- To prohibit or prevent any election of the officers of a labor organization.[19]
- To charge, receive, or retain any dues, assessments, or other charges in excess of, or not authorized by, the constitution or bylaws of a labor organization.[20]
- To solicit membership for or to act as a representative of an existing labor organization without authority of such labor organization to do so.[21]
- To engage in picketing by force and violence, or to picket in such a manner as to prevent ingress and egress to and from any premises, or to picket other than in a reasonable and peaceable manner.[22]

National Labor Relations Board (NLRB)

The National Labor Relations Board (NLRB) is an independent federal agency created in 1935 and vested with the power to safeguard employees' rights to organize, engage with one another to seek better working conditions, choose whether or not to have a collective bargaining representative negotiate on their behalf with their employer, or refrain from doing so.[23] The NLRB also acts to prevent and remedy unfair labor practices committed by private

[10] FLA. CONST. art. I, s. 6.
[11] S. 447.02(1), F.S.
[12] FLA. CONST. art. I, s. 6.
[13] S. 447.03, F.S.
[14] This prohibition does not apply to initiation fees in effect on January 1, 1940, which may continue as authorized. S. 447.05, F.S.
[15] A member of a labor organization is entitled to inspect the books, records, and accounts of such labor organization at a reasonable time. *See* s. 447.07, F.S.
[16] *See* s. 447.09(1)-(13), F.S.
[17] The "right of franchise" includes the right of an employee to make complaint, file charges, give information or testimony concerning the violations of ch. 477, F.S., or the petitioning to a union regarding any grievance he or she may have concerning membership or employment, or the disclosure of facts concerning such grievance or violations of law to any public official, and the right of free petition, lawful assemblage, and free speech. S. 447.09(1), F.S.
[18] *Id.*
[19] S. 447.09(2), F.S.
[20] S. 447.09(5), F.S.
[21] S. 447.09(6), F.S.
[22] S. 447.09(11), F.S.
[23] National Labor Relations Boards, *About NLRB*, https://www.nlrb.gov/ (last visited Feb. 2, 2026).

sector employers and unions, and conducts secret-ballot elections regarding union representation.[24] The NLRB is a bifurcated agency governed on one side by a five-person board and on the other side by a general counsel.[25] The board acts as a quasi-judicial body and decides cases in administrative proceedings, and the general counsel is responsible for the investigation and prosecution of unfair labor practice cases and for the general supervision of the NLRB field offices in the processing of cases.[26]

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Housing, Agriculture & Tourism Subcommittee			Curtin	Rodriguez
Transportation & Economic Development Budget Subcommittee				
Commerce Committee				

[24] *Id.*
[25] *Id.*
[26] *Id.*

A bill to be entitled

An act relating to state economic development contracts; providing a short title; creating s. 288.0615, F.S.; providing definitions; providing the requirements for an employer to be eligible for an economic development incentive; providing procedures for handling suspected violations of specified provisions and for the recovery of funds upon a finding of violation; providing applicability; requiring that the Department of Commerce enter into a separate agreement with the recipient of an economic development incentive to allow the department to recover funds if the recipient fails to comply with the section; providing requirements for such agreements; providing an effective date.

WHEREAS, the state has the right to set terms and conditions in connection with the awarding of economic development incentives as part of its economic development policy, and

WHEREAS, the state seeks to play an integral role in the formulation of economic opportunities, conditions of grants, and general management of compliance with such awards for moneys, and

WHEREAS, the state may, as part of awarding economic

development incentives, oversee compliance with land use regulations, including management of the subdivision of property, offer and provide water and wastewater services, require fire protection systems and mechanical systems for buildings and structures, approve capital grants, and ensure such moneys are approved by the Department of Commerce, and

WHEREAS, the state may, as part of awarding economic development incentives, also require a private business to hire a certain number of new full-time employees, require a specific amount of company investment, and ensure workers obtain certain skills and knowledge, and

WHEREAS, the state has a vested interest in seeking to advance and preserve its own interest in projects receiving economic development incentives as a financer of projects contributing to the state's overall economic health, and

WHEREAS, it is the intent of the Legislature, as part of its economic development policy, that whenever state funds or benefits are sought by a private business that such benefits are conditioned on the private business agreeing not to waive its employees' right to a secret ballot election when recognizing a labor organization as a bargaining unit, or requiring subcontractors to waive their employees' right to a secret ballot election, and

WHEREAS, it is the intent of the Legislature that whenever state funds or benefits are provided or awarded to a private

business, the private business working on a project receiving state funds or benefits, may not voluntarily disclose employee personal contact information to a labor organization without an employee's prior consent, waive their right to speak to their employees, or require subcontractors to voluntarily disclose employee personal contact information to a labor organization without an employee's prior consent or waive the subcontractor's right to speak to the subcontractor's employees, NOW, THEREFORE,

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

Section 1. This act may be cited as the "Taxpayer Dollars Protect Workers Act."

Section 2. Section 288.0615, Florida Statutes, is created to read:

288.0615 Employee protections in economic development contracts.—

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

(a) "Contract" means an agreement between an employer and the state, or an agreement between an employer and a labor organization. The term includes a memorandum of understanding mutually accepted by the Department of Commerce and an employer before the effective date of this act, including a legally binding agreement subsequent and subject to the memorandum of understanding.

(b) "Economic development incentive" means a state grant, authorized under this chapter for the purposes of economic development, provided to an employer to attract or retain the employer's physical presence in this state.

(c) "Employee" means a person who performs services for an employer for wages that are subject to a federal income tax.

(d) "Employer" means a business entity that voluntarily pursues economic development incentives authorized under this chapter or enters into an agreement with the state for the purpose of receiving those incentives.

(e) "Labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, hours of employment, or conditions of work.

(f) "Neutrality agreement" means an agreement signed with a labor organization wherein the employer agrees to conditions including, but not limited to, not speaking to employees about labor organization issues.

(g) "Personal contact information" means an employee's home address, home or personal cellular telephone number, or personal e-mail address.

(h) "Secret ballot election" means a process conducted by the National Labor Relations Board (NLRB) in which an employee

casts a secret ballot for or against labor organization representation.

(i) "Subcontractor" means a person or entity that has contracted with an employer to perform work or provide services.

(2)(a) To be eligible for an economic development incentive, an employer may not:

1. Grant recognition rights for employees solely and exclusively on the basis of signed labor organization authorization cards if the selection of a bargaining representative may instead be conducted through a secret ballot election by the NLRB.

2. Voluntarily disclose an employee's personal contact information to a labor organization, or a third party acting on behalf of a labor organization, without the employee's prior written consent, unless otherwise required by state or federal law.

3. Sign a neutrality agreement with a labor organization.

4. Require a subcontractor to engage in activities prohibited in this paragraph.

(b) Paragraph (a) applies to any work or service for an employer on a project for which an economic development incentive is provided.

(3) A person or entity may report, based upon a reasonable belief, a suspected violation of paragraph (2)(a) to the department. The report must be made during the term of the

separate agreement entered into by the department and the employer pursuant to subsection (5). Upon receiving a report, the department shall determine whether a violation has occurred. It is a breach of the separate agreement entered into between the department and the employer pursuant to subsection (5) for the employer to refuse to provide the written statement. If the department finds that an employer has violated paragraph (2)(a), the department shall deliver written notice of its findings to the employer informing the employer and to the Office of the Attorney General to initiate proceedings to recover funds.

(4)(a) This section applies prospectively and excludes:

1. A contract between the state and an employer executed before July 1, 2026; or

2. A contract between an employer and a labor organization executed before July 1, 2026.

(b) Notwithstanding paragraph (4)(a), this section shall apply to any agreement, contract, or memorandum of understanding between an employer and a labor organization or the state executed, renewed, or modified on or after July 1, 2026.

(5) Notwithstanding another law to the contrary, before contracting to award an economic development incentive, the department must execute a separate agreement with the recipient of the incentive that reserves the right of the department to recover the amount of money, grants, funds, or other incentives disbursed by the department if the recipient benefitting from

such money, grants, funds, or other incentives fails to comply with this section. The separate agreement must have a term of not less than:

(a) The term the department would require for an agreement executed pursuant to this chapter, for an economic development incentive of less than $5 million; or

(b) Twenty years for an economic development incentive of $5 million or more.

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

HOUSING, AGRICULTURE & TOURISM SUBCOMMITTEE

HB 1387 by Rep. Overdorf
State Economic Development Contracts

AMENDMENT SUMMARY
February 5, 2026

Amendment #419727 by Rep. Overdorf (Strike-all):

- Revises the definition of "contract";
- Requires the Attorney General to determine whether a violation of the separate agreement entered into by the Department of Commerce and the employer has occurred; and
- Reduces the term of the separate agreement for economic development incentive awards of $5 million or more from 20 years to no more than 5 years.

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: Housing, Agriculture & Tourism Subcommittee

Representative Overdorf offered the following:

Amendment (with title amendment)

Remove everything after the enacting clause and insert:

Section 1. This act may be cited as the "Taxpayer Dollars Protect Workers Act."

Section 2. Section 288.0615, Florida Statutes, is created to read:

288.0615 Employee protections in economic development contracts.-

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

(a) "Contract" means an agreement:

1. Between an employer and the state; or

2. Between an employer and a labor organization.

(b) "Economic development incentive" means a state grant, authorized under this chapter for the purposes of economic development, provided to an employer to attract or retain the employer's physical presence in this state.

(c) "Employee" means an individual who performs services for an employer for wages that are subject to withholding requirements under 26 U.S.C. s. 3402.

(d) "Employer" means a business entity that voluntarily pursues economic development incentives authorized under this section or enters into an agreement with the department for the purpose of receiving those incentives.

(e) "Labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, hours of employment, or conditions of work.

(f) "Neutrality agreement" means an agreement signed with a labor organization wherein the employer agrees to conditions including, but not limited to, not speaking to employees about labor organization issues.

(g) "Personal contact information" means an employee's home address, home or personal cellular telephone number, or personal e-mail address.

(h) "Secret ballot election" means a process conducted by

the National Labor Relations Board in which an employee casts a secret ballot for or against labor organization representation.

(i) "Subcontractor" means a person or entity that has contracted with an employer to perform work or provide services.

(2)(a) To be eligible for an economic development incentive, an employer must sign an agreement with the department stating that it will not do any of the following:

1. Grant union recognition rights for employees solely on the basis of signed labor organization authorization cards if the selection of a bargaining representative may instead be conducted through a secret ballot election conducted by the National Labor Relations Board.

2. Voluntarily disclose an employee's personal contact information to a labor organization, or a third party acting on behalf of a labor organization, without the employee's written consent, unless otherwise required by state or federal law.

3. Sign a neutrality agreement with a labor organization.

4. Require a subcontractor performing work for or providing services to the employer to engage in activities prohibited in this paragraph.

(b) The prohibitions in paragraph (a) apply to any work or service provided to the employer on the project for which the economic development incentive is awarded.

(3)(a) A person or an entity may report, based upon a reasonable belief, a violation of paragraph (2)(a) to the

Attorney General, provided that such report is made during the term of the separate agreement entered into by the department and the employer in subsection (4).

(b) Upon receiving the report, the Attorney General shall determine whether a violation has occurred. The Attorney General shall request from the employer a copy of the written agreement signed pursuant to paragraph (2)(a). If the employer refuses to provide the Attorney General with the written agreement, the employer is in violation of the agreement entered into between the employer and the department. The Attorney General must deliver in writing his or her findings to the employer alleged to be in violation within 60 days. If the Attorney General finds that an employer has violated the written agreement signed pursuant to paragraph (2)(a), he or she shall initiate proceedings to recover funds awarded to the employer. The Attorney General's findings are final.

(4) Notwithstanding any other law to the contrary, before contracting to award an economic development incentive, the department must execute a separate written agreement with the recipient of the economic development incentive which reserves the right of the department to recover the amount of money, grants, funds, or other incentives disbursed by the department if the recipient benefiting from such money, grants, funds, or other incentives fails to comply with this section. This agreement is effective for either:

(a) The duration of the project, to be determined by the department, for an economic development incentive award of less than $5 million; or

(b) No longer than 5 years, for an economic development incentive award of $5 million or more.

(5) This section does not apply to:

(a) A contract between the state and an employer executed before July 1, 2026; or

(b) A contract between an employer and a labor organization executed before July 1, 2026.

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

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

Remove lines 4-15 and insert:

s. 288.0615, F.S.; defining terms; requiring an employer to sign an agreement with the department before becoming eligible for an economic development incentive; specifying the provisions of the agreement; providing applicability; authorizing persons and entities to report a suspected violation to the Attorney General within a specified timeframe; requiring the Attorney General to determine whether a violation has occurred; requiring the Attorney General to request certain information from the employer

alleged to be in violation; providing that refusal of such employer to provide such information is in violation of the agreement; requiring the Attorney General to deliver his or her findings to such employer within a specified timeframe; requiring the Attorney General to initiate proceedings to recover funds awarded to the employer if the employer is found to have violated the agreement; providing that the Attorney General's findings are final; requiring the department to execute a separate written agreement with the recipient of the economic development incentive before the department awards the incentive; specifying the contents of the separate agreement; providing the effective periods of the separate agreement; providing applicability; providing an effective date.

HB 1481

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 1481	**COMPANION BILL:** CS/SB 1602 (Wright)
TITLE: Housing for Veterans	**LINKED BILLS:** HB 1483 Rosenwald, Daley
SPONSOR(S): Rosenwald and Daley	**RELATED BILLS:** CS/SB 1604 (Wright)

Committee References

Housing, Agriculture & Tourism ➤ Intergovernmental Affairs ➤ Transportation & Economic Development Budget ➤ Commerce

SUMMARY

Effect of the Bill:
The bill creates the Homes for Veterans Property Management Incentive Pilot Program (pilot program) in Broward, Escambia, Hillsborough, and Santa Rosa counties to provide landlords with incentives to address veteran homelessness, subject to annual legislative appropriation.

The bill allows landlords who enter into an agreement with eligible veterans to apply to the Florida Housing Finance Corporation to receive funding to:

- Compensate a landlord for the time that a dwelling unit is held vacant before the veteran is able to move in.
- Cover property loss at the dwelling unit caused by the veteran which extends beyond the amount of the deposit money, up to $2,000.

Fiscal or Economic Impact:
The bill may have an indeterminate, negative fiscal impact on state government related to providing funding for certain landlords to veteran tenants and administering the pilot program.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill creates the Homes for Veterans Property Management Incentive Pilot Program (pilot program) in Broward, Escambia, Hillsborough, and Santa Rosa counties to provide landlords with incentives to address veteran homelessness, subject to annual legislative appropriation. (Section 1)

The bill allows landlords who enter into an agreement with eligible veterans to apply to the Florida Housing Finance Corporation (FHFC) to receive funding from the following trust funds related to veteran housing, which are created by the linked bill, HB 1483: (Section 1)

- The Vacancy Relief Trust Fund, which is designed to compensate a landlord for the time that the dwelling unit is held vacant before the veteran is able to move in.
  - The Vacancy Relief Trust Fund may provide proportional rent to eligible landlords for a period of up to 45 days after the date the dwelling unit becomes available or until the actual date that the veteran moves into the dwelling unit, whichever is sooner.
- The Risk Mitigation Trust Fund, which is designed to cover property loss at the dwelling unit caused by the veteran which extends beyond the amount of the deposit money.
  - The Risk Mitigation Trust Funds may provide funding if a veteran moves out of the dwelling unit during the first 12 months of a year-to-year rental agreement or after the expiration of a rental agreement for any duration. The landlord may apply for up to $2,000 beyond the deposit money.

The bill requires, at a minimum, a landlord to submit the following documentation to FHFC when applying for the Vacancy Relief Trust Fund: (Section 1)

- A completed application, as determined by FHFC.
- The signed rental agreement between the landlord and the veteran.
- The turnover paperwork for the dwelling unit.
- A move-in checklist with current photos of the dwelling unit.
- A copy of the veteran's ledger or other proof, as received by FHFC, that the veteran is eligible for rental assistance under the U. S. Department of Housing and Urban Development - Veterans Affairs Supportive Housing (HUD-VASH) program.

The bill requires, at a minimum, a landlord to submit the following documentation to FHFC when applying for the Risk Mitigation Trust Fund: (Section 1)

- A completed application, as determined by FHFC.
- The signed rental agreement between the landlord and the veteran.
- The turnover paperwork for the dwelling unit.
- A copy of the move-in checklist with current photos of the dwelling unit.
- A copy of the veteran's ledger or other proof, as received by FHFC, that the veteran is eligible for rental assistance under the HUD-VASH program.
- After the veteran vacates the dwelling unit, a copy of the move-out checklist with current photos of the dwelling unit and a copy of the written notice of intent to impose a claim on the deposit provided to the veteran by the landlord in accordance with s. 83.49(3)(a), F.S.

In order to apply for the Vacancy Relief Trust Fund or the Risk Mitigation Trust Fund, the bill requires a landlord to submit all required documentation to FHFC within 60 days after the veteran moves into the dwelling unit. The case manager assigned to the veteran by the U.S. Department of Veterans' Affairs (VA) must assist FHFC by facilitating trust fund requests from landlords and documentation compliance.

The bill provides that a landlord may apply for the Risk Mitigation Trust Fund only if the landlord previously applied to the Vacancy Relief Trust Fund. (Section 1)

The bill requires FHFC, in conjunction with the local public housing authority and case managers assigned to veterans by the VA, to establish and oversee the Vacancy Relief Trust Fund, the Risk Mitigation Trust Fund, the applications for such trust funds, the document requirements, and all processes of the pilot program. The bill requires FHFC to adopt rules to implement the pilot program. (Section 1)

The bill provides that, due to funding for the pilot program being limited, FHFC is required to award funds on a first-come, first-served basis. (Section 1)

The bill has an effective date of July 1, 2026, if HB 1483 or similar legislation is adopted in the same legislative session or an extension thereof and becomes a law. (Section 2)

RULEMAKING:

The bill requires FHFC to adopt rules to implement the pilot program.

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, negative fiscal impact on state government related to providing funding for certain landlords to veteran tenants and administering the pilot program.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Florida Housing Finance Corporation

The Florida Housing Finance Corporation (FHFC) is a public-private entity created by the Legislature in 1997 to assist in providing a range of affordable housing opportunities for Floridians.[1] The FHFC is a corporation held by the state and housed within the Department of Commerce (Department). The FHFC is a separate budget entity and its operations are not subject to control, supervision, or direction by the Department.[2]

The goal of the FHFC is to increase the supply of safe, affordable housing for individuals and families with very low to moderate incomes by stimulating investment of private capital and encouraging public and private sector housing partnerships.[3] As a financial institution, the FHFC administers federal and state resources to finance the development and preservation of affordable rental housing and to assist homebuyers with financing and down payment assistance.[4]

The FHFC administers several affordable housing programs, including the:[5]

- State Apartment Incentive Loan Program,
- Multifamily Mortgage Revenue Bonds Program,
- Florida Affordable Housing Guarantee Program,
- Low Income Housing Tax Credit Program,
- State Housing Initiatives Partnership Program,
- Predevelopment Loan Program,
- Foreclosure Counseling Program,
- Affordable Housing Catalyst Program,
- Homebuyer Loan Program,
- Downpayment Assistance Program, and
- Homeownership Pool Program.

The FHFC may prevent an applicant or an applicant's affiliate from participating in any of its programs under certain circumstances if the applicant or affiliate has:[6]

- Made a material misrepresentation or engaged in fraudulent actions in connection with any FHFC program;
- Been convicted or found guilty of, or entered a plea of guilty or nolo contendere[7] to, a crime in any jurisdiction which directly relates to the financing, construction, or management of affordable housing or the fraudulent procurement of state or federal funds;

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[1] Chapter 97-167, Laws of Fla. From 1980 through 1997, the former Florida Housing Finance Agency, placed within the former Department of Community Affairs, performed similar duties. *See* ch. 80-161, and ch. 97-167, s. 7, Laws of Fla.
[2] S. 420.504(3), F.S.
[3] *See* ss. 420.502 and 420.511, F.S.
[4] Florida Housing Finance Corporation, *Overview of Florida Housing Finance Corporation*, 1 (July 2017) *available at* https://www.floridahousing.org/docs/default-source/aboutflorida/august2017/august2017/tab8.pdf (last visited Jan. 29, 2026).
[5] *Id.*
[6] S. 420.518(1), F.S.
[7] By entering a plea of nolo contendere, a defendant does not admit the allegations of the charge against him or her in a technical sense, but rather represents the defendant's unwillingness to contest the charge. *Grizzard v. State*, 881 So. 2d 673, at

- Been excluded from any federal funding program related to providing housing, including debarment[8] from participation in federal housing programs by HUD;
- Been excluded from any federal or Florida procurement programs;
- Offered or given consideration, other than the consideration to provide affordable housing, with respect to a local contribution;
- Demonstrated a pattern of noncompliance and a failure to correct any such noncompliance after notice from FHFC in the construction, operation, or management of one or more developments funded through a FHFC program; or
- Materially or repeatedly violated any condition imposed by FHFC in connection with the administration of a FHFC program, including a land use restriction agreement, an extended use agreement, or any other financing or regulatory agreement with FHFC.

U.S. Department of Housing and Urban Development Veterans Affairs Supportive Housing Program

The U.S. Department of Housing and Urban Development (HUD) administers programs that provide housing and community development assistance, and also works to ensure fair and equal housing opportunity.[9]

The HUD Veterans Affairs Supportive Housing (HUD-VASH) program combines the HUD's Housing Choice Voucher (HCV) rental assistance for homeless veterans with case management and clinical services provided by the VA. The VA provides these services for participating veterans at VA medical centers, community-based outreach clinics, through VA contractors, or through other VA designated entities.[10]

Each year, HUD and the VA collaboratively award HUD-VASH vouchers based on current geographic need and public housing agency (PHA) performance. Since 2017, the allocation process for awarding HUD-VASH vouchers has changed to allow PHAs to self-identify their interest in the program. HUD publishes an annual HUD-VASH Registration of Interest Notice containing detailed instructions that PHAs must follow if they are interested in receiving a portion of the available HUD-VASH vouchers. PHAs must have the support of a partnering VA facility and meet any utilization threshold requirements to be eligible for an award. After the registration period has closed, HUD and the VA use a formula to determine relative need, and ultimately invite eligible PHAs to apply for a specific number of HUD-VASH vouchers. The associated funding awarded for HUD-VASH vouchers is determined by the actual average per unit cost at each PHA.[11]

There is at least one PHA currently administering HUD-VASH in each of the 50 states, District of Columbia, Puerto Rico, and Guam.[12] In Florida there are 97 PHA's working with HUD.[13] HUD-VASH vouchers are renewed based on actual PHA leasing along with all other HCVs.[14]

Generally, the HUD-VASH program is administered in accordance with regular HCV and project-based voucher program requirements.[15] However, the 2008 Consolidated Appropriations Act allows the HUD to waive or specify

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676-677 (Fla. Dist. Ct. App. 2004). *See also, Vinson v. State*, 345 So.2d 711 (Fla.1977); *Kelly v. Dep't of Health & Rehab. Serv.*, 610 So.2d 1375 (Fla. 2d DCA 1992).

[8] "Debarment" means an action taken by a federal agency to prohibit a recipient from participating in federal government procurement contracts and covered nonprocurement transactions. 1 C.F.R. § 182.630.

[9] USA.GOV, *U.S. Department of Housing and Urban Development (HUD)*, https://www.usa.gov/agencies/u-s-department-of-housing-and-urban-development#:~:text=The%20Department%20of%20Housing%20and,equal%20housing%20opportunity%20for%20all. (last visited Jan. 29, 2026).

[10] HUD, *HUD-VASH*, https://www.hud.gov/helping-americans/housing-choice-vouchers-homeless-veterans (last visited Jan. 29, 2026).

[11] *Id*.

[12] *Id*.

[13] HUD, Local Public Housing Authority, *PHA Contact Information*, https://www.hud.gov/sites/dfiles/PIH/documents/PHA_Contact_Report_FL.pdf (last visited Jan. 29, 2026).

[14] HUD, *supra* note 10.

[15] 24 CFR ss. 982 and 983.

alternative requirements for any provision of any statute or regulation affecting the HCV program in order to effectively deliver and administer HUD-VASH voucher assistance.[16]

U.S. Department of Veterans' Affairs Case Management and Services

The VA runs programs that benefit veterans and members of their families. It offers educational opportunities and rehabilitation services and provides compensation payments for disabilities or death related to military service, home loan guaranties, pensions, burials, and health care that includes the services of nursing homes, clinics, and medical centers.[17] The VA Care Management and Social Work programs provide a vast array of clinical services, which address the needs of wounded, injured and ill Servicemembers, Veterans, their family members, and family caregivers.[18]

Community Resource and Referral Centers (CRRCs) are places where veterans who are experiencing homelessness or risk of homelessness can connect to stable housing and supportive services. CRRCs are collaborative, multi-agency programs that provide access to housing, health care, and a wide variety of services that veterans may need. These community-based store front operations are located in areas of the city accessible to veterans and services are provided by both the VA and community partner staff.[19] CRRCs are an important part of the VA's community outreach efforts and a primary access point for veterans experiencing homelessness or risk.[20]

Veteran Homelessness

Section 1.01(14), F.S., defines "veteran" to mean a person who served in the active military, naval, or air service and who was discharged or released under honorable conditions only or who later received an upgraded discharge under honorable conditions, notwithstanding any action by the VA on individuals discharged or released with other than honorable discharges.

Florida has the second largest population of veterans in the nation after Texas.[21] Nearly 1.4 million veterans reside in the state, which is 12 percent of the state's population of adults aged 18 and over.[22]

According to the Florida Council on Homelessness, reducing homelessness among veterans is an ongoing policy focus for local, state, and federal agencies.[23] Veterans experience homelessness at a higher rate than non-veterans, and the risk factors for veteran homelessness include substance abuse, mental health, poverty, and social isolation.[24] Preliminary 2025 data indicates the count of veterans experiencing homelessness in Florida decreased significantly from 2019 to 2025, and has seen a year over year decrease of 18.65 percent from 2024 to 2025. Nonetheless, approximately 1,898 veterans were experiencing homelessness in Florida in 2025.[25]

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[16] Public Law 110-161.
[17] USA.GOV, *U.S. Department of Veterans Affairs (VA)*, https://www.usa.gov/agencies/u-s-department-of-veterans-affairs (last visited Jan. 29, 2026).
[18] VA, *Care Management and Social Work*, , https://www.patientcare.va.gov/caremanagement.asp (last visited Jan. 30, 2026).
[19] VA, *National Center on Homelessness Among Veterans (NCHAV)*, https://www.va.gov/homeless/nchav/index.html (last visited Jan. 29, 2026).
[20] *Id*.
[21] VA, *Our Veterans*, https://www.floridavets.org/our-veterans/ (last visited Jan. 29, 2026).
[22] *Id*.
[23] Florida's Council on Homelessness, *Florida's Council on Homelessness Annual Report 2025*, https://www.myflfamilies.com/sites/default/files/2025-07/Florida%20Council%20on%20Homelessness%20Annual%20Report%202025.pdf (last visited Jan. 29, 2026).
[24] National Coalition for Homeless Veterans, *Risk Factors for Homelessness Among US Veterans*, https://www.nchv.org/images/uploads/RB%2095%20-%20Risk%20Factors%20for%20Homelessness%20Among%20US%20Veterans%20FINAL%20(2).pdf (last visited Jan. 29, 2026).
[25] Florida's Council on Homelessness, *supra* note 22.

The Florida Department of Veterans' Affairs was created to provide assistance to all former, present, and future members of the Armed Forces of the United States and their spouses and dependents in preparing claims for and securing compensation, hospitalization, career training, and other benefits or privileges to which they are, or may become entitled to, under federal or state law or regulation by reason of their service in the Armed Forces of the United States.[26]

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Housing, Agriculture & Tourism Subcommittee			Curtin	Wright
Intergovernmental Affairs Subcommittee				
Transportation & Economic Development Budget Subcommittee				
Commerce Committee				

[26] S. 292.05(1), F.S.

A bill to be entitled

An act relating to housing for veterans; creating s. 83.684, F.S.; providing a short title; providing definitions; establishing the Homes for Veterans Property Management Incentive Pilot Program in certain counties; requiring the Florida Housing Finance Corporation, in conjunction with other entities and persons, to oversee the pilot program; authorizing certain landlords to apply to the corporation to receive funding from the Vacancy Relief Trust Fund and the Risk Mitigation Trust Fund under certain circumstances; providing the purpose of such trust funds; requiring a landlord to submit to the corporation specified documentation within a specified time period to apply for either trust fund; requiring certain case managers to assist the corporation; authorizing a landlord to apply for up to a specified dollar amount from the Risk Mitigation Trust Fund; providing a requirement to apply for the Risk Mitigation Trust Fund; providing that funding is awarded on a first-come, first-served basis; requiring the corporation to adopt rules; providing a contingent effective date.

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

Section 1. Section 83.684, Florida Statutes, is created to read:

83.684 Homes for Veterans Property Management Incentive Pilot Program.—

(1) This section may be cited as the "Homes for Veterans Property Management Incentive Pilot Program."

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

(a) "Corporation" means the Florida Housing Finance Corporation.

(b) "Ledger" means a historical, physical ledger that serves as the official records of a veteran, including a veteran's eligibility for the United States Department of Housing and Urban Development - Veterans Affairs Supportive Housing voucher with subsidy. The term also includes a digitized system that contains and stores the same information as the physical ledger.

(c) "Pilot program" means the Homes for Veterans Property Management Incentive Pilot Program.

(d) "Veteran" has the same meaning as in s. 1.01(14).

(3) The Homes for Veterans Property Management Incentive Pilot Program is established in Broward, Escambia, Hillsborough, and Santa Rosa Counties to provide landlords with incentives to address veteran homelessness. Implementation of this pilot program is subject to annual legislative appropriations. The

corporation, in conjunction with the local public housing authority and case managers assigned to veterans by the Department of Veterans' Affairs, shall establish and oversee the Vacancy Relief Trust Fund, the Risk Mitigation Trust Fund, the applications for such trust funds, the document requirements, and all processes of the pilot program.

(4)(a) A landlord who enters into a rental agreement with an eligible veteran may apply to the corporation to receive funding from the Vacancy Relief Trust Fund created under s. 420.56. The purpose of the Vacancy Relief Trust Fund is to allow a landlord to hold a dwelling unit for a period of time, and still be compensated for the time that the dwelling unit is vacant, until the veteran is able to move in to the dwelling unit. The Vacancy Relief Trust Fund provides proportional rent to eligible landlords for a period of up to 45 days after the date the dwelling unit becomes available or until the actual date that the veteran moves into the dwelling unit, whichever is sooner.

(b) To apply for the Vacancy Relief Trust Fund, a landlord must submit all required documentation to the corporation within 60 days after the veteran moves into the dwelling unit. The case manager assigned to the veteran must assist the corporation by facilitating trust fund requests from landlords and documentation compliance. At a minimum, a landlord must submit to the corporation all of the following:

1. A completed application, as determined by the corporation.

2. The signed rental agreement between the landlord and the veteran.

3. The turnover paperwork for the dwelling unit.

4. A move-in checklist with current photos of the dwelling unit.

5. A copy of the veteran's ledger or other proof, as received by the corporation, that the veteran is eligible for rental assistance under the United States Department of Housing and Urban Development - Veterans Affairs Supportive Housing program, as implemented by the Department of Veterans' Affairs and public housing authorities.

(5)(a) If a veteran moves out of the dwelling unit during the first 12 months of a year-to-year rental agreement or after the expiration of a rental agreement for any duration, the landlord may apply to the corporation to receive funding from the Risk Mitigation Trust Fund created under s. 420.56. The Risk Mitigation Trust Fund is designed to cover property loss at the dwelling unit caused by the veteran which extends beyond the amount of the deposit money. The landlord may apply for up to $2,000 beyond the deposit money.

(b) To apply for the Risk Mitigation Trust Fund, a landlord must submit all required documentation to the corporation within 60 days after the veteran moves into the

dwelling unit. The case manager assigned to the veteran must assist the corporation by facilitating trust fund requests from landlords and documentation compliance. At a minimum, a landlord must submit to the corporation all of the following:

1. A completed application, as determined by the corporation.

2. The signed rental agreement between the landlord and the veteran.

3. The turnover paperwork for the dwelling unit.

4. A copy of the move-in checklist with current photos of the dwelling unit.

5. A copy of the veteran's ledger or other proof, as received by the corporation, that the veteran is eligible for rental assistance under the United States Department of Housing and Urban Development - Veterans Affairs Supportive Housing program, as implemented by the Department of Veterans' Affairs and public housing authorities.

6. After the veteran vacates the dwelling unit, a copy of the move-out checklist with current photos of the dwelling unit and a copy of the written notice provided to the veteran by the landlord in accordance with s. 83.49(3)(a).

(c) A landlord may apply for the Risk Mitigation Trust Fund only if the landlord previously applied to the Vacancy Relief Trust Fund.

(6) Funding for the pilot program is limited and the

corporation shall award funds on a first-come, first-served basis.

(7) The corporation shall adopt rules to implement this section.

Section 2. This act shall take effect July 1, 2026, if HB 1483 or similar legislation is adopted in the same legislative session or an extension thereof and becomes a law.

HOUSING, AGRICULTURE & TOURISM SUBCOMMITTEE

HB 1481 by Reps. Rosenwald and Daley
Housing for Veterans

AMENDMENT SUMMARY
February 5, 2026

Amendment #073031 by Rep. Rosenwald (Strike-all): The amendment:

- Clarifies the Florida Housing Finance Corporation's (Corporation) responsibilities for the Homes for Veterans Property Management Incentive Pilot Program (pilot program).
- Requires the Corporation to contract with one or more entities with certain qualifications to perform intake, documentation review, document retention, claim verification, and funding distribution for the pilot program.
- Requires that veterans must be participating in the U.S. Department of Housing and Urban Development-Veterans Affairs Supportive Housing program to be eligible to participate in the pilot program.
- Allows the Corporation and contracted entities to rely on certain documentation from the Department of Veterans Affairs and local housing authorities when making funding determinations, rather than requiring original documents and applications from the landlord.
- Allows the Corporation to suspend accepting applications when appropriated funds are expended.

COMMITTEE/SUBCOMMITTEE ACTION

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

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

Representative Rosenwald offered the following:

Amendment (with title amendment)

Remove everything after the enacting clause and insert:

Section 1. Section 83.684, Florida Statutes, is created to read:

83.684 Homes for Veterans Property Management Incentive Pilot Program.—

(1) This section may be cited as the "Homes for Veterans Property Management Incentive Pilot Program."

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

(a) "Corporation" means the Florida Housing Finance Corporation.

(b) "HUD-Veterans Affairs Supportive Housing program" means a program that combines the United States Department of Housing and Urban Development's housing choice voucher rental assistance for homeless veterans with case management and clinical services provided by the United States Department of Veterans Affairs.

(c) "Ledger" means a historical, physical ledger that serves as the official records of a veteran, including a veteran's eligibility for the United States Department of Housing and Urban Development - Veterans Affairs Supportive Housing voucher with subsidy. The term also includes a digitized system that contains and stores the same information as the physical ledger.

(d) "Pilot program" means the Homes for Veterans Property Management Incentive Pilot Program.

(e) "Veteran" has the same meaning as in s. 1.01(14).

(3) The Homes for Veterans Property Management Incentive Pilot Program is established in Broward, Escambia, Hillsborough, and Santa Rosa Counties to provide eligible landlords with incentives to lease eligible dwelling units to veterans who are participating in the HUD-Veterans Affairs Supportive Housing program. Implementation of this pilot program is subject to annual legislative appropriation. The corporation, in consultation with the local public housing authority and case managers assigned to veterans by the United States Department of

Veterans' Affairs, shall establish and oversee the Vacancy Relief Trust Fund, the Risk Mitigation Trust Fund, the applications for such trust funds, the document requirements, and all processes of the pilot program. The corporation's responsibilities under this section are limited to program administration, including rulemaking, oversight, and establishing and executing contracts with one or more local public housing authorities, contracted program administrators, or other public or nonprofit entities that have experience administering the HUD-Veterans Affairs Supportive Housing program, supportive housing, or landlord mitigation programs to perform intake, documentation review, and claim verification functions to locally administer the funds in the Vacancy Relief Trust Fund and the Risk Mitigation Trust Fund and to distribute funding to the contracted program administrator for payment of approved reimbursement requests. The corporation is not responsible for maintaining eligibility files, tenancy records, or other case-level documentation for the HUD-Veterans Affairs Supportive Housing program. Such functions must be maintained by the contracted program administrator.

(4)(a) A landlord who enters into a rental agreement with an eligible veteran may apply to a contracted program administrator to request funding from the Vacancy Relief Trust Fund created under s. 420.56. The purpose of the Vacancy Relief Trust Fund is to allow a landlord to hold a dwelling unit for a

period of time, and still be compensated for the time that the dwelling unit is vacant, until the veteran is able to move into the dwelling unit. The Vacancy Relief Trust Fund provides proportional rent to eligible landlords for a period of up to 45 days after the date the dwelling unit becomes available or until the actual date that the veteran moves into the dwelling unit, whichever is sooner.

(b) To apply for the Vacancy Relief Trust Fund, a landlord must submit all required documentation to the contracted program administrator within 60 days after the veteran moves into the dwelling unit. The case manager assigned to the veteran must assist the contracted program administrator by facilitating trust fund requests from landlords and documentation compliance. The contracted program administrator must maintain all documentation required under this subsection and provide the corporation with a certification of eligibility, tenancy dates, and verified costs within the timeframe established by the corporation by rule. At a minimum, a landlord must submit documentation to the contracted program administrator in the form and manner established by the corporation. Required supporting documentation necessary to confirm eligibility for reimbursement and oversight must be maintained by the entity responsible for case management or rental assistance administration in the HUD-Veterans Affairs Supportive Housing program.

(c) The corporation may rely on certifications, determinations, and documentation provided by public housing authorities, the United States Department of Veterans Affairs, providers of Supportive Services for Veteran Families, continuums of care, or other entities responsible for administering or supporting the functions of the HUD-Veterans Affairs Supportive Housing program. The corporation's reliance on such certifications, determinations, and documentation satisfies the corporation's oversight and evaluation responsibilities of the functions, activities, and outcomes for the pilot program.

(5)(a) If a veteran moves out of the dwelling unit during the first 12 months of a year-to-year rental agreement or after the expiration of a rental agreement for any duration, the landlord may apply to the contracted program administrator for funding from the Risk Mitigation Trust Fund created under s. 420.56. The Risk Mitigation Trust Fund is designed to cover property loss at the dwelling unit caused by the veteran which extends beyond the amount of the deposit money. The landlord may apply for up to $2,000 beyond the deposit money.

(b) To apply for the Risk Mitigation Trust Fund, a landlord must submit all required documentation to the contracted program administrator within 60 days after the veteran moves out of the dwelling unit. The case manager assigned to the veteran must assist the contracted program

administrator by facilitating trust fund requests from landlords and documentation compliance. The contracted program administrator must maintain all documentation required under this subsection and provide the corporation, within the timeframe established by rule, a certification of eligibility, tenancy dates, verified damage amounts, and verified costs. Required supporting documentation necessary to confirm eligibility for reimbursement and oversight must be maintained by the entity responsible for case management or rental assistance administration in the HUD-Veterans Affairs Supportive Housing program.

(c) After the veteran vacates the dwelling unit, the landlord must provide a copy of the move-out checklist with current photos of the dwelling unit and a copy of the written notice provided to the veteran by the landlord in accordance with s. 83.49(3)(a).

(d) A landlord may apply for the Risk Mitigation Trust Fund only if the landlord previously applied to the Vacancy Relief Trust Fund.

(6) Funding for the pilot program is limited, and the corporation shall award funds on a first-come, first-served basis. The corporation may suspend acceptance of applications when available appropriations are fully obligated. The corporation must notify contracted program administrators if

intake of applications is suspended and when intake of applications is resumed.

(7) The corporation shall adopt rules to implement this section.

Section 2. This act shall take effect July 1, 2026, if HB 1483 or similar legislation is adopted in the same legislative session or an extension thereof and becomes a law.

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

Remove everything before the enacting clause and insert:

A bill to be entitled

An act relating to housing for veterans; creating s. 83.684, F.S.; providing a short title; providing definitions; establishing the Homes for Veterans Property Management Incentive Pilot Program in certain counties, subject to legislative appropriation; requiring the Florida Housing Finance Corporation, in conjunction with other entities and persons, to oversee specified aspects of the pilot program; providing the responsibilities of the corporation for the pilot program; requiring contracted program administrators to maintain certain functions of the pilot program; authorizing certain landlords to apply to a contracted program administrator to request

funding from the Vacancy Relief Trust Fund and the Risk Mitigation Trust Fund under certain circumstances; providing the purpose of such trust funds; requiring a landlord to submit to the contracted program administrator required documentation within a specified time period to apply for either trust fund; requiring certain case managers to assist the contracted program administrator; requiring the contracted program administrator to maintain and provide certain documentation to the corporation; requiring the entity responsible for certain functions to maintain any supporting documentation; authorizing the corporation to rely on certifications, determinations, and documentation provided by specified entities; authorizing a landlord to apply for up to a specified dollar amount from the Risk Mitigation Trust Fund; providing requirements to apply for the Risk Mitigation Trust Fund; providing that funding for the pilot program is awarded on a first-come, first-served basis; authorizing the corporation to suspend the acceptance of applications under certain circumstances; requiring specified notice; requiring the corporation to adopt rules; providing a contingent 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 1483	**COMPANION BILL:** CS/SB 1604 (Wright)
TITLE: Trust Funds/Creation/Vacancy Relief Trust Fund and Risk Mitigation Trust Fund/Florida Housing Finance Corporation	**LINKED BILLS:** HB 1481 Rosenwald, Daley
SPONSOR(S): Rosenwald and Daley	**RELATED BILLS:** CS/SB 1602 (Wright)

Committee References

Housing, Agriculture & Tourism ➤ Intergovernmental Affairs ➤ Transportation & Economic Development Budget ➤ Commerce

SUMMARY

Effect of the Bill:
The bill creates the Vacancy Relief Trust Fund and the Risk Mitigation Trust Fund within the Florida Housing Finance Corporation for the purpose of implementing the Homes for Veterans Property Management Incentive Pilot Program.

Fiscal or Economic Impact:
None.

Extraordinary Vote Required for Passage:
The bill requires a three-fifths vote of the membership of both houses of the Legislature for final passage.

JUMP TO SUMMARY ANALYSIS RELEVANT INFORMATION BILL HISTORY

ANALYSIS

EFFECT OF THE BILL:

The bill creates trust funds for the Homes for Veterans Property Management Incentive Pilot Program (pilot program), created in the linked bill, HB 1481. Specifically, the bill creates the Vacancy Relief Trust Fund and the Risk Mitigation Trust Fund within the Florida Housing Finance Corporation (FHFC), where the Legislature may appropriate funds for the purpose of implementing the pilot program. (Section 1)

Notwithstanding s. 216.301, F.S., and pursuant to s. 216.351, F.S., any balance in either trust fund at the end of the fiscal year reverts and is appropriated to FHFC for the next fiscal year for carrying out the purposes of the trust funds. (Section 1)

In accordance with the Florida Constitution, the Vacancy Relief Trust Fund and the Risk Mitigation Trust Fund must, unless terminated sooner, be terminated on July 1, 2030. Before the scheduled termination of the trust funds, each trust fund must be reviewed by the Legislature. (Section 1)

The bill is linked to HB 1481, which creates the Homes for Veterans Property Management Incentive Pilot Program (pilot program) in Broward, Escambia, Hillsborough, and Santa Rosa counties to provide landlords with incentives to address veteran homelessness, subject to annual legislative appropriation.

Because the bill creates new trust funds, it requires a three-fifths vote of each house of the Legislature for final passage.

The bill provides an effective date of July 1, 2026, but only if HB 1481 or similar legislation is adopted in the same legislative session or an extension thereof and becomes a law. (Section 2)

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Establishment of Trust Funds

A trust fund may be created by law only by the Legislature and only if passed by a three-fifths vote of the membership of each house in a separate bill for that purpose only. Except for trust funds being re-created by the Legislature, each trust fund must be created by statutory language that specifies at least the following:

- The name of the trust fund.
- The agency or branch of state government responsible for administering the trust fund.
- The requirements or purposes that the trust fund is established to meet.
- The sources of moneys to be credited to the trust fund or specific sources of receipts to be deposited in the trust fund.[1]

Florida Constitutional Trust Fund Termination Requirement

The Florida Constitution requires that state trust funds must terminate not more than four years after the effective date of the act authorizing the initial creation of the trust fund.[2] By law the Legislature may set a shorter time period for which any trust fund is authorized.[3]

However, under the Florida Constitution, state trust funds that serve as clearing funds or accounts for the Chief Financial Officer or state agencies are not subject to the termination requirements.[4]

Legislature Review of Trust Funds

The Legislature must review all state trust funds at least once every four years,[5] prior to the regular session of the Legislature immediately preceding the date on which any executive or judicial branch trust fund is scheduled to be terminated,[6] or such earlier date as the Legislature may specify.[7]

The agency responsible for the administration of the trust fund and the Governor, for executive branch trust funds, or the Chief Justice, for judicial branch trust funds, must recommend to the President of the Senate and the Speaker of the House of Representatives whether the trust fund should be allowed to terminate or should be re-created.[8] Each recommendation must be based on a review of the purpose and use of the trust fund and a determination of whether the trust fund will continue to be necessary.[9] A recommendation to re-create the trust fund may include suggested modifications to the purpose, sources of receipts, and allowable expenditures for the trust fund.[10]

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[1] s. 215.3207, F.S.
[2] Art. III, s. 19(f)(2), Fla. Const.
[3] *Id.*
[4] Art. III, s. 19(f)(3), Fla. Const.
[5] s. 215.3208(1), F.S.
[6] Art. III, s. 19(f), Fla. Const.
[7] s. 215.3206(1), F.S.
[8] *Id.*
[9] *Id.*
[10] *Id.*

When the Legislature terminates a trust fund, the agency or branch of state government that administers the trust fund must pay any outstanding debts or obligations of the trust fund as soon as practicable.[11] The Legislature may also provide for the distribution of moneys in that trust fund. If no such distribution is provided, the moneys remaining after all outstanding obligations of the trust fund are met must be deposited in the General Revenue Fund.[12]

Florida Housing Finance Corporation

The Florida Housing Finance Corporation (FHFC) is a public-private entity created by the Legislature in 1997 to assist in providing a range of affordable housing opportunities for Floridians.[13] The FHFC is a corporation held by the state and housed within the Department of Commerce (Department), but is not subject to control, supervision, or direction by the Department.[14]

The goal of the FHFC is to increase the supply of safe, affordable housing for individuals and families with very low to moderate incomes by stimulating investment of private capital and encouraging public and private sector housing partnerships.[15] As a financial institution, FHFC administers federal and state resources to finance the development and preservation of affordable rental housing and assist homebuyers with financing and down payment assistance.[16]

Veteran Homelessness

Florida has the second largest population of veterans in the nation after Texas.[17] Nearly 1.4 million veterans reside in the state, which is 12 percent of the state's population of adults aged 18 and over.[18]

According to the Florida Council on Homelessness, reducing homelessness among veterans is an ongoing policy focus for local, state, and federal agencies.[19] Veterans experience homelessness at a higher rate than non-veterans, and the risk factors for veteran homelessness include substance abuse, mental health, poverty, and social isolation.[20] Preliminary 2025 data indicates the count of veterans experiencing homelessness in Florida decreased significantly from 2019 to 2025, and has seen a year over year decrease of 18.65 percent from 2024 to 2025. Nonetheless, approximately 1,898 veterans were experiencing homelessness in Florida in 2025.[21]

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[11] s. 215.3208(2)(a), F.S..
[12] s. 215.3208(2)(b), F.S..
[13] Chapter 97-167, Laws of Fla. From 1980 through 1997, the former Florida Housing Finance Agency, placed within the former Department of Community Affairs, performed similar duties. *See* ch. 80-161, and ch. 97-167, s. 7, Laws of Fla.
[14] s. 420.504(3), F.S.
[15] *See* ss. 420.502 and 420.511, F.S.
[16] Florida Housing Finance Corporation, *Overview of Florida Housing Finance Corporation*, 1 (July 2017), https://www.floridahousing.org/docs/default-source/aboutflorida/august2017/august2017/tab8.pdf (last visited Jan. 29, 2026).
[17] U.S. Department of Veterans Affairs, *Our Veterans*, https://www.floridavets.org/our-veterans/ (last visited Jan. 29, 2026).
[18] *Id*.
[19] Florida's Council on Homelessness, *Florida's Council on Homelessness Annual Report 2025*, https://www.myflfamilies.com/sites/default/files/2025-07/Florida%20Council%20on%20Homelessness%20Annual%20Report%202025.pdf (last visited Jan. 29, 2026).
[20] National Coalition for Homeless Veterans, *Risk Factors for Homelessness Among US Veterans*, https://www.nchv.org/images/uploads/RB%2095%20-%20Risk%20Factors%20for%20Homelessness%20Among%20US%20Veterans%20FINAL%20(2).pdf (last visited Jan. 29, 2026).
[21] Florida's Council on Homelessness, *supra* note 19.

Federal programs specifically aimed at reducing the number of veterans experiencing homelessness include the U.S. Department of Housing and Urban Development Veterans Affairs Supportive Housing program vouchers[22] and the Department of Veterans' Affairs Supportive Services for Veteran Families.[23]

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Housing, Agriculture & Tourism Subcommittee			Curtin	Wright
Intergovernmental Affairs Subcommittee				
Transportation & Economic Development Budget Subcommittee				
Commerce Committee				

[22] U.S. Department of Housing and Urban Development, *HUD-Veterans Affairs Supportive Housing (HUD-VASH)*, https://www.hud.gov/helping-americans/housing-choice-vouchers-homeless-veterans (last visited Jan. 29, 2026).
[23] U.S. Department of Veterans Affairs Supportive, *Supportive Services for Veteran Families*, https://www.va.gov/homeless/ssvf/index.html (last visited Jan. 29, 2026).

A bill to be entitled

An act relating to trust funds; creating s. 420.56, F.S.; creating the Vacancy Relief Trust Fund and Risk Mitigation Trust Fund within the Florida Housing Finance Corporation for a specified purpose; authorizing any unexpended balance at a specified time to revert and be reappropriated for a certain purpose; providing for future review and termination or recreation of the trust funds; providing a contingent effective date.

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

Section 1. Section 420.56, Florida Statutes, is created to read:

420.56 Homes for Veterans Property Management Incentive Pilot Program trust funds.—

(1) The Vacancy Relief Trust Fund and Risk Mitigation Trust Fund are created within the Florida Housing Finance Corporation, to which the Legislature may appropriate funds for the purpose of implementing the Homes for Veterans Property Management Incentive Pilot Program under s. 83.684.

(2) Notwithstanding s. 216.301 and pursuant to s. 216.351, any balance in either trust fund at the end of the fiscal year shall revert and be appropriated to the corporation for the next

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

fiscal year for carrying out the purposes of the trust funds.

(3) In accordance with s. 19(f)(2), Art. III of the State Constitution, the Vacancy Relief Trust Fund and Risk Mitigation Trust Fund must, unless terminated sooner, be terminated on July 1, 2030. Before the scheduled termination of the Vacancy Relief Trust Fund and Risk Mitigation Trust Fund, each trust fund must be reviewed as provided in s. 215.3206(1) and (2).

Section 2. This act shall take effect July 1, 2026, but only if HB 1481 or similar legislation is adopted in the same legislative session or an extension thereof and becomes a law.