

Underwriting Bulletin: UNFL-2023-006

Date: July 3, 2023

To: All Florida Agents

From: Underwriting Department

RE: **New Restrictions on Property Transfers to Certain Foreign Persons or Countries**

Florida Senate Bill SB 264, which was signed by Governor Ron DeSantis, took effect on July 1, 2023. The new law forbids the acquisition of an interest in Florida real property by “Foreign Principal” buyers (i.e., individuals in most cases) and “Foreign Countries of Concern”, associated with the **People’s Republic of China, Venezuela, Syria, Russia, Iran, North Korea, and Cuba.**

There are two exceptions to these restrictions. A “Foreign Principal”, or a “Foreign Country of Concern” from this list may acquire a real property interest:

1. For diplomatic purposes as approved by the Federal Government; or
2. Limited Residential Exception: If the Foreign Principal Buyer is a “natural person”, they may acquire one residential property of up to two acres, so long as:
 - The parcel is not on or within 5 miles of any U.S. military installation;
 - The buyer has a non-tourist U.S. visa, or other U.S. government documents, granting asylum in the United States, and the documentation permits them to be legally present in Florida;
 - The purchase is in the natural person’s name.

For title insurance agents, there is no requirement to amend title insurance forms. Nor does the failure to comply with the requirements above void the acquisition of the property. Failure to comply will fall on the seller, and will be a post-closing event that will not lead to a valid title insurance claim.

However, it is necessary that starting July 1, 2023, every person or entity acquiring an interest in Florida property must sign an affidavit that they are not a “Foreign Principal” or represent a “Foreign Country of Concern”. **It is the responsibility of the closing agent to provide these forms to buyers, at closing.** Suggested forms are attached and should be integrated with your title closing software. Further, you have a duty to keep these signed forms in your closing records for audit purposes.

You should be aware that a challenge to the new law has been made in federal Court in the case of **Shen v. Simpson**, Northern District of Florida 4:23-cv-00208-AW-MAF. A hearing on a request for a preliminary injunction is scheduled for July 18, 2023, and FNTI will inform you if changes to implementation of this law are required.

Note that the Florida Real Estate Commission, which was directed to adopt affidavit forms, has not done so at this time. The Florida Land Title Association, in conjunction with Florida underwriters, has issued the forms below to use in the meantime.

Please direct your inquires to Ned Livornese, Florida Underwriter, at 443-286-5964 or ned.livornese@fnti.com, or David Hays, General Counsel, at david.hays@fnti.com

This Underwriting Bulletin becomes a part of the principles and practices with which you are to comply under the terms of your Underwriting Agreement with First National Title Insurance Company. Should the content of this bulletin address the closing and escrow function, this information should be considered a directive and part of the principles and practices if non-compliance would result in liability to FNTI under either the insured closing service letter or policy of title insurance notwithstanding that the Underwriting Agreement does not include the closing and escrow functions of your agency.

CHAPTER 2023-33

Committee Substitute for Committee Substitute for Senate Bill No. 264

An act relating to interests of foreign countries; creating s. 287.138, F.S.; defining terms; prohibiting governmental entities from knowingly entering into certain contracts; prohibiting governmental entities from taking specified actions after a specified date relating to contracts that give certain access to personal identifying information; providing an exception; authorizing the Attorney General to bring a civil action; providing penalties; requiring penalties to be deposited into the General Revenue Fund; requiring the Department of Management Services to adopt rules; creating s. 288.007, F.S.; defining terms; prohibiting governmental entities from knowingly entering into certain contracts; requiring governmental entities to require an affidavit from applicants before providing any economic incentive; requiring the Department of Economic Opportunity to adopt rules; providing a directive to the Division of Law Revision to create part III of ch. 692, F.S., to be entitled “Conveyances to Foreign Entities”; creating s. 692.201, F.S.; defining terms; creating ss. 692.202 and 692.203, F.S.; prohibiting foreign principals from purchasing agricultural land, or having more than a de minimus indirect interest in such land, and certain real property in this state, respectively; providing exceptions from ownership restrictions; authorizing foreign principals to continue to own or hold such land or property under certain circumstances; requiring certain foreign principals that own or acquire such land or real property to register with a specified department; requiring the Department of Agriculture and Consumer Services and the Department of Economic Opportunity, respectively, to establish a form for such registration; providing civil penalties; authorizing the Department of Agriculture and Consumer Services and the Department of Economic Opportunity to place a lien against unregistered agricultural land or real property, respectively; requiring certain foreign principals to sell, transfer, or otherwise divest themselves of certain agricultural land or real property within a specified timeframe; requiring buyers of such land or property to provide a signed affidavit; specifying that the failure to maintain or obtain the affidavit does not affect the title or insurability of the title for the agricultural land or real property, respectively, or subject the closing agent to certain liability; authorizing the Florida Real Estate Commission to adopt rules; authorizing that certain agricultural land or real property be forfeited to the state; authorizing the Department of Agriculture and Consumer Services and the Department of Economic Opportunity to initiate civil actions for forfeiture of the interest in agricultural land or real property, respectively; requiring that such actions be filed in a certain circuit court; requiring clerks to record a lis pendens; requiring courts to advance the cause on the calendar; authorizing defendants to petition to modify or discharge the lis pendens; requiring the court to enter a specified final judgment under certain circumstances; authorizing the Department

of Agriculture and Consumer Services and the Department of Economic Opportunity, respectively, to sell the agricultural land or real property; providing requirements for the proceeds from such sale; authorizing the Department of Agriculture and Consumer Services and the Department of Economic Opportunity, respectively, to seek a specified ex parte order; providing criminal penalties; requiring the Department of Agriculture and Consumer Services and the Department of Economic Opportunity, respectively, to adopt rules; creating s. 692.204, F.S.; prohibiting the People's Republic of China, the Chinese Communist Party, any other political party or member of a political party in the People's Republic of China, and certain persons and entities from purchasing or acquiring real property in this state or having more than a de minimus indirect interest in such real property; providing exceptions from ownership restrictions; authorizing such persons and entities to continue to own or hold such real property under certain circumstances; requiring certain persons or entities that own or acquire real property in this state to register with the Department of Economic Opportunity by a specified date; requiring the Department of Economic Opportunity to establish a form for such registration; providing civil penalties; authorizing the Department of Economic Opportunity to place a lien against unregistered real property; requiring certain persons and entities to sell, transfer, or otherwise divest themselves of certain real property within a specified timeframe; requiring buyers of real property to provide a signed affidavit; specifying that the failure to maintain or obtain the affidavit does not affect the title or insurability of the title for the real property or subject the closing agent to certain liability; authorizing the commission to adopt rules; authorizing certain real property to be forfeited to the state; authorizing the Department of Economic Opportunity to initiate civil actions for forfeiture of the interest in real property; requiring such actions to be filed in a certain circuit court; requiring clerks to record a lis pendens; requiring courts to advance the cause on the calendar; authorizing defendants to petition to modify or discharge the lis pendens; requiring the court to enter a specified final judgment under certain circumstances; authorizing the Department of Economic Opportunity to sell the real property; providing requirements for the proceeds from such sale; authorizing the Department of Economic Opportunity to seek a specified ex parte order; providing criminal penalties; requiring the Department of Economic Opportunity to adopt rules; creating s. 692.205, F.S.; providing an exception from ownership restrictions and registration requirements for real property that is used for diplomatic purposes; amending s. 408.051, F.S.; defining the terms "cloud computing" and "health care provider"; requiring that certain information held by health care providers that utilize certified electronic health record technology be maintained in specified locations; providing applicability; amending s. 408.810, F.S.; requiring a licensee to sign a specified affidavit upon initial application for a license and any renewal applications; authorizing disciplinary action by the Agency for Health Care Administration; prohibiting a person or entity that possesses a controlling interest from holding an interest in certain entities; providing definitions; amending s. 836.05, F.S.; providing enhanced

criminal penalties for threatening a person while acting as a foreign agent with the intent of benefiting a foreign country of concern; providing an effective date.

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

Section 1. Section 287.138, Florida Statutes, is created to read:

287.138 Contracting with entities of foreign countries of concern prohibited.—

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

(a) “Controlling interest” means possession of the power to direct or cause the direction of the management or policies of a company, whether through ownership of securities, by contract, or otherwise. A person or entity that directly or indirectly has the right to vote 25 percent or more of the voting interests of the company or is entitled to 25 percent or more of its profits is presumed to possess a controlling interest.

(b) “Department” means the Department of Management Services.

(c) “Foreign country of concern” means the People’s Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People’s Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolás Maduro, or the Syrian Arab Republic, including any agency of or any other entity of significant control of such foreign country of concern.

(d) “Governmental entity” means any state, county, district, authority, or municipal officer, department, division, board, bureau, commission, or other separate unit of government created or established by law including, but not limited to, the Commission on Ethics, the Public Service Commission, the Office of Public Counsel, and any other public or private agency, person, partnership, corporation, or business entity acting on behalf of any public agency.

(2) A governmental entity may not knowingly enter into a contract with an entity which would give access to an individual’s personal identifying information if:

(a) The entity is owned by the government of a foreign country of concern;

(b) The government of a foreign country of concern has a controlling interest in the entity; or

(c) The entity is organized under the laws of or has its principal place of business in a foreign country of concern.

(3) Beginning July 1, 2025, a governmental entity may not extend or renew a contract with an entity listed in paragraphs (2)(a)-(c) if the contract

would give such entity access to an individual's personal identifying information.

(4)(a) Beginning January 1, 2024, a governmental entity may not accept a bid on, a proposal for, or a reply to, or enter into, a contract with an entity which would grant the entity access to an individual's personal identifying information unless the entity provides the governmental entity with an affidavit signed by an officer or representative of the entity under penalty of perjury attesting that the entity does not meet any of the criteria in paragraphs (2)(a)-(c).

(b) Beginning July 1, 2025, when an entity extends or renews a contract with a governmental entity which would grant the entity access to an individual's personal identifying information, the entity must provide the governmental entity with an affidavit signed by an officer or representative of the entity under penalty of perjury attesting that the entity does not meet any of the criteria in paragraphs (2)(a)-(c).

(5) The Attorney General may bring a civil action in any court of competent jurisdiction against an entity that violates this section. Violations of this section may result in:

(a) A civil penalty equal to twice the amount of the contract for which the entity submitted a bid or proposal for, replied to, or entered into;

(b) Ineligibility to enter into, renew, or extend any contract, including any grant agreements, with any governmental entity for up to 5 years;

(c) Ineligibility to receive or renew any license, certification, or credential issued by a governmental entity for up to 5 years; and

(d) Placement on the suspended vendor list pursuant to s. 287.1351.

(6) Any penalties collected under subsection (5) must be deposited into the General Revenue Fund.

(7) The department shall adopt rules to implement this section, including rules establishing the form for the affidavit required under subsection (4).

Section 2. Section 288.007, Florida Statutes, is created to read:

288.007 Economic incentives to foreign countries of concern prohibited.

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

(a) "Controlled by" means having possession of the power to direct or cause the direction of the management or policies of a company, whether through ownership of securities, by contract, or otherwise. A person or entity that directly or indirectly has the right to vote 25 percent or more of the

voting interests of the company or that is entitled to 25 percent or more of its profits is presumed to control the foreign entity.

(b) “Economic incentive” means all programs administered by, or for which an applicant for the program must seek certification, approval, or other action by, the department under this chapter, chapter 212, or chapter 220; and all local economic development programs, grants, or financial benefits administered by a political subdivision or an agent thereof.

(c) “Foreign country of concern” has the same meaning as in s. 692.201.

(d) “Foreign entity” means an entity that is:

1. Owned or controlled by the government of a foreign country of concern;
or

2. A partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country of concern, or a subsidiary of such entity.

(e) “Government entity” means a state agency, a political subdivision, or any other public or private agency, person, partnership, corporation, or business entity acting on behalf of any public agency.

(2) A government entity may not knowingly enter into an agreement or contract for an economic incentive with a foreign entity.

(3) Before providing any economic incentive, a government entity must require the recipient or applicant to provide the government entity with an affidavit signed under penalty of perjury attesting that the recipient or applicant is not a foreign entity.

(4) The department shall adopt rules to administer this section, including rules establishing the form for the affidavit required under subsection (3).

Section 3. The Division of Law Revision is directed to create part III of chapter 692, Florida Statutes, consisting of ss. 692.201, 692.202, 692.203, 692.204, and 692.205, Florida Statutes, to be entitled “Conveyances to Foreign Entities.”

Section 4. Section 692.201, Florida Statutes, is created to read:

692.201 Definitions.—As used in this part, the term:

(1) “Agricultural land” means land classified as agricultural under s. 193.461.

(2) “Critical infrastructure facility” means any of the following, if it employs measures such as fences, barriers, or guard posts that are designed to exclude unauthorized persons:

- (a) A chemical manufacturing facility.
 - (b) A refinery.
 - (c) An electrical power plant as defined in s. 403.031(20).
 - (d) A water treatment facility or wastewater treatment plant.
 - (e) A liquid natural gas terminal.
 - (f) A telecommunications central switching office.
 - (g) A gas processing plant, including a plant used in the processing, treatment, or fractionation of natural gas.
 - (h) A seaport as listed in s. 311.09.
 - (i) A spaceport territory as defined in s. 331.303(18).
 - (j) An airport as defined in s. 333.01.
- (3) “Foreign country of concern” means the People’s Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People’s Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolás Maduro, or the Syrian Arab Republic, including any agency of or any other entity of significant control of such foreign country of concern.
- (4) “Foreign principal” means:
- (a) The government or any official of the government of a foreign country of concern;
 - (b) A political party or member of a political party or any subdivision of a political party in a foreign country of concern;
 - (c) A partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country of concern, or a subsidiary of such entity; or
 - (d) Any person who is domiciled in a foreign country of concern and is not a citizen or lawful permanent resident of the United States.
 - (e) Any person, entity, or collection of persons or entities, described in paragraphs (a) through (d) having a controlling interest in a partnership, association, corporation, organization, trust, or any other legal entity or subsidiary formed for the purpose of owning real property in this state.
- (5) “Military installation” means a base, camp, post, station, yard, or center encompassing at least 10 contiguous acres that is under the jurisdiction of the Department of Defense or its affiliates.

(6) "Real property" means land, buildings, fixtures, and all other improvements to land.

Section 5. Section 692.202, Florida Statutes, is created to read:

692.202 Purchase of agricultural land by foreign principals prohibited.

(1) A foreign principal may not directly or indirectly own, have a controlling interest in, or acquire by purchase, grant, devise, or descent agricultural land or any interest, except a de minimus indirect interest, in such land in this state. A foreign principal has a de minimus indirect interest if any ownership is the result of the foreign principal's ownership of registered equities in a publicly traded company owning the land and if the foreign principal's ownership interest in the company is either:

(a) Less than 5 percent of any class of registered equities or less than 5 percent in the aggregate in multiple classes of registered equities; or

(b) A noncontrolling interest in an entity controlled by a company that is both registered with the United States Securities and Exchange Commission as an investment adviser under the Investment Advisers Act of 1940, as amended, and is not a foreign entity.

(2) A foreign principal that directly or indirectly owns or acquires agricultural land or any interest in such land in this state before July 1, 2023, may continue to own or hold such land or interest, but may not purchase or otherwise acquire by grant, devise, or descent any additional agricultural land or interest in such land in this state.

(3)(a) A foreign principal that directly or indirectly owns or acquires agricultural land or any interest in such land in this state before July 1, 2023, must register with the Department of Agriculture and Consumer Services by January 1, 2024. The department must establish a form for such registration, which, at minimum, must include all of the following:

1. The name of the owner of the agricultural land or the owner of the interest in such land.

2. The address of the agricultural land, the property appraiser's parcel identification number, and the property's legal description.

3. The number of acres of the agricultural land.

(b) A foreign principal that fails to timely file a registration with the department is subject to a civil penalty of \$1,000 for each day that the registration is late. The department may place a lien against the unregistered agricultural land for the unpaid balance of any penalties assessed under this paragraph.

(4) Notwithstanding subsection (1), a foreign principal may acquire agricultural land on or after July 1, 2023, by devise or descent, through the

enforcement of security interests, or through the collection of debts, provided that the foreign principal sells, transfers, or otherwise divests itself of the agricultural land within 3 years after acquiring the agricultural land.

(5)(a) At the time of purchase, a buyer of agricultural land or an interest in such land must provide an affidavit signed under penalty of perjury attesting that the buyer is:

1. Not a foreign principal; and
2. In compliance with the requirements of this section.

(b) The failure to obtain or maintain the affidavit does not:

1. Affect the title or insurability of the title for the agricultural land; or
2. Subject the closing agent to civil or criminal liability, unless the closing agent has actual knowledge that the transaction will result in a violation of this section.

(c) The Florida Real Estate Commission shall adopt rules to implement this subsection, including rules establishing the form for the affidavit required under this subsection.

(6)(a) The agricultural land or an interest in such land that is owned or acquired in violation of this section may be forfeited to the state.

(b) The Department of Agriculture and Consumer Services may initiate a civil action in the circuit court of the county in which the property lies for the forfeiture of the agricultural land or any interest therein.

(c) Upon filing such action, the clerk must record a lis pendens in accordance with s. 48.23. The court must advance the cause on the calendar. The defendant may at any time petition to modify or discharge the lis pendens based upon a finding that there is no probable cause to believe that the agricultural land, or any portion thereof, is owned or held in violation of this section.

(d) If the court finds that the agricultural land, or any portion thereof, is owned or held in violation of this section, the court must enter a final judgment of forfeiture vesting title to the agricultural land in this state, subject only to the rights and interests of bona fide lienholders, and such final judgment relates back to the date of the lis pendens.

(e) The department may sell the agricultural land subject to a final judgment of forfeiture. Any proceeds from the sale must first be paid to any lienholders of the land, followed by payment of any outstanding fines assessed pursuant to this section, after which the department must be reimbursed for all costs related to the forfeiture civil action and any costs related to the sale of the land. Any remaining proceeds must be paid to the property owner.

(f) At any time during the forfeiture proceeding the department may seek an ex parte order of seizure of the agricultural land upon a showing that the defendant's control of the agricultural land constitutes a clear and present danger to the state.

(7) A foreign principal that purchases or acquires agricultural land or any interest therein in violation of this section commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083.

(8) A person who knowingly sells agricultural land or any interest therein in violation of this section commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083.

(9) The Department of Agriculture and Consumer Services shall adopt rules to implement this section.

Section 6. Section 692.203, Florida Statutes, is created to read:

692.203 Purchase of real property on or around military installations or critical infrastructure facilities by foreign principals prohibited.—

(1) A foreign principal may not directly or indirectly own, or have a controlling interest in, or acquire by purchase, grant, devise, or descent any interest, except a de minimus indirect interest, in real property on or within 10 miles of any military installation or critical infrastructure facility in this state. A foreign principal has a de minimus indirect interest if any ownership is the result of the foreign principal's ownership of registered equities in a publicly traded company owning the land and if the foreign principal's ownership interest in the company is either:

(a) Less than 5 percent of any class of registered equities or less than 5 percent in the aggregate in multiple classes of registered equities; or

(b) A noncontrolling interest in an entity controlled by a company that is both registered with the United States Securities and Exchange Commission as an investment adviser under the Investment Advisers Act of 1940, as amended, and is not a foreign entity.

(2) A foreign principal that directly or indirectly owns or acquires any interest in real property on or within 10 miles of any military installation or critical infrastructure facility in this state before July 1, 2023, may continue to own or hold such real property, but may not purchase or otherwise acquire by grant, devise, or descent any additional real property on or within 10 miles of any military installation or critical infrastructure facility in this state.

(3)(a) A foreign principal must register with the Department of Economic Opportunity if the foreign principal owns or acquires real property on or within 10 miles of any military installation or critical infrastructure facility in this state as authorized under subsection (4) or if the foreign principal owned or acquired an interest, other than a de minimus indirect interest, in

such property before July 1, 2023. The department must establish a form for such registration which, at a minimum, must include all of the following:

1. The name of the owner of the real property.
2. The address of the real property, the property appraiser's parcel identification number, and the property's legal description.

(b) A foreign principal that fails to timely file a registration with the department is subject to a civil penalty of \$1,000 for each day that the registration is late. A foreign principal must register a property interest owned before July 1, 2023, by December 31, 2023. The registration is considered to be late after January 31, 2024. A foreign principal who owns or acquires real property on or after July 1, 2023, as authorized under subsection (4), must register the real property within 30 days after the property is owned or acquired. The department may place a lien against the unregistered real property for the unpaid balance of any penalties assessed under this paragraph.

(4) Notwithstanding subsection (1) a foreign principal who is a natural person may purchase one residential real property that is up to 2 acres in size if all of the following apply:

(a) The parcel is not on or within 5 miles of any military installation in this state.

(b) The person has a current verified United States Visa that is not limited to authorizing tourist-based travel or official documentation confirming that the person has been granted asylum in the United States, and such visa or documentation authorizes the person to be legally present within this state.

(c) The purchase is in the name of the person who holds the visa or official documentation described in paragraph (b).

(5) Notwithstanding subsections (1) and (2), a foreign principal may acquire real property or any interest therein which is on or within 10 miles of any military installation or critical infrastructure facility in this state on or after July 1, 2023, by devise or descent, through the enforcement of security interests, or through the collection of debts, provided that the foreign principal sells, transfers, or otherwise divests itself of such real property within 3 years after acquiring the real property.

(6)(a) At the time of purchase, a buyer of the real property that is on or within 10 miles of any military installation or critical infrastructure facility in this state must provide an affidavit signed under penalty of perjury attesting that the buyer is:

1. Not a foreign principal or not a foreign principal prohibited from purchasing the subject real property; and

2. In compliance with the requirements of this section.

(b) The failure to obtain or maintain the affidavit does not:

1. Affect the title or insurability of the title for the real property; or

2. Subject the closing agent to civil or criminal liability, unless the closing agent has actual knowledge that the transaction will result in a violation of this section.

(c) The Florida Real Estate Commission shall adopt rules to implement this subsection, including rules establishing the form for the affidavit required under this subsection.

(7)(a) If any real property is owned or acquired in violation of this section, the real property may be forfeited to the state.

(b) The Department of Economic Opportunity may initiate a civil action in the circuit court of the county in which the property lies for the forfeiture of the real property or any interest therein.

(c) Upon filing such action, the clerk must record a lis pendens in accordance with s. 48.23. The court must advance the cause on the calendar. The defendant may at any time petition to modify or discharge the lis pendens based upon a finding that there is no probable cause to believe that the real property, or any portion thereof, is owned or held in violation of this section.

(d) If the court finds that the real property, or any portion thereof, is owned or held in violation of this section, the court must enter a final judgment of forfeiture vesting title to the real property in this state, subject only to the rights and interests of bona fide lienholders, and such final judgment relates back to the date of the lis pendens.

(e) The department may sell the real property subject to a final judgment of forfeiture. Any proceeds from the sale must first be paid to any lienholders of the land, followed by payment of any outstanding fines assessed pursuant to this section, after which the department must be reimbursed for all costs related to the forfeiture civil action and any costs related to the sale of the land. Any remaining proceeds must be paid to the property owner.

(f) At any time during the forfeiture proceeding the department may seek an ex parte order of seizure of the real property upon a showing that the defendant's control of the real property constitutes a clear and present danger to the state.

(8) A foreign principal that purchases or acquires real property or any interest therein in violation of this section commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083.

(9) A person who knowingly sells real property or any interest therein in violation of this section commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083.

(10) The Department of Economic Opportunity shall adopt rules to implement this section.

Section 7. Section 692.204, Florida Statutes, is created to read:

692.204 Purchase or acquisition of real property by the People's Republic of China prohibited.—

(1)(a) The following persons or entities may not directly or indirectly own, have a controlling interest in, or acquire by purchase, grant, devise, or descent any interest, except a de minimus indirect interest, in real property in this state:

1. The People's Republic of China, the Chinese Communist Party, or any official or member of the People's Republic of China or the Chinese Communist Party.

2. Any other political party or member of a political party or a subdivision of a political party in the People's Republic of China.

3. A partnership, an association, a corporation, an organization, or any other combination of persons organized under the laws of or having its principal place of business in the People's Republic of China, or a subsidiary of such entity.

4. Any person who is domiciled in the People's Republic of China and who is not a citizen or lawful permanent resident of the United States.

5. Any person, entity, or collection of persons or entities described in subparagraphs 1. through 4. having a controlling interest in a partnership, association, corporation, organization, trust, or any other legal entity or subsidiary formed for the purpose of owning real property in this state.

(b) A person or entity has a de minimus indirect interest if any ownership is the result of the person's or entity's ownership of registered equities in a publicly traded company owning the land and if the person's or entity's ownership interest in the company is either:

1. Less than 5 percent of any class of registered equities or less than 5 percent in the aggregate in multiple classes of registered equities; or

2. A noncontrolling interest in an entity controlled by a company that is both registered with the United States Securities and Exchange Commission as an investment adviser under the Investment Advisers Act of 1940, as amended, and is not a foreign entity.

(2) Notwithstanding subsection (1), a natural person described in paragraph (1)(a) may purchase one residential real property that is up to 2 acres in size if all of the following apply:

(a) The parcel is not on or within 5 miles of any military installation in this state.

(b) The person has a current verified United States Visa that is not limited to authorizing tourist-based travel or official documentation confirming that the person has been granted asylum in the United States and such visa or documentation authorizes the person to be legally present within this state.

(c) The purchase is in the name of the person who holds the visa or official documentation described in paragraph (b).

(3) A person or entity described in paragraph (1)(a) that directly or indirectly owns or acquires any interest in real property in this state before July 1, 2023, may continue to own or hold such real property, but may not purchase or otherwise acquire by grant, devise, or descent any additional real property in this state.

(4)(a) A person or entity described in paragraph (1)(a), subsection (2), or subsection (5) must register with the Department of Economic Opportunity if the person or entity owns or acquires more than a de minimus indirect interest in real property in this state. The department must establish a form for such registration which, at a minimum, must include all of the following:

1. The name of the owner of the real property.
2. The address of the real property, the property appraiser's parcel identification number, and the property's legal description.

(b) A person or entity that fails to timely file a registration with the department is subject to a civil penalty of \$1,000 for each day that the registration is late. The person or entity subject to the registration requirements must register the property or property interests owned or acquired before July 1, 2023, by December 31, 2023. The registration is considered to be late 30 days after January 31, 2024. A person or entity that owns or acquires real property or an interest in real property as authorized under subsection (2) or subsection (5), other than a de minimus indirect interest, on or after July 1, 2023, must register the real property or interest within 30 days after the property or interest is owned or acquired. The department may place a lien against the unregistered real property for the unpaid balance of any penalties assessed under this paragraph.

(5) Notwithstanding subsection (1), a person or an entity described in paragraph (1)(a) may acquire real property in this state on or after July 1, 2023, by devise or descent, through the enforcement of security interests, or through the collection of debts, provided that the person or entity sells, transfers, or otherwise divests itself of such real property within 3 years

after acquiring the real property, unless the person or entity is exempt under s. 692.205.

(6)(a) At the time of purchase, a buyer of real property in this state must provide an affidavit signed under penalty of perjury attesting that the buyer is:

1. Not a person or entity described in paragraph (1)(a) or that the buyer is a person described in paragraph (1)(a) but is authorized under subsection (2) to purchase the subject property; and

2. In compliance with the requirements of this section.

(b) The failure to obtain or maintain the affidavit does not:

1. Affect the title or insurability of the title for the real property; or

2. Subject the closing agent to civil or criminal liability, unless the closing agent has actual knowledge that the transaction will result in a violation of this section.

(c) The Florida Real Estate Commission shall adopt rules to implement this subsection, including rules establishing the form for the affidavit required under this subsection.

(7)(a) If any real property is owned or acquired in violation of this section, the real property may be forfeited to the state.

(b) The Department of Economic Opportunity may initiate a civil action in the circuit court of the county in which the property lies for the forfeiture of the real property or any interest therein.

(c) Upon filing such action, the clerk must record a lis pendens in accordance with s. 48.23. The court must advance the cause on the calendar. The defendant may at any time petition to modify or discharge the lis pendens based upon a finding that there is no probable cause to believe that the real property, or any portion thereof, is owned or held in violation of this section.

(d) If the court finds that the real property, or any portion thereof, is owned or held in violation of this section, the court must enter a final judgment of forfeiture vesting title to the real property in this state, subject only to the rights and interests of bona fide lienholders, and such final judgment relates back to the date of the lis pendens.

(e) The department may sell the real property subject to a final judgment of forfeiture. Any proceeds from the sale must first be paid to any lienholders of the land, followed by payment of any outstanding fines assessed pursuant to this section, after which the department must be reimbursed for all costs related to the forfeiture civil action and any costs related to the sale of the land. Any remaining proceeds must be paid to the property owner.

(f) At any time during the forfeiture proceeding the department may seek an ex parte order of seizure of the real property upon a showing that the defendant's control of the real property constitutes a clear and present danger to the state.

(8) A violation of this section constitutes a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(9) A person who knowingly sells real property or any interest therein in violation of this section commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

(10) The Department of Economic Opportunity shall adopt rules to implement this section.

Section 8. Section 692.205, Florida Statutes, is created to read:

692.205 Inapplicability of this part to real property for diplomatic purposes.—This part does not apply to a foreign principal that acquires real property for a diplomatic purpose that is recognized, acknowledged, or allowed by the Federal Government.

Section 9. Present subsections (3), (4), and (5) of section 408.051, Florida Statutes, are redesignated as subsections (4), (5), and (6), respectively, a new subsection (3) is added to that section, and subsection (2) of that section is reordered and amended, to read:

408.051 Florida Electronic Health Records Exchange Act.—

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

(c)(a) “Electronic health record” means a record of a person’s medical treatment which is created by a licensed health care provider and stored in an interoperable and accessible digital format.

(i)(b) “Qualified electronic health record” means an electronic record of health-related information concerning an individual which includes patient demographic and clinical health information, such as medical history and problem lists, and which has the capacity to provide clinical decision support, to support physician order entry, to capture and query information relevant to health care quality, and to exchange electronic health information with, and integrate such information from, other sources.

(a)(e) “Certified electronic health record technology” means a qualified electronic health record that is certified pursuant to s. 3001(c)(5) of the Public Health Service Act as meeting standards adopted under s. 3004 of such act which are applicable to the type of record involved, such as an ambulatory electronic health record for office-based physicians or an inpatient hospital electronic health record for hospitals.

(b) “Cloud computing” has the same meaning as in s. 282.0041.

(d) “Health care provider” means any of the following:

1. A provider as defined in s. 408.803.
2. A health care practitioner as defined in s. 456.001.
3. A health care professional certified under part IV of chapter 468.
4. A home health aide as defined in s. 400.462.
5. A service provider as defined in s. 394.455 and the service provider’s clinical and nonclinical staff who provide inpatient or outpatient services.
6. A continuing care facility licensed under chapter 651.
7. A pharmacy permitted under chapter 465.

(e)(d) “Health record” means any information, recorded in any form or medium, which relates to the past, present, or future health of an individual for the primary purpose of providing health care and health-related services.

(f)(e) “Identifiable health record” means any health record that identifies the patient or with respect to which there is a reasonable basis to believe the information can be used to identify the patient.

(g)(f) “Patient” means an individual who has sought, is seeking, is undergoing, or has undergone care or treatment in a health care facility or by a health care provider.

(h)(g) “Patient representative” means a parent of a minor patient, a court-appointed guardian for the patient, a health care surrogate, or a person holding a power of attorney or notarized consent appropriately executed by the patient granting permission to a health care facility or health care provider to disclose the patient’s health care information to that person. In the case of a deceased patient, the term also means the personal representative of the estate of the deceased patient; the deceased patient’s surviving spouse, surviving parent, or surviving adult child; the parent or guardian of a surviving minor child of the deceased patient; the attorney for the patient’s surviving spouse, parent, or adult child; or the attorney for the parent or guardian of a surviving minor child.

(3) SECURITY AND STORAGE OF PERSONAL MEDICAL INFORMATION.—In addition to the requirements in 45 C.F.R. part 160 and subparts A and C of part 164, a health care provider that utilizes certified electronic health record technology must ensure that all patient information stored in an offsite physical or virtual environment, including through a third-party or subcontracted computing facility or an entity providing cloud computing services, is physically maintained in the continental United States or its territories or Canada. This subsection applies to all qualified electronic health records that are stored using any technology that can allow information to be electronically retrieved, accessed, or transmitted.

Section 10. Subsections (14) and (15) are added to section 408.810, Florida Statutes, to read:

408.810 Minimum licensure requirements.—In addition to the licensure requirements specified in this part, authorizing statutes, and applicable rules, each applicant and licensee must comply with the requirements of this section in order to obtain and maintain a license.

(14) The licensee must sign an affidavit at the time of his or her initial application for a license and on any renewal applications thereafter that attests under penalty of perjury that he or she is in compliance with s. 408.051(3). The licensee must remain in compliance with s. 408.051(3) or the licensee shall be subject to disciplinary action by the agency.

(15)(a) The licensee must ensure that a person or entity who possesses a controlling interest does not hold, either directly or indirectly, regardless of ownership structure, an interest in an entity that has a business relationship with a foreign country of concern or that is subject to s. 287.135.

(b) For purposes of this subsection, the term:

1. “Business relationship” means engaging in commerce in any form, including, but not limited to, acquiring, developing, maintaining, owning, selling, possessing, leasing, or operating equipment, facilities, personnel, products, services, personal property, real property, military equipment, or any other apparatus of business or commerce.

2. “Foreign country of concern” has the same meaning as in s. 692.201.

3. “Interest” has the same meaning as in s. 286.101(1).

Section 11. Section 836.05, Florida Statutes, is amended to read:

836.05 Threats; extortion.—

(1) Whoever, either verbally or by a written or printed communication, maliciously threatens to accuse another of any crime or offense, or by such communication maliciously threatens an injury to the person, property or reputation of another, or maliciously threatens to expose another to disgrace, or to expose any secret affecting another, or to impute any deformity or lack of chastity to another, with intent thereby to extort money or any pecuniary advantage whatsoever, or with intent to compel the person so threatened, or any other person, to do any act or refrain from doing any act against his or her will, ~~commits shall be guilty of~~ a felony of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(2) A person who commits a violation of subsection (1) and at the time of the violation is acting as a foreign agent, as defined in s. 812.081(1), with the intent of benefiting a foreign country of concern, as defined in s. 692.201, commits a felony of the first degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Section 12. This act shall take effect July 1, 2023.

Approved by the Governor May 8, 2023.

Filed in Office Secretary of State May 8, 2023.

The attached affidavits and notice were drafted as suggestions to the Florida Real Estate Commission to be adopted by Rule pursuant to Laws of Florida Chapter 2023-33. That process will likely not be finalized prior to the July 1, 2023 effective date of the law.

Publication of this form is not legal advice, guidance, or an endorsement of its use, however the Florida Land Title Association is providing it as a possible form of the Buyer's affidavit required under Chapter 2023-33 for use until the Florida Real Estate Commission adopts official forms for use under this law.

After the official form(s) is finalized by the Florida Real Estate Commission, only that form(s) should be used.

NOTICE: FLORIDA NOW RESTRICTS THE SALE OF PROPERTY TO FOREIGN PRINCIPALS (Secs. 692.202-205, F.S.)

Effective July 1, 2023, *foreign principals* of these *foreign countries of concern* are prohibited from purchasing or acquiring any interest in certain types of Florida real property, subject to limited exceptions:

- The People's Republic of China
- The Russian Federation
- The Islamic Republic of Iran
- The Democratic People's Republic of Korea
- The Republic of Cuba
- The Venezuelan regime of Nicolás Maduro
- The Syrian Arab Republic
- Any agency of or any other entity of significant control of such foreign country of concern

BUYERS ARE A FOREIGN PRINCIPAL IF ANY OF THESE APPLY TO THEM:

- (a) The government or any official of the government of a foreign country of concern;
- (b) A political party or member of a political party or any subdivision of a political party in a foreign country of concern;
- (c) A partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country of concern, or a subsidiary of such entity;
- (d) Any person who is domiciled in a foreign country of concern and is not a citizen or lawful permanent resident of the United States, or
- (e) Any person, entity, or collection of persons or entities, described in paragraphs (a) through (d) having a controlling interest in a partnership, association, corporation, organization, trust, or any other legal entity or subsidiary formed for the purpose of owning real property in Florida.

IF A BUYER IS A FOREIGN PRINCIPAL, FLORIDA LAW PROHIBITS THEM:

- From purchasing or acquiring any interest in real property in Florida classified as agricultural land¹ or within 5 miles of a military installation.²

¹ "Agricultural land" is defined to be that which has "agricultural classification" under 193.461 F.S.

² "Military Installation" means a base, camp, post, station, yard, or center encompassing at least 10 contiguous acres that is under the jurisdiction of the Department of Defense or its affiliates. Sec. 692.201(5), F.S.

- With limited exceptions, from purchasing or acquiring any interest in real property in Florida within 10 miles of a critical infrastructure facility³ or military installation
- NOTE: Foreign principals of the People’s Republic China are prohibited from purchasing or acquiring any interest in any real property in Florida regardless of its classification, subject to the Limited Residential Exception and Diplomatic Purposes Exception described below

CERTAIN EXCEPTIONS MAY APPLY:

- Limited Residential Exception - If the Buyer is a ‘natural person’ subject to the law, they may still purchase one residential real property, up to 2 acres in size, if all of the following apply:
 - (a) The parcel is not on or within 5 miles of any military installation;
 - (b) Buyer has a current verified United States visa that is not limited to authorizing tourist-based travel or official documentation confirming that the person has been granted asylum in the United States and such visa or documentation authorizes the person to be legally present in Florida;
 - (c) The purchase is in the Buyer’s name, i.e., the name of the person who holds the visa or official documentation described in paragraph (b), and
 - (d) The Buyer is only entitled to one residential property as described above.
- Diplomatic Purposes Exception - The real property is for diplomatic purposes as recognized, acknowledged, or allowed by the Federal Government

CAUTION: PERSONS WHO ARE OR MAY BE DEFINED AS “FOREIGN PRINCIPALS OF FOREIGN COUNTRIES OF CONCERN” SHOULD CONSULT WITH AN ATTORNEY BEFORE PURCHASING OR ACQUIRING ANY INTEREST IN REAL PROPERTY IN FLORIDA ON OR AFTER JULY 1, 2023. LAND ACQUIRED IN VIOLATION OF THIS LAW MAY BE FORFEITED TO THE STATE.

BY SIGNING BELOW, I ACKNOWLEDGE HAVING REVIEWED THE ABOVE NOTICE.

Buyer:

Dated: _____

³ “Critical infrastructure facility” means any of the following, if it employs measures such as fences, barriers, or guard posts that are designed to exclude unauthorized persons:

- (a) A chemical manufacturing facility.
- (b) A refinery.
- (c) An electrical power plant as defined in s. 403.031(20).
- (d) A water treatment facility or wastewater treatment plant.
- (e) A liquid natural gas terminal.
- (f) A telecommunications central switching office.
- (g) A gas processing plant, including a plant used in the processing, treatment, or fractionation of natural gas.
- (h) A seaport as listed in s. 311.09.
- (i) A spaceport territory as defined in s. 331.303(18)
- (j) An airport as defined in s. 333.01

Affidavit

[Part III, Ch. 692 F.S. - Conveyances to Foreign Entities - By Entity Buyer]

BEFORE ME, the undersigned authority, duly authorized to take acknowledgments and administer oaths, personally appeared _____ (“Affiant”) who deposes and says under penalties of perjury that:

(When used “Affiant” and “Buyer” include singular or plural as context so requires or admits.)

1. Affiant is the [state official capacity] of [state name/type/venue of entity], which is hereinafter referred to as “Buyer.”

2. Buyer is purchasing or acquiring an interest in the following described real property:

[Insert Legal Description]

3. Affiant has read the attached Notice and has been given the opportunity to consult with an attorney.

4. Buyer is (Initial which is applicable):

____ Not a Foreign Principal as defined in §692.201, F.S. and as such is in compliance with the requirements set out in §692.202-205, F.S.

OR

____ A Foreign Principal as defined in sec §692.201, F.S. and is in compliance with the requirements set out in §692.202-205, F.S.

5. Affiant acknowledges the foregoing representations will be relied upon to establish compliance with the law.

(Affiant)

Print Name: _____

Official Capacity: _____

Name of Buyer: _____

Address: _____

STATE OF _____
COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of [] physical presence or [] online notarization this ____ day of ____, 20__, by _____ who [] is personally known or [] has produced _____ as identification.

[Notary Seal]

Notary Public

Printed Name: _____

My Commission Expires: _____

The attached affidavits and notice were drafted as suggestions to the Florida Real Estate Commission to be adopted by Rule pursuant to Laws of Florida Chapter 2023-33. That process will likely not be finalized prior to the July 1, 2023 effective date of the law.

Publication of this form is not legal advice, guidance, or an endorsement of its use, however the Florida Land Title Association is providing it as a possible form of the Buyer's affidavit required under Chapter 2023-33 for use until the Florida Real Estate Commission adopts official forms for use under this law.

After the official form(s) is finalized by the Florida Real Estate Commission, only that form(s) should be used.

Affidavit

[Part III, Ch. 692 F.S. - Conveyances to Foreign Entities - By Individual Buyer]

BEFORE ME, the undersigned authority, duly authorized to take acknowledgments and administer oaths, personally appeared _____ (“Affiant”), who deposes and says under penalties of perjury that:

(When used “Affiant” includes singular or plural as context so requires or admits.)

1. Affiant is purchasing or acquiring an interest in the following described real property:

[Insert Legal Description]

2. Affiant has read the attached Notice and has been given the opportunity to consult with an attorney.
3. Affiant is (Initial which is applicable):

____ Not a Foreign Principal as defined in §692.201, F.S. and as such is in compliance with the requirements set out in §692.202-205, F.S.

OR

____ A Foreign Principal as defined in §692.201, F.S. and is in compliance with the requirements set out in §692.202-205, F.S.

4. Affiant acknowledges the foregoing representations will be relied upon to establish compliance with the law.

(Affiant)
Print Name: _____
Address: _____

STATE OF _____
COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of [] physical presence or [] online notarization this ____ day of ____, 20__, by _____ who [] is personally known or [] has produced _____ as identification.

[Notary Seal]

Notary Public
Printed Name: _____
My Commission Expires: _____

The attached affidavits and notice were drafted as suggestions to the Florida Real Estate Commission to be adopted by Rule pursuant to Laws of Florida Chapter 2023-33. That process will likely not be finalized prior to the July 1, 2023 effective date of the law.

Publication of this form is not legal advice, guidance, or an endorsement of its use, however the Florida Land Title Association is providing it as a possible form of the Buyer’s affidavit required under Chapter 2023-33 for use until the Florida Real Estate Commission adopts official forms for use under this law.

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