

§286.101 FS | FOREIGN GIFTS AND CONTRACTS

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

(a) "Contract" means any agreement for the direct benefit or use of any party to such agreement, including an agreement for the sale of commodities or services.

(b) "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 under significant control of such foreign country of concern.

(c) "Foreign government" means the government of any country, nation, or group of nations, or any province or other political subdivision of any country or nation, other than the government of the United States or the government of a state or political subdivision, including any agent of such foreign government.

(d) "Foreign source" means any of the following:

1. A foreign government or an agency of a foreign government.

2. A legal entity, governmental or otherwise, created solely under the laws of a foreign state or states.

3. An individual who is not a citizen or a national of the United States or a territory or protectorate of the United States.

4. An agent, including a subsidiary or an affiliate of a foreign legal entity, acting on behalf of a foreign source.

(e) "Gift" means any transfer of money or property from one entity to another without compensation.

(f) "Grant" means a transfer of money for a specified purpose, including a conditional gift.

(g) "Interest" in an entity means any direct or indirect investment in or loan to the entity valued at 5 percent or more of the entity's net worth or any form of direct or



indirect control exerting similar or greater influence on the governance of the entity.

(h) "State agency" means any agency or unit of state government created or established by law. For the purposes of this section only, the term does not include a state university or a state college.

(i) "State college" means any postsecondary educational institution under the supervision of the State Board of Education, including any entity under the control of or established for the benefit of a state college.

(j) "State university" means any state university under the supervision of the Board of Governors, including any entity under the control of or established for the benefit of a state university.

(2) Any state agency or political subdivision that receives directly or indirectly any gift or grant with a value of \$50,000 or more from any foreign source shall disclose such gift or grant to the Department of Financial Services within 30 days after receiving such gift or grant. Such disclosure shall include the date of the gift or grant, the amount of the gift or grant, and the name and country of residence or domicile of the foreign source. Disclosure is not required if such gift or grant is disclosed under s. 1010.25.

(3)

(a) Any entity that applies to a state agency or political subdivision for a grant or proposes a contract having a value of \$100,000 or more shall disclose to the state agency or political subdivision any current or prior interest of, any contract with, or any grant or gift received from a foreign country of concern if such interest, contract, or grant or gift has a value of \$50,000 or more and such interest existed at any time or such contract or grant or gift was received or in force at any time during the previous 5 years. Such disclosure shall include the name and mailing address of the disclosing entity, the amount of the contract or grant or gift or the value of the interest disclosed, the applicable foreign country of concern and, if applicable, the date of termination of the contract or interest, the date of receipt of the grant or gift, and the name of the agent or controlled entity that is the source or interest holder. Within 1 year



before applying for any grant or proposing any contract, such entity must provide a copy of such disclosure to the Department of Financial Services.

(b) Disclosure under this subsection is not required with respect to:

1. A proposal to sell commodities through the online procurement program established pursuant to s. 287.057(22);
2. A proposal to sell commodities to a university pursuant to Board of Governors Regulation 18.001;
3. An application or proposal from an entity that discloses foreign gifts or grants under subsection (2) or s. 1010.25;
4. An application or proposal from a foreign source that, if granted or accepted, would be disclosed under subsection (2) or s. 1010.25; or
5. An application or proposal from a public or not-for-profit research institution with respect to research funded by any federal agency.

(c) A disclosure published online pursuant to subsection (5) is deemed disclosed to every state agency and political subdivision for purposes of paragraph (a). From the time a disclosure is made under paragraph (a) through the term of any awarded state grant or contract, the entity must revise its disclosure within 30 days after entering into a contract with or receiving a grant or gift from a foreign country of concern or within 30 days after the acquisition of any interest in the entity by a foreign country of concern.

(4) At least once every 5 years, the Department of Management Services shall screen each vendor of commodities participating in the online procurement system if such vendor has the capacity to fill an order of \$100,000 or more. Screening must be conducted through federal agencies responsible for identifying persons and organizations subject to trade sanctions, embargoes, or other restrictions under federal law. If a vendor is identified as being subject to any such sanctions, embargoes, or other restrictions, the vendor must make the disclosures required under subsection (3) until such restriction expires. A notification regarding the applicability of the disclosure requirement in subsection (3) to



the vendor must be included on the online procurement system when applicable. The Department of Management Services must ensure that purchasers through the online procurement system may easily access all disclosures made by vendors participating in the system.

(5) The Department of Financial Services must establish and maintain an Internet website to publish the disclosures required under this section. The Department of Financial Services may establish an online system for making such disclosures. The Department of Management Services may coordinate with the Department of Financial Services to establish the online system.

(6)

(a) Upon receiving a referral from an inspector general or other compliance officer of a state agency or political subdivision or any sworn complaint based upon substantive information and reasonable belief, the Department of Financial Services must investigate an allegation of a violation of this section.

(b) The Department of Financial Services, an inspector general, or any other agent or compliance officer authorized by a state agency or political subdivision may request records relevant to any reasonable suspicion of a violation of this section. An entity must provide the required records within 30 days after such request or at a later time agreed to by the investigating state agency or political subdivision.

(7)

(a) Failure to make a disclosure required under this section or failure to provide records requested under paragraph (6)(b) constitutes a civil violation punishable upon a final order of the Department of Financial Services by an administrative fine of \$5,000 for a first violation or \$10,000 for any subsequent violation.

(b) In addition to any fine assessed under paragraph (a), a final order determining a third or subsequent violation by a state agency or political subdivision must include a determination of the identity of the officer responsible for acceptance of the undisclosed grant or gift. Such order must also include a referral by the Department of Financial Services to the Governor or other officer authorized to suspend or remove the officer responsible for acceptance of the undisclosed grant or gift from public office. A copy of



such referral must be provided to the President of the Senate and the Speaker of the House of Representatives for oversight of such suspension and removal authority.

(c) In addition to any fine assessed under paragraph (a), a final order determining a third or subsequent violation by an entity other than a state agency or political subdivision shall automatically disqualify the entity from eligibility for any grant or contract funded by a state agency or any political subdivision until such ineligibility is lifted by the Administration Commission for good cause. The Department of Financial Services shall include and maintain an active and current list of such ineligible entities on the Internet website maintained under subsection (5).

(8) Information disclosed under subsections (2) and (3) is not confidential or exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

(9)

(a) The Department of Management Services may adopt rules necessary to carry out its responsibilities under this section. The rules may identify the federal agencies to be consulted under subsection (4) and the procedure for notifying a vendor of the disclosure requirements under this section when applicable. The Department of Management Services may also adopt rules providing for the application of this section to the online procurement system.

(b) The Department of Financial Services may adopt rules necessary to carry out its responsibilities under this section.

(c) Any rules necessary to implement this section must be published by December 31, 2021, unless the applicable department head certifies in writing that a delay is necessary and the date by which the proposed rules will be published. Such certification must be published in the Florida Administrative Register and a copy provided to the Joint Administrative Procedures Committee.

(10)

(a) A state university or state college, or any employee or representative of a state university or state college, may not solicit or accept any gift in its official capacity,



including any physical object, loan, reward, promise of future employment, favor, or service, from a college or university based in a foreign country of concern or from a foreign principal as those terms are defined in s. 288.860.

(b) The Board of Governors and the State Board of Education shall adopt regulations and rules, respectively, to administer this subsection.

History - (s. 1, ch. 2021-76; s. 2, ch. 2023-34.)

