

**THE FLORIDA BAR BUSINESS LAW SECTION
CORPORATIONS, SECURITIES & FINANCIAL SERVICES
COMMITTEE MEETING**

**Florida Bar Annual Meeting
Thursday June 26, 2025
Meeting: 12:30 PM – 2.00 PM
Location: The Boca Raton, Santa Margherita**

Valeria Angelucci, Chair; Kelly Roberts, Vice-Chair; Zachariah Evangelista, Second Vice-Chair; Prof. Stuart Cohn, Academic Chair

MEETING AGENDA

1. **Call to Order and Welcome**
2. **Self-Introduction of Members Present**
3. **Approval of Meeting Minutes (Winter Meeting and Spring Meeting)**
 - a. *See attached **Schedule 1** for the 2025 Winter Meeting minutes.*
 - b. *See attached **Schedule 2** for the 2025 Spring Meeting minutes.*
4. **Updates (if any) from Subcommittees, Task Forces and Study Groups**

- a. **Series LLC Task Force Update** Lou Conti

The bill passed during the 2025 Legislative Session and creates the Uniform Protected Series Provisions in ss. 605.2101-605.2802, F.S., within the Limited Liability Company Act, to allow for the formation of protected series LLC. It is expected to become effective beginning July 1, 2026.

- b. **Chapter 617 Task Force Update** Toni Tsvetanova/Professor Stu Cohn

A copy of the Final Task Force Report was circulated together with this Meeting Agenda. The Task Force will be presenting the following triple motion during the EC committee meeting to file the proposal for the 2026 Legislative Session:

“RESOLVED, that the Florida Bar Business Law Section (the “Section”) supports proposed legislation addressing updating and modernizing Chapter 617 of the Florida Statutes, the Florida Not For Profit Corporation Act (the “Proposed Legislation”), substantially in the form of the draft legislation set forth in the Ch. 617 Task Force Report, dated as of May 23, 2025, presented to the Executive Council of the Section, and subject to such further changes as are deemed appropriate and approved by the Chapter 617 Task Force and the Executive Council of the Section; and it is further

RESOLVED, that the Proposed Legislation: (1) is within the Section’s subject matter jurisdiction as described in the Section’s bylaws; (2) either is beyond the scope of the bar’s permissible legislative or political activity, or is within the bar’s permissible scope of legislative or political activity and the proposed Section position

is consistent with an official bar position on that issue; and (3) does not have the potential for deep philosophical or emotional division among a substantial segment of the bar's membership.”

- c. **Chapter 607 Task Force Update** Phil Schwartz/Gary Teblum
- d. **Chapter 517 Task Force Update** Professor Stu Cohn/Willard Blair
- e. **Opinion Standards Committee Update** Robert C. Brighton/Stefan Rubin
Gary Teblum
- f. **Decentralized Autonomous Organizations Study Group** Robert C. Brighton
- 5. **Trademark Modernization Amendments Act of 2026** Dineen Wasylik /Terry Sanks

See attached as **Schedule 3** the White Paper and the Draft Bill, which will be discussed during the EC meeting and submitted for a triple motion.

- 6. **Discussion of recent DGCL amendments and related developments** Phil Schwartz

Delaware has enacted major DGCL reforms (SB 21 and SB 313), introducing statutory safe harbors for conflicted transactions, tightening the definition of controlling stockholder and limiting inspection rights. Meanwhile, Texas recently codified the business judgment rule, added ownership thresholds for derivative suits, and enabled pre-transaction court review and forum-selection clauses. In response, the ABA Corporate Laws Committee is updating the Model Business Corporation Act and is actively considering further amendments to align the model act with these nationwide governance trends.

See attached **Schedule 4** for an article regarding the last amendments to the Texas Business Organizations Code.

- 7. **Joint Discussion with the Restrictive Covenant Task Force regarding the newly passed Employment Agreements/Garden Leave/CHOICE Bill**

See attached as **Schedule 5** the text of the CHOICE bill.

- 8. **CLEs** Valeria Angelucci/Kelly Roberts

- a. **Four online CLEs aired during 2024-2025:**

- i. **Reforming the Florida Securities and Investor Protection Act – 2024 Amendments** – 2h online CLE – November 12, 2024
- ii. **The Corporate Transparency Act- Last Call!** -1h CLE - December 5, 2024
- iii. **CLE on Operating Agreements: *Operating Agreements in Florida: The Basics*** March 13, 2025, presented by Christina Nethero and Reinaldo Gomez de la Vega

- iv. **Drafting Business Purchase and Sale Agreements**-1.5h April 8, 2025, presented by Willard Blair, Marshall Kobrin, and Kelly Roberts
- b. **Other CLEs:**
 - i. **Federal Securities Institute**
 - ii. **The Direct-Derivative Divide in Florida Corporate Law – Winter Meeting**, presented by Itai Fiegenbaum
 - iii. **M&A Trends and Post-Transition Disputes**, Labor Retreat, presented by Berkowitz Pollack Brant Advisors + CPAs
- c. **Other potential CLEs/ideas/suggestions**
 - i. **Series LLC**
 - ii. **Opinion Standards**
 - iii. **The Art of the Deal: M&A from a Middle-Market Dealmaker's Perspective** – potential CLE with David McCombie
 - iv. **Other more *basic* CLEs**
 - v. **Chapter 607**
- 9. **Other Matters for Discussion/Good Order** Members
- 10. **Adjourn** Valeria Angelucci

SCHEDULE 1

2025 Winter Meeting Minutes

**THE FLORIDA BAR BUSINESS LAW SECTION
CORPORATIONS, SECURITIES & FINANCIAL SERVICES
COMMITTEE MEETING**

**Florida Bar Winter Meeting
Thursday, January 23, 2025
Meeting: 1:00 PM – 3.00 PM
Location: Rosen Shingle Creek, Sebastian 12
(subject to change)**

Valeria Angelucci, Chair; Kelly Roberts, Vice-Chair; Zachariah Evangelista, Second Vice-Chair; Prof. Stuart Cohn, Academic Chair

1:00 PM – 2:00 PM - CLE: The Direct-Derivative Divide in Florida Corporate Law presented by Itai Fiegenbaum; Course Number: 8906

MEETING MINUTES

1. **The meeting was called to order by the Chair at 2:01 PM**
2. **Welcome and self-introduction of Members Present**
3. **Approval of Meeting Minutes.** Valeria Angelucci invited a motion to approve the prior meeting minutes (Labor Day Retreat and November), which were circulated with the agenda. Gary Teblum made the motion, Robert C. Brighton seconded the motion, and it was unanimously approved.
4. **Update/Discussion regarding the scheduling of a Zoom/online meeting between the Florida Bar Winter Meeting and the Florida Bar Annual Meeting (aka “Spring Meeting”) and one between the Labor Retreat Meeting and the Florida Bar Winter Meeting (“Fall Meeting”).** Valeria Angelucci discussed a potential spring meeting in April.
5. **Updates (if any) from Subcommittees and Task Forces.**
 - a. **Series LLC Task Force Update.** Gary Teblum reported that the bill has been filed with both the House and Senate sponsors. A few amendments need form changes, and items were not included while the Bill was in Bill Drafting, but did not take it back to bill drafting to avoid delays. The amendments will be dealt with as the Bill passes through the process.
 - b. **Chapter 617 Task Force Update.** Professor Stu Cohn gave a report. The Department of State signed off on using the term “non-profit” rather than “not-for-profit.” Thanks to Toni’s work, the proposed Bill and White Paper are nearly complete and will be circulated for comment in the spring so that they are ready to present for the June meeting. Once circulated for review, they are not expected to be controversial.
 - c. **Chapter 607 Task Force Update.** Gary Teblum reported that work on the article and CLE with flow charts are still being worked on with Phil Schwartz.

- d. **Chapter 517 Task Force Update.** Willard Blair gave a report. No glitch bill will be presented this year. There was an emergency order from the Governor to provide a solution pending amendment to the statute to address unintended consequences to the Bill version that passed where restrictions intended for the issuers of securities went beyond the issuers to other parties, such as underwriters, and prevented sale for large financial institutions.
 - e. **Opinion Standards Committee Update.** Robert C. Brighton gave a report. Seven people attended a Zoom meeting on January 17th. The committee almost has a finalized version of the unified Opinion Standards Report, including supplements, and it will be available shortly. The committee needs additional help and assistance with new and long-term projects.
 - f. **Decentralized Autonomous Organizations Study Group.** Robert C. Brighton gave a report.
6. **41st Federal Securities Institute – Tampa, Feb 24-25, 2025.** Greg Yadley gave a report and promoted attendance.
7. **CLEs Ideas and Planning**
- a. Reforming the Florida Securities and Investor Protection Act – 2024 Amendments (Ch 517)– 2h online CLE – November 12, 2024
 - b. The Corporate Transparency Act- Last Call! -1h CLE - December 5, 2024
 - c. CLE on Operating Agreements – 1h CLE – March 13, 2025
 - d. Basic CLEs on Purchase Agreement -1h/1.5h – tentative April/May 2025
 - e. Status and coordination on Chapter 607 CLE
 - f. Opinion Standards potential CLE
8. **Other Matters for Discussion/Good Order.** Zane Katz discussed that the Direct vs. Derivative Study Group is seeking the support of the Corporations Committee in its efforts to request the Executive Council convert the study group into a task force. Zane provided information on the topics and questions that the Task Force will be exploring and welcomed Corporations Committee members to participate. There was discussion with Gary Teblum and Valeria Angelucci, and ultimately, Corporations will not join the request but will support the request.
9. **Meeting was adjourned by the Chair at 2:46 PM.** The Chair moved to adjourn, and Kelly Roberts seconded.

SCHEDULE 2

2025 Spring Meeting Minutes

THE FLORIDA BAR BUSINESS LAW SECTION
CORPORATIONS, SECURITIES & FINANCIAL SERVICES
COMMITTEE MEETING
Spring Meeting

Tuesday April 8, 2025

Meeting: 3:00 PM – 4:00 PM

Zoom only at: <https://beckerlawyers.zoom.us/j/89623797445?from=addon>

Valeria Angelucci, Chair; Kelly Roberts, Vice-Chair; Zachariah Evangelista, Second Vice-Chair; Prof. Stuart Cohn, Academic Chair

MEETING MINUTES

1. **The meeting was called to order by the Chair at 3:04 p.m.**
2. **Welcome and self-introduction of Members Present**
3. **Updates (if any) from Subcommittees and Task Forces**
 - a. **Series LLC Task Force Update** (Gary Teblum): Passed the House and Senate with the effective date changed to July 1, 2026, to accommodate Division of Corporations. Once approved by house formally, will go to the Governor for execution.
 - b. **Chapter 617 Task Force Update** (Professor Stu Cohn): Goal to be ready for triple motion by June meeting. I need to collect comments to current draft, circulate to other Sections, and EC in time.
 - c. **Chapter 607 Task Force Update** (Phil Schwartz): Reviewing and monitoring changes to Model Act and Delaware corporate law. Will continue work and prepare CLE for 2026.
 - d. **Chapter 517 Task Force Update** (Russell C. Weigel, III, Commissioner): Securities 3.0 Bill passed its last stop in the Florida House and has one more committee left to pass through in the Florida Senate. There is a potential issue with whether the FBI needs input on fingerprint registration.
 - e. **Opinion Standards Committee Update** (Gary Teblum): No update. Need to look at listserv for emails since the group used to be much larger, which assisted with moving projects and efforts forward.
 - f. **Decentralized Autonomous Organizations Study Group** (Chair on behalf of Robert C. Brighton): No update. This group exists to be ready to study and examine any Bills and legislation filed.
 - g. **Direct-Derivative Study Group** (led by Michelle Suarez): No update given.

4. **CLEs Ideas and Planning** Valeria Angelucci/Kelly Roberts
 - a. Operating Agreements in Florida: The Basics - March 13, 2025, presented by Christina Nethero and Reinaldo Gomez de la Vega
 - b. Drafting Business Purchase and Sale Agreements - Tue Apr 8, 2025, 12:00pm, presented by Kelly Roberts, Willard Blair, and Marshall Kobrin
 - c. Other ideas/topics: Zachariah Evangelista---deep dive into Representation and Warranties and Indemnification provisions in different transactions.
5. **Meeting was adjourned by the Chair at 3:54 p.m.**

SCHEDULE 3

Trademark White Paper and Bill

Trademark Modernization Amendments Act of 2026 White Paper

I. INTRODUCTION

The Trademark Modernization Amendments Act of 2026 is designed to ensure our state trademark registration system is equipped for the twenty first century. It accomplishes three things:

1. Ensures the trademark classification system continues to meet national and international standards in a sustainable manner.
2. Makes trademark registration more accessible by clarifying that the sworn application statements need not be notarized and requiring an option for online submission of trademark registration applications.
3. Ensures that Florida's statute continues to reflect Federal law.

Trademark Classification System Revisions

Classification of goods and services into different classes for the purpose of registering trademarks enables systematic storage and retrieval of information. The international Nice Classification System, administered by the World Intellectual Property Organization, is a uniform system for classifying goods and services for trademark registration purposes established by a treaty to which the United States is a signatory.¹ Under the terms of the treaty, the Nice System classifications are regularly reviewed and upgraded to reflect changes in commercial practice and technology. The system is reviewed regularly and updated. While these changes are largely ministerial, a few are substantive enough to change the classification in which a particular service is classified.

In 2019, the Florida statute was amended to reflect three separate rounds of changes² at the Federal level that had been made between 2006 and 2019.³ However, international standards have been amended more than once since then – including just months after Florida's 2019

¹ Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of June 15, 1957 (as amended on September 28, 1979), *available at* <http://www.wipo.int/wipolex/en/details.jsp?id=12617>.

² *See* International Trademark Classification Changes, 72 Federal Register 98 at 26810 (May 22, 2007), *available at* <https://www.uspto.gov/sites/default/files/trademarks/law/Classification-2007-FinalRule.pdf> and International Trademark Classification Changes, 82 Federal Register 230 at 56889 (December 1, 2017), *available at* <https://www.gpo.gov/fdsys/pkg/FR-2017-12-01/pdf/2017-25880.pdf>.

³ Ch. 2019-74, Laws of Fla.

update -- and thus Florida's statute is once again out of date.⁴ The purpose of this statute is to ensure that Florida's trademark registration system is able to keep up with international and Federal law, without the need to enact technical amendments to the statute each time these ministerial updates are made on the national level.

States take several approaches to determining their trademark classification system. Some, like Florida's current law, set forth the classification system by statute. All of the states that set classification by statute have classification systems that lag behind international standards.⁵ Others require cumbersome state-level rulemaking, which in any event direct the rulemaking to mirror the classifications as adopted by the USPTO.⁶ The most sustainable versions refer to the Federal Classification system at the time of application. Delaware's statute, for example, states that "Classification shall be as that which is enforced at the time of application under the classification system used by the United States Patent Office." 6 DE Code § 3310 (2024). This proposed Act reduces administrative burden and eliminates the need for the legislature to repeatedly enact technical updates to the Act by following the Delaware model of setting the classification system by reference to the Federal classifications in effect at a fixed moment in time.

Improve Systems of Trademark Registration

Florida law currently requires that any application for trademark registration be made electronically, and "shall be signed and verified by the applicant." The current practice is to require that verification be made before a Notary Public. Requiring an applicant to sign before a Notary Public, however, adds unnecessary burden to applicants, and can add to the cost of registration. Florida statutes already contain an alternative method of verification by sworn statement under penalty.⁷ This amendment clarifies that the verification may be made by sworn statement under existing Florida law, and therefore streamlines the application process.

In addition, the Act requires the creation of an electronic system for registration. At this time, Florida's Sunbiz system allows for the efficient filing of many of its corporate documents,

⁴ See International Trademark Classification Changes, 84 FR 65680 (November 29, 2019); International Trademark Classification Changes, 86 FR 55498 (October 6, 2021); International Trademark Classification Changes, 88 FR 50767 (August 2, 2023).

⁵ See, e.g., Arizona, A.R.S. 44-1449; Connecticut; Ch 621a, Sec 35-11h (1963 Classification), Georgia; GA Code § 10-1-443 (2023) (1963 classification). In all 23 states use a codified classification system.

⁶ See, e.g., Kansas, K.S.A. § 81-211 ("The secretary shall by regulation establish a classification of goods and services"); Montana, Mont. Code Ann. §§30-13-301 to -342 ("The secretary of state shall adopt rules establishing a classification of goods and services... To the extent practical, the classification of goods and services must conform to the classification adopted by the United States patent and trademark office.)

⁷ See § 92.525, Fla. Stat.

such as articles of formation, articles of dissolution, and annual reports. But for trademark registrations and applications, the information is submitted by paper application, requiring the department to manually enter the data into Florida's Trademark database by review of paper applications. Creation of an electronic trademark registration application system will ultimately relieve some of this administrative burden on the department, and all for a more streamlined application process. An electronic submission option is also more likely to be legally complete and take less time than preparing and mailing a paper version. Electronic submission also eliminates the possibility of applications being lost in the mail, and makes it easier to ensure a renewal application is timely submitted, rather than relying on timely mail delivery.

II. WHY ENACT THE ACT

Florida businesses are best served if Florida's trademark registration system is consistent with national and international standards for classification. This will facilitate better searching and reduce confusion in the marketplace, which is the ultimate goal of any trademark registration system.

The purpose of the bill is in keeping with the legislature's intent in enacting the Registration & Protection of Trademarks Act in 2006 and the updated classification system in 2019.⁸ Then, as now, the goal is to harmonize state trademark practices with changes in federal trademark law.⁹

III. APPROVALS AND THIRD-PARTY STAKEHOLDERS

The Florida Bar Business Law Section, which includes an intellectual property law committee comprised of lawyers who regularly practice trademark law, has proposed these amendments to ensure that Florida's trademark system serves its purpose of enabling systematic storage and retrieval of information.

The cost of compliance upon enactment will be minimal. The Division will have to update its online trademark registration application forms and Chapter 495 Booklet to reflect the changes annually. Because these forms are provided on-line only, the cost of the change will be minimal.

The bill does not require a municipality or county to expend funds or to take any action requiring the expenditure of funds. The bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate. The bill does not reduce the percentage of state tax shared with municipalities or counties. The bill does not create or implicate any rulemaking authority.

⁸ Ch. 2006-191, Laws of Fla; Ch. 2019- 74, Laws of Florida.

⁹ See Florida Staff Analysis, H.B. 7107, 4/6/2006.; Florida Staff Analysis, H.B. 445, 6/11/2019.

1 A bill to be entitled
2 An act relating to registration and protection of
3 trademarks; amending s. 495.111, F.S.; providing for
4 repeal of the statutory classification system;
5 creating a procedure for annually updating the
6 trademark classification system; clarifying
7 application requirements, providing for an online
8 electronic trademark application system; providing an
9 effective date.

10
11 Be It Enacted by the Legislature of the State of Florida:

12
13 Section 1. Subsection (1) of section 495.111, Florida
14 Statutes, is amended to read:

15 The department shall, no later than July 1 of each year,
16 adopt the United States Patent and Trademark Office's system of
17 classification of goods and services in effect on June 1 of that
18 year as the Florida classification system. The Classification
19 shall be published as part of the trademark registration form.

20 ~~(a) Goods:~~

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

29 ~~2. Class 2 Paints, varnishes, lacquers; preservatives against~~

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

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

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

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

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

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

~~8. Class 8 Hand tools and implements, hand-operated; cutlery;~~

59 ~~side arms, except firearms; razors.~~

60 ~~9. Class 9 Scientific, nautical, surveying, photographic,~~
61 ~~cinematographic, optical, weighing, measuring, signaling,~~
62 ~~checking (supervision), life-saving and teaching apparatus and~~
63 ~~instruments; apparatus and instruments for conducting,~~
64 ~~switching, transforming, accumulating, regulating or controlling~~
65 ~~electricity; apparatus for recording, transmission or~~
66 ~~reproduction of sound or images; magnetic data carriers,~~
67 ~~recording discs; compact discs, DVDs and other digital recording~~
68 ~~media; mechanisms for coin-operated apparatus; cash registers,~~
69 ~~calculating machines, data processing equipment, computers,~~
70 ~~computer software; fire-extinguishing apparatus.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

136 ~~29. Class 29 Meat, fish, poultry and game; meat extracts;~~
137 ~~preserved, frozen, dried and cooked fruits and vegetables;~~
138 ~~jellies, jams, compotes; eggs; milk and milk products; oils and~~
139 ~~fats for food.~~

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

145 ~~31. Class 31 Raw and unprocessed agricultural, aquacultural,~~

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

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

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

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

~~(b) Services:~~

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

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

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

~~4. Class 38 Telecommunications.~~

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

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

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

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

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

~~10. Class 44 Medical services; veterinary services; hygienic~~

and beauty care for human beings or animals; agriculture,
horticulture and forestry services.

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

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

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

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

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

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

Section 3. Section 495.031(5), Florida Statutes is amended
to read:

(5) Every application under this section shall be signed
and verified by the applicant or by a member of the firm or an
officer or other authorized representative of the business
entity applying. Verification shall be made in accordance with
§ 92.525, Fla. Stat.

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

204 Section 4. Section 495.030 is created to read:
205 Online registration system. An Applicant may submit an
206 online trademark registration application using the procedures
207 set forth in this Section.
208 (1) The department shall establish and maintain a secure
209 Internet website that safeguards an applicant's information to
210 ensure data integrity and permits an applicant to:
211 (a) Submit an application in accordance with Sections
212 495.031 and 495.035;
213 (b) Submit a renewal application in accordance with
214 495.071;
215 (c) Provide an electronic version of a required
216 specimen of use;
217 (d) Provide an electronic version of a drawing of the
218 mark;
219 (e) Pay the fee required by Section 495.191
220 (f) Complete the verification required by Section
221 495.031(5) .
222 (2) The department shall make the Online Registration
223 System required by the Section 495 available no later than July
224 1, 2027.

225
226 Section 5. This act shall take effect July 1, 2026.

227
228 Section 6. This act shall be referred to as the "Technical
229 Trademark Amendments Act of 2026."

SCHEDULE 4

Lexology Article - Texas Adopts Significant Pro-Business Corporate Law Reforms



Register now for your free, tailored, daily legal newsfeed service.

[Register](#)

Find out more about Lexology or get in touch by visiting our [About](#) page.

Texas Adopts Significant Pro-Business Corporate Law Reforms

Bracewell LLP

USA | May 22 2025

With a pair of bills signed by Texas Governor Greg Abbott on May 14, 2025, and May 20, 2025, Texas took a major step in positioning itself as the pro-business jurisdiction of choice for public and private companies. The legislation adopts a series of amendments to the Texas Business Organizations Code (TBOC), which governs Texas corporations, limited liability companies, limited partnerships and other legal entities, that are designed to make Texas more attractive for entity formation and redomestication.

Senate Bill 29

On May 14, 2025, Governor Abbott signed Senate Bill 29 (S.B. 29) into law with immediate effect. The changes to the TBOC enacted by S.B. 29 clarify areas of existing Texas law and strengthen a company's defenses against certain types of shareholder litigation.

Business Judgment Rule Statute

S.B. 29 enacts new Section 21.419 codifying the "business judgment rule" presumption. The statute applies automatically to public corporations (any corporation with a class or series of voting shares listed on a national securities exchange) and includes an option for any private corporation to "opt-in" by including an affirmative election in its governing documents.

Directors and officers of corporations that are subject to the statute are presumed to have acted (1) in good faith; (2) on an informed basis; (3) in furtherance of the interests of the corporation; and (4) in obedience to the law and the corporation's governing documents, in taking or declining to take any action on any matters of the corporation's business.

Further, the statute provides that neither the corporation nor any of its shareholders has a cause of action against a director or officer as a result of any act or omission in the person's capacity as a director or officer unless (1) the claimant rebuts one or more of the codified presumptions and (2) it is proven by the claimant that (A) the director's or officer's act or omission constituted a breach of the person's duties as a director or officer **and** (B) the breach involved fraud, intentional misconduct, an *ultra vires* act or a knowing violation of law.

Advance Independence Determination

S.B. 29 also overhauls provisions of the TBOC relevant to the evaluation and approval of certain conflict of interest transactions.

Specifically, the new legislation expressly empowers a board of directors of a public corporation or a private corporation that has opted-in to the business judgment rule statute (new Section 21.419) to form a committee of independent and disinterested directors to review and approve transactions involving the corporation or any of its subsidiaries and a controlling shareholder, director or officer, and to petition the Texas Business Court (or the district court in the county in which the corporation's principal place of business in Texas is located, if that county is not located within an operating division of the Texas Business Court), to seek an advance determination as to whether the directors on the committee are independent and disinterested.

The court's determination in such a proceeding is dispositive in the absence of evidence not presented to the court that one or more of the directors is not independent and disinterested with respect to a particular transaction involving the corporation or any of its subsidiaries and a controlling shareholder, director or officer.

Minimum Ownership Threshold for Derivative Actions

S.B. 29 allows public corporations and private corporations that have opted-in to the business judgment rule statute and have 500 or more shareholders (at the time the derivative proceeding is instituted) to proscribe, in the corporation's certificate of formation or bylaws, a minimum ownership threshold for shareholders that are eligible to bring a derivative lawsuit, provided that such minimum ownership threshold does not exceed three percent of the corporation's outstanding shares.

Limitation of Books and Records Demands

For public corporations and private corporations that have opted-in to the business judgment rule statute, S.B. 29 provides that a shareholder is not entitled to bring a books and records demand if it is reasonably determined by the corporation that the demand is in connection with (1) an active or pending derivative proceeding in the right of the corporation that is or is expected to be instituted or maintained by the holder or the holder's affiliate or (2) an active or pending civil lawsuit to which the corporation or its affiliate and the holder or the holder's affiliate are or are expected to be adversarial.

S.B. 29 also clarifies that, for all Texas corporations, "e-mails, text messages or similar electronic communications, or information from social media accounts" are not records that may be subject to a books and records demand, unless the particular communication effectuates action by the corporation.

Limiting Recovery of Attorney's Fees in "Disclosure Only" Settlements

Under existing provisions of the TBOC, a court may order a corporation to reimburse a plaintiff's attorney's fees and other litigation costs incurred in a derivative proceeding if it is determined that the proceeding has resulted in a "substantial benefit" to the corporation. Under S.B. 29, the provision is amended to provide that additional or amended disclosures made to the shareholders, regardless of materiality, are not a "substantial benefit" to the corporation.

Waiver of Jury Trial

S.B. 29 codifies the right of a Texas entity to contain in its governing documents a provision waiving the right to a jury trial concerning any "internal entity claim," which is a claim of any nature, including a derivative claim, that is based on, arises from, or relates to the internal affairs of the entity.

Exclusive Forum Selection

S.B. 29 also codifies the right of a Texas entity to contain in its governing documents a provision stipulating one or more courts in Texas as the exclusive forum and venue for “internal entity claims.”

Class and Series Voting Rights

S.B. 29 eliminates certain mandatory separate class and series voting requirements, providing greater flexibility for a Texas corporation to structure its voting rights among different classes and series of stock. The amendment addresses one of the more significant hurdles that corporations seeking to redomicile in Texas have historically encountered, as the rigidity of the prior regime was often incompatible with the way voting rights are typically structured in certain types of corporations with multiple classes or series of stock.

Limited Liability Companies and Limited Partnerships

While S.B. 29 will have the greatest impact on Texas corporations, the legislation also includes a number of analogous reforms for Texas limited liability companies and limited partnerships.

Senate Bill 1057

Senate Bill 1057 (S.B. 1057) was signed by Governor Abbott on May 19, 2025, and will become effective on September 1, 2025. While not as expansive as S.B. 29, S.B. 1057 allows public companies with a specific nexus to Texas, either due to the location of its principal office or its decision to list its shares on one of the new Texas-based stock exchanges, the ability to “opt-in” to a statute that applies minimum ownership requirements to shareholder proposals.

A Texas corporation is eligible to opt-in to the statute by adopting an amendment to its governing documents if it (1) has a class of equity securities registered under Section 12(B) of the Securities Exchange Act of 1934; (2) is admitted to listing on a national securities exchange; and (3) either (A) has its principal office in Texas or (B) is admitted to listing on a Texas-based stock exchange.

Once a corporation has opted-in, in order to be eligible to submit a proposal on a matter to the shareholders for approval, a shareholder or group of shareholders must (1) hold an amount of voting shares of the corporation equal to at least (A) \$1 million in market value or (B) three percent of the corporation’s outstanding voting shares; (2) hold the shares for a continuous period of at least six months before the date of the meeting and throughout the duration of the meeting; and (3) solicit the holders of shares representing at least 67 percent of the voting power of shares entitled to vote on the proposal.

Summary

The changes implemented by S.B. 29 and S.B. 1057 represent a significant evolution in Texas corporate law. We expect the changes will promote new entity formation in Texas and will influence many companies organized in Delaware and other jurisdictions to consider a move to Texas. We also expect many existing Texas companies to adopt amendments to their governing documents to take advantage of various features of the new legislation.

Interested in contributing?

Get closer to winning business faster with Lexology's complete suite of dynamic products designed to help you unlock new opportunities with our highly engaged audience of legal professionals looking for answers.

Learn more

Powered by

LEXOLOGY.

SCHEDULE 5
CHOICE Act

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

1
2 An act relating to employment agreements; creating
3 part I of ch. 542, F.S., entitled the "Florida
4 Antitrust Act of 1980"; creating part II of ch. 542,
5 F.S., entitled the "Florida Contracts Honoring
6 Opportunity, Investment, Confidentiality, and Economic
7 Growth (CHOICE) Act"; creating s. 542.41, F.S.;
8 providing a short title; creating s. 542.42, F.S.;
9 providing legislative findings; creating s. 542.43,
10 F.S.; defining terms; creating s. 542.44, F.S.;
11 providing applicability; providing that certain
12 covered garden leave agreements are not a restraint of
13 trade or an attempt to monopolize trade or commerce;
14 providing notice requirements for covered garden leave
15 agreements; providing that a covered employer may
16 waive any portion of such notice requirements by
17 providing a specified amount of advance written notice
18 to the covered employee; providing that covered garden
19 leave agreements do not affect other agreements;
20 requiring a court to enter a preliminary injunction to
21 stop covered employees, businesses, entities, or
22 individuals if a breach of a covered garden leave
23 agreement is alleged; authorizing the court to modify
24 such an injunction if a covered employee, business,
25 entity, or individual establishes certain information

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

26 by clear and convincing evidence; requiring that
27 certain information be provided to the court under
28 seal; providing that a prevailing covered employer is
29 entitled to recover all available monetary damages for
30 all available claims; providing that a prevailing
31 party is entitled to reasonable attorney fees and
32 costs; authorizing a covered employer to reduce the
33 salary or benefits of a covered employee if he or she
34 engages in gross misconduct; providing that such a
35 reduction is not a breach of the covered garden leave
36 agreement; creating s. 542.45, F.S.; providing
37 applicability; providing that certain covered
38 noncompete agreements are not a restraint of trade or
39 an attempt to monopolize trade or commerce; providing
40 notice requirements for covered noncompete agreements;
41 providing that covered noncompete agreements do not
42 affect other agreements; requiring a court to enter a
43 preliminary injunction to stop covered employees,
44 businesses, entities, or individuals if a breach of a
45 covered noncompete agreement is alleged; authorizing
46 the court to modify such an injunction if a covered
47 employee, business, entity, or individual establishes
48 certain information by clear and convincing evidence;
49 requiring that certain information be provided to the
50 court under seal; providing that a prevailing covered

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

51 employer is entitled to recover all available monetary
52 damages for all available claims; providing that a
53 prevailing party is entitled to reasonable attorney
54 fees and costs; authorizing a covered employer to
55 reduce the salary or benefits of a covered employee if
56 he or she engages in gross misconduct; providing that
57 such a reduction is not a breach of the covered
58 noncompete agreement; providing construction regarding
59 a restrictive covenant that does not meet the
60 definition of a covered garden leave agreement or a
61 covered noncompete agreement; amending ss. 542.15,
62 542.16, 542.17, 542.20, 542.22, 542.23, 542.235,
63 542.24, 542.25, 542.26, 542.27, 542.28, 542.29,
64 542.30, 542.31, 542.32, 542.33, 542.35, and 542.36,
65 F.S.; conforming provisions to changes made by the
66 act; providing an effective date.

67
68 Be It Enacted by the Legislature of the State of Florida:

69
70 Section 1. Part I of chapter 542, Florida Statutes,
71 consisting of ss. 542.15-542.36, Florida Statutes, is created
72 and entitled the "Florida Antitrust Act of 1980."

73 Section 2. Part II of chapter 542, Florida Statutes,
74 consisting of ss. 542.41-542.45, Florida Statutes, is created
75 and entitled the "Florida Contracts Honoring Opportunity,

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

Investment, Confidentiality, and Economic Growth (CHOICE) Act."

542.41 Short title.—This part may be cited as the "Florida Contracts Honoring Opportunity, Investment, Confidentiality, and Economic Growth (CHOICE) Act."

542.42 Legislative findings.—The Legislature finds that a proper and legitimate state interest is served by enforcing strong legal protections in contracts between employers and contracted personnel which encourage optimal levels of information sharing and training and development. The Legislature further finds that alternative means of protecting confidential information and client relationships, such as nondisclosure agreements, fixed-duration term contracts, and nonsolicitation clauses in employment contracts, are inadequate to protect against the significant global risks faced by companies in this state. The Legislature further finds that predictability in the enforcement of contracts described in this part encourages investment in this state. Therefore, the Legislature determines and declares that this part fulfills an important state interest.

542.43 Definitions.—For the purposes of this part, the term:

(1) "Annual mean wage of employees in Florida" or "annual mean wage" means the most recent annual mean wage as calculated by the United States Department of Labor Bureau of Labor Statistics, or its successor calculation, for all occupations in

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

this state.

(2) "Benefit" means access to health insurance, life insurance, or disability insurance that is the same as or similar to the insurance that a covered employee had access to and at the same cost to that employee during the month before the commencement of his or her notice period.

(3) "Covered employee" means an employee or individual contractor who earns or is reasonably expected to earn a salary greater than twice the annual mean wage of the county in this state in which the covered employer has its principal place of business, or the county in this state in which the employee resides if the covered employer's principal place of business is not in this state. The term does not include a person classified as a health care practitioner as defined in s. 456.001.

(4) "Covered employer" means an entity or individual who employs or engages a covered employee.

(5) "Covered garden leave agreement" means a written agreement, or part of a written agreement, between a covered employee and covered employer in which:

(a) The covered employee and covered employer agree to up to, but no more than, 4 years of advance, express notice before terminating the employment or contractor relationship;

(b) The covered employee agrees not to resign before the end of such notice period; and

(c) The covered employer agrees to retain the covered

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

employee for the duration of such notice period and to continue paying the covered employee the same salary and providing the same benefits that the covered employee received from the covered employer in the last month before the commencement of the notice period. The covered employer is not obligated to provide discretionary incentive compensation or benefits or have the covered employee continue performing any work during the notice period.

(6) "Covered noncompete agreement" means a written agreement, or a portion of a written agreement, between a covered employee and a covered employer in which, for a period not to exceed 4 years and within the geographic area defined in the agreement, the covered employee agrees not to assume a role with or for another business, entity, or individual:

(a) In which the covered employee would provide services similar to the services provided to the covered employer during the 3 years preceding the noncompete period; or

(b) In which it is reasonably likely the covered employee would use the confidential information or customer relationships of the covered employer.

(7) "Noncompete period" means the time from the covered employee's termination of employment through the end of the agreed-upon postemployment period of noncompetition as set forth in the covered noncompete agreement.

(8) "Notice period" means the date from the covered

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

151 employee's or covered employer's written notice of intent to
152 terminate the covered employee's employment through the date of
153 termination as set forth in a covered garden leave agreement.

154 (9) "Primary place of work" means the location where the
155 covered employee spends more work time than any other single
156 workplace.

157 (10) "Salary" means the base compensation, calculated on
158 an annualized basis, which a covered employer pays a covered
159 employee, including a base wage, a salary, a professional fee,
160 or other compensation for personal services, and the fair market
161 value of any benefit other than cash. Salary does not include
162 health care benefits, severance pay, retirement benefits,
163 expense reimbursement, distribution of earnings and profits not
164 included as compensation for personal services, discretionary
165 incentives or awards, or anticipated but indeterminable
166 compensation, including tips, bonuses, or commissions.

167 542.44 Covered garden leave agreement.—

168 (1) APPLICABILITY.—This section applies to:

169 (a) A covered garden leave agreement with a covered
170 employee who maintains a primary place of work in this state,
171 regardless of any applicable choice of law provisions; or

172 (b) A covered garden leave agreement with a covered
173 employer whose principal place of business is in this state and
174 which agreement is expressly governed by the laws of this state.
175

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

176 If any provision of this section is in conflict with any other
177 law, the provisions of this section shall govern.

178 (2) RESTRAINT OF TRADE.—A covered garden leave agreement
179 does not violate public policy as a restraint of trade, as
180 described in s. 542.18, or an attempt to monopolize trade or
181 commerce in this state, as described in s. 542.19, and is fully
182 enforceable according to its terms, provided that:

183 (a) A covered employee was advised, in writing, of the
184 right to seek counsel before execution of the covered garden
185 leave agreement and was provided notice as described in
186 subsection (3);

187 (b) A covered employee acknowledges, in writing, receipt
188 of confidential information or customer relationships; and

189 (c) The covered garden leave agreement provides that:

190 1. After the first 90 days of the notice period, the
191 covered employee does not have to provide services to the
192 covered employer;

193 2. The covered employee may engage in nonwork activities
194 at any time, including during normal business hours, during the
195 remainder of the notice period;

196 3. The covered employee may, with the permission of the
197 covered employer, work for another employer while still employed
198 by the covered employer during the remainder of the notice
199 period; and

200 4. The garden leave agreement notice period may be reduced

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

during the notice period if the covered employer provides at least 30 days' advance notice in writing to the covered employee.

(3) NOTICE.—

(a) A covered employer must provide a proposed covered garden leave agreement to:

1. A prospective covered employee at least 7 days before an offer of employment expires; or

2. A current covered employee at least 7 days before the date that an offer to enter into a covered garden leave agreement expires.

(b) A covered employer may, as provided for in the covered garden leave agreement, shorten the term of the notice period at any time during the notice period by providing at least 30 days' advance notice in writing to the covered employee.

(4) OTHER AGREEMENTS.—This section does not affect or limit the enforceability of any other employment agreement or any other agreement.

(5) BREACH OF A COVERED GARDEN LEAVE AGREEMENT; REMEDIES.—

(a) Upon application by a covered employer seeking enforcement of a covered garden leave agreement, a court must preliminarily enjoin a covered employee from providing services to any business, entity, or individual other than the covered employer during the notice period. The court may modify or dissolve the injunction only if the covered employee establishes

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

226 by clear and convincing evidence, based on nonconfidential
227 information, that:

228 1. The covered employee will not perform, during the
229 notice period, any work similar to the services provided to the
230 covered employer during the 3-year period preceding the
231 commencement of the notice period, or use confidential
232 information or customer relationships of the covered employer;
233 or

234 2. The covered employer has failed to pay or provide the
235 salary and benefits provided for in the covered garden leave
236 agreement during the notice period and has had a reasonable
237 opportunity to cure the failure.

238 (b) Upon application by a covered employer seeking
239 enforcement of a covered garden leave agreement, a court must
240 preliminarily enjoin a business, an entity, or an individual
241 from engaging a covered employee during the covered employee's
242 notice period. The court may modify or dissolve the injunction
243 only if the business, entity, or individual establishes by clear
244 and convincing evidence, based on nonconfidential information,
245 that:

246 1. The covered employee will not provide any services
247 similar to the services provided to the covered employer during
248 the 3-year period preceding the commencement of the notice
249 period, or use confidential information or customer
250 relationships of the covered employer; or

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

251 2. The business or individual seeking to employ or engage
252 the covered employee is not engaged in, and is not planning or
253 preparing to engage in, any business activity similar to that
254 engaged in by the covered employer during the notice period.

255
256 Any information filed with the court which the covered employer
257 deems to be confidential must be filed under seal to protect
258 confidentiality or avoid substantial injury. A court must
259 presume that an employee or individual contractor has access to
260 confidential information or customer relationships if the
261 employee or individual contractor acknowledges the access or
262 receipt of such access in writing.

263 (c) The injunctive relief provided under this section is
264 not an exclusive remedy, and a prevailing covered employer is
265 entitled to recover all available monetary damages for all
266 available claims.

267 (d) In any action to enforce this section, the prevailing
268 party is entitled to reasonable attorney fees and costs.

269 (e) If the covered employee engages in gross misconduct
270 against the covered employer, the covered employer may reduce
271 the salary or benefits of the covered employee or take other
272 appropriate action during the notice period, which reduction or
273 other action may not be considered a breach of the covered
274 garden leave agreement.

275 542.45 Covered noncompete agreements.—

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

276 (1) APPLICABILITY.—This section applies to:

277 (a) A covered noncompete agreement with a covered employee
278 who maintains a primary place of work in this state, regardless
279 of any applicable choice of law provisions; or

280 (b) A covered noncompete agreement with a covered employer
281 whose principal place of business is in this state and which
282 agreement is expressly governed by the laws of this state.

283
284 In either case, if any provision of this section is in conflict
285 with any other law, the provisions of this section govern.

286 (2) RESTRAINT OF TRADE.—A covered noncompete agreement
287 does not violate public policy as a restraint of trade, as
288 described in s. 542.18, or an attempt to monopolize trade or
289 commerce in this state, as described in s. 542.19, and is fully
290 enforceable according to its terms, provided that:

291 (a) A covered employee was advised, in writing, of the
292 right to seek counsel before execution of the covered noncompete
293 agreement and was provided notice as described in subsection

294 (3);

295 (b) A covered employee acknowledges, in writing, that in
296 the course of his or her employment, the covered employee will
297 receive confidential information or customer relationships; and

298 (c) A covered noncompete agreement provides that the
299 noncompete period is reduced day-for-day by any nonworking
300 portion of the notice period, pursuant to a covered garden leave

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

301 agreement between the covered employee and the covered employer,
302 if applicable.

303 (3) NOTICE.—A covered employer must provide a proposed
304 covered noncompete agreement to:

305 (a) A prospective covered employee at least 7 days before
306 an offer of employment expires; or

307 (b) A current covered employee at least 7 days before the
308 date that an offer to enter into a covered noncompete agreement
309 expires.

310 (4) OTHER AGREEMENTS.—This section does not affect or
311 limit the enforceability of any other employment agreement or
312 any other agreement.

313 (5) BREACH OF COVERED NONCOMPETE AGREEMENT; REMEDIES.—

314 (a) Upon application by a covered employer seeking
315 enforcement of a covered noncompete agreement, a court must
316 preliminarily enjoin a covered employee from providing services
317 to any business, entity, or individual other than the covered
318 employer during the noncompete period. The court may modify or
319 dissolve the injunction only if the covered employee establishes
320 by clear and convincing evidence, based on nonconfidential
321 information, that:

322 1. The covered employee will not perform, during the
323 noncompete period, any work similar to the services provided to
324 the covered employer during the 3-year period preceding the
325 commencement of the noncompete period, or use confidential

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

326 information or customer relationships of the covered employer;

327 2. The covered employer has failed to pay or provide the
328 consideration provided for in the covered noncompete agreement
329 and has had a reasonable opportunity to cure the failure; or

330 3. The business, entity, or individual seeking to employ
331 or engage the covered employee is not engaged in, and is not
332 planning or preparing to engage in during the noncompete period,
333 business activity similar to that engaged in by the covered
334 employer in the geographic area specified in the noncompete
335 agreement.

336 (b) Upon application by a covered employer seeking
337 enforcement of a covered noncompete agreement, a court must
338 preliminarily enjoin a business, an entity, or an individual
339 from engaging a covered employee during the covered employee's
340 noncompete period. The court may modify or dissolve the
341 injunction only if the business, entity, or individual
342 establishes by clear and convincing evidence, based on
343 nonconfidential information, that:

344 1. The covered employee will not provide any services
345 similar to the services provided to the covered employer during
346 the 3-year period preceding the commencement of the noncompete
347 period, or use confidential information or customer
348 relationships of the covered employer; or

349 2. The business or individual seeking to employ or engage
350 the covered employee is not engaged in, and is not planning or

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

351 preparing to engage in during the noncompete period, business
352 activity similar to that engaged in by the covered employer in
353 the geographic area specified in the noncompete agreement.

354
355 Any information filed with the court which the covered employer
356 deems to be confidential must be filed under seal to protect
357 confidentiality or avoid substantial injury. A court must
358 presume that an employee or individual contractor has access to
359 confidential information or customer relationships if the
360 employee or individual contractor acknowledges the access or
361 receipt of such access in writing.

362 (c) The injunctive relief provided in this section is not
363 an exclusive remedy, and a prevailing covered employer is
364 entitled to recover all available monetary damages for all
365 available claims.

366 (d) In any action to enforce this section, the prevailing
367 party is entitled to reasonable attorney fees and costs.

368 (e) If the covered employee engages in gross misconduct
369 against the covered employer, the covered employer may reduce
370 the salary or benefits of the covered employee or take other
371 appropriate action during the noncompete period, which reduction
372 or other action may not be considered a breach of the covered
373 noncompete agreement.

374
375 Any action regarding a restrictive covenant that does not meet

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

the definition of a covered garden leave agreement or a covered noncompete agreement as provided in this part is governed by s. 542.335.

Section 3. Section 542.15, Florida Statutes, is amended to read:

542.15 Short title.—This part ~~act~~ shall be known and may be cited as the "Florida Antitrust Act of 1980."

Section 4. Section 542.16, Florida Statutes, is amended to read:

542.16 Purpose.—The Legislature declares it to be the purpose of this part ~~act~~ to complement the body of federal law prohibiting restraints of trade or commerce in order to foster effective competition. It is the intent of the Legislature that this part ~~act~~ be liberally construed to accomplish its beneficial purpose.

Section 5. Section 542.17, Florida Statutes, is amended to read:

542.17 Definitions.—Unless a different meaning is clearly indicated by the context, for the purposes of this part ~~chapter~~, the terms defined in this section have the following meanings ascribed to them:

(1) "Commodity" means any goods, merchandise, wares, produce, chose in action, land, article of commerce, or other tangible or intangible property, real, personal, or mixed, for use, consumption, production, enjoyment, or resale.

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

(2) "Service" means any kind of activity performed in whole or in part for economic benefit.

(3) "Person" means any individual, corporation, firm, partnership, limited partnership, incorporated or unincorporated association, professional association, or other legal, commercial, or governmental entity, including the State of Florida, its departments, agencies, political subdivisions, and units of government.

(4) "Trade or commerce" means any economic activity of any type whatsoever involving any commodity or service whatsoever.

(5) "Document" means any stored or retained data or information in whatever form.

(6) "Attorney General" includes not only the Attorney General of Florida but also any designee of the Attorney General or any assistant attorney general or special assistant attorney general.

(7) "State attorney" includes not only the state attorneys of Florida but also any designee of a state attorney or any assistant state attorney or special assistant state attorney.

(8) "Local government" means a municipality, county, school district, or any other general-function or special-function governmental unit established by the laws of the state.

Section 6. Section 542.20, Florida Statutes, is amended to read:

542.20 Exemptions.—Any activity or conduct exempt under

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

426 Florida statutory or common law or exempt from the provisions of
427 the antitrust laws of the United States is exempt from the
428 provisions of this part ~~chapter~~.

429 Section 7. Subsection (1) of section 542.22, Florida
430 Statutes, is amended to read:

431 542.22 Suits for damages.—

432 (1) Any person who shall be injured in her or his business
433 or property by reason of any violation of s. 542.18 or s. 542.19
434 may sue therefor in the circuit courts of this state and shall
435 recover threefold the damages by her or him sustained, and the
436 cost of suit, including a reasonable attorney ~~attorney's~~ fee.
437 The court shall award a reasonable attorney ~~attorney's~~ fee to a
438 defendant prevailing in any action under this part ~~chapter~~ for
439 damages or equitable relief in which the court finds there was a
440 complete absence of a justiciable issue of either law or fact
441 raised by the plaintiff.

442 Section 8. Section 542.23, Florida Statutes, is amended to
443 read:

444 542.23 Equitable remedies.—In addition to other remedies
445 provided by this part ~~chapter~~, any person shall be entitled to
446 sue for and have injunctive or other equitable relief in the
447 circuit courts of this state against threatened loss or damage
448 by a violation of this part ~~chapter~~. In any action under this
449 section in which the plaintiff substantially prevails, the court
450 shall award the cost of suit, including a reasonable attorney

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

451 ~~attorney's~~ fee, to the plaintiff.

452 Section 9. Subsection (4) of section 542.235, Florida
453 Statutes, is amended to read:

454 542.235 Limitations of actions and penalties against local
455 governments and their officials and employees.—

456 (4) No criminal action shall be maintained pursuant to s.
457 542.21(2), and no civil penalties, damages, interest on damages,
458 costs, or attorney ~~attorneys'~~ fees shall be recovered pursuant
459 to s. 542.21(1) or s. 542.22, against any local government
460 official or employee for official conduct within the scope of
461 her or his lawful authority, unless the official or employee has
462 violated the provisions of this part ~~chapter~~ for the purpose of
463 deriving personal financial or professional gain or for the
464 professional or financial gain of her or his immediate family or
465 of any principal by whom the official is retained.

466 Section 10. Section 542.24, Florida Statutes, is amended
467 to read:

468 542.24 Consent decrees and settlement agreements.—In a
469 civil action maintained under this part ~~chapter~~ by the Attorney
470 General or a state attorney, any party to such action may
471 petition the court for entry of a consent decree or for approval
472 of a settlement agreement. The proposed decree or agreement
473 shall set out the alleged violations, the future obligations of
474 the parties, the damages or other relief agreed upon, and the
475 reasons for entering into the consent decree or settlement

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

476 | agreement.

477 | Section 11. Section 542.25, Florida Statutes, is amended
478 | to read:

479 | 542.25 Judgment in favor of state as prima facie
480 | evidence.—A final judgment or decree entered in any civil or
481 | criminal proceeding brought by the Attorney General or a state
482 | attorney under s. 542.21 or s. 542.23 to the effect that a
483 | defendant has violated s. 542.18 or s. 542.19, or entered in any
484 | civil or criminal proceeding brought by the United States
485 | Department of Justice under comparable federal laws, shall be
486 | prima facie evidence against such defendant in any civil action
487 | or proceeding under this part ~~chapter~~ brought by any other
488 | person against such defendant as to all matters with respect to
489 | which such judgment or decree would be an estoppel as between
490 | the parties thereto; however, this section does not apply to a
491 | consent judgment or decree entered before any testimony has been
492 | taken. Nothing contained in this section shall be construed to
493 | impose any limitation on the application of collateral estoppel.

494 | Section 12. Subsection (2) of section 542.26, Florida
495 | Statutes, is amended to read:

496 | 542.26 Limitation of actions.—

497 | (2) Whenever any civil or criminal proceeding is
498 | instituted by the Attorney General or a state attorney to
499 | prevent, restrain, or punish any violation of this part ~~chapter~~,
500 | the running of the statute of limitations, with respect to every

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

private right of action arising under this part ~~chapter~~ and based in whole or in part on any matter complained of in said proceeding, shall be suspended during the pendency thereof and for 1 year thereafter. Whenever the running of the statute of limitations in respect of a cause of action arising under s. 542.22(1) is suspended hereunder, any action to enforce such cause of action shall be forever barred unless commenced either within the period of suspension or within the period of limitation.

Section 13. Section 542.27, Florida Statutes, is amended to read:

542.27 Enforcement authority.—

(1) The Attorney General, or a state attorney with written permission from the Attorney General, acting jointly or independently, may commence and try all criminal prosecutions under this part ~~chapter~~. Criminal prosecutions under this part ~~chapter~~ shall be commenced by indictment. With respect to commencement and trial of such prosecutions, the Attorney General or a state attorney shall have all the powers and duties vested by law with respect to criminal prosecutions generally. Incident to any investigation commenced under this part ~~chapter~~, the Attorney General may participate in and appear before a grand jury in assistance of any state attorney, irrespective of the provisions of chapter 905.

(2) The Attorney General is authorized to institute or

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

526 intervene in civil proceedings seeking the full range of relief
527 afforded by this part ~~chapter~~ or by federal laws pertaining to
528 antitrust or restraints of trade on behalf of the state, its
529 departments, agencies, and units of government. In addition, the
530 Attorney General, as chief state legal officer, may institute
531 any action authorized under this part ~~chapter~~, federal laws
532 pertaining to antitrust or restraints of trade, or similar laws
533 of other states on behalf of natural persons in the state.

534 (3) Whenever the Attorney General, by her or his own
535 inquiry or as a result of a complaint, suspects that a violation
536 of this part ~~chapter~~ or federal laws pertaining to restraints of
537 trade is imminent, occurring, or has occurred, the Attorney
538 General may investigate such suspected violation.

539 Section 14. Paragraph (b) of subsection (2), paragraph (b)
540 of subsection (3), and subsections (5) and (13) of section
541 542.28, Florida Statutes, are amended to read:

542 542.28 Civil investigative demand.—

543 (2) The demand shall:

544 (b) State the nature of the conduct which constitutes the
545 violation of this part ~~chapter~~ or of the federal antitrust laws
546 and which is alleged to have occurred or to be imminent.

547 (3) No such demand shall require the production of any
548 documentary material, the submission of any answers to written
549 interrogatories, or the giving of any oral testimony if such
550 material, answers, or testimony would be protected from

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

disclosure under:

(b) The standards applicable to a discovery request under the Florida Rules of Civil Procedure, to the extent that the application of such standards to any such demand is appropriate and consistent with the provisions and purposes of this part ~~chapter~~.

(5) Within 30 days after the service of an investigative demand upon any person or at any time before the return date specified therein, whichever period is longer, the person served may file in the circuit court in and for the county in which the person resides or transacts business, and serve upon the Attorney General or state attorney, a petition for an order of the court modifying or setting aside the demand. The time allowed for compliance in whole or in part with the demand as deemed proper and ordered by the court shall not run while the petition is pending before the court. The petition shall specify each ground upon which the petitioner relies in seeking relief and may be based upon the failure of the demand to comply with the provisions of this part ~~chapter~~ or upon any constitutional or other legal right or privilege of such person.

(13) Nothing contained in this section shall impair the authority of the Attorney General or state attorney to:

(a) Institute a civil proceeding under s. 542.22;

(b) Lay before a grand jury of this state evidence concerning a violation of this part ~~chapter~~;

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

576 (c) Invoke the power of a court to compel the production
577 of evidence before a grand jury; or

578 (d) File a civil complaint or criminal indictment alleging
579 a violation of this part ~~chapter~~.

580 Section 15. Section 542.29, Florida Statutes, is amended
581 to read:

582 542.29 Duty of public officers.—In any investigation and
583 in any criminal or civil action commenced pursuant to this part
584 ~~chapter~~, it shall be the duty of all public officers and their
585 deputies, assistants, clerks, subordinates, or employees to
586 render and furnish to the Attorney General or a state attorney,
587 when so requested, assistance and all information available in
588 their official capacity.

589 Section 16. Section 542.30, Florida Statutes, is amended
590 to read:

591 542.30 Jurisdiction and venue.—Without regard to the
592 amount in controversy, a suit or proceeding brought under this
593 part ~~chapter~~ shall be brought in the circuit court in and for
594 any county in which the cause of action arose; in which any
595 defendant resides, is found, or has an agent; or in which any
596 act in furtherance of the conduct prohibited by this part
597 ~~chapter~~ occurred.

598 Section 17. Section 542.31, Florida Statutes, is amended
599 to read:

600 542.31 Action not barred as affecting or involving

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

interstate or foreign commerce.—No action under this part
~~chapter~~ shall be barred on the grounds that the activity or
conduct complained of in any way affects or involves interstate
or foreign commerce. It is the intent of the Legislature to
exercise its powers to the fullest extent consistent with the
Constitutions of this state and the United States.

Section 18. Section 542.32, Florida Statutes, is amended
to read:

542.32 Rule of construction and coverage.—It is the intent
of the Legislature that, in construing this part ~~chapter~~, due
consideration and great weight be given to the interpretations
of the federal courts relating to comparable federal antitrust
statutes. In particular, the failure to include in this part
~~chapter~~ the substantive provisions of s. 3 of the Clayton Act,
15 U.S.C. s. 14, shall not be deemed in any way to limit the
scope of s. 542.18 or s. 542.19.

Section 19. Subsection (1) of section 542.33, Florida
Statutes, is amended to read:

542.33 Contracts in restraint of trade valid.—

(1) Notwithstanding other provisions of this part ~~chapter~~
to the contrary, each contract by which any person is restrained
from exercising a lawful profession, trade, or business of any
kind, as provided by subsections (2) and (3) hereof, is to that
extent valid, and all other contracts in restraint of trade are
void.

ENROLLED

CS/CS/CS/HB 1219

2025 Legislature

626 Section 20. Section 542.35, Florida Statutes, is amended
627 to read:

628 542.35 Remedies cumulative.—The remedies provided by this
629 part ~~act~~ are cumulative of each other and of existing powers and
630 remedies inherent in the courts.

631 Section 21. Section 542.36, Florida Statutes, is amended
632 to read:

633 542.36 Continuing violations.—Violations commenced prior
634 to October 1, 1980, ~~the effective date of this act~~ and
635 continuing after the effective date shall be actionable as
636 provided in this part ~~chapter~~. The fact that any conduct
637 occurred prior to October 1, 1980, ~~the effective date of this~~
638 ~~act~~ shall not affect its relevance in proving that a violation
639 of this part ~~chapter~~ has occurred or is occurring.

640 Section 22. This act shall take effect July 1, 2025.