



**J. BEN WATKINS III**  
DIRECTOR

## STATE OF FLORIDA DIVISION OF BOND FINANCE

**RON DeSANTIS**  
GOVERNOR

**ASHLEY MOODY**  
ATTORNEY GENERAL

**JIMMY PATRONIS**  
CHIEF FINANCIAL OFFICER

**WILTON SIMPSON**  
COMMISSIONER OF AGRICULTURE

### CABINET MEETING AGENDA

December 17, 2024

1. Report of Award on the following bond sales:

A. \$306,335,000 Board of Governors, Florida State University Athletics Association Revenue Bonds, Series 2024A and 2024B (Taxable)

Bids were received by the Division of Bond Finance on June 11, 2024. The Series 2024A Bonds were awarded to the low bidder, J.P. Morgan, which submitted a bid at an annual true interest cost rate of 4.0810%. The Series 2024B (Taxable) Bonds were awarded to the low bidder, Robert W. Baird, which submitted a bid at an annual true interest cost rate of 5.0625%. The annual true interest cost rate of the combined Series 2024A and 2024B (Taxable) Bonds was 4.11%. The bonds were delivered on July 9, 2024.

The bonds were issued to finance renovations of Doak S. Campbell Stadium and the construction of a football operations facility, both on Florida State University's main campus.

A report on the sale and tabulation of bids is attached.

Attachment #1

B. \$220,170,000 Department of Transportation Turnpike Revenue Bonds, Series 2024C

Bids were received by the Division of Bond Finance on August 1, 2024. The bonds were awarded to the low bidder, Morgan Stanley & Co, LLC, which submitted a bid at an annual true interest cost rate of 3.9188%. The bonds were delivered on August 22, 2024.

The bonds were issued to finance various capital improvements to the Turnpike.

A report on the sale and tabulation of bids is attached.

Attachment #2

C. \$30,000,000 Consolidated Equipment Financing Program

Proposals were received by the Division of Bond Finance on October 4, 2024. Banc of America Public Capital Corp submitted the lowest proposed interest rate index at 3.2238%. The Master Equipment Financing Agreement was signed by the Chief Financial Officer and became

effective November 15, 2024, and will provide \$10,000,000 for the financing of equipment purchases by State agencies for a three-year period and may be amended to provide up to \$30,000,000 for such financings.

A report and tabulation of bids is attached.

Attachment #3

D. \$117,030,000 Department of Transportation Turnpike Revenue Bonds, Series 2024D

Bids were received by the Division of Bond Finance on November 20, 2024. The bonds were awarded to the low bidder, Truist Securities Inc., which submitted a bid at an annual true interest cost rate of 3.9568%. The bonds will be delivered on December 19, 2024.

The bonds were issued to finance various capital improvements to the Turnpike.

A report on the sale and tabulation of bids is attached.

Attachment #4

2. Debt Reduction Update and State Debt Management Policy:

A. \$344,305,000 Tender Transaction for Public Education Capital Outlay Bonds, Right-of-Way Acquisition and Bridge Construction Bonds, and Turnpike Revenue Bonds

The Division released an Offer to Purchase Bonds on October 9, 2024, for a total of \$1.4 billion of the State's outstanding Public Education Capital Outlay Bonds, Right-of-Way Acquisition and Bridge Construction Bonds, and Turnpike Revenue Bonds and received tenders from bondholders on October 23, 2024, for a total of \$344.3 million in principal amount of outstanding bonds (the "Tendered Bonds"). The tender transaction was settled on October 31, 2024.

The aggregate purchase price for the Tendered Bonds was \$289.5 million, representing an average price of 84% of the \$344.3 million principal amount of Tendered Bonds. The Tendered Bonds were purchased at an average discount of 16% of their principal amount generating savings of \$54.8 million. The savings from the discount to par is in addition to the avoided interest cost of retiring the bonds of \$165.0 million, bringing total gross debt service savings from the tender transaction to \$219.8 million.

A report on the tender offer and summary of savings is attached.

Attachment #5

B. The Division requests adoption of an amended and updated State Debt Management Policy. The State Debt Management Policy reflects essential elements from the previous debt policies and has been amended to integrate key concepts from the repealed rules.

(Recommend)

3. Notice of Rulemaking:

- A. Request approval to publish a notice of proposed rule for Rule 19A-1.009 and notices of proposed rules to repeal all rules in Chapter 19A-1, Chapter 19A-3, Chapter 19A-4, Chapter 19A-6, and Chapter 19A-7. The Division requests approval to file for final adoption if no substantive changes to the rules are required following publication of the notice of proposed rule.

(Recommend)

4. Universities and Education Authorizations:

- A. Adoption of a resolution amending the resolution authorizing the issuance and competitive sale of the Board of Governors, University of Florida Dormitory Revenue Bonds, Series 2021A, to allow for the proceeds remaining in the construction fund to be invested outside the Treasury.

The proceeds of the bonds were used to finance the construction of a new dormitory on the University of Florida's campus. The proceeds remaining in the construction fund following the completion of the new dormitory may be used for other capital improvements to the University's housing system. The amendment allows the construction fund to be invested in Florida PRIME or other investments as identified by the Director.

(Recommend)

- B. Adoption of a resolution authorizing the issuance and competitive sale of \$42,000,000 Board of Governors, Florida State University Dormitory Revenue Refunding Bonds.

The bonds will be payable from net revenues of the housing system at Florida State University. The bonds will not be secured by the full faith and credit of the State. The proceeds of the bonds will be used to refund certain outstanding dormitory bonds of the University for debt service savings.

(Recommend)

- C. Adoption of resolutions authorizing the issuance and competitive sale of \$565,000,000 Full Faith and Credit, State Board of Education, Public Education Capital Outlay Refunding Bonds.

The bonds will be payable primarily from gross receipts taxes and will be additionally secured by the full faith and credit of the State. The proceeds of the bonds will be used to refund certain outstanding Public Education Capital Outlay Bonds for debt service savings.

(Recommend)

5. Transportation Authorizations:

- A. Adoption of a resolution authorizing the issuance and competitive sale of \$410,000,000 Department of Transportation Turnpike Revenue Refunding Bonds.

The bonds will be payable from tolls and other revenues of the Florida Turnpike System. The bonds will not be secured by the full faith and credit of the State. The proceeds of the bonds will be used to refund certain outstanding Turnpike bonds for debt service savings.

(Recommend)



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**WILTON SIMPSON**  
COMMISSIONER OF AGRICULTURE

### MEMORANDUM

**TO:** Governor and Cabinet, as the Governing Board of the Division of Bond Finance

**FROM:** J. Ben Watkins III

**DATE:** December 17, 2024

**SUBJECT:** Award of \$306,335,000 State of Florida, Board of Governors, Florida State University Athletics Association Revenue Bonds, Series 2024A and 2024B (Taxable)

Pursuant to authorization by the Governor and Cabinet by resolutions adopted on December 19, 2023, bids were received for the above referenced bond issues by the Division of Bond Finance at 12:00 p.m. for the Series 2024A tax-exempt bonds and 12:30 p.m. for the Series 2024B taxable bonds on Tuesday, June 11, 2024.

Six bids were received for the Series 2024A tax-exempt the low bid was submitted by J.P. Morgan Securities LLC at an annual true interest cost rate of 4.0810%. The annual true interest cost rate for the 2024A tax-exempt bonds using the applicable benchmark interest rate scale was 4.14%. Additionally, J.P. Morgan Securities LLC elected to insure the payment of principal and interest on the 2024A bonds by purchasing a municipal bond insurance policy from Build America Mutual ("BAM") in order to reduce the overall interest cost of the financing.

Nine bids were received for the Series 2024B taxable bonds and the low bid was submitted by Robert W. Baird & Co., Inc. at an annual true interest cost rate of 5.0625%. The annual true interest cost rate for the 2024B taxable bonds using the applicable benchmark interest rate scale was 5.22%.

The annual true interest cost rate of the combined Series 2024A and 2024B Bonds was 4.11%. A tabulation of such bids is included herein. The bids were reviewed by representatives of the Division of Bond Finance and the bonds were awarded to such low bidders as authorized. The bonds were delivered on July 9, 2024.

The bonds were issued to finance renovations to Doak S. Campbell Stadium and the construction of a standalone football operations facility, both on Florida State University's main campus.

The bonds are dated July 9, 2024, with interest payable on October 1, 2024, and semiannually on each April 1 and October 1 thereafter. The Series 2024A tax-exempt bonds consist of serial bonds maturing on October 1 in the years 2025 through 2048, and term bonds maturing in 2050 and 2053. The Series 2024B taxable bonds consist of serial bonds maturing on October 1 in the years 2025 through 2028.

Attachment #1

The bonds are secured by certain gross revenue streams contractually pledged to FSUAA by the University's athletics department and Seminole Boosters, Inc., including project-specific donations received within 5 years of issuance of the Bonds. The bonds are not secured by the full faith and credit of the State of Florida or the University.

The bonds have been rated AA- and Aa3 by Fitch Ratings and Moody's Ratings, respectively. The 2024A bonds have additionally been assigned a rating of AA by S&P Global Ratings Services based upon the municipal bond insurance policy from BAM.

## BID TABULATION

### Series 2024A Bonds

<u>Bidder</u>	<u>Annual True Interest Cost Rate</u>
J.P. Morgan Securities LLC	4.0810%
Jefferies LLC	4.1482
Wells Fargo Bank, National Association	4.1564
BofA Securities	4.1699
Morgan Stanley & Co, LLC	4.1850
RBC Capital Markets	4.1868

### Series 2024B (Taxable) Bonds

<u>Bidder</u>	<u>Annual True Interest Cost Rate</u>
Robert W. Baird & Co., Inc	5.0625%
BofA Securities	5.1236
Piper Sandler & Co	5.1980
Raymond James & Associates, Inc.	5.2601
KeyBanc Capital Markets	5.3275
Truist Securities, Inc.	5.3430
J.P. Morgan Securities LLC	5.3458
Wells Fargo Bank, National Association	5.3999
RBC Capital Markets	5.4432

INTEREST RATES AND YIELDS TO MATURITY FROM WINNING BID

\$281,300,000 Series 2024A Bonds

<u>Maturity Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Yield</u>
10/1/2025	\$3,000,000	5.000%	3.290%
10/1/2026	4,270,000	5.000	3.240
10/1/2027	4,490,000	5.000	3.180
10/1/2028	4,715,000	5.000	3.200
10/1/2029	7,570,000	5.000	3.220
10/1/2030	7,960,000	5.000	3.220
10/1/2031	8,365,000	5.000	3.220
10/1/2032	8,800,000	5.000	3.220
10/1/2033	9,250,000	5.000	3.220
10/1/2034	9,725,000	5.000	3.220
10/1/2035	10,225,000	5.000	3.362
10/1/2036	10,750,000	5.000	3.498
10/1/2037	11,295,000	5.000	3.655
10/1/2038	11,875,000	5.000	3.747
10/1/2039	12,485,000	5.000	3.849
10/1/2040	13,125,000	5.000	3.969
10/1/2041	13,800,000	5.000	4.077
10/1/2042	14,510,000	5.000	4.162
10/1/2043	15,250,000	5.000	4.234
10/1/2044	8,225,000	4.000	4.150
10/1/2045	8,565,000	4.000	4.200
10/1/2046	8,920,000	4.125	4.265
10/1/2047	9,295,000	4.125	4.330
10/1/2048	9,690,000	4.250	4.384

\$20,660,000 4.250% Term Bond maturing October 1, 2050 (at a yield of 4.400%)

\$34,485,000 4.250% Term Bond maturing October 1, 2053 (at a yield of 4.430%)

\$25,035,000 Series 2024B Bonds

<u>Maturity Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Yield</u>
10/1/2025	\$2,685,000	5.000%	5.160%
10/1/2026	9,210,000	5.000	4.960
10/1/2027	7,005,000	5.000	4.870
10/1/2028	6,135,000	5.000	4.820



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### MEMORANDUM

**TO:** Governor and Cabinet, as the Governing Board of the Division of Bond Finance

**FROM:** J. Ben Watkins III 

**DATE:** December 17, 2024

**SUBJECT:** Award of \$220,170,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2024C

Pursuant to authorization by the Governor and Cabinet by a resolution adopted on June 12, 2024, bids were received for the above referenced bond issue by the Division of Bond Finance at 10:30 a.m. on Thursday, August 1, 2024.

Eight bids were received with a tabulation of such bids included herein. The low bid was submitted by Morgan Stanley & Co, LLC, at an annual true interest cost rate of 3.9188%. The annual true interest cost using the applicable Bloomberg benchmark interest rate scale was 4.18%. The bids were reviewed by representatives of the Division of Bond Finance and the bonds were awarded to the low bidder as authorized. The bonds were delivered on August 22, 2024.

The bonds were issued to finance various capital improvements to the Turnpike, including the First Coast Expressway, Seminole Expressway, Sawgrass Expressway, Turnpike Mainline, and Suncoast Parkway 2.

The bonds are dated August 22, 2024, with interest payable January 1, 2025, and semiannually on each January 1 and July 1 thereafter. The bonds consist of serial bonds maturing on July 1 in the years 2025 through 2048 and term bonds maturing in 2051 and 2054.

The bonds are secured by the net revenues derived from the operation of the Turnpike System and are on a parity with the outstanding Turnpike Revenue Bonds. The bonds are not secured by the full faith and credit of the State of Florida.

The bonds have been rated AA, Aa2, and AA, by Fitch Ratings, Moody's Ratings, and S&P Global Ratings, respectively.

Attachment #2



# BID TABULATION

<u>Bidder</u>	<u>Annual True Interest Cost Rate</u>
Morgan Stanley & Co, LLC	3.9188%
Truist Securities, Inc.	3.9749
BofA Securities	3.9928
J.P. Morgan Securities LLC	4.0064
Wells Fargo Bank, National Association	4.0118
Jefferies LLC	4.0200
Robert W. Baird & Co., Inc.	4.0602
BNY Mellon Capital Markets	4.1201

## INTEREST RATES AND YIELDS TO MATURITY FROM WINNING BID

<u>Maturity Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Yield</u>
07/01/2025	\$2,965,000	5.00%	2.90%
07/01/2026	3,605,000	5.00	2.88
07/01/2027	3,785,000	5.00	2.84
07/01/2028	3,970,000	5.00	2.83
07/01/2029	4,170,000	5.00	2.80
07/01/2030	4,380,000	5.00	2.82
07/01/2031	4,600,000	5.00	2.82
07/01/2032	4,830,000	5.00	2.82
07/01/2033	5,070,000	5.00	2.86
07/01/2034	5,325,000	5.00	2.89
07/01/2035	5,590,000	5.00	3.08
07/01/2036	5,870,000	5.00	3.24
07/01/2037	6,165,000	5.00	3.39
07/01/2038	6,470,000	5.00	3.52
07/01/2039	6,795,000	5.00	3.66
07/01/2040	7,135,000	5.00	3.79
07/01/2041	7,490,000	5.00	3.90
07/01/2042	7,865,000	5.00	3.98
07/01/2043	8,260,000	4.00	3.94
07/01/2044	8,590,000	4.00	3.97
07/01/2045	8,930,000	4.00	4.00
07/01/2046	9,290,000	4.00	4.02
07/01/2047	9,660,000	4.00	4.08
07/01/2048	10,050,000	4.00	4.10

\$32,615,000 4.00% Term Bond maturing July 1, 2051 (at a yield of 4.15%)  
\$36,695,000 4.00% Term Bond maturing July 1, 2054 (at a yield of 4.17%)



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### MEMORANDUM

**TO:** Governor and Cabinet, as the Governing Board of the Division of Bond Finance

**FROM:** J. Ben Watkins III 

**DATE:** December 17, 2024

**SUBJECT:** Award of Master Equipment Financing Agreement

Pursuant to authorization by the Governor and Cabinet by a resolution adopted on June 12, 2024, proposals for the Master Equipment Financing Agreement were received by the Division of Bond Finance on October 4, 2024. The Master Equipment Financing Agreement will provide \$10 million for the financing of equipment purchases by State agencies for a three-year period and may be amended to provide up to \$30 million for such financings.

Two proposals were received. Banc of America Public Capital Corp. submitted the lowest proposed interest rate, with an annual true interest cost of 3.2238%, based on the interest rate index proposal submitted. The table below provides the annual true interest cost rate submitted by each respondent.

<u>Respondent</u>	<u>Annual True Interest Cost Rate</u>
Banc of America Public Capital Corp.	3.2238%
BankFunding, LLC <sup>1</sup>	4.1585%

<sup>1</sup> BankFunding, LLC's proposal did not conform to the parameters set forth in the RFP.

The above interest rates were calculated based on each respondent's interest rate formulas, as of the bid evaluation date, to determine the lowest bidder. The actual interest rate on any draw under the Master Equipment Financing Agreement will be determined at the time of such draw using the interest rate index proposal submitted by Banc of America Public Capital Corp. for the applicable term of the financing.

The Division of Bond Finance notified respondents of the award of the Master Equipment Financing Agreement to Banc of America Public Capital Corp. on October 11, 2024. The Master Equipment Financing Agreement was signed by the Chief Financial Officer and became effective on November 15, 2024, and will be in place through November 14, 2027.

Attachment #3



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### MEMORANDUM

**TO:** Governor and Cabinet, as the Governing Board of the Division of Bond Finance

**FROM:** J. Ben Watkins III 

**DATE:** December 17, 2024

**SUBJECT:** Award of \$117,030,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2024D

Pursuant to authorization by the Governor and Cabinet by a resolution adopted on June 12, 2024, bids were received for the above referenced bond issue by the Division of Bond Finance at 10:30 a.m. on Wednesday, November 20, 2024.

Eight bids were received with a tabulation of such bids included herein. The low bid was submitted by Truist Securities, Inc., at an annual true interest cost rate of 3.9568%. The annual true interest cost using the applicable Bloomberg benchmark interest rate scale was 4.21%. The bids were reviewed by representatives of the Division of Bond Finance and the bonds were awarded to the low bidder as authorized. The bonds will be delivered on December 19, 2024. The proceeds of the bonds will be used to finance various Turnpike projects.

The bonds are dated December 19, 2024, with interest payable July 1, 2025, and semiannually on each January 1 and July 1 thereafter. The bonds consist of serial bonds maturing on July 1 in the years 2025 through 2050 and a term bond maturing in 2054.

The bonds are secured by the net revenues derived from the operation of the Turnpike System and are on a parity with the outstanding Turnpike Revenue Bonds. The bonds are not secured by the full faith and credit of the State of Florida.

The bonds have been rated AA, Aa2, and AA, by Fitch Ratings, Moody's Ratings, and S&P Global Ratings, respectively.

Attachment #4

# BID TABULATION

<u>Bidder</u>	<u>Annual True Interest Cost Rate</u>
Truist Securities, Inc.	3.9568%
BofA Securities	3.9848
Morgan Stanley & Co, LLC	3.9973
J.P. Morgan Securities LLC	4.0032
Jefferies LLC	4.0242
RBC Capital Markets	4.0271
Robert W. Baird & Co., Inc.	4.0430
Wells Fargo Bank, NA	4.0490

# INTEREST RATES AND YIELDS TO MATURITY FROM WINNING BID

<u>Maturity Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Yield</u>
07/01/2025	\$995,000	5.00%	3.00%
07/01/2026	1,915,000	5.00	2.75
07/01/2027	2,010,000	5.00	2.66
07/01/2028	2,110,000	5.00	2.69
07/01/2029	2,215,000	5.00	2.74
07/01/2030	2,330,000	5.00	2.78
07/01/2031	2,445,000	5.00	2.83
07/01/2032	2,565,000	5.00	2.90
07/01/2033	2,695,000	5.00	2.98
07/01/2034	2,830,000	5.00	3.03
07/01/2035	2,970,000	5.00	3.23
07/01/2036	3,120,000	5.00	3.43
07/01/2037	3,275,000	5.00	3.56
07/01/2038	3,440,000	5.00	3.66
07/01/2039	3,610,000	5.00	3.77
07/01/2040	3,790,000	5.00	3.88
07/01/2041	3,980,000	5.00	4.00
07/01/2042	4,180,000	5.00	4.08
07/01/2043	4,390,000	5.00	4.14
07/01/2044	4,610,000	4.00	3.93
07/01/2045	4,795,000	4.00	3.97
07/01/2046	4,985,000	4.00	4.00
07/01/2047	5,185,000	4.00	4.04
07/01/2048	5,390,000	4.00	4.07
07/01/2049	5,610,000	4.00	4.10
07/01/2050	5,830,000	4.00	4.11

\$25,760,000 4.00% Term Bond maturing July 1, 2054 (at a yield of 4.17%)



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### MEMORANDUM

**TO:** Governor and Cabinet, as the Governing Board of the Division of Bond Finance

**FROM:** J. Ben Watkins III

**DATE:** December 17, 2024

**SUBJECT:** Acceptance and Settlement of Tender for \$344,305,000 Public Education Capital Outlay Bonds, Right-of-Way Acquisition and Bridge Construction Bonds, and Turnpike Revenue Bonds (collectively, the “Tendered Bonds”)

Pursuant to authorization by the Governor and Cabinet by a resolution adopted on June 12, 2024, the Division of Bond Finance, settled the tender offer for the referenced Tendered Bonds on October 31, 2024. The Division utilized Dealer Managers to assist in facilitating the tender offer with J.P. Morgan Securities LLC serving as lead Dealer Manager and BofA Securities, Inc. and Loop Capital Markets LLC serving as Co-Dealer Managers.

Using funds appropriated by the legislature for the Debt Reduction Program in the Fiscal Year 2024-25 budget, the Division released an Offer to Purchase Bonds on October 9, 2024, for a total of \$1.4 billion of the State’s outstanding Public Education Capital Outlay (“PECO”) Bonds, Right-of-Way Acquisition and Bridge Construction (“ROW”) Bonds, and Turnpike Revenue Bonds and received tenders from bondholders on October 23, 2024, for a total of \$344.3 million in principal amount of outstanding bonds (the “Tendered Bonds”). The state accepted all tender offers received and the tender transaction settled on October 31, 2024.

The aggregate purchase price for the Tendered Bonds was \$289.5 million, representing an average price of 84% of the principal amount of Tendered Bonds. The 16% average discount to the principal amount purchased generated savings of \$54.8 million. This savings is in addition to the avoided interest cost of retiring the bonds early of \$165.0 million, bringing total gross debt service savings from the tender transaction to \$219.8 million. The tender transaction reduced the principal amount of the State’s outstanding debt by \$344.3 million.

The tender transaction was funded with a portion of the \$500 million appropriated by the legislature for Fiscal Year 2024-25 to reduce outstanding State debt. The Division is currently exploring additional opportunities to redeem, defease, purchase, or otherwise extinguish additional State debt with the approximately \$210 million remaining funds available. Any appropriated funds unexpended at June 30, 2025, will be returned to their original source of funding.

Attachment #5

A summary of the results and savings from the transaction is below.

#### RESULTS OF TENDER

	<u>PECO</u>	<u>ROW</u>	<u>Turnpike</u>	<u>Total</u>
Total Tender Offer	\$646,645,000	\$285,935,000	\$485,510,000	\$1,418,090,000
Tenders Received	86,988,000	61,506,000	195,811,000	344,305,000
Percentage of Bonds Tendered	13.5%	21.5%	40.3%	24.3%
Purchase Price of Tenders	81,032,638	53,018,287	155,450,400	289,501,325
Average Purchase Price as % of Par	93.2%	86.2%	79.4%	84.1%
<u>Tender Savings</u>				
Discount to Principal Amount	\$5,955,362	\$8,487,713	\$40,360,600	\$54,803,675
Avoided Interest on Early Payment	<u>32,181,307</u>	<u>40,616,552</u>	<u>92,179,079</u>	<u>164,976,938</u>
Total Savings from Tender	\$38,136,670	\$49,104,265	\$132,539,679	\$219,780,613
Total Savings as % of Cost	47.1%	92.6%	85.3%	75.9%

#### FISCAL YEAR 2024-25 DEBT REDUCTION PROGRAM

	<u>PECO</u>	<u>ROW</u>	<u>Turnpike</u>	<u>Total</u>
Debt Reduction Program Appropriation	\$245,000,000	\$90,000,000	\$165,000,000	\$500,000,000
Purchase Price of Bonds Tendered	<u>81,032,638</u>	<u>53,018,287</u>	<u>155,450,400</u>	<u>289,501,325</u>
Remaining FY 2024-25 Appropriation	\$163,967,362	\$36,981,713	\$9,549,600	\$210,498,675

*State of Florida*  
**DIVISION OF BOND FINANCE**



**DEBT MANAGEMENT POLICY**

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December 2024

Previous Versions Adopted:

April 2001  
December 2005  
December 2012  
August 2013

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## I. Introduction

Proper management of debt is fundamental to sound financial management practices and protecting the financial condition of the State. The Governor and Cabinet, sitting as the governing board of the Division of Bond Finance, recognize that the foundation of managing debt is a comprehensive debt management policy. The State Debt Management Policy (the policy) sets forth parameters and provides guidance regarding State debt to facilitate the management, control, and oversight of the State's debt function. However, exceptions to the general principles set forth may be appropriate under certain circumstances.

The policy applies to all debt or debt-related obligations issued by the Division of Bond Finance. In addition, it is recommended that other State agencies and instrumentalities, including quasi-public corporations encumbering State resources, follow principles set forth in the policy.

## II. Annual Debt Affordability Analysis

The State's debt affordability analysis is required by Section 215.98, Florida Statutes and prepared by the Division (the "Debt Report"). The debt affordability analysis prepared annually in December is based on the State's designated benchmark ratio of debt service to revenues available to pay debt service. Legislative policy guidelines establish a 6% target and a 7% limit for the State's benchmark debt ratio. The Debt Report reviews the State's debt position and how projected debt issuance, future debt service payments, and revenue projections will affect the State's benchmark debt ratio. The Debt Report also provides comparative data on debt metrics and information on matters important to the State's credit ratings as well as developments in alternative financing techniques.

## III. Debt Issuance Policies

### Purpose and Evaluation of Proposed Financings

Bonds can only be issued to finance or refinance capital assets. Projects being financed through any form of contractual arrangement including, but not limited to the issuance of bonds, certificates of participation, long-term leases, bank loans, federal government loan programs, public private partnerships or any other contracted arrangement requiring payments by the State in future years are considered debt covered by the policies herein and must provide tangible, demonstrable benefits to the State. The use of available cash to fund all or a part of the cost of capital improvements should be explored before proposing the issuance of long-term debt.

Self-supporting debt should be issued for system improvements or expansion, as system needs warrant, and at levels which can be supported from operating revenues within the existing credit rating category, when applicable. Refunding bonds may be issued to achieve debt service savings. Refunding bonds may also be issued to restructure outstanding debt service or to revise provisions of bond documents if it can be demonstrated that the refunding serves a compelling State interest.

## **Committing State Resources for Debt Not Issued by State**

On occasion, the State may consider committing or creating a mechanism which allows another entity to commit State financial resources on a long-term basis in support of debt not issued by the State, such as debt sold by quasi-governmental entities, not-for-profit corporations, or local governments. While the nature of the commitment may not constitute a legal debt obligation of the State, it impacts the State's debt position and its available financial resources. Therefore, it is recommended that the State not obligate its resources, directly or indirectly, through any debt-related commitment without assessing the long-term impact on the State's debt position and available resources. To the extent practicable, this debt management policy should be followed in the issuance of debt when the State's financial resources are being utilized.

## **Credit Ratings**

In order to access the credit markets at the lowest possible borrowing cost, it is recognized that credit ratings are critical. Therefore:

- a) the State shall strive to maintain or improve current credit ratings without adversely impacting levels of debt which may be issued for any particular program; and,
- b) the State shall seek to structure any new bond program to achieve a minimum rating of "A" from at least two nationally recognized rating agencies. Credit enhancement may be used to achieve this goal.

## **Tax Status**

All State debt should be issued to take advantage of the exemption from federal income taxes unless prohibited by federal law or regulations. Taxable debt may be issued if there is a compelling reason to justify the use of what is typically, a higher cost of borrowing. The issuance of tax-exempt debt results in significant interest cost savings compared with the interest cost on taxable debt.

## **Security Features**

### *Pledge:*

To the extent permitted by law, there should be a nexus between the revenue pledged and the specific purpose for which the debt is issued. For example, a pledge of gasoline taxes should be used to support debt issued for transportation purposes.

In certain circumstances, the security pledged to repay debt may be subject to annual appropriation by the legislature. However, failure by the legislature to appropriate moneys required to fulfill its obligations would severely damage the State's reputation in the credit markets. Therefore, the State should not fail to appropriate amounts necessary to satisfy the State's obligations on any debt or to fulfill any covenants made in connection with the sale of bonds.

#### *Lien Status:*

All bonds of a particular program should be secured by a first lien on specified revenues. Additionally, bonds should generally be equally and ratably secured by the revenues pledged to the payment of any outstanding bonds of a particular bond program. However, the creation of a subordinate lien is permissible if a first lien is not available, or circumstances require.

#### *Reserve Fund:*

A debt service reserve fund for any particular bond issue or program may be funded and maintained to achieve desirable credit ratings or mitigate the impact of volatility in a pledged revenue stream. Funding of the reserve requirement can be by deposit of bond proceeds, purchase of a reserve fund credit facility, or funding from available resources over a specified period of time.

#### *Credit Enhancement:*

Credit enhancement is used primarily to achieve interest cost savings. The purchase of credit-enhancement products is permissible provided the purchase is done in a cost-effective manner. Therefore, if it is determined by the Director of the Division of Bond Finance that the use of credit enhancement should be considered, the following practice should be observed to the extent practicable:

- a) Bonds sold through competitive sale: the bonds should be qualified for credit enhancement and the syndicates bidding on the bonds should be permitted to decide whether to use credit enhancement and to choose the provider of the enhancement.
- b) Bonds sold through negotiated sale: bids should be solicited from providers of credit enhancement and a determination made whether the enhancement would provide appropriate debt service savings.
- c) Unrated bonds: bids should be solicited from providers of credit enhancement and a determination made whether the enhancement would provide appropriate debt service savings.

#### *Capitalized Interest:*

Capitalized interest from bond proceeds is used to pay debt service until a revenue producing project is completed or to manage cash flows for debt service in some circumstances. Since the use of capitalized interest increases the cost of the financing, it should be minimized and only used when circumstances warrant such as when other resources are not available from the enterprise or when necessary for the financial feasibility of the project.

## **Structural Features**

#### *Maturity Structure:*

In addition to restrictions on the final maturity imposed by the constitution or laws of the State, there is a preference that the final maturity on bonds do not exceed thirty years from the issuance date. Additionally, the duration of the debt should be shortened to the extent practicable to minimize the

interest cost on the financing. Lastly, the final maturity of the debt should not exceed the estimated useful life of the assets being financed unless it serves a compelling State interest.

#### *Debt Service Structure:*

All debt should be structured on a level debt basis, i.e., so that the annual debt service repayments will, as nearly as practicable, be the same in each year. Debt structures that defer principal amortization should be avoided including debt structures that “wrap around” existing debt service requirements. Although a different debt service structure is permissible, under extraordinary circumstances, the strong preference is that any deviation from the level debt structure should be for debt service payments to be larger in the early years and lower thereafter and not to have the payments lower in the early years and higher thereafter. A deviation from a level debt service structure is permissible if it can be demonstrated to serve a compelling State interest.

#### *Redemption Prior to Maturity:*

Bonds can be callable after a certain period of time has elapsed after issuance. There is a strong preference that State bonds be structured with the least onerous call features as may be practical under then prevailing market conditions. This provides the flexibility to prepay debt prior to its maturity which enables refinancing of bonds at a lower interest rate to achieve savings. Although the ability to refund bonds for savings is advantageous, there may be situations where the State may realize greater benefit of lower interest rates by issuing the bonds as non-callable. The Director of the Division of Bond Finance may make a determination that bonds of a particular issue be sold as non-callable if circumstances warrant.

### **Interest Accrual Features**

#### *Fixed Rate, Current Interest Debt:*

Debt should generally be issued with a fixed interest rate, conventional terms, and with interest payable semi-annually to bondholders. Fixed-rate debt provides certainty over the long term by locking in the interest cost and eliminating the possibility of increased cost due to interest rate or tax law changes. However, there may be limited circumstances where variable-rate debt is more appropriate, in which case an exception may be made in accordance with the policies governing variable-rate debt herein. In some cases, it might not be possible to secure debt at a fixed rate for the full term of the financing, which is fairly common when using a bank loan to finance long-term projects, creating a need to secure additional financing for the full term or to adjust the interest rate at a later date. This should be avoided whenever possible as it creates substantial market risk and eliminates the ability for predictable budgeting to cover debt service payments for the full term of the financing. If unavoidable, plans must be made to account for the risk associated with a potential higher cost of financing in the future or inability to access credit when the initial financing terms are reset. Plans to address the contingencies may include establishing an internal reserve or identifying assets that are available to pay the debt, if needed.

#### *Derivatives:*

Alternative financing arrangements, generally referred to as derivatives or swaps, are alternatives to traditional bonds. Under very limited market conditions, the use of alternative financing arrangements

may be more cost effective than the traditional fixed income markets. However, these alternative financing instruments, such as fixed-to-floating swap agreements, carry significant risks and should be used with extreme caution. The State may consider deploying alternative financing instruments when the inherent risks and potential additional costs are identified, and proper provision is made to protect the State from all known risks. Analyzing and managing alternative financing arrangements requires specific technical expertise, the ability to analyze and manage the associated risks and additional administrative costs. These debt instruments should be used with extreme caution and only when specific circumstances warrant, and State leadership is cognizant of the inherent risks associated with alternative financing arrangements.

#### *Capital Appreciation Bonds:*

Capital appreciation bonds and other similar debt instruments pay no interest until their stated maturity. Although there may be extraordinary circumstances in which the use of capital appreciation bonds is necessary or desirable, in almost all cases, the debt service deferral associated with these debt instruments is not appropriate or fiscally prudent. Accordingly, only when a compelling State interest is demonstrated should capital appreciation bonds be issued, or principal payment deferred.

#### *Variable-Rate Bonds:*

Although fixed-rate bonds are preferred, bonds may be issued with variable rates of interest. The interest rate on variable-rate bonds changes periodically, e.g., daily, weekly, or monthly. Variable-rate bonds typically carry an initial interest rate lower than that of a fixed-rate bond issued at the same time. However, interest rates may rise and the interest rate on variable-rate bonds may increase to levels higher than the rate which could have been obtained on fixed-rate bonds. Variable-rate bonds also interject uncertainty into the State budget requirements for debt service and the total cost of the financing over the life of the bonds. Variable-rate bonds may be issued where, considering the totality of the circumstances, such bonds can reasonably be expected to reduce the total borrowing cost to the State over the term of the financing. The availability of the requisite technical expertise to properly manage the risks and execution of a variable-rate transaction should be evaluated along with any additional ongoing monitoring costs. The following guidelines apply to the issuance of variable-rate debt:

- a) *Expected reduction in total borrowing cost.* In determining expected savings, a comparison should be made between a fixed-rate financing at current interest rates and a variable-rate transaction, based on an appropriate floating rate index, as determined by the Director of the Division of Bond Finance. The cost of the variable-rate transaction should consider all fees associated with the borrowing which would not typically be incurred in connection with fixed-rate bonds, such as tender agent, remarketing agent, or liquidity provider fees.
- b) *Limitation on variable-rate debt.* Rating agencies typically suggest limiting the amount of variable-rate debt to 15% to 20% of total outstanding debt. In keeping with that range, the total principal amount of variable-rate debt should not exceed 15% of total tax supported debt outstanding at the time of the variable-rate debt issuance or 15% of self-supporting debt for any enterprise using variable rate debt. In addition, the ratio of variable to fixed-rate tax-supported debt should be monitored by the Division of Bond Finance on a monthly basis and

if the amount of variable-rate debt exceeds the 15% limit or if variable rate debt is reset at a maximum interest rate, Cabinet aides should be notified to determine what, if any, actions should be taken to address the situation.

- c) *Budgetary controls.* To avoid a situation in which debt service on variable-rate bonds exceeds the annual amount budgeted, the following guidelines should be followed:
  - i) A principal amortization schedule should be established, with provision made for payment of amortization installments in each respective annual budget.
  - ii) Provide for payment of interest for each budget year using an assumed budgetary interest rate which allows for fluctuations in interest rates on the bonds without exceeding the amount budgeted.
  - iii) The amount of debt service actually incurred in each budget year should be monitored monthly by the Division of Bond Finance to detect any significant deviations from the annual budgeted debt service. Any deviations which might lead to a budgetary issue should be communicated to Cabinet aides to determine appropriate action.
  - iv) The Division of Bond Finance should establish a system to monitor the performance of any service provider whose role it is to periodically reset the interest rates on variable-rate debt.
- d) *Establish a hedge with Treasurer's short-term investment pool.* The amount of variable-rate debt should not exceed one-third of the amount of the State's short-term investments. This hedge mitigates the financial impact of debt service increases due to higher interest rates. The Division of Bond Finance should monitor the hedge monthly, and if the one-third target is exceeded, Cabinet aides should be notified to determine appropriate action.
- e) *Liquidity.* The State should provide its own liquidity when needed for variable rate bonds. The holders of variable-rate debt can require the issuer to repurchase the debt at various times and under certain conditions. This could force the issuer to repurchase large amounts of its variable-rate debt on short notice, requiring access to large amounts of liquid assets. Issuers may establish a liquidity facility with a financial institution which will provide the money needed to satisfy the repurchase or provide their own liquidity. Liquidity facilities do not typically run for the life of long-term debt and pose a risk that the provider will not renew the agreement. Assuming the State has sufficient resources, internal liquidity is preferred to eliminate the costs and risks associated with a third-party liquidity provider.

## Other Types of Financings

### *Refunding Bonds:*

Generally, the State issues refunding bonds to achieve debt service savings on its outstanding bonds by redeeming high interest rate debt with lower interest rate debt. Refunding bonds may also be issued to restructure debt or modify covenants contained in the bond documents. The following guidelines should apply to the issuance of refunding bonds, unless circumstances warrant a deviation therefrom:

- a) Refunding bonds should be structured to achieve level annual debt service savings when the debt service for the bonds being refunded is level. When the debt service on the bonds being refunded is not level, the refunding bonds should be structured to produce, as nearly as practicable, after giving consideration to current facts and circumstances, annual savings which is proportional to the debt service of the bonds being refunded;
- b) The life of the refunding bonds should not exceed the remaining life of the bonds being refunded;
- c) A 3% minimum target savings for refundings should be used as a general guide in consideration of the value of the call option and costs associated with a refunding transaction. The 3% savings target should not prohibit refundings when circumstances justify;
- d) A maturity-by-maturity savings analysis should be evaluated to ensure that each maturity of bonds being refunding is producing positive PV savings, and,
- e) Refunding bonds which do not achieve debt service savings may be issued to restructure debt or provisions of bond documents only if such refunding serves a compelling State interest.
- f) Refundings done to provide budgetary relief should be avoided unless it can be demonstrated to serve a compelling State interest.

*Early Retirement:*

From time to time, funds may be available to pay off bonds before their final maturity to achieve debt service savings or other goals, such as reducing the amount of debt outstanding or eliminating onerous or overly restrictive bond covenants. When evaluating the early retirement of debt, the Division will consider the following:

- a) the costs associated with paying the debt early versus the cost saving associated with avoided future interest payments;
- b) the future borrowing plans for the bonding program and, in general, debt defeasances or redemption of bonds should not be considered for ongoing bonding programs unless the transaction produces a net present value savings based on the estimated interest rate associated with a future financing necessary to replace the fund, or if circumstances or market conditions warrant;
- c) which method of debt retirement produces the most savings (ie, redemption of callable bonds, defeasance of bonds not yet callable, debt buyback programs, or tender transactions).

*Certificates of Participation and Lease Financing:*

Debt service payments for certificates of participation and lease financings come from rental payments or other revenues which are subject to annual appropriation by the legislature. The holders of these

forms of debt typically have no legal recourse against the State if it fails to make the necessary appropriation. The State may utilize this financing vehicle, but it should be considered as debt of the State and, absent compelling extraordinary circumstances, non-appropriation should not be considered as it is tantamount to an intentional default on debt repayment.

#### *Public Private Partnerships:*

Sections 334.30(4) and 1013.171(1), Florida Statutes, authorize the Department of Transportation and State universities, respectively, to enter into Public Private Partnership (P3) agreements to finance infrastructure projects. The Division is required to review P3 agreements and refinancings prior to their execution by DOT or any university in accordance with Florida Statutes and/or Board of Governors P3 Guidelines. P3 agreements are complex and require a high level of expertise to adequately evaluate and determine if a P3 is the most cost-effective method for financing the desired project.

The Division's evaluation of P3 financing arrangements and any other alternative financing agreements will include, but will not be limited to, the cost of financing, the expected rate of return to equity investors, risk transferred to the private party consideration received by the State or University for property contributed, reserve or profit-sharing arrangements as well as sharing arrangements for any future operations or refinancings. The cost of the financing component of a P3 will be compared to the cost of issuing State or university bonds to fund the desired project in order to determine the most advantageous financing alternative given the risk-transfer aspects of the proposed P3 agreement.

#### *Debt Issued with a Forward Delivery Date:*

Bonds may be issued that have a delivery date significantly later than that which is usual and customary. These bonds typically carry an interest rate penalty associated with the delay in delivery. There are also additional risks that delivery will not occur. Bonds with a forward delivery date may be issued if the advantages to the State outweigh the interest-rate penalty which may be incurred.

## **IV. METHOD OF SALE AND USE OF PROFESSIONALS**

### **Method of Sale**

The State should sell all debt through competitive sale unless there are legitimate business reasons for negotiating the sale of bonds. In making the decision to sell through negotiated sale, the State should consider the following factors:

- a) Market conditions which require the flexible pricing or the precise timing of the sale of the bonds to a degree which would not be expected through a competitive sale;
- b) Credit quality of the State, the agency for which the bonds are being issued, or any source of revenue pledged to the bonds which require more extensive or aggressive marketing of the bonds than would be expected through a competitive sale;



- c) Bond issue size, if sold at competitive sale, would require the formation of larger than usual underwriting syndicates resulting in the expectation of fewer bids than would be necessary for sufficient price competition;
- d) New entity or a new program which would require more extensive or aggressive marketing of the bonds than would be likely through a competitive sale;
- e) Innovative or unusual structure or security which would require the underwriting of the bonds in a manner not likely to be available in a competitive sale; and
- f) Changes or anticipated changes in laws or regulations adversely affect the demand for municipal bonds.
- g) Whether credit market conditions are conducive to the investors' commitment of capital to purchase bonds competitively.
- h) Whether volatile market conditions necessitate access to credit be done more efficiently through negotiation.

In the event a negotiated sale is determined to be in the best interests of the State, the Division of Bond Finance shall select, through a competitive solicitation, an underwriter or underwriting syndicate. The Division will establish syndicate protocols that foster competition among the syndicate members and ensure that all members of the syndicate have an opportunity to receive a fair and proper allocation of bonds based upon their ability to sell the bonds.

In executing a negotiated sale, the State should retain the services of a municipal advisor who shall, at a minimum, review and advise the Division as to the reasonableness of the timing of the sale, the gross underwriting spread and the price of the bonds. Immediately subsequent to the sale of the bonds, the municipal advisor shall provide a written opinion concerning the fairness or reasonableness of the timing of the sale, the gross underwriting spread, and the price of the bonds.

Bonds may also be sold through a private or limited placement, but only if it is determined that a public offering, through either a competitive or negotiated sale, is not likely to result in the most favorable interest rate on bonds and is therefore not in the best interests of the State.

### **Selection of Financing Professionals**

Outside professionals may be used to the extent necessary to implement a financing. All financing professionals should be selected through an independent evaluation of proposals submitted in response to a request for proposals. To ensure the transparency and integrity of the selection process, the following should be observed:

- a) During the selection process, Governing Board members and employees should avoid business solicitation communications with potential service providers. A Governing Board member who receives a prohibited business solicitation communication shall place on the record at the next

available Governing Board meeting all written communications received, all written responses to such communications, and a memorandum stating the substance of all oral communications received and all oral responses made and shall advise the service provider of the record to be made.

- b) All proposals should be evaluated by a selection committee;
- c) The selection committee should be comprised of State employees from at least two separate State agencies;
- d) Each proposal should be evaluated independently by each selection committee member with no communication among grading committee members regarding the merits of the proposals; and,
- e) In connection with the request for proposals for underwriters, all financial institutions, including foreign financial institutions, shall certify that they have policies and procedures to ensure that they are not conducting, facilitating, or engaging in any investment activities prohibited by section 215.473, Florida Statutes.

In connection with the request for proposals, service providers shall be in compliance with Rule G-37 of the Municipal Securities Rulemaking Board and certify that they have not made a contribution in excess of \$250 (excluding gifts to political committees not designated for receipt by a candidate for Governor or a Cabinet position) to or participated in the management of fundraising for or on behalf of any candidate for Governor or for a Cabinet position in Florida in the previous two calendar years.

## **VI. POST-ISSUANCE POLICIES**

### **Investment of Bond Proceeds**

Construction Funds: All construction funds received from the sale of bonds will be invested in accordance with the bond documents, which typically requires investment with the State Treasurer and consistent with the Treasurer's practices on investing. In some cases, construction funds may be invested outside of the State Treasurer at the discretion of the Director of the Division of Bond Finance, while still complying with the permitted investments provided for in the bond documents.

Sinking and Escrow Funds: All funds held for the payment of debt service should be invested by the State Board of Administration in accordance with the bond documents and consistent with the State Board of Administration's practices on investing, unless otherwise required by law.

### **Continuing and Voluntary Disclosure**

The State is committed to providing investors with complete, accurate, and timely disclosure of financial information and other developments relating to the State.

- a) The Division of Bond Finance will assist all agencies of the State for which it issues bonds in complying with continuing disclosure requirements according to SEC Rule 15c2-12, and any voluntary disclosure necessary to provide timely information on events of significance to bondholders, investors, and rating agencies; and,
- b) The Division of Bond Finance website will serve as the official investor website for the State and related credits. The Division will make available information relevant to investors on its website, including interim financial information and disclosure of significant events and/or policy changes that could impact the State's financial position. The Division will also make this information available on the Electronic Municipal Market Access (EMMA).
- c) See also DBF Disclosure Policy.

### **Arbitrage Compliance**

The Division of Bond Finance is statutorily (s. 215.655, Fla. Stat.) responsible for ensuring all tax-exempt bonds it issues remain in compliance with the federal arbitrage regulations. In carrying out these responsibilities, the Division will monitor and analyze the investment and use of bond proceeds and calculate arbitrage rebate liabilities. Arbitrage rebate liabilities should be calculated annually, and funded annually when appropriate, and the Division will work with agencies to ensure that liability payments are made to the Federal government on a timely basis. (See also DBF Arbitrage and Tax Compliance Policy)



**J. BEN WATKINS III**  
DIRECTOR

## STATE OF FLORIDA DIVISION OF BOND FINANCE

**RON DeSANTIS**  
GOVERNOR


**ASHLEY MOODY**  
ATTORNEY GENERAL

**JIMMY PATRONIS**  
CHIEF FINANCIAL OFFICER

**WILTON SIMPSON**  
COMMISSIONER OF AGRICULTURE

### MEMORANDUM

**TO:** Governor and Cabinet, as the Governing Board of the Division of Bond Finance

**FROM:** J. Ben Watkins III 

**DATE:** December 17, 2024

**SUBJECT:** Governing Board Meeting, December 17, 2024

Request for approval of, and authority to file, Notices of Proposed Rule to repeal the Division of Bond Finance's rules in Chapter 19A-1 F.A.C., Local Municipal Bond Reporting Procedures; Chapter 19A-3, F.A.C., Sale and Award of Bonds and Housing Bonds; Chapter 19A-4 F.A.C., Private Activity Bond Limit Allocation; Chapter 19A-6 F.A.C., Selection of Service Providers and Underwriters; and Chapter 19A-7 F.A.C., Arbitrage Rebate Compliance Program; and request for approval of, and authority to file, a Notice of Proposed Rule to adopt Rule 19A-1.009 F.A.C., Local Government Bond Information Reporting, and to file these Rules along with the incorporated forms for adoption if a rule hearing is not timely requested, or if a hearing is requested and no Notice of Change is needed.

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### BACKGROUND AND SUMMARY OF PROPOSED RULE REPEALS

During the 2024 Regular Session, Senate Bill 7054 was passed by the Legislature (Chapter 2024-220, Laws of Florida) and repeals the Division of Bond Finance's rulemaking authority for its private activity bond limit allocation rules (Chapter 19A-4 F.A.C., Private Activity Bond Limit Allocation) effective January 1, 2025. As such, the Division proposes to repeal Rules 19A-4.001 through 19A-4.011, F.A.C.

Additionally, in connection with the proposed repeal of these rules, the Division reviewed its other rules and has identified a number of its rules, including its rules for reporting procedures for local governments issuing general obligation and revenue bonds (Chapter 19A-1 F.A.C., Local Municipal Bond Reporting Procedures), the sale and award of bonds (Chapter 19A-3 F.A.C., Sale and Award of Bonds and Housing Bonds), the selection of professionals on its transactions (Chapter 19A-6 F.A.C., Selection of Service Providers and Underwriters), and arbitrage (Chapter 19A-7 F.A.C., Arbitrage Rebate Compliance Program) that include provisions that are out-of-date and no longer necessary, duplicative of statutes, or better addressed in the State Debt Management Policy. The State Debt Management Policy, which is adopted by the Governor and Cabinet, sets forth parameters and provides guidance regarding State debt to facilitate the Division's management, control, and oversight of the State's debt function. The

Division is also requesting that the Governor and Cabinet adopt an amended State Debt Management Policy at the December meeting to incorporate some of the provisions currently provided for in rule concurrent with the repeal of such rules.

#### **BACKGROUND AND SUMMARY OF PROPOSED RULE AND INCORPORATED FORM:**

The Division's proposed repeal of Rules 19A-1.003, 19A-1.0051, and 19A-1.006 F.A.C., will have the effect of repealing the existing forms for the reporting of information to the Division by units of local government issuing general obligation and revenue bonds; however, because the Division is required to collect information from units of local government on their bond issuances and serves as a clearinghouse for such information, pursuant to Section 218.37, F.S., the Division proposes to adopt Rule 19A-1.009, F.A.C., which will adopt and incorporate by reference a prescribed form, Form No. DBF 2024-1.009, "Local Government Bond Information Form," for the information required to be furnished to the Division on bonds issued by units of local government pursuant to Section 218.38(1), F.S. This new form will consolidate the existing forms, which will be repealed concurrently, and eliminate reporting requirements for information that is no longer needed. The Division is also developing a system so that the required information can be submitted electronically.

**EXTERNAL INTEREST:** The Notice of Rule Development for Rule 19A-1.009, F.A.C., was published in the *Florida Administrative Register* on August 7, 2024, Vol. 50, No. 154. Following publication, no interested parties requested a Rule Development Workshop.

**ACTION REQUESTED:** It is requested that the Governing Board approve the proposed repeal of the Division's rules in Chapters 19A-1 F.A.C., 19A-3, 19A-4, 19A-6, and 19A-7 F.A.C., and the proposed adoption of Rule 19A-1.009, F.A.C., all as identified in the attached Notices of Proposed Rule and to approve filing for adoption with the Department of State if no member of the public timely requests a rule hearing or if a rule hearing is requested but no Notice of Change is necessary.

#### **ATTACHMENTS TO BE INCLUDED:**

1. **Notice of Proposed Rule**, Rules 19A-1.001, 19A-1.002, 19A-1.003, 19A-1.0041, 19A-1.0051, 19A-1.006, 19A-1.007, and 19A-1.008, F.A.C.
  - **Rule 19A-1.001, F.A.C., Purpose**
  - **Rule 19A-1.002, F.A.C., Definitions**
  - **Rule 19A-1.003, F.A.C., Reporting Requirements – Outstanding General Obligation or Revenue Bonds**
  - **Rule 19A-1.0041, F.A.C., Notice of Sale**
  - **Rule 19A-1.0051, F.A.C., Disclosure – Competitive Sale;**
  - **Rule 19A-1.006, F.A.C., Disclosure – Negotiated Sale;**
  - **Rule 19A-1.007, F.A.C., Verification Procedures**
  - **Rule 19A-1.008, F.A.C., Failure to Comply**
2. **Notice of Proposed Rule**, Rules 19A-3.001, 19A-3.002, and 19A-3.003, F.A.C.
  - **Rule 19A-3.001, F.A.C., Purpose**
  - **Rule 19A-3.002, F.A.C., Definitions**
  - **Rule 19A-3.003, F.A.C., Sale and Award of Bonds**

3. **Notice of Proposed Rule**, Rules 19A-4.001, 19A-4.002, 19A-4.005, 19A-4.006, 19A-4.007, 19A-4.008, 19A-4.009, 19A-4.010, and 19A-4.011, F.A.C.
  - **Rule 19A-4.001, F.A.C., Purpose**
  - **Rule 19A-4.002, F.A.C., Definitions**
  - **Rule 19A-4.005, F.A.C., Notice of Intent to Issue Bonds and Request for Written Confirmation**
  - **Rule 19A-4.006, F.A.C., Incomplete or Incorrect Applications**
  - **Rule 19A-4.007, F.A.C., Tolling of Time Limitation**
  - **Rule 19A-4.008, F.A.C., Final Confirmation of Allocation**
  - **Rule 19A-4.009, F.A.C., Reduction of Amount Requested**
  - **Rule 19A-4.010, F.A.C., Fees**
  - **Rule 19A-4.011, F.A.C., Carryforwards**
4. **Notice of Proposed Rule**, Rules 19A-6.001, 19A-6.002, 19A-6.003, 19A-6.004, 19A-6.005, 19A-6.006, and 19A-6.007, F.A.C.
  - **Rule 19A-6.001, F.A.C., Division Intent and Declaration of Policy; Purpose**
  - **Rule 19A-6.002, F.A.C., Definitions**
  - **Rule 19A-6.003, F.A.C., Prohibited Communications; Prohibited Ownership; Prohibited Disclosure or Use of Information**
  - **Rule 19A-6.004, F.A.C., Prohibited Activities of Service Providers and Underwriters**
  - **Rule 19A-6.005, F.A.C., Service Providers and Underwriters; Formal Selection Process**
  - **Rule 19A-6.006, F.A.C., Declaratory Statements**
  - **Rule 19A-6.007, F.A.C., Validity of Bonds, Master Equipment Financing Agreements, and Certificates of Participation**
5. **Notice of Proposed Rule**, Rules 19A-7.001, 19A-7.002, 19A-7.003, 19A-7.004, 19A-7.005, 19A-7.006, and 19A-7.007, F.A.C.
  - **Rule 19A-7.001, F.A.C., Purpose**
  - **Rule 19A-7.002, F.A.C., Definitions**
  - **Rule 19A-7.003, F.A.C., Additional Information or Records**
  - **Rule 19A-7.004, F.A.C., Failure to Comply**
  - **Rule 19A-7.005, F.A.C., Rebate Liability**
  - **Rule 19A-7.006, F.A.C., Arbitrage Compliance Fee**
  - **Rule 19A-7.007, F.A.C., Reliance on Outside Calculations**
6. **Notice of Proposed Rule**, Rule 19A-1.009, F.A.C.
  - **Rule 19A-1.009, F.A.C., Local Government Bond Information Reporting**
  - **Incorporated Form: Form No. DBF 2024-1.009, “Local Government Bond Information Form”**

The attached Notices of Proposed Rule shows the proposed amendments with new language underscored and deleted language ~~stricken through~~.

## Notice of Proposed Rule

### STATE BOARD OF ADMINISTRATION

#### Division of Bond Finance

#### RULE NOS.:RULE TITLES:

- 19A-1.001 Purpose
- 19A-1.002 Definitions
- 19A-1.003 Reporting Requirements – Outstanding General Obligation or Revenue Bonds
- 19A-1.0041 Notice of Sale
- 19A-1.0051 Disclosure – Competitive Sale
- 19A-1.006 Disclosure – Negotiated Sale
- 19A-1.007 Verification Procedures
- 19A-1.008 Failure to Comply

**PURPOSE AND EFFECT:** The proposed rulemaking will repeal Rules 19A-1.001 through 19A-1.008, which are outdated and no longer necessary. There will be no adverse effect on the public.

**SUMMARY:** The proposed rulemaking will repeal the Division of Bond Finance's rules for the sale and award of bonds. The rules are being repealed because they are duplicative and are no longer necessary. The information required to be submitted to the Division of Bond Finance in the Bond Information Form, Bond Disclosure Form – Competitive Sale, and Bond Disclosure Form – Negotiated Sale, contained in Rules 19A-1.003, 1.0051, and 1.006 will be replaced by a new form that revises the reporting requirements and eliminates the reporting of information that is no longer needed; the new form will be adopted and incorporated by reference in Rule 19A-1.009, Local Government Bond Information Reporting, the proposed rulemaking for which is being considered concurrently.

#### SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the Agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: The Agency's economic analysis of the adverse impact or potential regulatory costs of the proposed rules do not exceed any of the criteria established in Section 120.541(2)(a), Florida Statutes. The rules are procedural and the repeal of these rules will have no economic impact; it will not add any cost to regulated businesses or the Agency. Therefore, the proposed repeal will not require ratification. There are no applicable federal standards that relate to these rules.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

**RULEMAKING AUTHORITY:** 215.62(5) FS

**LAW IMPLEMENTED:** 215.68(5) FS

**IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FLORIDA ADMINISTRATIVE REGISTER.**

**THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS:** Whitney Fason, 1801 Hermitage Boulevard, Suite 200, Tallahassee, FL 32308, (850) 488-4782, [bond@sbafla.com](mailto:bond@sbafla.com).

**THE FULL TEXT OF THE PROPOSED RULE IS:**

The following rules are hereby repealed:

#### **19A-1.001 Purpose.**

*Rulemaking Authority 218.37(2) FS. Law Implemented 218.37, 218.38 FS. History–New 8-10-80, Amended 3-3-83,*

*Formerly 13K-1.01, 13K-1.001, Repealed XX-XX-24.*

**19A-1.002 Definitions.**

*Rulemaking Authority 218.37(2) FS. Law Implemented 218.37, 218.38 FS. History–New 8-10-80, Amended 3-3-83, Formerly 13K-1.02, 13K-1.002, Repealed XX-XX-24.*

**19A-1.003 Reporting Requirements – Outstanding General Obligation or Revenue Bonds.**

*Rulemaking Authority 218.37(2) FS. Law Implemented 218.38(1)(a) FS. History–New 8-10-80, Amended 3-3-83, Formerly 13K-1.03, 13K-1.003, Repealed XX-XX-24.*

**19A-1.0041 Notice of Sale.**

*Rulemaking Authority 218.37(2) FS. Law Implemented 218.38(1)(a) FS. History–New 3-3-83, Formerly 13K-1.041, 13K-1.0041, Repealed XX-XX-24.*

**19A-1.0051 Disclosure – Competitive Sale.**

*Rulemaking Authority 218.37(2) FS. Law Implemented 218.38(1)(b)1., (1)(b)3. FS. History–New 3-3-83, Formerly 13K-1.051, 13K-1.0051, Repealed XX-XX-24.*

**19A-1.006 Disclosure – Negotiated Sale.**

*Rulemaking Authority 218.37(2) FS. Law Implemented 218.38(1)(c)1., (1)(c)3. FS. History–New 3-3-83, Formerly 13K-1.06, 13K-1.006, Repealed XX-XX-24.*

**19A-1.007 Verification Procedures.**

*Rulemaking Authority 218.37(2) FS. Law Implemented 218.38(2) FS. History–New 8-10-80, Formerly 13K-1.04, Amended 3-3-83, Formerly 13K-1.07, 13K-1.007, Repealed XX-XX-24.*

**19A-1.008 Failure to Comply.**

*Rulemaking Authority 218.37(2) FS. Law Implemented 218.38(3) FS. History–New 8-10-80, Formerly 13K-1.05, Amended 3-3-83, Formerly 13K-1.08, 13K-1.008, Repealed XX-XX-24.*

NAME OF PERSON ORIGINATING PROPOSED RULE: Whitney Fason, Senior Attorney, Division of Bond Finance of the State Board of Administration of Florida

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: The Governing Board of the Division of Bond Finance of the State Board of Administration of Florida

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: December 17, 2024



## Notice of Proposed Rule

### STATE BOARD OF ADMINISTRATION

Division of Bond Finance

#### RULE NOS.:RULE TITLES:

19A-3.001 Purpose

19A-3.002 Definitions

19A-3.003 Sale and Award of Bonds

**PURPOSE AND EFFECT:** The proposed rulemaking will repeal Rules 19A-3.001 through 19A-3.003, which are outdated and no longer necessary. There will be no adverse effect on the public.

**SUMMARY:** The proposed rulemaking will repeal the Division of Bond Finance's rules for the sale and award of bonds which are more appropriately addressed in the State Debt Management Policy, which is adopted by the Governor and Cabinet, as the Governing Board of the Division of Bond Finance, and sets forth parameters and provides guidance for the Division of Bond Finance's management, control, and oversight of the State's debt function.

#### SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the Agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: The Agency's economic analysis of the adverse impact or potential regulatory costs of the proposed rules do not exceed any of the criteria established in Section 120.541(2)(a), Florida Statutes. The rules are procedural and the repeal of these rules will have no economic impact; it will not add any cost to regulated businesses or the Agency. Therefore, the proposed repeal will not require ratification. There are no applicable federal standards that relate to these rules.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

**RULEMAKING AUTHORITY:** 215.62(5) FS

**LAW IMPLEMENTED:** 215.68(5) FS

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FLORIDA ADMINISTRATIVE REGISTER.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Whitney Fason, Senior Attorney, 1801 Hermitage Boulevard, Suite 200, Tallahassee, FL 32308, (850) 488-4782, [bond@sbafla.com](mailto:bond@sbafla.com).

THE FULL TEXT OF THE PROPOSED RULE IS:

The following rules are hereby repealed:

#### **19A-3.001 Purpose.**

*Rulemaking Authority 215.62(5) FS. Law Implemented 215.68(5), 420.509 FS. History—New 3-27-84, Formerly 13K-3.01, Amended 10-8-90, Formerly 13K-3.001, Repealed XX-XX-24.*

#### **19A-3.002 Definitions.**

*Rulemaking Authority 215.62(5) FS. Law Implemented 215.68(5), 420.509 FS. History—New 3-27-84, Formerly 13K-3.02, Amended 10-8-90, 12-3-91, Formerly 13K-3.002, Repealed XX-XX-24.*

#### **19A-3.003 Sale and Award of Bonds.**

*Rulemaking Authority 215.62(5) FS. Law Implemented 215.68(5)(b), (c) FS. History—New 3-27-84, Formerly 13K-3.03, Amended 10-8-90, 12-3-91, Formerly 13K-3.003, Repealed XX-XX-24.*

NAME OF PERSON ORIGINATING PROPOSED RULE: Whitney Fason, Senior Attorney, Division of Bond Finance of the State Board of Administration of Florida

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: The Governing Board of the Division of Bond Finance of the State Board of Administration of Florida

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: December 17, 2024

## Notice of Proposed Rule

### STATE BOARD OF ADMINISTRATION

Division of Bond Finance

#### RULE NOS.:RULE TITLES:

- 19A-4.001 Purpose
- 19A-4.002 Definitions
- 19A-4.005 Notice of Intent to Issue Bonds and Request for Written Confirmation
- 19A-4.006 Incomplete or Incorrect Applications
- 19A-4.007 Tolling of Time Limitation
- 19A-4.008 Final Confirmation of Allocation
- 19A-4.009 Reduction of Amount Requested
- 19A-4.010 Fees
- 19A-4.011 Carryforwards

**PURPOSE AND EFFECT:** The proposed rulemaking will repeal Rules 19A-4.001 through 19A-4.011, to comply with SB 7054 which was passed by the 2024 Legislature, as codified in s. 28, ch. 2024-220, Laws of Florida. There will be no adverse effect on the public.

**SUMMARY:** The proposed rulemaking will repeal the Division of Bond Finance's private activity bond limit allocation rules, which are no longer necessary. The rules are being repealed because the statutory authority for these rules is scheduled to repeal, effective January 1, 2025.

#### SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the Agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: The Agency's economic analysis of the adverse impact or potential regulatory costs of the proposed rules do not exceed any of the criteria established in Section 120.541(2)(a), Florida Statutes. The rules are procedural and the repeal of these rules will have no economic impact; it will not add any cost to regulated businesses or the Agency. Therefore, the proposed repeal will not require ratification. There are no applicable federal standards that relate to these rules.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

**RULEMAKING AUTHORITY:** 159.815 FS

**LAW IMPLEMENTED:** Part VI, Chapter 159 FS

**IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FLORIDA ADMINISTRATIVE REGISTER.**

**THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS:** Whitney Fason, Senior Attorney, 1801 Hermitage Boulevard, Suite 200, Tallahassee, FL 32308, (850) 488-4782, [bond@sbafla.com](mailto:bond@sbafla.com).

**THE FULL TEXT OF THE PROPOSED RULE IS:**

The following rules are hereby repealed:

#### **19A-4.001 Purpose.**

*Rulemaking Authority 159.815 FS. Law Implemented Part VI, Chapter 159 FS. History—New 1-1-86, Formerly 13K-4.001, Repealed XX-XX-24.*

**19A-4.002 Definitions.**

*Rulemaking Authority 159.815 FS. Law Implemented Part VI, Chapter 159 FS. History—New 1-1-86, Amended 1-7-88, Formerly 13K-4.002, Repealed XX-XX-24.*

**19A-4.005 Notice of Intent to Issue Bonds and Request for Written Confirmation.**

*Rulemaking Authority 159.815 FS. Law Implemented 159.805(1), 159.814 FS. History—New 1-1-86, Amended 1-7-88, Formerly 13K-4.005, Repealed XX-XX-24.*

**19A-4.006 Incomplete or Incorrect Applications.**

*Rulemaking Authority 159.815 FS. Law Implemented 159.805(1) FS. History—New 1-1-86, Formerly 13K-4.006, Repealed XX-XX-24.*

**19A-4.007 Tolling of Time Limitation.**

*Rulemaking Authority 159.815 FS. Law Implemented 159.805(2), (4) FS. History—New 1-1-86, Amended 1-7-88, Formerly 13K-4.007, Repealed XX-XX-24.*

**19A-4.008 Final Confirmation of Allocation.**

*Rulemaking Authority 159.815 FS. Law Implemented 159.805(2), (5) FS. History—New 1-1-86, Formerly 13K-4.008, Repealed XX-XX-24.*

**19A-4.009 Reduction of Amount Requested.**

*Rulemaking Authority 159.815 FS. Law Implemented 159.805(6) FS. History—New 1-1-86, Amended 1-7-88, Formerly 13K-4.009, Repealed XX-XX-24.*

**19A-4.010 Fees.**

*Rulemaking Authority 159.815 FS. Law Implemented 159.811(1) FS. History—New 12-15-85, Formerly 13K-4.010, Repealed XX-XX-24.*

**19A-4.011 Carryforwards.**

*Rulemaking Authority 159.815 FS. Law Implemented 159.81 FS. History—New 1-1-86, Amended 1-7-88, Formerly 13K-4.011, Repealed XX-XX-24.*

NAME OF PERSON ORIGINATING PROPOSED RULE: Whitney Fason, Senior Attorney, Division of Bond Finance of the State Board of Administration of Florida

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: The Governing Board of the Division of Bond Finance of the State Board of Administration of Florida

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: December 17, 2024

## Notice of Proposed Rule

### STATE BOARD OF ADMINISTRATION

#### Division of Bond Finance

#### RULE NOS.:RULE TITLES:

- 19A-6.001 Division Intent and Declaration of Policy; Purpose
- 19A-6.002 Definitions
- 19A-6.003 Prohibited Communications; Prohibited Ownership; Prohibited Disclosure or Use of Information
- 19A-6.004 Prohibited Activities of Service Providers and Underwriters
- 19A-6.005 Service Providers and Underwriters; Formal Selection Process
- 19A-6.006 Declaratory Statements
- 19A-6.007 Validity of Bonds, Master Equipment Financing Agreements, and Certificates of Participation

**PURPOSE AND EFFECT:** The proposed rulemaking will repeal Rules 19A-6.001 through 19A-6.007, which are outdated and no longer necessary. There will be no adverse effect on the public.

**SUMMARY:** The proposed rulemaking will repeal the Division of Bond Finance's rules for the selection of service providers and underwriters, which are more appropriately addressed in the State Debt Management Policy, which is adopted by the Governor and Cabinet, as the Governing Board of the Division of Bond Finance, and sets forth parameters and provides guidance for the Division of Bond Finance's management, control, and oversight of the State's debt function.

**SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:** The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the Agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: The Agency's economic analysis of the adverse impact or potential regulatory costs of the proposed rules do not exceed any of the criteria established in Section 120.541(2)(a), Florida Statutes. The rules are procedural and the repeal of these rules will have no economic impact; it will not add any cost to regulated businesses or the Agency. Therefore, the proposed repeal will not require ratification. There are no applicable federal standards that relate to these rules.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

**RULEMAKING AUTHORITY:** 215.62(5), 287.064(8) FS

**LAW IMPLEMENTED:** 112.313(8), 215.62(5), 215.64(5), 215.68(5), 287.064 FS.

**IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FLORIDA ADMINISTRATIVE REGISTER.**

**THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS:** Whitney Fason, Senior Attorney, 1801 Hermitage Boulevard, Suite 200, Tallahassee, FL 32308, (850) 488-4782, [bond@sbafla.com](mailto:bond@sbafla.com).

**THE FULL TEXT OF THE PROPOSED RULE IS:**

The following rules are hereby repealed:

**19A-6.001 Division Intent and Declaration of Policy; Purpose.**

*Rulemaking Authority 215.62(5), 287.064(8) FS. Law Implemented 215.64(5), 215.68(5), 287.064 FS. History—New 12-3-91, Formerly 13K-6.001, Amended 5-25-95 Repealed XX-XX-24.*

**19A-6.002 Definitions.**

*Rulemaking Authority 215.62(5), 287.064(8) FS. Law Implemented 112.313(8), 215.62(5), 215.64(5), 215.68(5), 287.064 FS. History—New 12-3-91, Formerly 13K-6.002, Amended 2-17-94, 3-24-94, 5-25-95 Repealed XX-XX-24.*

**19A-6.003 Prohibited Communications; Prohibited Ownership; Prohibited Disclosure or Use of Information.**

*Rulemaking Authority 215.62(5), 287.064(8) FS. Law Implemented 112.313(8), 215.62(5), 215.64(5), 215.68(5), 287.064 FS. History—New 12-3-91, Formerly 13K-6.003, Amended 5-25-95 Repealed XX-XX-24.*

**19A-6.004 Prohibited Activities of Service Providers and Underwriters.**

*Rulemaking Authority 215.62(5) FS. Law Implemented 215.64(5), 215.68(5) FS. History—New 12-3-91, Formerly 13K-6.004 Repealed XX-XX-24.*

**19A-6.005 Service Providers and Underwriters; Formal Selection Process.**

*Rulemaking Authority 215.62(5) FS. Law Implemented 215.64(5), 215.68(5) FS. History—New 12-3-91, Formerly 13K-6.005 Repealed XX-XX-24.*

**19A-6.006 Declaratory Statements.**

*Rulemaking Authority 215.62 FS. Law Implemented 215.64(5), 215.68(5) FS. History—New 12-3-91, Formerly 13K-6.006 Repealed XX-XX-24.*

**19A-6.007 Validity of Bonds, Master Equipment Financing Agreements, and Certificates of Participation.**

*Rulemaking Authority 215.62(5), 287.064(8) FS. Law Implemented 215.64(5), 215.68(5), 287.064 FS. History—New 12-3-91, Formerly 13K-6.007, Amended 5-25-95 Repealed XX-XX-24.*

NAME OF PERSON ORIGINATING PROPOSED RULE: Whitney Fason, Senior Attorney, Division of Bond Finance of the State Board of Administration of Florida

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: The Governing Board of the Division of Bond Finance of the State Board of Administration of Florida

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: December 17, 2024

## Notice of Proposed Rule

### STATE BOARD OF ADMINISTRATION

#### Division of Bond Finance

#### RULE NOS.:RULE TITLES:

- 19A-7.001 Purpose
- 19A-7.002 Definitions
- 19A-7.003 Additional Information or Records
- 19A-7.004 Failure to Comply
- 19A-7.005 Rebate Liability
- 19A-7.006 Arbitrage Compliance Fee
- 19A-7.007 Reliance on Outside Calculations

**PURPOSE AND EFFECT:** The proposed rulemaking will repeal Rules 19A-7.001 through 19A-7.007, which are outdated and no longer necessary. There will be no adverse effect on the public.

**SUMMARY:** The proposed rulemaking will repeal the Division of Bond Finance's rules for the administration of its arbitrage rebate compliance program, which are outdated and no longer necessary.

**SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:**  
The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the Agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: The Agency's economic analysis of the adverse impact or potential regulatory costs of the proposed rules do not exceed any of the criteria established in Section 120.541(2)(a), Florida Statutes. The rules are procedural and the repeal of these rules will have no economic impact; it will not add any cost to regulated businesses or the Agency. Therefore, the proposed repeal will not require ratification. There are no applicable federal standards that relate to these rules.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

**RULEMAKING AUTHORITY:** 215.64(11), 215.835 FS

**LAW IMPLEMENTED:** 215.64(11), 215.64(12), 215.655 FS

**IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FLORIDA ADMINISTRATIVE REGISTER.**

**THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS:** Whitney Fason, Senior Attorney, 1801 Hermitage Boulevard, Suite 200, Tallahassee, FL 32308, (850) 488-4782, [bond@sbafla.com](mailto:bond@sbafla.com).

**THE FULL TEXT OF THE PROPOSED RULE IS:**

The following rules are hereby repealed:

**19A-7.001 Purpose.**

*Rulemaking Authority 215.64(11), 215.835 FS. Law Implemented 215.64(11), 215.655 FS. History—New 12-10-91, Formerly 13K-7.001, Repealed XX-XX-XX.*

**19A-7.002 Definitions.**

*Rulemaking Authority 215.64(11), 215.835 FS. Law Implemented 215.64(11), 215.655 FS. History—New 12-10-91, Formerly 13K-7.002, Repealed XX-XX-XX.*

**19A-7.003 Additional Information or Records.**

*Rulemaking Authority 215.64(11), 215.835 FS. Law Implemented 215.64(11), 215.64(12), 215.655 FS. History—New 12-10-91, Formerly 13K-7.003, Repealed XX-XX-XX.*

**19A-7.004 Failure to Comply.**

*Rulemaking Authority 215.64(11), 215.835 FS. Law Implemented 215.64(11), 215.655 FS. History—New 12-10-91, Formerly 13K-7.004, Repealed XX-XX-XX.*

**19A-7.005 Rebate Liability.**

*Rulemaking Authority 215.64(11), 215.835 FS. Law Implemented 215.64(11), 215.655 FS. History—New 12-10-91, Formerly 13K-7.005, Repealed XX-XX-XX.*

**19A-7.006 Arbitrage Compliance Fee.**

*Rulemaking Authority 215.64(11), 215.835 FS. Law Implemented 215.64(11), 215.655 FS. History—New 12-10-91, Formerly 13K-7.006, Repealed XX-XX-XX.*

**19A-7.007 Reliance on Outside Calculations.**

*Rulemaking Authority 215.64(11), 215.835 FS. Law Implemented 215.64(11), 215.655 FS. History—New 12-10-91, Formerly 13K-7.007, Repealed XX-XX-XX.*

NAME OF PERSON ORIGINATING PROPOSED RULE: Whitney Fason, Senior Attorney, Division of Bond Finance of the State Board of Administration of Florida

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: The Governing Board of the Division of Bond Finance of the State Board of Administration of Florida

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: December 17, 2024



Notice of Proposed Rule

**STATE BOARD OF ADMINISTRATION**

Division of Bond Finance

RULE NO.: RULE TITLE:

19A-1.009: Local Government Bond Information Reporting

**PURPOSE AND EFFECT:** The proposed rulemaking modifies the information required to be reported by units of local government issuing general obligation bonds and revenue bonds the state to the Division of Bond Finance to remove duplicative language and reporting of information that is no longer needed. The proposed rule will adopt a new form to replace the Bond Information Form, Bond Disclosure Form – Competitive Sale, and Bond Disclosure Form – Negotiated Sale, contained in Rules 19A-1.003, 1.0051, and 1.006 (those standalone rules will be repealed) and incorporate the new form by reference.

**SUMMARY:** The proposed rulemaking will revise the information that units of local government are required to report to the Division of Bond Finance to align with Section 218.38(1), Florida Statutes, and eliminate the reporting of information that is no longer needed. A new form will be adopted and incorporated by reference to remove duplicative language and replace Rules 19A-1.003, 1.0051, and 1.006, which will be repealed.

**SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:** The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the Agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: The Agency's economic analysis of the adverse impact or potential regulatory costs of the proposed rules do not exceed any of the criteria established in Section 120.541(2)(a), Florida Statutes. The rules are procedural and the repeal of these rules will have no economic impact; it will not add any cost to regulated businesses or the Agency. Therefore, the proposed repeal will not require ratification. There are no applicable federal standards that relate to these rules.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

**RULEMAKING AUTHORITY:** 218.37(2) FS

**LAW IMPLEMENTED:** 218.38(1) FS

IF REQUESTED IN WRITING WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FLORIDA ADMINISTRATIVE REGISTER.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Whitney Fason, Senior Attorney, 1801 Hermitage Boulevard, Suite 200, Tallahassee, FL 32308, (850) 488-4782, [bond@sbafla.com](mailto:bond@sbafla.com).

THE FULL TEXT OF THE PROPOSED RULE IS:

**19A-1.009 Local Government Bond Information Reporting.**

Each unit of local government shall furnish the information required in Section 218.38(1), F.S., to the Division of Bond Finance using Form No. DBF 2024-1.009, "Local Government Bond Information Form," effective XX/24, which is available at <http://www.flrules.org/Gateway/reference.asp?No=Ref-XXXXX>, and which is hereby adopted and incorporated by reference into this rule.

*Rulemaking Authority 218.37(2) FS. Law Implemented 218.38(1)(a), (1)(b)1., (1)(c)1. FS. History–New XX-XX-24.*

NAME OF PERSON ORIGINATING PROPOSED RULE: Whitney Fason, Senior Attorney, Division of Bond Finance of the State Board of Administration of Florida

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: The Governing Board of the Division of Bond Finance of the State Board of Administration of Florida

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: December 17, 2024

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAR: August 7, 2024

**A RESOLUTION (THE TENTH SUPPLEMENTAL RESOLUTION) OF THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA AMENDING THE SEVENTH SUPPLEMENTAL RESOLUTION TO REVISE THE REQUIREMENT FOR THE INVESTMENT OF PROCEEDS OF THE STATE OF FLORIDA, BOARD OF GOVERNORS, UNIVERSITY OF FLORIDA DORMITORY REVENUE BONDS, SERIES 2021A; AND PROVIDING FOR AN EFFECTIVE DATE.**

BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA, AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA:

**SECTION 1.** All terms used in the Original Resolution, as restated on January 17, 2023, and the Seventh Supplemental Resolution adopted on June 24, 2021, shall apply fully to this Tenth Supplemental Resolution.

**SECTION 2.** Section 3.02(A)(3) of the Seventh Supplemental Resolution shall be deemed amended, in accordance with Section 5.02 thereof and Section 9.02 of the Restated Original Resolution, as follows with additions shown by underline:

**SECTION 3.02. APPLICATION OF 2021A BOND PROCEEDS.** (A) Upon receipt of the proceeds of the sale of the 2021A Bonds, and after reserving an amount sufficient to pay all costs and expenses incurred in connection with the preparation, issuance, and sale of the 2021A Bonds, including a reasonable charge for the Division's services, the Division shall transfer and deposit the remainder of the 2021A Bond proceeds as follows:

...

(3) After making the transfers provided for in subsections (1) and (2) above, the balance of the proceeds of the 2021A Bonds shall be transferred to and deposited into the 2021A Project Construction Fund, which is hereby created in the State Treasury. Notwithstanding the foregoing, all or a portion of the 2021A Project Construction Fund may be held outside of the State Treasury as determined by the Director.

**SECTION 3. EFFECTIVE DATE.** This Tenth Supplemental Resolution shall take effect immediately upon its adoption.

**ADOPTED on December 17, 2024.**

DIVISION OF BOND FINANCE  
OF THE  
STATE BOARD OF ADMINISTRATION  
OF FLORIDA

A RESOLUTION  
(THE TWENTY-FIRST SUPPLEMENTAL RESOLUTION)  
AUTHORIZING THE ISSUANCE AND SALE OF  
STATE OF FLORIDA, BOARD OF GOVERNORS,  
FLORIDA STATE UNIVERSITY  
DORMITORY REVENUE REFUNDING BONDS,  
SERIES (TO BE DETERMINED)

December 17, 2024

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**A RESOLUTION (THE TWENTY-FIRST SUPPLEMENTAL RESOLUTION) AUTHORIZING THE ISSUANCE AND SALE OF STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA STATE UNIVERSITY DORMITORY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED), REFUNDING ALL OR A PORTION OF CERTAIN OUTSTANDING BONDS OF THE UNIVERSITY; CANCELING THE AUTHORITY FOR UNISSUED PREVIOUSLY AUTHORIZED BONDS; AND PROVIDING FOR AN EFFECTIVE DATE.**

**BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA, AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA:**

**ARTICLE I  
DEFINITIONS, AUTHORITY; RESOLUTION TO CONSTITUTE CONTRACT**

**SECTION 1.01. DEFINITIONS.** All of the definitions contained in Article I of the Original Resolution, (as defined herein), in addition to the definitions contained herein and except to the extent inconsistent with or amended by definitions contained herein, shall apply fully to the Outstanding Bonds and the Refunding Bonds (as defined herein).

**“Assistant Secretary”** means an Assistant Secretary of the Division.

**“Board of Governors”** means the Board of Governors created by Article IX, Section 7 of the Florida Constitution, and includes any other entity succeeding to the powers thereof.

**“Bond Registrar/Paying Agent”** means U.S. Bank Trust Company, National Association, or its successor.

**“Bond Year”** means, with respect to a particular Series of Bonds issued hereunder, the annual period relevant to the application of Section 148(f) of the Code to the Series of Bonds, except that the first and last Bond Years may be less than 12 months long. The last day of a Bond Year shall be the close of business on the day preceding the anniversary of the date of issuance of the Series unless the Division selects another date on which to end a Bond Year in the manner permitted by the Code.

**“Code”** means the Internal Revenue Code of 1986, as amended, and temporary, proposed or permanent implementing regulations promulgated thereunder.

**“Director”** means the Director of the Division or any Assistant Secretary delegated authority by the Director.

**“Housing System”** means the student living facilities of the University which are hereby defined as and shall include the following:

(1) The University’s existing residence halls and apartments located in Tallahassee, Leon County, Florida on the Tallahassee campus of the University, including the following facilities: Azalea Hall, Broward Hall, Bryan Hall, Cawthon Hall, Degraff Hall, Deviney Hall, Dorman Hall, Gilchrist Hall, Jennie Murphree Hall, Landis Hall, Magnolia Hall, McCollum Hall, Ragans Hall, Reynolds Hall, Rogers Hall, Salley Hall, Traditions Hall, and Wildwood Hall; and

(2) such additional housing facilities as at some future date may be added to the Housing System.

**“Original Resolution”** means the resolution adopted on November 17, 1992, by the Governor and Cabinet as the Governing Board of the Division of Bond Finance authorizing the issuance of the Bonds, as amended and restated on July 25, 2000, as amended on October 28, 2003, and September 20, 2011, and as may be further amended from time to time.

**“Outstanding Bonds”** means the Outstanding State of Florida, Board of Governors, Florida State University Dormitory Revenue Bonds, Series 2014A, Series 2015A, Series 2021A, and Series 2023A Bonds, as well as any Additional Parity Bonds.

**“Refunded Bonds”** means all or a portion of the State of Florida, Board of Governors, Florida State University Dormitory Revenue Bonds, Series 2015A, to be refunded by the Refunding Bonds.

**“Refunding Bonds”** means the State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds, Series (to be determined) authorized by this Twenty-First Supplemental Resolution.

**“Resolution”** means the Original Resolution, as supplemented and amended through the date of this resolution.

**“Twenty-First Supplemental Resolution”** means this resolution, authorizing the issuance and competitive sale of the Refunding Bonds.

Where the context so requires, words importing singular number shall include the plural number in each case and vice versa, words importing persons shall include firms and corporations, and the masculine includes the feminine and vice versa.

**SECTION 1.02. AUTHORITY FOR THIS RESOLUTION.** This Twenty-First Supplemental Resolution is adopted pursuant to the provisions of Article VII, Section 11(d) of the Florida Constitution; Sections 215.57-215.83, Florida Statutes (the “State Bond Act”); Section 1010.62, Florida Statutes, and other applicable provisions of law; and Section 5.01 of the Original Resolution and is supplemental to said Original Resolution.

**SECTION 1.03. RESOLUTION TO CONSTITUTE CONTRACT.** In consideration of the acceptance of the Refunding Bonds by the Registered Owners, the Resolution shall be deemed to be and shall constitute a contract among the Division, the Board of Governors, the University, and such Registered Owners. The covenants and agreements to be performed by the Board of Governors and the University shall be for the equal benefit, protection, and security of the



Registered Owners of any and all of the Outstanding Bonds and the Refunding Bonds, all of which shall be of equal rank and without preference, priority, or distinction as to any of such Bonds over any other thereof, except as expressly provided therein and herein.

**ARTICLE II**  
**AUTHORIZATION, TERMS, EXECUTION,**  
**REGISTRATION, TRANSFER, ISSUANCE, FORM OF BONDS, AND**  
**AUTHORIZATION TO EXECUTE ESCROW DEPOSIT AGREEMENT**

**SECTION 2.01. AUTHORIZATION OF ISSUANCE AND SALE OF REFUNDING**

**BONDS.** (A) Subject and pursuant to the provisions of the Resolution, fully registered revenue bonds of the Board of Governors to be known as “State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds, Series (to be determined) (or such other designation as may be determined by the Director), are hereby authorized to be issued and to be sold at competitive sale in an aggregate principal amount not exceeding \$42,000,000 on a date and at the time to be determined by the Director. The Refunding Bonds shall be sold to refund the Refunded Bonds. The Refunding Bonds may be combined with, designated the same as, and sold with any other series of Florida State University Dormitory Revenue Bonds, and such bonds or any portion thereof may be taxable or tax-exempt, as determined by the Director. The maturities or portions of maturities to be refunded shall be as determined by the Director to be in the best financial interest of the State. The redemption of the Refunded Bonds on or after their first call date is hereby authorized.

(B) The Director is hereby authorized to determine the most advantageous date and time of sale and to provide notice pursuant to applicable law of such sale, at a time and in such manner as determined by the Director to be appropriate to provide adequate notice to potential bidders; provided, that if no bids are received, or if all bids received are rejected, such Refunding Bonds may again be offered for sale upon reasonable notice, the timing and manner of which shall

be determined by the Director. Bids for the purchase of the Refunding Bonds will be received at the office of the Division or at another location designated in the Notice of Bond Sale, until the time and date of sale determined by the Director.

(C) The Director is hereby authorized to publish and distribute a Notice of Bond Sale and a proposal for the sale of the Refunding Bonds. The Notice of Bond Sale shall be in such form as shall be determined by the Director and shall contain such information as is consistent with the terms of the Resolution which the Director determines is in the best financial interest of the State. Any prior publication or distribution of a Notice of Bond Sale and proposal for sale is hereby ratified.

(D) The Director is hereby authorized to prepare and distribute preliminary and final official statements in connection with the public offering of the Refunding Bonds. The Director is further authorized and directed to amend, supplement, or complete the information contained in the preliminary official statement, as may be needed, and to furnish such certification as to the completeness and finality of the preliminary official statement as is necessary to permit the successful bidder to fulfill its obligations under any applicable securities laws. The Chairman and Secretary of the Governing Board and the Director are hereby authorized to execute the final official statement in connection with the public offering of the Refunding Bonds, and the execution thereof by any of the authorized individuals shall be conclusive evidence that the Governing Board has approved the form and content of the final official statement and that the final official statement is complete as of its date.

(E) The Director is hereby authorized to cause as many copies as he determines to be necessary of the preliminary and final official statements relating to the public offering of the Refunding Bonds prepared and distributed; to contract with national rating services and providers

of municipal bond insurance and Reserve Account Credit Facilities; to retain bond counsel; to make a determination that the preliminary official statement is “deemed final” for purposes of SEC Rule 15c2-12(b)(1); to conduct information meetings; and to take such other actions as may be deemed appropriate for the dissemination of information relating to the sale of the Refunding Bonds. Any prior printing and distribution of a preliminary official statement is hereby ratified.

(F) The Secretary or any Assistant Secretary of the Governing Board is hereby authorized and empowered to award said Refunding Bonds when offered, on his determination of the best proposal, as defined in the Notice of Bond Sale, submitted in accordance with the terms of the Notice of Bond Sale provided for herein, and such award shall be final. The Director or any Assistant Secretary of the Governing Board shall report such sale to the Governing Board after award of the Refunding Bonds. The Secretary or any Assistant Secretary of the Governing Board is authorized to deliver such Refunding Bonds to the purchasers thereof upon payment of the purchase price, together with any accrued interest to the date of delivery, and to distribute the proceeds of the Refunding Bonds as provided by this Resolution and other proceedings authorizing the issuance of the Refunding Bonds.

(G) The Refunding Bonds shall be executed in the name of the Board of Governors by its Chair, or by such other authorized person. Any of the signatures required hereinabove may be a facsimile signature imprinted or reproduced on the Refunding Bonds. In case any one or more of the officers who shall have signed any of the Refunding Bonds shall cease to be such officer before the Refunding Bonds so signed and sealed shall have been actually sold and delivered, the Refunding Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Refunding Bonds had not ceased to hold office.

(H) A certificate as to the approval of the issuance of the Refunding Bonds shall be executed by the facsimile signature of the Secretary of the Governing Board, an Assistant Secretary, or as otherwise provided by law.

(I) U.S. Bank Trust Company, National Association, or its successor, is hereby designated as Bond Registrar/Paying Agent for the Refunding Bonds on the terms and conditions set forth in the Registrar, Paying Agent and Transfer Agreement by and between the Board of Administration and U.S. Bank Trust, National Association, or its successor.

(J) The Interest Payment Dates and the Principal Payment Dates for the Refunding Bonds shall be as set forth in the Notice of Bond Sale. Interest on the Refunding Bonds shall be paid by check or draft mailed on the Interest Payment Date (or, in certain cases, may be paid by wire transfer at the election of a Registered Owner, other than a securities depository, in the manner and under the terms provided for in the State's agreement with the Bond Registrar/Paying Agent, provided that such Registered Owner advances to the Bond Registrar/Paying Agent the amount, if any, necessary to pay the wire charges or authorizes the paying agent to deduct the amount of such payment) to the Registered Owner thereof as of 5:00 p.m. Eastern time on the Record Date shown on the registration books maintained by the Bond Registrar/Paying Agent for the Refunding Bonds.

(K) The Refunding Bonds shall be dated, shall mature in such years and amounts and shall bear interest commencing on such date as set forth or provided for in the Notice of Bond Sale, a copy of which, as published, shall be retained in the files of the Division with this Twenty-First Supplemental Resolution. The Refunding Bonds shall be issued in denominations of \$1,000 or any integral multiple thereof unless otherwise provided in the Notice of Bond Sale. The Refunding Bonds shall be payable at the corporate trust office of the Bond Registrar/Paying Agent.

The Refunding Bonds will bear interest at the interest rate specified by the successful bidder, calculated based on a 360-day year consisting of twelve 30-day months.

(L) The Refunding Bonds shall be subject to redemption as provided in the Notice of Bond Sale. The Notice of Bond Sale shall contain such redemption provisions as shall be determined by the Director to be in the best financial interest of the State. Upon election by the successful bidder as provided in the Notice of Bond Sale, a portion of the Refunding Bonds identified in such election may be designated as Term Bonds. Additionally, in lieu of mailing the notice of redemption, the Bond Registrar/Paying Agent may elect to provide such notice by electronic means to any Registered Owner who has consented to such method of receiving notices.

(M) The incremental increase in the Reserve Requirement, if any, attributable to the Refunding Bonds shall be funded with proceeds of the Refunding Bonds, amounts previously on deposit in a reserve account on behalf of the Refunded Bonds, a Reserve Account Credit Facility, or some combination thereof, as determined by the Director. The incremental increase, if any, in the Reserve Requirement attributable to the Refunding Bonds shall be deposited in the Reserve Account which was created pursuant to Section 4.02(B) of the Original Resolution. Amounts on deposit in the Reserve Account may be commingled with the amounts deposited for Bonds of additional Series which are secured thereby, shall be held for the benefit of the Registered Owners of only such Bonds as may be specifically secured by the Reserve Account, and shall be applied in the manner provided in the Original Resolution.

Notwithstanding the provisions of the Original Resolution, the Reserve Account for the Refunding Bonds authorized by this Resolution shall be funded in an amount determined by the Director, which shall not exceed the Debt Service Reserve Requirement for the Refunding Bonds.

Such amount may be zero. The amount of the Reserve Requirement funded from the proceeds of the Refunding Bonds shall not exceed the amount permitted under the Code.

The Reserve Requirement for the Refunding Bonds, if any, shall be deposited, as determined by the Director, in either a subaccount in the Reserve Account established for any of the Outstanding Bonds or in a subaccount in such Reserve Account which is hereby established for the Refunding Bonds. Amounts on deposit in any subaccount in the Reserve Account may be commingled with the amounts deposited for Bonds of additional Series which are secured thereby, shall be held for the benefit of the Registered Owners of only such Bonds as may be specifically secured by the respective subaccount, and shall be applied in the manner provided in the Resolution.

(N) Any portion of the Refunding Bonds may be issued as a separate series, provided that the Refunding Bonds of each series shall be numbered consecutively from one upward.

(O) The Director is hereby authorized to offer for sale a lesser principal amount of Refunding Bonds than that set forth in this Twenty-First Supplemental Resolution and to adjust the maturity schedule and redemption provisions for the Refunding Bonds, if necessary, to reflect the issuance of such lesser amount, and to modify the Notice of Bond Sale as may be required. Any portion of the Refunding Bonds not offered shall remain authorized to be offered at a later date.

(P) The Director is authorized to provide in the Notice of Bond Sale of the Refunding Bonds that the purchase price for the Refunding Bonds may include a discount of not to exceed 3%, excluding original issue discount, if any, of the aggregate principal amount of such Refunding Bonds offered for sale.

(Q) The Chairman, Secretary and any Assistant Secretary of the Governing Board, the Director, and such other officers and employees of the Division as may be designated by the Governing Board as agents of the Division in connection with the issuance and delivery of the Refunding Bonds, are authorized and empowered, collectively or individually, to take all actions and steps, to execute all instruments, documents, and contracts, and to take all other action on behalf of the Division, in each case as they may deem necessary or desirable, in connection with the execution and delivery of the Refunding Bonds, including but not limited to, contracting with a consultant to verify escrow calculations of the Refunding Bonds, retaining bond counsel to render a special tax opinion relating to the use of the proceeds from the sale of the Refunding Bonds, and providing for redemption of the Refunded Bonds. Notwithstanding anything contained in the Resolution to the contrary, it is the intent of the Division that interest on the Refunding Bonds, if issued as tax-exempt Refunding Bonds, be and remain excluded from gross income for federal income tax purposes and therefore to comply with all requirements of federal tax law applicable to such tax-exempt Refunding Bonds, whether such requirements are now in effect, pending or subsequently enacted. The Division is hereby authorized and directed to take all actions necessary with respect to the Refunding Bonds to comply with such requirements of federal tax law.

**SECTION 2.02. AUTHORIZATION TO EXECUTE AND DELIVER AN ESCROW DEPOSIT AGREEMENT; DESIGNATION OF ESCROW AGENT.** The Chairman and Secretary or an Assistant Secretary of the Governing Board and such other officers and employees of the Division as may be designated by the Governing Board as agents of the Division are hereby each authorized to execute and deliver an escrow deposit agreement on behalf of the Division in such form as may be determined by the Director for the purpose of providing for the deposit of a portion of the proceeds of the Refunding Bonds and such other funds as determined to be necessary

into an escrow deposit trust fund for the refunding of the Refunded Bonds. The escrow deposit trust fund shall be held and administered by an escrow agent acceptable to the Director as evidenced by the Director's execution of the escrow deposit agreement.

**SECTION 2.03. APPLICABILITY OF ARTICLE II OF THE ORIGINAL RESOLUTION.** Except as otherwise provided in this Twenty-First Supplemental Resolution, the terms, description, execution, negotiability, redemption, authentication, disposition, replacement, registration, transfer, and issuance of the Refunding Bonds shall be governed by the provisions of Article II of the Original Resolution, adjusted to the extent necessary to apply to the Refunding Bonds.

**SECTION 2.04. FORM OF REFUNDING BONDS.** (A) Notwithstanding anything to the contrary in the Original Resolution or this Twenty-First Supplemental Resolution, or any other resolution relating to the Refunding Bonds, the Refunding Bonds may be issued in book-entry only form utilizing the services of a Securities Depository (as used herein, "Securities Depository" means The Depository Trust Company, New York, New York, or its nominees, successors, and assigns).

So long as a book-entry only system of evidence of transfer of ownership of all the Refunding Bonds is maintained in accordance herewith, any provision of the Resolution relating to the delivery of physical bond certificates shall be inapplicable, and the Resolution shall be deemed to give full effect to such book-entry system.

If the Refunding Bonds are issued in book-entry only form:

(1) The Refunding Bonds shall be issued in the name of the Securities Depository as Registered Owner of the Refunding Bonds and held in the custody of the Securities Depository or its designee.



(2) Transfers of beneficial ownership of the Refunding Bonds will be effected on the records of the Securities Depository and its Participants pursuant to rules and procedures established by the Securities Depository (“Participants” include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations, as well other organizations that clear through or maintain a custodial relationship with such organizations, either directly or indirectly).

(3) Each Participant shall be credited in the records of the Securities Depository with the amount of such Participant’s interest in the Refunding Bonds. Beneficial ownership interests in the Refunding Bonds may be purchased by or through Participants. The holders of these beneficial ownership interests are hereinafter referred to as the “Beneficial Owners.” The Beneficial Owners shall not receive Refunding Bonds representing their beneficial ownership interests. The ownership interests of each Beneficial Owner shall be recorded through the records of the Participant from which such Beneficial Owner purchased its Refunding Bonds. Transfers of ownership interests in the Refunding Bonds shall be accomplished by book entries made by the Securities Depository and, in turn, by Participants acting on behalf of Beneficial Owners.

(4) Unless otherwise provided herein, the Division, the Board of Governors, the Board of Administration, and the Bond Registrar/Paying Agent (as used in this section, the “State and its agents”) shall treat the Securities Depository as the sole and exclusive owner of the Refunding Bonds registered in its name for the purposes of

(a) payment of the principal of, premium, if any, and interest on the Refunding Bonds or portion thereof to be redeemed or purchased. Payments made to the Securities Depository of principal, premium, and interest shall be valid and effective to fully satisfy and discharge the Board of Governors’ obligations to the extent of the sums so paid;

(b) giving any notice permitted or required to be given to Registered Owners under the Resolution; and

(c) the giving of any direction or consent or the making of any request by the Registered Owners hereunder. The State and its agents may rely conclusively upon

(i) a certificate of the Securities Depository as to the identity of the Participants with respect to the Refunding Bonds; and

(ii) a certificate of any such Participant as to the identity of, and the respective principal amount of Refunding Bonds beneficially owned by, the Beneficial Owners.

(5) The State and its agents shall have no responsibility or obligations to the Securities Depository, any Participant, any Beneficial Owner, or any other person which is not shown on the Refunding Bond Register, with respect to

(a) the accuracy of any records maintained by the Securities Depository or any Participant;

(b) the payment by the Securities Depository or by any Participant of any amount due to any Beneficial Owner in respect of the principal amount or redemption or purchase price of, or interest on, any Refunding Bond;

(c) the delivery of any notice by the Securities Depository or any Participant;

(d) the selection of the Participants or the Beneficial Owners to receive payment in the event of any partial redemption of the Refunding Bonds; or

(e) any consent given or any other action taken by the Securities Depository or any Participant.

(6) The requirements in the Resolution of holding, delivering, or transferring Refunding Bonds shall be deemed modified to require the appropriate person to meet the requirements of the Securities Depository as to registering or transferring the book-entry Refunding Bonds to produce the same effect. Any provision hereof permitting or requiring delivery of the Refunding Bonds shall, while the Refunding Bonds are in book-entry only form, be satisfied by the notation thereof on the books of the Securities Depository in accordance with applicable state law.

(B) The Division may discontinue the book-entry system with the then-current securities depository, subject to the terms of its agreement with such securities depository. In this event, the Division shall either

(1) identify another qualified securities depository or

(2) prepare and deliver replacement Refunding Bonds in the form of fully registered bonds to each Beneficial Owner.

### **ARTICLE III APPLICATION OF PROCEEDS**

**SECTION 3.01. APPLICATION OF REFUNDING BOND PROCEEDS.** Upon receipt of the proceeds of the sale of the Refunding Bonds, the Division shall transfer and apply such proceeds as follows:

(A) The amount necessary to pay all costs and expenses of the Division in connection with the preparation, issuance, and sale of the Refunding Bonds, including a reasonable charge for the services of the Division for its fiscal services and for arbitrage rebate compliance program set-up, shall be transferred to the Division and deposited in the Bond Fee Trust Fund.

(B) Any accrued interest on the Refunding Bonds shall be transferred to the Board of Administration and deposited in the Sinking Fund and used for the payment of interest on the Refunding Bonds.

(C) An amount necessary to fund the incremental increase in the Reserve Requirement, if any, attributable to the Refunding Bonds, to be held in reserve, shall be transferred to the Board of Administration and deposited in the Reserve Account within the Sinking Fund. Alternatively, the Division, as provided in Section 4.02 of the Original Resolution, may elect at any time to provide in lieu of all or a portion of such funds a Reserve Account Credit Facility in an amount equal to the difference between the Reserve Requirement and the sums then on deposit in the Reserve Account.

(D) An amount together with the interest earnings thereon, and other amounts deposited therein which is anticipated to be sufficient to pay when due (1) the principal amount of the Refunded Bonds, (2) the amount of interest and redemption premium, if any, payable on the Refunded Bonds, and (3) the amount of fees and expenses estimated to be incurred in connection with the payment and retirement of the Refunded Bonds shall be either transferred and deposited in escrow pursuant to the terms of the Escrow Deposit Agreement or, at the discretion of the Director, deposited with the Bond Registrar/Paying Agent.

(E) Any balance of the proceeds of the Refunding Bonds after providing for the requirements of subsections (A) through (D) above shall be transferred to the Sinking Fund and used for the purposes set forth therein.

**ARTICLE IV  
SECURITY FOR THE BONDS**

**SECTION 4.01. REFUNDING BONDS ON A PARITY WITH THE OUTSTANDING BONDS.** The Refunding Bonds shall be issued subject to the provisions of Sections 5.01 and 5.02 of the Original Resolution governing the issuance of Additional Parity Bonds thereunder. The Refunding Bonds shall be payable on a parity and rank equally as to lien on and source and security for payments from the Pledged Revenues and in all other respects, with the other Outstanding Bonds.

**SECTION 4.02. REFUNDING BONDS SECURED BY ORIGINAL RESOLUTION.** The Refunding Bonds shall be deemed to have been issued pursuant to the Original Resolution, as supplemented by this Twenty-First Supplemental Resolution, as fully and to the same extent as the Outstanding Bonds, and all of the covenants and agreements contained in the Original Resolution, as amended and supplemented, shall be deemed to have been made for the benefit of the Registered Owners of the Refunding Bonds as fully and to the same extent as the Registered Owners of the Outstanding Bonds.

All of the covenants, agreements, and provisions of the Original Resolution, as amended and supplemented, except to the extent inconsistent herewith, shall be deemed to be part of this Twenty-First Supplemental Resolution to the same extent as if incorporated verbatim in this Twenty-First Supplemental Resolution, and shall be fully enforceable in the manner provided in the Original Resolution, as amended and supplemented, by any of the Registered Owners of the Refunding Bonds.

**ARTICLE V  
MISCELLANEOUS**

**SECTION 5.01. RESOLUTION NOT ASSIGNABLE.** This Twenty-First Supplemental Resolution shall not be assignable by the Division or the Board of Administration, except for the benefit of the Registered Owners; provided, however, the Board of Governors may lease, from time to time, to other tenants such portion or portions of the Housing System as are not needed by the Board of Governors, to the extent that any such lease would not adversely affect the Pledged Revenues or the exclusion of interest on any tax-exempt Bonds from gross income for federal income tax purposes.

**SECTION 5.02. MODIFICATION OR AMENDMENT.** Modification or amendment hereof shall be governed by Section 8.02 of the Original Resolution.

**SECTION 5.03. CONTINUING DISCLOSURE.** (A) In order to comply with Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”), the Board of Governors agrees to provide or cause to be provided such information as may be required, from time to time, under such rule.

(B) The Director, in conjunction with the appropriate officer of the Board of Governors, is authorized and directed to execute and deliver any documents or agreement which are necessary to comply with the requirements of the Rule. Failure to properly comply with such rule shall not be an event of default hereunder or under the Original Resolution.

**SECTION 5.04. SEVERABILITY OF INVALID PROVISIONS.** If any one or more of the covenants or provisions of this Twenty-First Supplemental Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants or provisions shall be null and void and shall be deemed separable from the

remaining covenants or provisions of this Twenty-First Supplemental Resolution or of the Refunding Bonds and shall in no way affect the validity or enforceability of any other covenants, agreements or provisions of this Twenty-First Supplemental Resolution or of the Refunding Bonds issued hereunder.

**SECTION 5.05. FISCAL AGENT.** Upon the sale and delivery of the Refunding Bonds by the Division on behalf of the Board of Governors, the Board of Administration shall act as the fiscal agent for the Board of Governors with respect to the Refunding Bonds.

**SECTION 5.06. REPEAL OF INCONSISTENT RESOLUTIONS.** All prior or concurrent resolutions or parts of resolutions inconsistent with this resolution are hereby repealed, revoked, and rescinded by this resolution, but only to the extent of any such inconsistency.

The authority for the issuance and delivery of the unissued portion of any previously authorized State of Florida, Florida State University Housing or Dormitory Revenue Bonds is hereby canceled, except for the authority for the issuance and delivery of the State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds previously authorized by the Twentieth Supplemental Resolution.

**SECTION 5.07. SUCCESSOR AGENCIES AND OFFICIALS.** Any references in the Resolution to offices, bodies, or agencies which have been or are superseded, replaced, or abolished by law shall be deemed to refer to the successors of such offices, bodies, and agencies. Any action required or authorized to be taken by an official whose office, body, or agency has been or is so superseded, replaced, or abolished shall be taken by the successor to such official.

**SECTION 5.08. CONFIRMATION OF ORIGINAL RESOLUTION.** As supplemented by this Twenty-First Supplemental Resolution, the Original Resolution is in all

respects ratified and confirmed, and this Twenty-First Supplemental Resolution shall be read, taken, and construed as a part of the Original Resolution.

**SECTION 5.09. EFFECTIVE DATE.** This Twenty-First Supplemental Resolution shall take effect immediately upon its adoption.

**ADOPTED on December 17, 2024.**



**A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$565,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION, PUBLIC EDUCATION CAPITAL OUTLAY REFUNDING BONDS, SERIES (TO BE DETERMINED).**

**BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA, AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION:**

Section 1. That this resolution is adopted pursuant to the provisions of Sections 215.61 and 215.68, Florida Statutes.

Section 2. That the Division of Bond Finance of the State Board of Administration of Florida (the “Division”) is hereby authorized to issue not exceeding \$565,000,000 State of Florida, Full Faith and Credit, State Board of Education, Public Education Capital Outlay Refunding Bonds, Series (to be determined) (the “Refunding Bonds”) in accordance with the terms, conditions, and restrictions set forth in the Seventy-third Supplemental Authorizing Resolution adopted by the State Board of Education on May 29, 2024, with respect to the issuance of the Refunding Bonds for the purpose of refunding all or a portion of the outstanding Public Education Capital Outlay Refunding Bonds, 2014 Series A, 2014 Series B, 2015 Series A, 2015 Series E, 2015 Series F, and 2016 Series A (the “Refunded Bonds”), as set forth therein.

Section 3. That this resolution shall take effect immediately upon its adoption.

**ADOPTED ON DECEMBER 17, 2024.**

**A RESOLUTION AUTHORIZING THE SALE OF NOT EXCEEDING \$565,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION, PUBLIC EDUCATION CAPITAL OUTLAY REFUNDING BONDS, SERIES (TO BE DETERMINED).**

**BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA, AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION:**

Section 1. That this resolution is adopted pursuant to the provisions of Sections 215.61 and 215.68, Florida Statutes.

Section 2. That the Division of Bond Finance of the State Board of Administration (the “Division”) is hereby authorized to sell by competitive sale, the not exceeding \$565,000,000 State of Florida, Full Faith and Credit, State Board of Education, Public Education Capital Outlay Refunding Bonds, Series (to be determined) (the “Refunding Bonds”) in accordance with the terms, conditions, and restrictions set forth in the Seventy-third Supplemental Authorizing Resolution adopted by the State Board of Education on May 29, 2024, with respect to the sale of the Bonds for the purpose of refunding all or a portion of the outstanding Public Education Capital Outlay Refunding Bonds, 2014 Series A, 2014 Series B, 2015 Series A, 2015 Series E, 2015 Series F, and 2016 Series A (the “Refunded Bonds”). The Director of the Division may provide notice pursuant to applicable law of such sale, at a time and in such manner as determined by the Director to be appropriate to provide adequate notice to potential bidders.

Section 3. That the Division is authorized to issue the Refunding Bonds, in whole or in part, as tax-exempt bonds or as taxable bonds, the interest on which would not be excluded from gross income for federal income tax purposes.

Section 4. That this resolution shall take effect immediately upon its adoption.

**ADOPTED ON DECEMBER 17, 2024.**

**SIXTY-THIRD SUPPLEMENTAL  
TURNPIKE REVENUE BOND RESOLUTION**

**A RESOLUTION (THE SIXTY-THIRD SUPPLEMENTAL RESOLUTION) OF THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA SUPPLEMENTING THE AUTHORIZING RESOLUTION; AUTHORIZING THE COMPETITIVE SALE AND ISSUANCE OF STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED); AUTHORIZING A NOTICE OF BOND SALE; AUTHORIZING A PRELIMINARY AND A FINAL OFFICIAL STATEMENT; PROVIDING OTHER TERMS AND AUTHORIZATIONS IN CONNECTION WITH THE COMPETITIVE SALE AND ISSUANCE OF SUCH BONDS; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, acting on behalf of the Department, the Governing Board of the Division adopted a resolution on October 25, 1988, as amended and restated on May 17, 2005, and as further amended on December 4, 2018 (the “Authorizing Resolution”), authorizing the issuance of State of Florida, Department of Transportation Turnpike Revenue Bonds by the Division, from time to time, in one or more Series, subject to the terms and conditions of the Authorizing Resolution; and

**WHEREAS**, the Department has adopted a resolution requesting the Division to proceed with the issuance and sale of Additional Bonds to refund all or a portion of the Outstanding State of Florida, Department of Transportation Turnpike Revenue and Revenue Refunding Bonds, Series 2015A, Series 2015B, and Series 2016A;

**WHEREAS**, as of the date hereof, the aggregate principal amount of Bonds that are Outstanding is \$3,238,214,000, excluding the \$115,915,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2024D, which are pending sale; and

**WHEREAS**, the Governing Board wishes to authorize the competitive sale and issuance of the Refunding Bonds, and provide for various terms of the sale thereof by resolution.

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA:**

**ARTICLE I  
AUTHORITY; DEFINITIONS;  
RESOLUTION TO CONSTITUTE CONTRACT**

**SECTION 1.01. AUTHORITY FOR SIXTY-THIRD SUPPLEMENTAL RESOLUTION.** This supplemental resolution (the “Sixty-third Supplemental Resolution”) is adopted pursuant to the provisions of the Act and pursuant to the Authorizing Resolution, is supplemental to the Authorizing Resolution, and constitutes a resolution authorizing bonds pursuant to the Act.

**SECTION 1.02. DEFINITIONS.** Capitalized words and terms used herein without definitions shall have the meanings assigned thereto in the Authorizing Resolution unless the context clearly requires otherwise. All terms defined in the Authorizing Resolution, in addition to the definitions contained herein and except to the extent inconsistent with or amended by definitions contained herein, shall apply fully to the Outstanding Bonds and the Refunding Bonds (as defined herein).

**“Director”** means the Director of the Division and shall include any Assistant Secretary delegated authority by the Director.

**“Governing Board”** means the Governor and Cabinet of the State, as the governing board of the Division.

**“Refunded Bonds”** means all or a portion of the Outstanding State of Florida, Department of Transportation Turnpike Revenue and Revenue Refunding Bonds, Series 2015A, Series 2015B, and Series 2016A, to be refunded by the Refunding Bonds.

**“Refunding Bonds”** means the State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series (to be determined), authorized to be issued and sold by this Sixty-third Supplemental Resolution.

Where the context so requires, words importing singular number shall include the plural number in each case and vice versa, words importing persons shall include firms and corporations, and the masculine includes the feminine and vice versa.

**SECTION 1.03. RESOLUTION TO CONSTITUTE CONTRACT.** In consideration of the purchase and acceptance of any and all of the Refunding Bonds by those who shall own the same from time to time, the Authorizing Resolution, as supplemented by this Sixty-third Supplemental Resolution, shall be deemed to be and shall constitute a contract between the Department and the Registered Owners from time to time of the Refunding Bonds; and the security interest granted and the pledge made in the Authorizing Resolution, as supplemented by this Sixty-third Supplemental Resolution, and the covenants and agreements therein and herein set forth to be performed on behalf of the Department shall be for the equal benefit, protection and security of the Registered Owners of any and all of the Refunding Bonds, all of which, regardless of the time or times of their authentication and delivery or maturity, shall be of equal rank without preference, priority or distinction of any of the Refunding Bonds over any other thereof except as expressly provided in or permitted by the Authorizing Resolution, as supplemented by this Sixty-third Supplemental Resolution.

## **ARTICLE II**

### **AUTHORIZATION OF ISSUANCE AND SALE OF THE REFUNDING BONDS; FORM OF THE REFUNDING BONDS; AUTHORIZATION TO EXECUTE AN ESCROW DEPOSIT AGREEMENT**

**SECTION 2.01. AUTHORIZATION OF ISSUANCE AND COMPETITIVE SALE OF THE REFUNDING BONDS.** (A) The Refunding Bonds are hereby authorized to be issued and sold at public sale, from time to time, in one or more Series, in an aggregate principal amount not exceeding \$410,000,000, on such dates and at such times to be determined by the Director, for the purpose of refunding the Refunded Bonds. All Refunding Bonds shall be designated “*STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)*,” or such other designation as may be determined by the Director. The Refunding Bonds shall be sold and issued to refund the Refunded Bonds. The maturities or portions of maturities of the Refunded Bonds to be refunded shall be as determined by the Director to be in the best financial interest of the State. The

Refunding Bonds may be sold as tax-exempt or Taxable Bonds and in one or more Series. If sold in more than one Series, the authorizations contained in this Sixty-third Supplemental Resolution shall apply to each Series of such Refunding Bonds. The Refunding Bonds are authorized in addition to the amounts authorized in the Authorizing Resolution. The Refunding Bonds shall be dated, shall bear interest from such date, and shall be payable as to principal and interest in each year, and in such amounts as indicated or provided for in the notice of bond sale for the Refunding Bonds (the "Notice of Bond Sale"). The Refunding Bonds shall be issued in fully registered form in denominations of \$1,000 or integral multiples thereof. The Refunding Bonds shall mature as determined by the Director in the Notice of Bond Sale and the final maturity date of the Refunding Bonds shall not be later than 35 years from their date of issue. The Refunding Bonds will bear interest at the interest rate specified by the successful bidder, calculated based on a 360-day year consisting of twelve 30-day months. The interest rates of the Refunding Bonds shall not exceed the maximum lawful rate on the date of sale of the Refunding Bonds and shall be determined in accordance with the Notice of Bond Sale. Interest on the Refunding Bonds will be paid on each Interest Payment Date by check or draft mailed (or made by wire transfer, at the election of a Registered Owner, in the manner and under the terms provided for in the Registrar, Paying Agent and Transfer Agreement between the Board and the Bond Registrar/Paying Agent, provided that such Registered Owner advances to the Bond Registrar/Paying Agent the amount, if any, necessary to pay the wire charges or authorizes the Bond Registrar/Paying Agent to deduct the amount of such payment) to the Registered Owner thereof as of 5:00 p.m. Eastern Time on the Record Date at the address shown on the registration books maintained by the Bond Registrar/Paying Agent for the Refunding Bonds. Principal of the Refunding Bonds will be payable to the Registered Owners thereof upon their presentation and surrender of the Refunding Bonds when due at the designated corporate trust office of the Bond Registrar/Paying Agent.

(B) The Director is hereby authorized to determine the most advantageous date and time of a public sale and to provide notice pursuant to applicable law of such sale, at a time and in such manner as determined by the Director to be appropriate to provide adequate notice to potential bidders. Upon election by the successful bidder as provided in the Notice of Bond Sale, a portion of the Refunding Bonds identified in such election shall be designated as Term Bonds. Bids for the purchase of the Refunding Bonds will be received at the offices of the Division, or at another location designated in the Notice of Bond Sale, until the time and date of sale determined by the Director as stated or provided for in the Notice of Bond Sale.

(C) The Director is hereby authorized to distribute a Notice of Bond Sale and a bid form for the sale of the Refunding Bonds. The Notice of Bond Sale, including the bid form, shall be in such form as shall be determined by the Director and shall contain such information as required by applicable law, as is consistent with the terms of the Authorizing Resolution, as supplemented by this Sixty-third Supplemental Resolution, and as the Director determines to be in the best financial interest of the State. Any prior distribution of a Notice of Bond Sale and form of proposal is hereby ratified.

(D) The Director is hereby authorized to prepare and distribute a preliminary official statement and a final official statement in connection with the competitive offering of the Refunding Bonds. The Director is further authorized and directed to amend, supplement, or complete the information contained in the preliminary official statement or the final official statement, as may be needed, and to furnish such certification as to the completeness and finality of the preliminary official statement as is necessary to permit the successful bidder to fulfill its obligations under any applicable securities laws. The Chairman, the Secretary, or an Assistant Secretary of the Governing Board is hereby authorized to execute the final official statement or a certificate with respect thereto, in connection with the competitive offering of the Refunding Bonds, and the execution thereof shall be conclusive evidence that the Governing Board has approved the form and content of the final official statement. Any prior printing and distribution of a preliminary official statement is hereby ratified.

(E) The Director is hereby authorized to cause as many copies as he determines to be necessary of the preliminary official statement and final official statement relating to the competitive offering of the Refunding Bonds to be prepared and distributed; to contract with national rating services; to retain bond counsel and any other professionals, consultants or advisors in connection with the issuance of the Refunding Bonds and the refunding of the Refunded Bonds; to make a determination that the preliminary official statement is “deemed final” for purposes of Rule 15c2-12(b)(1) of the Securities and Exchange Commission; and to take such other actions as may be deemed appropriate for the dissemination of information relating to the sale of the Refunding Bonds.

(F) The Director or an Assistant Secretary of the Governing Board is hereby authorized to award the sale of the Refunding Bonds in an aggregate principal amount not exceeding \$410,000,000 and to pay the costs, fees, and expenses associated therewith, provided the true interest cost rate on the Refunding Bonds does not exceed the maximum statutory rate. Such award by the Director or an Assistant Secretary of the Governing Board shall be based on his or her determination of the best bid submitted in accordance with the terms of the Notice of Bond Sale and such award shall be final. The sale shall be reported to the Governing Board after award of the Refunding Bonds.

(G) In the event that conditions preclude or circumstances render unnecessary or undesirable the sale of the maximum principal amount of the Refunding Bonds authorized to be sold by this Sixty-third Supplemental Resolution, then the Director or an Assistant Secretary of the Governing Board is hereby authorized to offer for sale a lesser principal amount than that set forth herein.

(H) The Refunding Bonds shall be subject to redemption as provided in the Notice of Bond Sale. The Notice of Bond Sale shall contain such redemption provisions as shall be determined by the Director to be in the best financial interest of the State.

(I) The Director or an Assistant Secretary of the Governing Board is authorized to provide in the Notice of Bond Sale that the purchase price for the Refunding Bonds may include a discount to par not to exceed the statutorily permissible amount.

(J) The Chairman, the Secretary or an Assistant Secretary of the Governing Board, or their duly Authorized Officers are hereby authorized on behalf of the Division to execute the Refunding Bonds (including any temporary bonds) as provided in the Authorizing Resolution and any such Authorized Officer is hereby authorized, upon the execution of the Refunding Bonds in the form and manner set forth in the Authorizing Resolution, to deliver the Refunding Bonds in the amounts authorized to be issued hereunder to the Bond Registrar/Paying Agent for authentication and, upon receipt of payment of the purchase price (together with accrued interest), for delivery to or upon the order of the original purchaser of the Refunding Bonds, and to distribute the proceeds of the Refunding Bonds as provided herein and in the Authorizing Resolution.

(K) The Chairman, the Secretary, or any Assistant Secretary of the Governing Board, and the Director, and such other officers and employees of the Division as may be designated as Authorized Officers of the Division in connection with the issuance and delivery of the Refunding Bonds, are authorized and empowered, collectively or individually, to take all actions and steps, to execute all instruments, documents, and contracts, and to take all other action on behalf of the Division, in each case as they may deem necessary or desirable, in connection with the sale, issuance, execution and delivery of the Refunding Bonds and the refunding of the Refunded Bonds. Notwithstanding anything contained in the Authorizing Resolution to the contrary, to the extent that all or any portion of the Refunding Bonds are sold as tax-exempt bonds, it is the intent of the Governing Board that interest on such Refunding Bonds be and remain excluded from gross income for federal income tax purposes and therefore to comply with all requirements of federal tax law applicable to such Refunding Bonds, or any Series thereof, whether such

requirements are now in effect, pending, or subsequently enacted. The Division is hereby authorized and directed to take all actions necessary with respect to the Refunding Bonds to comply with such requirements of federal tax law. Upon the execution of an “arbitrage and tax certificate,” “federal tax certificate,” or other certificate relating to compliance by the Department or the Division with the federal tax law requirements applicable to tax-exempt bonds, the representations, terms and covenants in each such certificate shall be deemed to be incorporated in this Sixty-third Supplemental Resolution for the benefit of the Registered Owners of the Refunding Bonds to the extent that the Refunding Bonds are issued as tax-exempt bonds.

(L) The Director is authorized to cause the manual or facsimile signature of the Governor, as Chairman of the Governing Board, and the corporate seal of the Division to be imprinted on the Refunding Bonds, which shall be attested and countersigned with the manual or facsimile signature of the Director, as Assistant Secretary of the Governing Board.

(M) U.S. Bank Trust Company, National Association, or its successor as Registrar/Paying Agent, is hereby designated as the Registrar/Paying Agent for the Refunding Bonds on the terms and conditions set forth in the Registrar, Paying Agent and Transfer Agreement between the Board and U.S. Bank Trust, National Association, or its successor.

**SECTION 2.02. FORM OF THE REFUNDING BONDS.** (A) Notwithstanding anything to the contrary in the Authorizing Resolution, this Sixty-third Supplemental Resolution, or any other resolution relating to the Refunding Bonds (for the purposes of this section, collectively, the “Resolution”), the Refunding Bonds may be issued in book-entry only form utilizing the services of a Securities Depository (as used herein, “Securities Depository” means the Depository Trust Company, New York, New York, or its nominees, successors, and assigns).

So long as a book-entry only system of evidence of transfer of ownership of all the Refunding Bonds is maintained in accordance herewith, any provision of the Resolution relating to the delivery of physical bond certificates shall be inapplicable, and the Resolution shall be deemed to give full effect to such book-entry system.

(B) If the Refunding Bonds are issued in book-entry only form:

(i) The Refunding Bonds shall be issued in the name of the Securities Depository as the Registered Owner of the Refunding Bonds and held in the custody of the Securities Depository or its designee.

(ii) Transfers of beneficial ownership of the Refunding Bonds will be effected on the records of the Securities Depository and its Participants pursuant to rules and procedures established by the Securities Depository (“Participants” include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations, as well other organizations that clear through or maintain a custodial relationship with such organizations, either directly or indirectly).

(iii) Each Participant shall be credited in the records of the Securities Depository with the amount of such Participant’s interest in the Refunding Bonds. Beneficial ownership interests in the Refunding Bonds may be purchased by or through Participants. The holders of these beneficial ownership interests are hereinafter referred to as the “Beneficial Owners.” The Beneficial Owners shall not receive Refunding Bonds representing their beneficial ownership interests. The ownership interests of each Beneficial Owner shall be recorded through the records of the Participant from which such Beneficial Owner purchased its Refunding Bonds. Transfers of ownership interests in

the Refunding Bonds shall be accomplished by book entries made by the Securities Depository and, in turn, by Participants acting on behalf of Beneficial Owners.

(iv) Unless otherwise provided herein, the Department, the Division, the Board, and the Bond Registrar/Paying Agent (collectively, as used in this section, the “State and its agents”) shall treat the Securities Depository as the sole and exclusive owner of the Refunding Bonds registered in its name for the purposes of:

(1) the payment of the principal of, premium, if any, and interest on the Refunding Bonds or portion thereof to be redeemed or purchased. Payments made to the Securities Depository of principal, premium, and interest shall be valid and effective to fully satisfy and discharge the Department’s obligations to the extent of the sums so paid;

(2) the giving of any notice permitted or required to be given to Registered Owners under the Resolution; and

(3) the giving of any direction or consent or the making of any request by the Registered Owners hereunder. The State and its agents may rely conclusively upon:

(a) a certificate of the Securities Depository as to the identity of the Participants with respect to the Refunding Bonds; and

(b) a certificate of any such Participant as to the identity of, and the respective principal amount of Refunding Bonds beneficially owned by, the Beneficial Owners.

(v) The State and its agents shall have no responsibility or obligations to the Securities Depository, any Participant, any Beneficial Owner, or any other person which is not shown on the Bond Register, with respect to:

(1) the accuracy of any records maintained by the Securities Depository or any Participant;

(2) the payment by the Securities Depository or by any Participant of any amount due to any Beneficial Owner in respect of the principal amount or redemption or purchase price of, or interest on, any Refunding Bond;

(3) the delivery of any notice by the Securities Depository or any Participant;

(4) the selection of the Participants or the Beneficial Owners to receive payment in the event of any partial redemption of the Refunding Bonds; or

(5) any consent given or any other action taken by the Securities Depository or any Participant.

(vi) The requirements in the Resolution of holding, delivering, or transferring Refunding Bonds shall be deemed modified to require the appropriate person to meet the requirements of the Securities Depository as to registering or transferring the book-entry Refunding Bonds to produce the same effect. Any provision hereof permitting or requiring delivery of the Refunding Bonds shall, while the Refunding Bonds are in book-entry only form, be satisfied by the notation thereof on the books of the Securities Depository in accordance with applicable State law.



(C) The Division may discontinue the book-entry system with the then-current securities depository, subject to the terms of its agreement with such securities depository. In this event, the Division shall either identify another qualified securities depository or prepare and deliver replacement Refunding Bonds in the form of fully registered bonds to each Beneficial Owner.

**SECTION 2.03. AUTHORIZATION TO EXECUTE AND DELIVER AN ESCROW DEPOSIT AGREEMENT; DESIGNATION OF ESCROW AGENTS.** The Chairman, the Secretary or an Assistant Secretary of the Governing Board, and such other officers and employees of the Division as may be designated by the Governing Board as Authorized Officers of the Division are hereby each authorized to execute and deliver an Escrow Deposit Agreement on behalf of the Division in such form as may be determined by the Director for the purpose of providing for the deposit of a portion of the proceeds of the Refunding Bonds and such other funds as determined to be necessary into a trust fund hereby created, to be known as the “State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series (to be determined) Escrow Deposit Trust Fund” (the “Escrow Deposit Trust Fund”), for the refunding of the Refunded Bonds. The Escrow Deposit Trust Fund shall be held and administered by an escrow agent acceptable to the Director as evidenced by the Director’s execution of the Escrow Deposit Agreement.

### **ARTICLE III APPLICATION OF BOND PROCEEDS**

**SECTION 3.01. APPLICATION OF REFUNDING BONDS PROCEEDS.** (A) The proceeds of the Refunding Bonds shall be applied in accordance with this section and Article III of the Authorizing Resolution, and in the manner and to the extent required by law.

(B) Upon receipt of the proceeds of the sale of the Refunding Bonds, and after reserving an amount sufficient to pay the Costs of Issuance attributable to such Refunding Bonds, the Division shall transfer and apply such proceeds as follows:

- (i) An amount equal to the accrued interest on the Refunding Bonds, if any, shall be deposited into the Interest Account and shall be used only for the purpose of paying the interest which shall thereafter become due on the Refunding Bonds.
- (ii) The amount necessary to fund the Debt Service Reserve Requirement, if any, for the Refunding Bonds shall be deposited into the Debt Service Reserve Subaccount designated by the Director pursuant to Section 3.02 of this Sixty-third Supplemental Resolution.

(C) All remaining proceeds shall be transferred to the Board for deposit into the Escrow Deposit Trust Fund. Such amount, together with the income on the investment thereof, and other legally available funds, if required, shall be sufficient to pay when due the entire principal of the Refunded Bonds, together with interest accrued and to accrue thereon to their respective maturity dates or, if called for redemption prior to maturity, such prior redemption dates and redemption premiums, if any, and the expenses and fees listed in the Escrow Deposit Agreement as provided in Section 2.03 of this Sixty-third Supplemental Resolution. Moneys on deposit in the Escrow Deposit Trust Fund shall be used to purchase Federal Obligations (as defined in the Escrow Deposit Agreement) in accordance with the schedules given in the Escrow Deposit Agreement. The maturing Federal Obligations, the earnings thereon, if required, and the cash on deposit in the Escrow Deposit Trust Fund shall be sufficient to accomplish the refunding described above. In the alternative, in the discretion of the Director, moneys on deposit in the Escrow Deposit Trust Fund shall be invested in the State Treasury, or in such other legally authorized investments, or held uninvested, until such time as such funds, together with other legally available funds, if necessary, are needed to effect the redemption of the Refunded Bonds.

(D) The proceeds derived from the sale of the Refunding Bonds shall be applied and disbursed pursuant to the provisions of the Act, the Authorizing Resolution, and this Sixty-third Supplemental Resolution. The Registered Owners of the Refunding Bonds shall not have any responsibility whatsoever for the application or use of any of the proceeds derived from the sale of the Refunding Bonds, and the rights and remedies of the Registered Owners of the Refunding Bonds and their right to payment, pursuant to the Authorizing Resolution as supplemented by this Sixty-third Supplemental Resolution, shall not be affected or impaired by the application or use of such proceeds. Upon the issuance of the Refunding Bonds, all the covenants and agreements between the Board and the Registered Owners of the Refunding Bonds contained in the Authorizing Resolution and this Sixty-third Supplemental Resolution shall be valid and binding covenants and agreements between the Division and the Registered Owners of the Refunding Bonds without regard to the application of the proceeds of the Refunding Bonds.

**SECTION 3.02. DEBT SERVICE RESERVE REQUIREMENT.** The Debt Service Reserve Requirement, if any, for the Refunding Bonds shall be an amount determined by the Director, which shall not exceed Debt Service Reserve Requirement, and which may be zero. The Refunding Bonds may be secured, together with the Outstanding Bonds, and any Additional Bonds designated to be secured thereby, by the subaccount in the Debt Service Reserve Account securing the Outstanding Series 2012A through Series 2021B Bonds, or in such other Debt Service Reserve Subaccount as may be established, as needed, by the Director. Any deposit to the Debt Service Reserve Account or subaccount therein made with respect to the Refunding Bonds shall be funded with proceeds of the Refunding Bonds or a Reserve Account Credit Facility or some combination thereof, as determined by the Director.

#### **ARTICLE IV SECURITY FOR THE REFUNDING BONDS**

**SECTION 4.01. REFUNDING BONDS ON A PARITY WITH THE OUTSTANDING BONDS.** The Refunding Bonds shall be issued subject to the provisions of Article VI of the Authorizing Resolution governing the issuance of Additional Bonds thereunder. The Refunding Bonds authorized by this Sixty-third Supplemental Resolution shall be payable on a parity and rank equally as to lien on and source and security for payment from the Net Revenues of the Turnpike System and in all other respects with the Outstanding Bonds.

**SECTION 4.02. REFUNDING BONDS SECURED BY THE AUTHORIZING RESOLUTION.** The Refunding Bonds authorized by this Sixty-third Supplemental Resolution shall be deemed to have been issued pursuant to the Authorizing Resolution as fully and to the same extent as the Outstanding Bonds and all of the covenants and agreements contained in the Authorizing Resolution shall be deemed to have been made for the benefit of the Holders of the Refunding Bonds as fully and to the same extent as the Holders of the Outstanding Bonds.

All of the covenants, agreements, and provisions of the Authorizing Resolution, except to the extent inconsistent herewith, shall be deemed to be part of this Sixty-third Supplemental Resolution to the same extent as if incorporated verbatim in this Sixty-third Supplemental Resolution, and shall be fully enforceable in the manner provided in the Authorizing Resolution by any of the Registered Owners of the Refunding Bonds.

#### **ARTICLE V MISCELLANEOUS**

**SECTION 5.01. RESOLUTION NOT ASSIGNABLE.** This Sixty-third Supplemental Resolution shall not be assignable by the Division or the Board, except for the benefit of the Registered Owners of the Refunding Bonds.

**SECTION 5.02. APPROVAL OF THE BOARD.** The authorization of the sale of the Refunding Bonds pursuant to this Sixty-third Supplemental Resolution is subject to the prior approval as to fiscal sufficiency by the Board, pursuant to Section 215.73, Florida Statutes.

**SECTION 5.03. FISCAL AGENT.** Upon the sale and delivery of the Refunding Bonds by the Division on behalf of the Department, the Board shall act as the fiscal agent for the Department with respect to the Refunding Bonds.

**SECTION 5.04. CONTINUING DISCLOSURE.** (A) In order to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the “Rule”), the Department hereby agrees to provide or cause to be provided such information as may be required, from time to time, under the Rule.

(B) The Secretary or other Authorized Officer of the Department, in conjunction with the appropriate Authorized Officer of the Division, is authorized and directed to execute and deliver any documents or agreements which are necessary to comply with the requirements of the Rule.

**SECTION 5.05. INCIDENTAL ACTION.** The members and officers of the Governing Board and the staff of the Division are hereby authorized and directed to execute and deliver such other documents, and to take such other actions as may be necessary or appropriate in order to accomplish the sale, issuance and securing of the Refunding Bonds pursuant to the terms of the Authorizing Resolution and this Sixty-third Supplemental Resolution, and the performance of the obligations of the Division under the Authorizing Resolution and this Sixty-third Supplemental Resolution.

**SECTION 5.06. SEVERABILITY OF INVALID PROVISIONS.** If any one or more of the covenants, agreements or provisions of this Sixty-third Supplemental Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements and provisions of this Sixty-third Supplemental Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Refunding Bonds issued hereunder.

**SECTION 5.07. CONFIRMATION OF THE AUTHORIZING RESOLUTION.** As supplemented by this Sixty-third Supplemental Resolution, the Authorizing Resolution, is in all respects ratified and confirmed, and this Sixty-third Supplemental Resolution shall be read, taken, and construed as a part of the Authorizing Resolution.

**SECTION 5.08. AMENDMENT OF INCONSISTENT RESOLUTIONS.** All prior or concurrent resolutions or parts thereof inconsistent with this Sixty-third Supplemental Resolution are hereby superseded and amended by this Sixty-third Supplemental Resolution, but only to the extent of any such inconsistency.

**SECTION 5.09 EFFECTIVE DATE.** This Sixty-third Supplemental Resolution shall take effect on the date of its adoption by the Governing Board.

**ADOPTED December 17, 2024.**