

By Senator Campbell

32-1258-04

See HB 501

1 A bill to be entitled
2 An act relating to trust fund investments;
3 amending s. 215.47, F.S.; requiring the State
4 Board of Administration to regularly review
5 investments in limited partnerships and limited
6 liability companies to determine whether the
7 investments should be continued; reenacting ss.
8 215.5601(4)(a), 215.69(4), 218.407(2),
9 766.315(5)(e), 1009.70(6), 1009.972(4), and
10 1010.619, F.S., to incorporate the amendment to
11 s. 215.47, F.S., in references thereto;
12 providing an effective date.

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

16 Section 1. Subsection (14) of section 215.47, Florida
17 Statutes, is amended to read:

18 215.47 Investments; authorized securities; loan of
19 securities.--Subject to the limitations and conditions of the
20 State Constitution or of the trust agreement relating to a
21 trust fund, moneys available for investments under ss.
22 215.44-215.53 may be invested as follows:

23 (14) With no more than 5 percent of any fund in
24 private equity through participation in limited partnerships
25 and limited liability companies. The board shall regularly
26 review all investments made pursuant to this subsection and
27 determine whether to continue the investment based on the
28 standards set forth in subsection (6) as well as the
29 consequences to the state which would result from divestiture.

30 Section 2. For the purpose of incorporating the
31 amendment to section 215.47, Florida Statutes, in a reference

1 thereto, paragraph (a) of subsection (4) of section 215.5601,
2 Florida Statutes, is reenacted to read:

3 215.5601 Lawton Chiles Endowment Fund.--

4 (4) ADMINISTRATION.--

5 (a) The board may invest and reinvest funds of the
6 endowment in accordance with s. 215.47 and consistent with an
7 investment plan developed by the executive director and
8 approved by the board.

9 Section 3. For the purpose of incorporating the
10 amendment to section 215.47, Florida Statutes, in a reference
11 thereto, subsection (4) of section 215.69, Florida Statutes,
12 is reenacted to read:

13 215.69 State Board of Administration to administer
14 funds.--

15 (4) The State Board of Administration shall also be
16 the agent of the division for the investment of all funds of
17 the division, including all reserve funds, and the State Board
18 of Administration shall invest all such funds in the
19 securities provided in the proceedings which authorized the
20 issuance of such bonds, or, if no provisions for such
21 investments are provided in such proceedings, then such funds
22 shall be invested in the manner provided in s. 215.47.

23 Section 4. For the purpose of incorporating the
24 amendment to section 215.47, Florida Statutes, in a reference
25 thereto, subsection (2) of section 218.407, Florida Statutes,
26 is reenacted to read:

27 218.407 Local government investment authority.--

28 (2) The State Board of Administration shall, upon the
29 filing of the resolution, invest the moneys in the trust fund
30 in the same manner and subject to the same restrictions as are
31 set forth in s. 215.47. Except when authorized by the board,

1 all units of local government which qualify to be participants
2 in the Local Government Surplus Funds Trust Fund after January
3 1, 1982, will normally have surplus funds deposited into a
4 pooled investment account.

5 Section 5. For the purpose of incorporating the
6 amendment to section 215.47, Florida Statutes, in a reference
7 thereto, paragraph (e) of subsection (5) of section 766.315,
8 Florida Statutes, is reenacted to read:

9 766.315 Florida Birth-Related Neurological Injury
10 Compensation Association; board of directors.--

11 (5)

12 (e) Funds held on behalf of the plan are funds of the
13 State of Florida. The association may only invest plan funds
14 in the investments and securities described in s. 215.47, and
15 shall be subject to the limitations on investments contained
16 in that section. All income derived from such investments will
17 be credited to the plan.

18 Section 6. For the purpose of incorporating the
19 amendment to section 215.47, Florida Statutes, in a reference
20 thereto, subsection (6) of section 1009.70, Florida Statutes,
21 is reenacted to read:

22 1009.70 Florida Education Fund.--

23 (6) The board of directors is authorized to establish
24 a trust fund from the proceeds of the Florida Education Fund.
25 All funds deposited into the trust fund shall be invested
26 pursuant to the provisions of s. 215.47. Interest income
27 accruing to the unused portion of the trust fund shall
28 increase the total funds available for endowments. The
29 Department of Education may, at the request of the board of
30 directors, administer the fund for investment purposes.

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1 Section 7. For the purpose of incorporating the
2 amendment to section 215.47, Florida Statutes, in a reference
3 thereto, subsection (4) of section 1009.972, Florida Statutes,
4 is reenacted to read:

5 1009.972 Florida Prepaid College Trust Fund.--

6 (4) Any balance contained within the trust fund, and
7 within each fund in the trust fund, at the end of a fiscal
8 year shall remain therein and shall be available for carrying
9 out the purposes of each respective program and the
10 direct-support organization established pursuant to s.
11 1009.983. Moneys contained within the trust fund shall be
12 exempt from the investment requirements of s. 17.57. All funds
13 deposited in the prepaid fund may be invested pursuant to s.
14 215.47. Any funds of a direct-support organization created
15 pursuant to s. 1009.983 shall be exempt from the provisions of
16 this section.

17 Section 8. For the purpose of incorporating the
18 amendment to section 215.47, Florida Statutes, in a reference
19 thereto, section 1010.619, Florida Statutes, is reenacted to
20 read:

21 1010.619 Board of Administration to act as fiscal
22 agent.--Prior to the issuance of any revenue certificates, the
23 State Board of Education may request the State Board of
24 Administration to advise the State Board of Education as to
25 the fiscal sufficiency of the proposed issue. Upon sale and
26 delivery of any revenue certificates and disbursement of the
27 proceeds thereof pursuant to this part, the State Board of
28 Administration may upon request of the State Board of
29 Education take over the management, control, administration,
30 custody, and payment of any or all debt services or funds or
31 assets now or hereafter available for any revenue certificates

1 issued pursuant to this part. The State Board of
2 Administration shall upon request of the State Board of
3 Education invest all funds, including reserve funds, available
4 for any revenue certificates issued pursuant to this part in
5 the manner provided in s. 215.47. The State Board of Education
6 may from time to time provide by its duly adopted resolution
7 the duties the State Board of Administration shall perform,
8 and such duties may be changed, modified, or repealed by
9 subsequent resolution as the State Board of Education may deem
10 appropriate.

11 Section 9. This act shall take effect July 1, 2004.

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