

By the Committees on Governmental Oversight and Productivity;
Banking and Insurance; and Senator Atwater

585-2199-06

1 A bill to be entitled
2 An act relating to the Financial Literacy
3 Council; creating the council; providing
4 purposes; providing for membership; providing
5 for meetings, procedures, and records;
6 providing powers and duties of the council;
7 providing for resources of the council;
8 requiring that any funds received by the
9 council be deposited in the Administrative
10 Trust Fund; providing for expiration of the
11 council; requiring annual reports to the
12 Governor and Legislature; providing a
13 contingent appropriation; providing for
14 construction; providing a limitation on
15 expenditures of certain grant funds; providing
16 an effective date.

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

20 Section 1. Financial Literacy Council.--
21 (1) CREATION.--A council, as defined in s. 20.03,
22 Florida Statutes, named the Financial Literacy Council, is
23 created as an adjunct to the Department of Financial Services.
24 The council shall be subject to the provisions of s. 20.052,
25 Florida Statutes.
26 (2) PURPOSE.--The purpose of the council is to study
27 financial problems that affect consumers, particularly young
28 persons, seniors, and working adults, and small businesses
29 which arise from a lack of basic knowledge of financial issues
30 and to provide recommendations to the Department of Financial
31 Services which will assist the department in developing

1 financial literacy programs and resources and providing a
2 single state resource for financial literacy for the general
3 public in order to empower individuals and businesses to
4 manage their financial matters in order to reduce debt,
5 increase savings, and avoid bankruptcy. All recommendations
6 are subject to approval by the Chief Financial Officer.

7 (3) COMPOSITION.--

8 (a) The council shall consist of nine members who
9 shall be appointed by and serve at the pleasure of the Chief
10 Financial Officer. Six members must be persons having
11 experience in various areas of the financial industry, such as
12 financial institutions, as defined in s. 655.005, Florida
13 Statutes, finance, insurance, real estate, and securities. At
14 least one member must be a person who is not employed by and
15 is not a representative of the financial industry. At least
16 one member must be chosen from a list of three persons
17 submitted to the Chief Financial Officer by a senior advocacy
18 group. At least one member must be chosen from a list of three
19 persons submitted to the Chief Financial Officer by the
20 Florida Council on Economic Education. Appointed members shall
21 include persons who represent rural and urban interests and
22 the ethnic and cultural diversity of the state's population.

23 (b) Members of the council shall serve at the pleasure
24 of the Chief Financial Officer. The council shall meet at the
25 call of the chair. Five of the initial members appointed to
26 the council shall be appointed for terms of 3 years. All other
27 members shall be appointed for terms of 4 years. Members shall
28 serve until their successors are appointed. A vacancy shall be
29 filled for the remainder of the unexpired term.

30 (c) The Department of Financial Services shall provide
31 administrative and staff support to the council.

1 (4) MEETINGS; PROCEDURES; RECORDS.--

2 (a) The business of the council shall be presented to
3 the council in the form of an agenda. The agenda shall be set
4 by the Chief Financial Officer and shall include items of
5 business requested by the council members. All meetings of the
6 council shall be held only in Tallahassee in any building
7 owned or occupied by an agency of the state.

8 (b) A majority of the members constitutes a quorum,
9 and action by a majority of a quorum shall be official.

10 (c) The minutes for each meeting shall be submitted to
11 the Chief Financial Officer within 14 days after the date of
12 each meeting.

13 (5) POWERS AND DUTIES.--The council shall:

14 (a) Study financial problems that affect consumers,
15 particularly young persons, seniors, and working adults, and
16 small businesses which arise from a lack of basic knowledge of
17 financial issues.

18 (b) Study and make recommendations to the department
19 regarding the creation of a single state resource for
20 consumers and small businesses to contact for financial
21 assistance.

22 (c) Study and make recommendations as to how the
23 department may help equip small businesses, young people,
24 working adults, and seniors with the tools and resources they
25 need to make informed financial decisions.

26 (d) Study and make recommendations as to how the
27 department may help residents of this state learn more about
28 personal finance issues, including, but not limited to,
29 personal savings, applying for loans, managing debt, making
30 sound investment choices, and saving for retirement.

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1 (e) Study and make recommendations to the department
2 regarding the development of best practices for financial
3 management which are characteristic of highly successful small
4 businesses.

5 (f) Study and make recommendations as to how the
6 department can serve as an educational forum for resource
7 planning, financial planning, and management issues for small
8 businesses.

9 (g) Assist the department in developing written
10 materials that shall be available to educate consumers and
11 small businesses about basic financial issues.

12 (h) Study and make recommendations to the department
13 regarding the establishment of an outreach program to help
14 educate affected persons through public meetings or seminars
15 or through web-based media.

16 (6) RESOURCES.--

17 (a) The council may apply for and accept funds,
18 grants, gifts, and services from the state, the government of
19 the United States or any of its agencies, or any other public
20 or private source for the purpose of defraying clerical and
21 administrative costs as necessary to carry out its duties
22 under this section. All sums received by the council shall be
23 deposited into the Department of Financial Services
24 Administrative Trust Fund. The moneys received and deposited
25 into the trust fund are appropriated for use by the council in
26 carrying out its duties as prescribed by this section.
27 Notwithstanding any other provision of this act, if the
28 council does not receive any funds, grants, gifts, or services
29 beyond the appropriation provided for in this act by June 30,
30 2007, the council shall cease to exist on July 1, 2007.

1 (b) The council shall seek out and, wherever possible,
2 use the talents, expertise, and resources within the state,
3 and especially those of the public school, community college,
4 and state university systems, in furtherance of its mission.

5 (c) State agencies shall provide information and
6 assistance to the council upon request, and political
7 subdivisions, municipal corporations, public officers, and
8 school districts are encouraged to provide information and
9 assistance to the council upon request.

10 (7) EXPIRATION.--The council shall cease to exist on
11 December 31, 2011. Upon expiration, any funds remaining in the
12 Financial Literacy Council account of the Department of
13 Financial Services Administrative Trust Fund shall be
14 appropriated to the department to fund the activities that the
15 department has implemented pursuant to the recommendations of
16 the council.

17 (8) REPORTS.--Beginning January 1, 2008, the council
18 shall report annually on January 1 to the Governor, the
19 President of the Senate, and the Speaker of the House of
20 Representatives on the activities carried out under this
21 section, including expenditures and funding.

22 Section 2. For the 2006-2007 fiscal year, the sum of
23 \$50,000 in nonrecurring funds is appropriated from the
24 Department of Financial Services Administrative Trust Fund in
25 the specific appropriation category "Financial Literacy
26 Council" to the Financial Literacy Council created by this
27 act. The appropriation is contingent upon prior receipt of
28 grant funds or private contributions by the council for the
29 purposes of this act. This section does not entitle the
30 Financial Literacy Council to expend funds from the
31 Administrative Trust Fund in an amount greater than the amount

1 of grant funds or private contributions received by the
2 council and deposited into the Administrative Trust Fund
3 pursuant to this act.

4 Section 3. This act shall take effect July 1, 2006.

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6 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
7 COMMITTEE SUBSTITUTE FOR
8 CS for SB 1368

9 Provides that council meetings must take place in state
10 buildings in Tallahassee.

11 Provides that the council will cease to exist if it does not
12 receive grants or gifts in its first year of existence.

13 Clarifies that state agencies must, and political subdivisions
14 should, supply information and assistance to the council.

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