

HB 825

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CHAMBER ACTION

1 The Economic Development, Trade & Banking Committee recommends
2 the following:

3
4 **Council/Committee Substitute**

5 Remove the entire bill and insert:

6 A bill to be entitled

7 An act relating to the Financial Literacy Council;
8 creating the council; providing purposes; providing for
9 membership; providing for reimbursement for per diem and
10 travel expenses; providing for meetings, procedures, and
11 records; providing powers and duties of the council;
12 providing for resources of the council; requiring that any
13 funds received by the council be deposited in the
14 Department of Financial Services Administrative Trust
15 Fund; providing for expiration of the council; requiring
16 annual reports to the Governor and Legislature; providing
17 a contingent appropriation; providing for construction;
18 providing a limitation on expenditures of certain grant
19 funds; providing an effective date.

20
21 Be It Enacted by the Legislature of the State of Florida:

22
23 Section 1. Financial Literacy Council.--

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24 (1) CREATION.--A council, as defined in s. 20.03, Florida
25 Statutes, named the Financial Literacy Council, is created as an
26 adjunct to the Department of Financial Services. The council
27 shall be subject to the provisions of s. 20.052, Florida
28 Statutes.

29 (2) PURPOSE.--The purpose of the council is to study
30 financial problems that affect consumers, particularly small
31 businesses, young people, working adults, and seniors that arise
32 from a lack of basic knowledge of financial issues and to
33 provide recommendations to the Department of Financial Services
34 which will assist the department in developing financial
35 literacy programs and resources and providing a single state
36 resource for financial literacy for the general public in order
37 to empower individuals and businesses to manage their financial
38 matters in order to reduce debt, increase savings, and avoid
39 bankruptcy. All recommendations are subject to approval by the
40 Chief Financial Officer.

41 (3) COMPOSITION.--

42 (a) The council shall consist of nine members who shall be
43 appointed by and serve at the pleasure of the Chief Financial
44 Officer. Six members must be persons having experience in
45 various areas of the financial industry, such as financial
46 institutions as defined in s. 655.005, Florida Statutes,
47 finance, insurance, real estate, and securities. One member must
48 be a person who is not employed by and is not a representative
49 of the financial industry. One member must be chosen from a list
50 of three persons submitted to the Chief Financial Officer by a
51 senior advocacy group. One member must be chosen from a list of

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52 three persons submitted to the Chief Financial Officer by the
53 Florida Council on Economic Education. Members shall include
54 persons who represent rural and urban interests and the ethnic
55 and cultural diversity of the state's population.

56 (b) The council shall meet at the call of the chair, who
57 shall be elected by vote of a majority of the council at its
58 first meeting, which shall be called by the Chief Financial
59 Officer. Five of the initial members appointed to the council
60 shall serve terms of 3 years each. All other members shall be
61 appointed for terms of 4 years. Members shall serve until their
62 successors are appointed. Vacancies shall be filled for the
63 remainder of the unexpired term in the same manner as the
64 original appointment.

65 (c) Council members shall serve without compensation;
66 however, each council member is entitled to reimbursement for
67 per diem and travel expenses pursuant to s. 112.061, Florida
68 Statutes.

69 (d) The Department of Financial Services shall provide
70 administrative and staff support to the council.

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

72 (a) The business of the council shall be presented to the
73 council in the form of an agenda. The agenda shall be set by the
74 Chief Financial Officer and shall include items of business
75 requested by the council members.

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

78 (c) The minutes for each meeting shall be submitted to the
79 Chief Financial Officer within 14 days after each meeting.

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

81 (a) Study financial problems that affect consumers,
82 particularly young persons, seniors, and working adults, and
83 small businesses which arise from a lack of basic knowledge of
84 financial issues.

85 (b) Study and make recommendations to the department
86 regarding the creation of a single state resource for consumers
87 and small businesses to contact for financial assistance.

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

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

97 (e) Study and make recommendations to the department
98 regarding the development of best practices for financial
99 management which are characteristic of highly successful small
100 businesses.

101 (f) Study and make recommendations as to how the
102 department can serve as an educational forum for resource
103 planning, financial planning, and management issues for small
104 businesses.

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

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108 (h) Study and make recommendations to the department
109 regarding the establishment of an outreach program to help
110 educate affected persons through public meetings or seminars or
111 through web-based media.

112 (6) RESOURCES.--

113 (a) The council may apply for and accept funds, grants,
114 gifts, and services from the state, the government of the United
115 States or any of its agencies, or any other public or private
116 source for the purpose of defraying clerical and administrative
117 costs as necessary to carry out its duties under this section.
118 All sums received by the council shall be deposited into the
119 Department of Financial Services Administrative Trust Fund. The
120 moneys received and deposited into the trust fund are
121 appropriated for use by the council in carrying out its duties
122 as prescribed by this section.

123 (b) The council shall seek out and, wherever possible, use
124 the talents, expertise, and resources of citizens within the
125 state, and especially those of the public school, community
126 college, and state university systems, in furtherance of its
127 mission.

128 (c) The council may procure information and assistance
129 from any state agency, political subdivision, municipal
130 corporation, or public officer.

131 (d) The council may coordinate with any state agency, any
132 political subdivision, or any school district of the state in
133 the furtherance of its mission.

134 (7) EXPIRATION.--The council shall cease to exist on
135 December 31, 2011. Upon expiration, any funds remaining in the

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136 Financial Literacy Council account of the Department of
137 Financial Services Administrative Trust Fund shall be
138 appropriated to the department to fund the activities that the
139 department has implemented pursuant to the recommendations of
140 the council.

141 (8) REPORTS.--Beginning January 1, 2008, the council shall
142 report annually on January 1 to the Governor, the President of
143 the Senate, and the Speaker of the House of Representatives on
144 the activities carried out under this section, including
145 expenditures and funding.

146 Section 2. For the 2006-2007 fiscal year, the sum of
147 \$50,000 in nonrecurring funds is appropriated from the
148 Department of Financial Services Administrative Trust Fund in
149 the specific appropriation category "Financial Literacy Council"
150 to the Financial Literacy Council created by this act. The
151 appropriation is contingent upon prior receipt of grant funds or
152 private contributions by the council for the purposes of this
153 act. This section does not entitle the Financial Literacy
154 Council to expend funds from the Administrative Trust Fund in an
155 amount greater than the amount of grant funds or private
156 contributions received by the council and deposited into the
157 Administrative Trust Fund pursuant to this act.

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