

HB 1339

2007

1 A bill to be entitled
2 An act relating to authorized investments for local
3 governments; amending s. 218.415, F.S.; allowing local
4 governments to invest surplus public funds in rated or
5 unrated bonds, notes, or instruments backed by the full
6 faith and credit of the government of Israel; providing an
7 effective date.

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

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11 Section 1. Subsection (16) of section 218.415, Florida
12 Statutes, is amended to read:

13 218.415 Local government investment policies.--Investment
14 activity by a unit of local government must be consistent with a
15 written investment plan adopted by the governing body, or in the
16 absence of the existence of a governing body, the respective
17 principal officer of the unit of local government and maintained
18 by the unit of local government or, in the alternative, such
19 activity must be conducted in accordance with subsection (17).
20 Any such unit of local government shall have an investment
21 policy for any public funds in excess of the amounts needed to
22 meet current expenses as provided in subsections (1)-(16), or
23 shall meet the alternative investment guidelines contained in
24 subsection (17). Such policies shall be structured to place the
25 highest priority on the safety of principal and liquidity of
26 funds. The optimization of investment returns shall be secondary
27 to the requirements for safety and liquidity. Each unit of
28 local government shall adopt policies that are commensurate with

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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29 | the nature and size of the public funds within its custody.

30 | (16) AUTHORIZED INVESTMENTS; WRITTEN INVESTMENT
 31 | POLICIES.--Those units of local government electing to adopt a
 32 | written investment policy as provided in subsections (1)-(15)
 33 | may by resolution invest and reinvest any surplus public funds
 34 | in their control or possession in:

35 | (a) The Local Government Surplus Funds Trust Fund or any
 36 | intergovernmental investment pool authorized pursuant to the
 37 | Florida Interlocal Cooperation Act as provided in s. 163.01.

38 | (b) Securities and Exchange Commission registered money
 39 | market funds with the highest credit quality rating from a
 40 | nationally recognized rating agency.

41 | (c) Interest-bearing time deposits or savings accounts in
 42 | qualified public depositories as defined in s. 280.02.

43 | (d) Direct obligations of the United States Treasury.

44 | (e) Federal agencies and instrumentalities.

45 | (f) Rated or unrated bonds, notes, or instruments backed
 46 | by the full faith and credit of the government of Israel.

47 | (g)~~(f)~~ Securities of, or other interests in, any open-end
 48 | or closed-end management-type investment company or investment
 49 | trust registered under the Investment Company Act of 1940, 15
 50 | U.S.C. ss. 80a-1 et seq., as amended from time to time, provided
 51 | that the portfolio of such investment company or investment
 52 | trust is limited to obligations of the United States Government
 53 | or any agency or instrumentality thereof and to repurchase
 54 | agreements fully collateralized by such United States Government
 55 | obligations, and provided that such investment company or
 56 | investment trust takes delivery of such collateral either

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57 | directly or through an authorized custodian.

58 | (h)~~(g)~~ Other investments authorized by law or by ordinance
59 | for a county or a municipality.

60 | (i)~~(h)~~ Other investments authorized by law or by
61 | resolution for a school district or a special district.

62 | Section 2. This act shall take effect July 1, 2007.