

By Senator Ring

32-623-07

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A bill to be entitled

An act relating to state financial matters;  
providing for a study and report by the State  
Board of Administration with respect to  
providing or participating in capital  
investment options for hurricane  
catastrophe-related losses; providing an  
appropriation; providing an effective date.

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

Section 1. By January 15, 2008, the State Board of Administration shall submit a Hurricane Catastrophe Fund Exchange Report to the President of the Senate and the Speaker of the House of Representatives. The report shall include findings and recommendations on whether and how the state might provide, use, or promote the use of capital market risk transfer vehicles for hurricane catastrophe losses, including exchange-traded and other financial products. In preparing the report, the board may confer with other state agencies, state universities, and other public or private entities. The report shall assess such vehicles in the context of an expanding market place for risk transfer and the state's compelling interest in maintaining a viable and orderly private-sector market for property insurance and creating additional insurance capacity in this state. The board may hire consultants as necessary to assist in researching and developing the report.

Section 2. The sum of \$350,000 in nonrecurring funds is appropriated from the General Revenue Fund to the State Board of Administration to pay the costs of preparing the

1 Hurricane Catastrophe Fund Exchange Report described in  
2 section 1. Costs and fees incurred by the board in preparing  
3 the report, including consulting services fees, shall be paid  
4 from funds appropriated in this section.

5 Section 3. This act shall take effect July 1, 2007.

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8 SENATE SUMMARY

9 Directs the State Board of Administration to conduct a  
10 study on providing or participating in capital investment  
11 options for hurricane catastrophe-related losses and to  
12 report its findings to the President of the Senate and  
13 the Speaker of the House of Representatives.  
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