## Florida Senate - 2007

CS for CS for SB 264

 ${\bf By}$  the Committees on Governmental Operations; Banking and Insurance; and Senator Geller

585-2419-07 1 A bill to be entitled 2 An act relating to the Department of Financial Services; amending s. 20.121, F.S.; revising 3 procedures for appointing and removing 4 5 directors to the Office of Insurance Regulation б and the Office of Financial Regulation within 7 the Financial Services Commission; providing an 8 effective date. 9 Be It Enacted by the Legislature of the State of Florida: 10 11 12 Section 1. Paragraph (d) of subsection (3) of section 13 20.121, Florida Statutes, is amended to read: 20.121 Department of Financial Services.--There is 14 created a Department of Financial Services. 15 (3) FINANCIAL SERVICES COMMISSION. -- Effective January 16 17 7, 2003, there is created within the Department of Financial Services the Financial Services Commission, composed of the 18 Governor, the Attorney General, the Chief Financial Officer, 19 and the Commissioner of Agriculture, which shall for purposes 20 21 of this section be referred to as the commission. Commission 22 members shall serve as agency head of the Financial Services 23 Commission. The commission shall be a separate budget entity and shall be exempt from the provisions of s. 20.052. 2.4 Commission action shall be by majority vote consisting of at 25 least three affirmative votes. The commission shall not be 26 27 subject to control, supervision, or direction by the 2.8 Department of Financial Services in any manner, including 29 purchasing, transactions involving real or personal property, personnel, or budgetary matters. 30 (d) Appointment and qualifications of directors.--31

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

1	1. The directors of the Office of Insurance Regulation
2	and the Office of Financial Regulation must be nominated by
3	the Chief Financial Officer, who shall forward the nominations
4	to the other members of the commission. The commission shall
5	act on each nomination by majority vote; however, in the event
6	of a tie vote of the commission, the side on which the Chief
7	Financial Officer voted prevails. The commission shall appoint
8	or remove each director by a majority vote consisting of at
9	least three affirmative votes, with both the Governor and the
10	Chief Financial Officer on the prevailing side. The minimum
11	qualifications of the directors are as follows:
12	<u>a.</u> Prior to appointment as director, the Director of
13	the Office of Insurance Regulation must have had, within the
14	previous 10 years, at least 5 years of responsible private
15	sector experience working full time in areas within the scope
16	of the subject matter jurisdiction of the Office of Insurance
17	Regulation or at least 5 years of experience as a senior
18	examiner or other senior employee of a state or federal agency
19	having regulatory responsibility over insurers or insurance
20	agencies.
21	b.2. Prior to appointment as director, the Director of
22	the Office of Financial Regulation must have had, within the
23	previous 10 years, at least 5 years of responsible private
24	sector experience working full time in areas within the
25	subject matter jurisdiction of the Office of Financial
26	Regulation or at least 5 years of experience as a senior
27	examiner or other senior employee of a state or federal agency
28	having regulatory responsibility over financial institutions,
29	finance companies, or securities companies.
30	2. The following governs removal of the director of
31	the Office of Insurance Regulation or of the Office of
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1 Financial Regulation from office. The Governor or the Chief Financial Officer shall petition the commission for removal of 2 the director. The commission shall act on the petition by 3 4 majority vote; however, in the event of a tie vote of the 5 commission, the side on which the Chief Financial Officer б voted prevails. 7 Section 2. The act shall take effect July 1, 2007. 8 9 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR 10 CS/SB 264 11 12 Eliminates the transfer of powers delegated to the Office of Insurance Regulation to the Department of Financial Services. 13 Modifies the appointment process for the director of the Office of Insurance Regulation. Requires the director to be 14 nominated by the Chief Financial Officer and voted upon by the members of the Financial Services Commission. Requires a 15 majority vote of the commission to appoint the director. In the event of a tie vote, provides that the side on which the Chief Financial Officer votes prevails. 16 17 18 19 20 21 22 23 2.4 25 26 27 28 29 30

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