

1 A bill to be entitled
 2 An act relating to financial instruments; amending s.
 3 17.57, F.S.; deleting a provision relating to concurrent
 4 deposits by a unit of local government and customers of
 5 other federally insured financial institutions; requiring
 6 that the Chief Financial Officer and local governments
 7 deposit surplus funds in financial deposit instruments
 8 insured by the Federal Deposit Insurance Corporation
 9 rather than in certificates of deposit; amending s.
 10 218.415, F.S.; requiring that the Chief Financial Officer
 11 and local governments deposit surplus funds in financial
 12 deposit instruments insured by the Federal Deposit
 13 Insurance Corporation rather than in certificates of
 14 deposit; deleting a provision relating to concurrent
 15 deposits by a unit of local government and customers of
 16 other federally insured financial institutions; amending
 17 s. 532.01, F.S.; including payroll debit cards under
 18 requirements applicable to payment instruments; providing
 19 an effective date.

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

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 23 Section 1. Subsection (7) of section 17.57, Florida
 24 Statutes, is amended to read:
 25 17.57 Deposits and investments of state money.--
 26 (7) In addition to the deposits authorized under this
 27 section and notwithstanding any other provisions of law, funds
 28 that are not needed to meet the disbursement needs of the state

29 | may be deposited by the Chief Financial Officer in accordance
30 | with the following conditions:

31 | (a) The funds are initially deposited in a qualified
32 | public depository, as defined in s. 280.02, selected by the
33 | Chief Financial Officer.

34 | (b) The selected depository arranges for depositing the
35 | ~~deposit of~~ the funds in financial deposit instruments insured by
36 | the Federal Deposit Insurance Corporation certificates of
37 | ~~deposit~~ in one or more federally insured banks or savings and
38 | loan associations, wherever located, for the account of the
39 | state.

40 | (c) The full amount of the principal and accrued interest
41 | of each financial deposit instrument ~~such certificate of deposit~~
42 | is insured by the Federal Deposit Insurance Corporation.

43 | (d) The selected depository acts as custodian for the
44 | state with respect to each financial deposit instrument ~~such~~
45 | ~~certificates of deposit~~ issued for its account.

46 | ~~(e) At the same time the state's funds are deposited and~~
47 | ~~the certificates of deposit are issued, the selected depository~~
48 | ~~receives an amount of deposits from customers of other federally~~
49 | ~~insured financial institutions, wherever located, equal to or~~
50 | ~~greater than the amount of the funds initially invested by the~~
51 | ~~Chief Financial Officer through the selected depository.~~

52 | Section 2. Paragraphs (b), (c), (d), and (e) of subsection
53 | (23) of section 218.415, Florida Statutes, are amended to read:

54 | 218.415 Local government investment policies.--Investment
55 | activity by a unit of local government must be consistent with a
56 | written investment plan adopted by the governing body, or in the

57 | absence of the existence of a governing body, the respective
58 | principal officer of the unit of local government and maintained
59 | by the unit of local government or, in the alternative, such
60 | activity must be conducted in accordance with subsection (17).
61 | Any such unit of local government shall have an investment
62 | policy for any public funds in excess of the amounts needed to
63 | meet current expenses as provided in subsections (1)-(16), or
64 | shall meet the alternative investment guidelines contained in
65 | subsection (17). Such policies shall be structured to place the
66 | highest priority on the safety of principal and liquidity of
67 | funds. The optimization of investment returns shall be secondary
68 | to the requirements for safety and liquidity. Each unit of local
69 | government shall adopt policies that are commensurate with the
70 | nature and size of the public funds within its custody.

71 | (23) AUTHORIZED DEPOSITS.--In addition to the investments
72 | authorized for local governments in subsections (16) and (17)
73 | and notwithstanding any other provisions of law, a unit of local
74 | government may deposit any portion of surplus public funds in
75 | its control or possession in accordance with the following
76 | conditions:

77 | (b) The selected depository arranges for depositing the
78 | ~~deposit of~~ the funds in financial deposit instruments insured by
79 | the Federal Deposit Insurance Corporation certificates of
80 | ~~deposit~~ in one or more federally insured banks or savings and
81 | loan associations, wherever located, for the account of the unit
82 | of local government.

83 | (c) The full amount of the principal and accrued interest
84 | of each financial deposit instrument ~~such certificate of deposit~~

85 is insured by the Federal Deposit Insurance Corporation.

86 (d) The selected depository acts as custodian for the unit
 87 of local government with respect to each financial deposit
 88 instrument ~~such certificates of deposit~~ issued for its account.

89 ~~(e) At the same time the unit of local government's funds~~
 90 ~~are deposited and the certificates of deposit are issued, the~~
 91 ~~selected depository receives an amount of deposits from~~
 92 ~~customers of other federally insured financial institutions,~~
 93 ~~wherever located, equal to or greater than the amount of the~~
 94 ~~funds initially invested by the unit of local government through~~
 95 ~~the selected depository.~~

96 Section 3. Section 532.01, Florida Statutes, is amended to
 97 read:

98 532.01 Payment by check, draft, or other order for
 99 payment.--Any order, check, draft, note, memorandum, payroll
 100 debit card, or other acknowledgment of indebtedness issued in
 101 payment of wages or salary due or to become due must be
 102 negotiable and payable in cash, on demand, without discount, at
 103 some established place of business in the state, the name and
 104 address of which must appear on the instrument or in the payroll
 105 debit card issuing materials, and at the time of its issuance,
 106 and for a reasonable time thereafter, which must be at least 30
 107 days, the maker or drawer must have sufficient funds or credit,
 108 arrangement, or understanding with the drawee for its payment.

109 Section 4. This act shall take effect July 1, 2009.

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