

By Senator Fasano

11-00193-11

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1 A bill to be entitled
2 An act relating to placement agents; amending s.
3 215.47, F.S.; prohibiting state investment funds from
4 being used to pay the fees or commissions of placement
5 agents; requiring the State Board of Administration to
6 deal directly with private equity firms and companies
7 issuing securities; providing an 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 (22) is added to section 215.47,
12 Florida Statutes, to read:

13 215.47 Investments; authorized securities; loan of
14 securities.—Subject to the limitations and conditions of the
15 State Constitution or of the trust agreement relating to a trust
16 fund, moneys available for investments under ss. 215.44-215.53
17 may be invested as follows:

18 (22) Notwithstanding any other provision of law, no portion
19 of moneys invested under this section, including any portion
20 used to pay an investment manager's fee, may be used to pay
21 placement agent fees or commissions. As used in this subsection,
22 the term "placement agent" means an individual who is hired by a
23 private equity fund or company issuing securities for the
24 purpose of finding people who are interested in investing in the
25 fund or securities. In selecting and purchasing investments, the
26 board must deal directly with the investment fund or company and
27 not through a placement agent.

28 Section 2. This act shall take effect upon becoming a law.