

HB 1095

2012

1 A bill to be entitled
2 An act relating to the State Board of Administration;
3 prohibiting certain employees of the State Board of
4 Administration from being employed by or having a
5 similar contractual relationship with an investment
6 firm that does business with the board for a specified
7 period after termination of employment; authorizing
8 the executive director to waive the postemployment
9 restriction; providing penalties; requiring the board
10 or trustee of the board to provide to the office of
11 the Chief Financial Officer the identity of certain
12 former employees and the dates of their termination of
13 employment with the board or trustee; prohibiting an
14 investment firm that does business with the State
15 Board of Administration from employing or entering
16 into a similar contractual relationship with a former
17 employee of the board under certain circumstances;
18 authorizing the executive director of the board to
19 waive the postemployment restriction under certain
20 circumstances; subjecting an investment firm to a
21 penalty for violations of the postemployment
22 restriction; requiring that the board provide to the
23 office of the Chief Financial Officer the identity of
24 certain former employees and the dates of their
25 termination of employment with the board; providing an
26 effective date.

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

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

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30 Section 1. State Board of Administration; postemployment
31 restrictions; penalties.-

32 (1) (a) An employee of the State Board of Administration or
33 employee of a trustee of the board having the authority to make
34 or the responsibility to recommend investments of moneys held by
35 the board may not, within 3 years after retirement or
36 termination from employment, hold any employment or similar
37 contractual relationship with an investment firm that does
38 business with the board. If the employee's position is
39 eliminated and his or her duties are performed by an investment
40 firm, the executive director of the board may waive this
41 restriction in writing for a particular employee if the
42 executive director determines that the waiver will serve the
43 best interests of the state.

44 (b) A former employee who violates this subsection is
45 subject to penalties under s. 112.317, Florida Statutes.

46 (c) The board or trustee of the board shall provide to the
47 office of the Chief Financial Officer the identity of each
48 former employee described in paragraph (a) and the termination
49 date of his or her employment with the board or trustee within
50 15 days after termination.

51 (2) (a) An investment firm that employs or enters into a
52 similar contractual relationship with a former employee of the
53 State Board of Administration who was authorized to make or who
54 had the responsibility to recommend investments of moneys held
55 by the board may not do business with the board for a period of
56 3 years following the date of termination of the person's

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57 employment with the board. If the former employee's position
58 with the board is eliminated and his or her duties are performed
59 by the investment firm, the executive director of the board may
60 waive this restriction in writing for a particular employee if
61 the executive director determines that the waiver will serve the
62 best interests of the state.

63 (b) An investment firm that violates this subsection is
64 subject to disgorgement of half of its profits resulting from
65 its business with the board while in violation of this
66 subsection, not to exceed \$1 million per former employee.

67 (c) The board shall provide to the office of the Chief
68 Financial Officer the identity of each former employee of the
69 board described in paragraph (a) and the termination date of his
70 or her employment with the board within 15 days after
71 termination.

72 Section 2. This act shall take effect July 1, 2012.