

By the Committee on Commerce and Tourism; and Senator Ingoglia

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1 A bill to be entitled

2 An act relating to executive officers and boards of
3 directors of financial institutions; creating s.
4 655.038, F.S.; disqualifying certain persons from
5 serving as executive officers or directors of a state
6 financial institution under certain circumstances;
7 prohibiting disqualified executive officers and
8 directors from selecting or appointing certain persons
9 in specified circumstances; providing applicability;
10 defining the term "executive officer"; providing a
11 directive to the Division of Law Revision; providing
12 an effective date.

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

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16 Section 1. Section 655.038, Florida Statutes, is created to
17 read:

18 655.038 Directors, qualifications; officers.—Any person who
19 served as an executive officer or director of a financial
20 institution within the 5-year period before the date such
21 financial institution became insolvent, for any insolvency that
22 occurs on or after the effective date of this act, may not serve
23 as an executive officer or director of any state financial
24 institution for 5 years after the date of such insolvency. Any
25 person who is disqualified from serving as an executive officer
26 or director of any state financial institution under this
27 subsection may not have direct or indirect control over the
28 selection or appointment of an executive officer or director to
29 any state financial institution through contract, trust, or by

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30 operation of law during such disqualification period. This
31 section does not apply when an executive officer or director
32 demonstrates to the office, and the office determines, that the
33 actions or omissions of such executive officer or director were
34 not a significant contributing cause to the insolvency. As used
35 in this subsection, the term "executive officer" has the same
36 meaning as in s. 655.005(1).

37 Section 2. The Division of Law Revision is directed to
38 replace the phrase "the effective date of this act" wherever it
39 occurs in this act with the date this act becomes a law.

40 Section 3. This act shall take effect upon becoming a law.