

Committee on Judiciary

CS/CS/HB 833 — General Assignments

by Judiciary Committee; Civil Justice Subcommittee; and Rep. Passidomo (CS/SB 1098 by Banking and Insurance Committee and Senator Richter)

This bill streamlines procedures for the discharge of duties by an assignee under an assignment for the benefit of creditors. The changes were recommended by the Business Law Section of The Florida Bar as part of its comprehensive review of the law. More specifically, this bill:

- Creates a negative notice procedure to allow an assignee when discharging duties under an assignment for the benefit of creditors to give notice to interested parties of a planned action. In the absence of objection, the assignee may proceed without a hearing. A form is created for providing negative notice of certain acts to be undertaken by the assignee.
- Sets a minimum bond for assignees under an assignment for the benefit of creditors of at least \$25,000 or double the liquidation value of the unencumbered and liquid assets of the insolvent estate, whichever is greater.
- Authorizes an assignee to conduct discovery as provided for in the Florida Rules of Civil Procedure in the course of prosecuting or objecting to claims.
- Eliminates a conflict in existing law relating to an extension of the time within which an assignee may conduct the business of an insolvent debtor. The change allows the assignee to conduct the business of the insolvent debtor for 45 days, or longer, if needed and appropriate notice is given.
- Identifies the parties entitled to notice and specifies the contents of the notice if an assignee rejects a lease when discharging his or her duties for an insolvent estate.
- Creates a form for deeds for use by an assignee in the sale of real property of an insolvent estate.

If approved by the Governor, these provisions take effect upon becoming law.

Vote: Senate 36-0; House 113-0