

THE FLORIDA SENATE
2014 SUMMARY OF LEGISLATION PASSED
Committee on Banking and Insurance

HB 7009 — Security for Public Deposits

by Insurance and Banking Subcommittee; and Rep. Moraitis; and others (CS/SB 564 Banking and Insurance Committee; and Senator Richter)

The bill amends the Florida Security for Public Deposits Act (act), which authorizes local and state governmental units (public depositors) to place public deposits in qualified public depositories (QPD). Public deposits are funds in excess of amounts required to meet disbursement needs or expenses, and QPDs are banks, savings banks, or savings associations that meet specific criteria under the act. The QPDs must secure public deposits in accordance with the act and the collateral requirements and pledging levels established rule of the Chief Financial Officer. The bill provides the following changes to the act:

- Reduces and streamlines reporting requirements.
- Reduces the two highest collateral-pledging levels for public deposits, which would ease the regulatory burden for small and moderate sized QPDs.
- Provides protection from loss for a public depositor that fails to comply with a ministerial reporting requirement if the defaulting or insolvent QPD had classified, reported, and collateralized their account as public deposits.
- Repeals the Qualified Public Depository Oversight Board, which has been inactive since holding an initial meeting in December 2001.
- Revises and updates terminology and practices.

If approved by the Governor, these provisions take effect July 1, 2014.

Vote: Senate 37-0; House 116-0