

House Bill No. 825

An act relating to the Financial Literacy Council; creating the council; providing purposes; providing for membership; providing for reimbursement for per diem and travel expenses; providing for meetings, procedures, and records; providing powers and duties of the council; providing for resources of the council; requiring that any funds received by the council be deposited in the Department of Financial Services Administrative Trust Fund; providing for expiration of the council; requiring annual reports to the Governor and Legislature; providing a contingent appropriation; providing for construction; providing a limitation on expenditures of certain grant funds; providing an effective date.

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

Section 1. Financial Literacy Council.—

(1) CREATION.—A council, as defined in s. 20.03, Florida Statutes, named the Financial Literacy Council, is created as an adjunct to the Department of Financial Services. The council shall be subject to the provisions of s. 20.052, Florida Statutes.

(2) PURPOSE.—The purpose of the council is to study financial problems that affect consumers, particularly small businesses, young people, working adults, and seniors that arise from a lack of basic knowledge of financial issues and to provide recommendations to the Department of Financial Services which will assist the department in developing financial literacy programs and resources and providing a single state resource for financial literacy for the general public in order to empower individuals and businesses to manage their financial matters in order to reduce debt, increase savings, and avoid bankruptcy. All recommendations are subject to approval by the Chief Financial Officer.

(3) COMPOSITION.—

(a) The council shall consist of nine members who shall be appointed by and serve at the pleasure of the Chief Financial Officer. Six members must be persons having experience in various areas of the financial industry, such as financial institutions as defined in s. 655.005, Florida Statutes, finance, insurance, real estate, and securities. One member must be a person who is not employed by and is not a representative of the financial industry. One member must be chosen from a list of three persons submitted to the Chief Financial Officer by a senior advocacy group. One member must be chosen from a list of three persons submitted to the Chief Financial Officer by the Florida Council on Economic Education. Members shall include persons who represent rural and urban interests and the ethnic and cultural diversity of the state's population.

(b) The council shall meet at the call of the chair, who shall be elected by vote of a majority of the council at its first meeting, which shall be called by

the Chief Financial Officer. Five of the initial members appointed to the council shall serve terms of 3 years each. All other members shall be appointed for terms of 4 years. Members shall serve until their successors are appointed. Vacancies shall be filled for the remainder of the unexpired term in the same manner as the original appointment.

(c) Council members shall serve without compensation; however, each council member is entitled to reimbursement for per diem and travel expenses pursuant to s. 112.061, Florida Statutes.

(d) The Department of Financial Services shall provide administrative and staff support to the council.

(4) MEETINGS; PROCEDURES; RECORDS.—

(a) The business of the council shall be presented to the council in the form of an agenda. The agenda shall be set by the Chief Financial Officer and shall include items of business requested by the council members.

(b) A majority of the members constitutes a quorum, and action by a majority of a quorum shall be official.

(c) The minutes for each meeting shall be submitted to the Chief Financial Officer within 14 days after each meeting.

(5) POWERS AND DUTIES.—The council shall:

(a) Study financial problems that affect consumers, particularly young persons, seniors, and working adults, and small businesses which arise from a lack of basic knowledge of financial issues.

(b) Study and make recommendations to the department regarding the creation of a single state resource for consumers and small businesses to contact for financial assistance.

(c) Study and make recommendations as to how the department may help equip small businesses, young people, working adults, and seniors with the tools and resources they need to make informed financial decisions.

(d) Study and make recommendations as to how the department may help residents of this state learn more about personal finance issues, including, but not limited to, personal savings, applying for loans, managing debt, making sound investment choices, and saving for retirement.

(e) Study and make recommendations to the department regarding the development of best practices for financial management which are characteristic of highly successful small businesses.

(f) Study and make recommendations as to how the department can serve as an educational forum for resource planning, financial planning, and management issues for small businesses.

(g) Assist the department in developing written materials that shall be available to educate consumers and small businesses about basic financial issues.

(h) Study and make recommendations to the department regarding the establishment of an outreach program to help educate affected persons through public meetings or seminars or through web-based media.

(6) RESOURCES.—

(a) The council may apply for and accept funds, grants, gifts, and services from the state, the government of the United States or any of its agencies, or any other public or private source for the purpose of defraying clerical and administrative costs as necessary to carry out its duties under this section. All sums received by the council shall be deposited into the Department of Financial Services Administrative Trust Fund. The moneys received and deposited into the trust fund are appropriated for use by the council in carrying out its duties as prescribed by this section.

(b) The council shall seek out and, wherever possible, use the talents, expertise, and resources of citizens within the state, and especially those of the public school, community college, and state university systems, in furtherance of its mission.

(c) The council may procure information and assistance from any state agency, political subdivision, municipal corporation, or public officer.

(d) The council may coordinate with any state agency, any political subdivision, or any school district of the state in the furtherance of its mission.

(7) EXPIRATION.—The council shall cease to exist on December 31, 2011. Upon expiration, any funds remaining in the Financial Literacy Council account of the Department of Financial Services Administrative Trust Fund shall be appropriated to the department to fund the activities that the department has implemented pursuant to the recommendations of the council.

(8) REPORTS.—Beginning January 1, 2008, the council shall report annually on January 1 to the Governor, the President of the Senate, and the Speaker of the House of Representatives on the activities carried out under this section, including expenditures and funding.

Section 2. For the 2006-2007 fiscal year, the sum of \$50,000 in nonrecurring funds is appropriated from the Department of Financial Services Administrative Trust Fund in the specific appropriation category “Financial Literacy Council” to the Financial Literacy Council created by this act. The appropriation is contingent upon prior receipt of grant funds or private contributions by the council for the purposes of this act. This section does not entitle the Financial Literacy Council to expend funds from the Administrative Trust Fund in an amount greater than the amount of grant funds or private contributions received by the council and deposited into the Administrative Trust Fund pursuant to this act.

Section 3. This act shall take effect July 1, 2006.

Approved by the Governor June 9, 2006.

Filed in Office Secretary of State June 9, 2006.