

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.