

## **Purchase of extortion insurance**

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**Subject:**  
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PUBLIC FUNDS--PURCHASE OF EXTORTION INSURANCE BY COUNTY TAX COLLECTOR

To: J. Ed Straughn, Executive Director, Department of Revenue, Tallahassee

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QUESTION:

Is the purchase of extortion insurance a proper expenditure for the office of county tax collector?

SUMMARY:

A county tax collector may, under certain circumstances, and with the approval of the Department of Banking and Finance, purchase extortion insurance and, with the approval or amendment of his budget by the Department of Revenue, charge the cost thereof as an expense of the office.

The primary obligation to provide adequate insurance for the protection of public money in the respective county offices is upon the several boards of county commissioners. Section 219.02(3), F. S. However, recognizing that it is the duty of each officer to keep safely all public money collected by him and to exercise all possible care for the protection of public money in his custody, s. 219.02(2), F. S., if it appears to an officer that the insurance provided by the board of county commissioners is inadequate, he may, with the approval of the Department of Banking and Finance, provide additional insurance found to be necessary and charge the cost thereof to the expense of his office. Section 219.02(3).

In addition, it appears that the Department of Revenue must also approve such an expenditure. Section 195.087(2), F. S. (1974 Supp.), requires the tax collector to submit to the Department of Revenue his budget for the operation of his office for the ensuing fiscal year. After final approval of the budget there shall be no reduction or increase by an officer, board, or commission without the approval of the Department of Revenue.

It should be noted that, pursuant to s. 219.05, F. S., deposits of public money should be made in a qualified depository sufficiently often to keep the amount of money in the office within the insurance coverage.