Bond Case Briefs

Municipal Finance Law Since 1971

BONDS - FLORIDA

S.E.C. v. City of Miami

United States Court of Appeals, Eleventh Circuit - September 5, 2014 - Fed.Appx. - 2014 WL 4377831

The SEC instituted a civil enforcement action alleging that the City of Miami and its Budget Director, Michael Boudreaux committed securities fraud, and that the City violated a 2003 SEC cease-and-desist order, imposed after the City violated the anti-fraud provisions of the federal securities laws in connection with the issuance of municipal bonds in 1995.

The crux of the SEC's allegations concerned alleged material misrepresentations and omissions reflected in 2007 and 2008 fiscal year-end City financial documents that were incorporated by reference into the City's bond offerings in 2009.

As relief, the SEC requested that the district court: (1) grant injunctive relief that would permanently enjoin the defendants from further violations of federal securities law; (2) order the City to comply with the 2003 cease-and-desist order; and (3) impose civil monetary penalties on the defendants.

Boudreaux moved to dismiss the claims against him based on the doctrine of qualified immunity because he was acting within the scope of his official responsibilities as City Budget Director when the alleged misconduct occurred. The District Court denied the motion and Boudreaux appealed.

The Court of Appeals noted that the issue of whether municipal officials are entitled to qualified immunity in a SEC enforcement action under the federal securities laws appeared to be a matter of first impression.

The Court of Appeals affirmed, holding that qualified immunity was unavailable to Boudreaux as a defense against the SEC's civil enforcement action.

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com