

By the Committee on Financial Services and Representative
Roberts

1 A bill to be entitled
2 An act relating to consumer finance; amending
3 s. 516.03, F.S.; increasing an application fee;
4 authorizing the Department of Banking and
5 Finance to adopt rules providing for electronic
6 filing of forms, documents, and fees; amending
7 ss. 516.05 and 520.997, F.S.; requiring
8 licensees to notify the department before
9 relocating a business; requiring a licensee to
10 report bankruptcy filings to the department;
11 amending ss. 516.07 and 520.995, F.S.;
12 providing additional grounds for certain
13 disciplinary actions; amending ss. 516.11 and
14 520.996, F.S.; deleting a schedule of
15 examination fees; requiring the department to
16 conduct examinations within the state;
17 providing exceptions; providing criteria for
18 paying travel expenses and per diem allowances
19 to examiners; amending s. 516.12, F.S.;
20 requiring licensees to make certain information
21 available under certain circumstances; amending
22 ss. 520.02, 520.31, and 520.61, F.S.; providing
23 additional definitions; amending ss. 520.03,
24 520.32, 520.52, and 520.63, F.S.; revising
25 certain fees; clarifying procedures for
26 obtaining certain licenses and imposing certain
27 license application and renewal fees; requiring
28 department notification before relocating
29 certain offices; amending s. 520.07, F.S.;
30 revising the methodology by which an amount
31 financed is calculated for purposes of required

1 contents of retail installment contracts;
2 requiring disclosure of additional information
3 under certain installment contracts; requiring
4 evidence of satisfaction of lien under certain
5 installment contracts; amending s. 520.085,
6 F.S.; authorizing certain additional charges
7 under certain installment contracts; providing
8 for deferment of certain installment payments
9 under certain conditions; amending s. 520.34,
10 F.S.; authorizing sellers under retail
11 installment contracts to collect a processing
12 fee under certain circumstances; specifying the
13 fee as not constituting interest or a finance
14 charge; amending s. 520.994, F.S.; authorizing
15 the department to adopt rules providing for
16 electronic filing of forms, documents, and
17 fees; specifying department rulemaking
18 authority for certain purposes; amending ss.
19 559.9232, 681.102, and 697.05, F.S.; correcting
20 cross references; providing effective dates.

21
22 Be It Enacted by the Legislature of the State of Florida:

23
24 Section 1. Section 516.03, Florida Statutes, is
25 amended to read:

26 516.03 Application for license; fees; etc.--

27 (1) APPLICATION.--Application for a license to make
28 loans under this chapter shall be ~~in writing, under oath, and~~
29 in the form prescribed by the department by rule, and shall
30 contain the name, residence and business addresses of the
31 applicant and, if the applicant is a copartnership or

1 association, of every member thereof and, if a corporation, of
2 each officer and director thereof, also the county and
3 municipality with the street and number or approximate
4 location where the business is to be conducted, and such
5 further relevant information as the department may require.
6 At the time of making such application the applicant shall pay
7 to the department a biennial license fee of \$625~~\$550~~.
8 Applications, except for applications to renew or reactivate a
9 license, must also be accompanied by an investigation fee of
10 \$200. The department may adopt rules to allow electronic
11 submission of any form, document, or fee required by this act.

12 (2) FEES.--Fees herein provided for shall be collected
13 by the department and shall be turned into the State Treasury
14 to the credit of the regulatory trust fund under the Division
15 of Finance of the department. The department shall have full
16 power to employ such examiners or clerks to assist the
17 department as may from time to time be deemed necessary and
18 fix their compensation. The department may adopt rules to
19 allow electronic submission of any fee required by this
20 section.

21 Section 2. Subsection (4) of section 516.05, Florida
22 Statutes, is amended, and subsection (9) is added to said
23 section, to read:

24 516.05 License.--

25 (4) Prior to relocating his or her place of business,
26 a licensee must file with the department, in the manner
27 prescribed by department rule, notice of the relocation.~~A~~
28 ~~licensee may not change the place of business maintained under~~
29 ~~a license without prior approval of the department. When a~~
30 ~~licensee wishes to change a place of business, the licensee~~
31 ~~shall give written notice thereof to the department, and, if~~

1 ~~the department finds that the proposed location is reasonably~~
2 ~~accessible to borrowers under existing loan contracts, it~~
3 ~~shall permit the change and shall amend the license~~
4 ~~accordingly. If the department does not so find, it shall~~
5 ~~enter an order denying removal of the business to the~~
6 ~~requested location.~~

7 (9) A licensee which is the subject of a voluntary or
8 involuntary bankruptcy filing must report such filing to the
9 department within 7 business days after the filing date.

10 Section 3. Paragraphs (h) and (i) of subsection (1) of
11 section 516.07, Florida Statutes, are amended, and paragraphs
12 (j), (k), (l), (m), and (n) are added to said subsection, to
13 read:

14 516.07 Grounds for denial of license or for
15 disciplinary action.--

16 (1) The following acts are violations of this chapter
17 and constitute grounds for denial of an application for a
18 license to make consumer finance loans and grounds for any of
19 the disciplinary actions specified in subsection (2):

20 (h) Failure to maintain, preserve, and keep available
21 for examination, all books, accounts, or other documents
22 required by this chapter, by any rule or order adopted under
23 this chapter, or by any agreement entered into with the
24 department; ~~or~~

25 (i) Refusal to permit inspection of books and records
26 in an investigation or examination by the department or
27 refusal to comply with a subpoena issued by the department;

28 (j) Pleading nolo contendere to, or having been
29 convicted or found guilty of, a crime involving fraud,
30 dishonest dealing, or any act of moral turpitude, regardless
31 of whether adjudication is withheld;

1 (k) Paying money or anything else of value, directly
2 or indirectly, to any person as compensation, inducement, or
3 reward for referring loan applicants to a licensee;

4 (l) Allowing any person other than the licensee to use
5 the licensee's business name, address, or telephone number in
6 an advertisement;

7 (m) Accepting, or advertising that the licensee
8 accepts, money on deposit or as consideration for the issuance
9 or delivery of certificates of deposit, savings certificates,
10 or similar instruments except to the extent permitted under
11 chapter 517; or

12 (n) Failure to pay any fee, charge, or fine imposed or
13 assessed pursuant to this chapter or any rule adopted under
14 this chapter.

15 Section 4. Effective January 1, 2001, subsections (1)
16 and (2) of section 516.11, Florida Statutes, are amended to
17 read:

18 516.11 Investigations and complaints.--

19 (1) The department shall, at intermittent periods,
20 make such investigations and examinations of any licensee or
21 other person as it deems necessary to determine compliance
22 with this chapter. For such purposes, the department may
23 examine the books, accounts, records, and other documents or
24 matters of any licensee or other person and compel the
25 production of all relevant books, records, and other documents
26 and materials relative to an examination or investigation.
27 Examinations of a licensee may not be made more often than
28 once a year unless the department has reason to believe the
29 licensee is not complying with this chapter. ~~Each licensee~~
30 ~~shall pay to the department an examination fee based upon the~~
31

1 ~~amount of outstanding loans due the licensee at the time of~~
2 ~~the examination, as follows:~~

| <u>Amount Outstanding</u> | <u>Examination Fee</u> |
|-------------------------------------|------------------------|
| From \$0 to \$50,000..... | \$100 |
| From \$50,000.01 to \$100,000..... | 125 |
| From \$100,000.01 to \$250,000..... | 150 |
| From \$250,000.01 to \$500,000..... | 200 |
| From \$500,000.01 and over..... | 325 |

10
11 (2) The department shall conduct all examinations at a
12 convenient location in this state unless the department
13 determines that it is more effective or cost-efficient to
14 perform an examination at the licensee's out-of-state
15 location. For an examination performed at the licensee's
16 out-of-state location, the licensee shall also pay the travel
17 expense and per diem subsistence at the rate provided by law
18 for up to 30 8-hour days per year for each examiner who
19 participates in such examination. However, if the examination
20 involves or reveals possible fraudulent conduct of the
21 licensee, the licensee shall pay the travel expenses and per
22 diem subsistence provided by law, without limitation, for each
23 participating examiner allowance provided for state employees
24 in s. 112.061. The licensee shall not be required to pay a per
25 diem fee and expenses of an examination which shall consume
26 more than 30 worker days in any one year unless such
27 examination or investigation is due to fraudulent practices of
28 the licensee, in which case such licensee shall be required to
29 pay the entire cost regardless of time consumed.

30 Section 5. Subsection (2) of section 516.12, Florida
31 Statutes, is amended to read:

1 516.12 Records to be kept by licensee.--
2 (2) A licensee, operating two or more licensed places
3 of business in this state, may maintain the books, accounts,
4 and records of all such offices at any one of such offices, or
5 at any other office maintained by such licensee, upon the
6 filing of a written request with the department designating in
7 the written request ~~therein~~ the office at which such records
8 are maintained. However, the licensee shall make all books,
9 accounts, and records available at a convenient location in
10 this state upon request of the department.

11 Section 6. Subsections (1) through (9) of section
12 520.02, Florida Statutes, are renumbered as subsections (2)
13 through (10), respectively, present subsections (10) through
14 (15) are renumbered as subsections (12) through (17),
15 respectively, and new subsections (1) and (11) are added to
16 said section to read:

17 520.02 Definitions.--In this act, unless the context
18 or subject matter otherwise requires:

19 (1) "Branch" means any location, other than a
20 licensee's principal place of business, at which a licensee
21 operates or conducts business under this act or which a
22 licensee owns or controls for the purpose of conducting
23 business under this act.

24 (11) "Principal place of business" means the physical
25 location designated on the licensee's application for
26 licensure unless otherwise designated as required by this act.

27 Section 7. Subsections (2), (3), and (4) of section
28 520.03, Florida Statutes, are amended to read:

29 520.03 Licenses.--

30 (2) An application for a license under this part must
31 be submitted to the department in ~~on~~ such form ~~forms~~ as the

1 department may prescribe by rule. If the department
2 determines that an application should be granted, it shall
3 issue the license for a period not to exceed 2 years. A
4 nonrefundable application fee of \$175 ~~not exceeding \$200~~ shall
5 ~~be set by rule and~~ accompany an initial application for the
6 principal place of business and each application for a branch
7 location of a retail installment seller who is required to be
8 licensed under this chapter.

9 (3) The ~~A~~ renewal fee for a motor vehicle retail
10 installment seller license shall be \$175 not exceeding \$200
11 ~~shall be set by rule.~~ The department shall establish by rule
12 biennial licensure periods and procedures for renewal of
13 licenses may also be established by the department by rule. A
14 license that is not renewed by ~~at~~ the end of the biennium
15 established by the department shall ~~automatically expire and~~
16 revert from active to inactive status. An ~~Such~~ inactive
17 license may be reactivated within 6 months after becoming
18 inactive the expiration date upon filing ~~submission of a~~
19 ~~completed reactivation form, payment of the~~ renewal
20 ~~application fee, and payment of a reactivation fee equal to~~
21 the renewal application fee. A license that is not
22 reactivated within 6 months after becoming inactive
23 automatically expires ~~may not be reactivated.~~

24 (4) Each license shall ~~must~~ specify the location for
25 which it is issued and must be conspicuously displayed at that
26 location. Prior to relocating a principal place of business or
27 any branch location, the licensee must provide to the
28 department notice of the relocation, in a form prescribed by
29 department rule. ~~If a licensee's principal place of business~~
30 ~~or branch location changes, the licensee shall notify the~~
31 ~~department and the department shall endorse the change of~~

1 ~~location without charge.~~ A licensee may not transact business
2 as a motor vehicle retail installment seller except under the
3 name by which it is licensed. Licenses issued under this part
4 are not transferable or assignable.

5 Section 8. Paragraph (a) of subsection (2), paragraphs
6 (d) and (e) of subsection (3), and subsection (8) of section
7 520.07, Florida Statutes, are amended, and paragraph (f) is
8 added to subsection (3) of said section, to read:

9 520.07 Requirements and prohibitions as to retail
10 installment contracts.--

11 (2) The contract shall contain the following:

12 (a) Amount financed.--The "amount financed," using
13 that term, and a brief description such as "the amount of
14 credit provided to you or on your behalf." The amount
15 financed is calculated by:

16 1. Determining the cash price, and subtracting any
17 down payment;

18 2. Adding any other amounts that are financed by the
19 creditor and that are not part of the finance charge,
20 including any additional amount financed in a retail
21 installment contract to discharge a security interest, lien,
22 or lease interest on a motor vehicle traded-in in connection
23 with the contract; and

24 3. Subtracting any prepaid finance charge.

25

26 Except for the requirement in subsection (3) that a separate
27 written itemization of the amount financed be provided, a
28 contract which complies with the federal Truth in Lending Act,
29 15 U.S.C. ss. 1601 et seq., or any accompanying regulations
30 shall be deemed to comply with the provisions of this
31 subsection and subsection (3). However, in any proceeding to

1 enforce the provisions of this section, the burden of alleging
2 and proving compliance with the federal Truth in Lending Act
3 shall be on the party claiming compliance.

4 (3) The seller shall provide a separate written
5 itemization of the amount financed, which itemization shall
6 disclose the following:

7 (d) The amounts, if any, included for insurance and
8 other benefits, specifying the types of coverages and
9 benefits; ~~and~~

10 (e) Any taxes and official fees not included in the
11 cash price; and

12 (f) The number of scheduled payments, the amount of
13 each payment, and the date of the first payment.

14
15 The itemization required by this subsection may appear on a
16 disclosure statement separate from all other material, or it
17 may be placed on the same document with the contract or other
18 information so long as it is clearly and conspicuously
19 segregated from everything else on the document.

20 (8)(a) Upon written request from the buyer, the holder
21 of a retail installment contract shall give or forward to the
22 buyer a written statement of the dates and amounts of payments
23 and the total amount unpaid under such contract. A buyer
24 shall be given a written receipt for any payment when made in
25 cash.

26 (b) When a motor vehicle retail installment contract
27 is paid in full, the holder shall ensure that the contract or
28 title reflects that the lien has been satisfied or released
29 and shall ensure that evidence of satisfaction is provided to
30 the borrower or payor.

31

1 Section 9. Section 520.085, Florida Statutes, is
2 amended to read:

3 520.085 Simple-interest contracts.--

4 (1) A retail installment contract under The Motor
5 Vehicle Retail Sales Finance Act may provide that the rate of
6 finance charge be calculated on a simple-interest basis
7 subject to the following provisions:

8 ~~(a)(1)~~ Instead of a finance charge computed on the
9 amount financed as determined under s. 520.07(2), the seller
10 may compute the finance charge at a simple-interest rate
11 equivalent to the finance charge permitted by s. 520.08 on the
12 unpaid balance as it changes from time to time or by any other
13 method. For the purposes of this section, the class of motor
14 vehicle shall be determined at the time of execution of the
15 retail installment contract.

16 ~~(b)(2)~~ The language in s. 520.08(2) which provides
17 that the finance charge may be computed on the basis of a full
18 month for any fractional-month period in excess of 10 days
19 shall not be applicable to a simple-interest contract.

20 ~~(c)(3)~~ The provisions of s. 520.09 which prescribe a
21 refund credit upon prepayment in full before maturity of the
22 unpaid balance of a retail installment contract shall not be
23 applicable to a simple-interest contract. However, the lender
24 may impose an acquisition charge, not to exceed \$75, for
25 services performed on behalf of the borrower for processing of
26 the retail installment contract if the contract is paid in
27 full within 6 months after the effective date of the contract.

28 ~~(d)(4)~~ In the event the unpaid balance of a retail
29 installment contract is extended, deferred, renewed, or
30 restated, the holder may compute the refinance charge in
31 accordance with the provisions of this section.

1 ~~(e)(5)~~ Notwithstanding any provisions of The Motor
2 Vehicle Retail Sales Finance Act or any other law to the
3 contrary, the finance charge percentage rate included in a
4 retail installment sale contract representing the sale of a
5 motor vehicle primarily for business or commercial use may
6 vary, but no higher than the limits set forth in s. 520.08,
7 during the term of the contract pursuant to a formula or index
8 set forth therein (such as a prime rate or commercial paper
9 rate quoted by one or more banking institutions or the highest
10 prime rate reported effective on the date in question by The
11 Wall Street Journal) that is made readily available to and
12 verifiable by the buyer and is beyond the control of the
13 holder of the contract. For the purpose of disclosing the
14 amount of finance charge and time balance and setting forth a
15 payment schedule of equal successive monthly installments,
16 such amounts may be calculated using the finance charge
17 percentage rate applicable to the transaction as of the date
18 of execution of the contract, notwithstanding the fact that
19 such finance charge percentage may increase or decrease over
20 the term of the contract according to a formula or index set
21 forth in the contract.

22 (2) The holder of a simple interest contract, upon the
23 request of the buyer, may defer the scheduled due date of all
24 or any part of any installment payment and may collect a \$15
25 fee for such deferment. The holder may also require the buyer
26 to extend any insurance coverage required by the simple
27 interest contract or require the buyer to reimburse the holder
28 for any costs incurred by the holder for extending such
29 coverage. With the buyer's approval, the holder may extend
30 any optional insurance coverage purchased in connection with
31 the simple interest contract and may charge the buyer for the

1 costs of extending such optional insurance. A holder may not
2 collect the \$15 deferment fee unless this deferment option was
3 provided for in the simple interest contract. The holder
4 shall disclose in the simple interest contract, and any offer
5 to exercise the deferment option, that in addition to the \$15
6 deferment fee and the costs of extending required or optional
7 insurance, the buyer will also be required to pay additional
8 finance charges as a result of exercising the deferment
9 option.

10 Section 10. Subsections (1) through (8) of section
11 520.31, Florida Statutes, are renumbered as subsections (2)
12 through (9), respectively, present subsections (9) through
13 (15) of said section are renumbered as subsections (11)
14 through (17), respectively, and new subsections (1) and (10)
15 are added to said section to read:

16 520.31 Definitions.--Unless otherwise clearly
17 indicated by the context, the following words when used in
18 this act, for the purposes of this act, shall have the
19 meanings respectively ascribed to them in this section:

20 (1) "Branch" means any location, other than a
21 licensee's principal place of business, at which a licensee
22 operates or conducts business under this act or which a
23 licensee owns or controls for the purpose of conducting
24 business under this act.

25 (10) "Principal place of business" means the physical
26 location designated on the licensee's application for
27 licensure unless otherwise designated as required by this
28 chapter.

29 Section 11. Subsections (2) and (3) of section 520.32,
30 Florida Statutes, are amended to read:

31 520.32 Licenses.--

1 (2) An application for a license under this part must
2 be submitted to the department ~~in on~~ such form forms as the
3 department may prescribe by rule. If the department
4 determines that an application should be granted, it shall
5 issue the license for a period not to exceed 2 years. A
6 nonrefundable application fee of \$175 ~~not exceeding \$200~~ shall
7 ~~be set by rule and~~ accompany an initial application for the
8 principal place of business and each application for a branch
9 location of a retail installment seller.

10 (3) The A renewal fee for a retail seller license
11 shall be \$175 ~~not exceeding \$200 shall be set by rule.~~
12 Biennial licensure periods and procedures for renewal of
13 licenses may also be established by the department by rule. A
14 license that is not renewed at the end of the biennium
15 established by the department shall ~~automatically expire and~~
16 revert from active to inactive status. ~~An~~ Such inactive
17 license may be reactivated within 6 months after becoming
18 inactive ~~the expiration date~~ upon filing ~~submission of a~~
19 completed reactivation form, payment of the renewal
20 application fee, and payment of a reactivation fee equal to
21 the renewal ~~application~~ fee. A license that is not
22 reactivated within 6 months after becoming inactive
23 automatically expires ~~may not be reactivated.~~

24 Section 12. Subsection (14) is added to section
25 520.34, Florida Statutes, to read:

26 520.34 Retail installment contracts.--

27 (14) The seller under a retail installment contract
28 may collect a \$10 processing fee for each retail installment
29 contract that is approved and activated. Such processing fee
30 shall not be considered interest or a finance charge pursuant
31 to chapter 687.

1 Section 13. Subsections (2) and (3) of section 520.52,
2 Florida Statutes, are amended to read:

3 520.52 Licensees.--

4 (2) An application for a license under this part must
5 be submitted to the department in ~~on~~ such form ~~forms~~ as the
6 department may prescribe by rule. If the department
7 determines that an application should be granted, it shall
8 issue the license for a period not to exceed 2 years. A
9 nonrefundable application fee of \$175 ~~not exceeding \$200~~ shall
10 ~~be set by rule and~~ accompany an initial application for the
11 principal place of business and each branch location of a
12 sales finance company.

13 (3) The ~~A~~ renewal fee for a sales finance company
14 license shall be \$175 ~~not exceeding \$200 shall be set by rule.~~
15 Biennial licensure periods and procedures for renewal of
16 licenses may also be established by the department by rule. A
17 license that is not renewed at the end of the biennium
18 established by the department shall ~~automatically expire and~~
19 revert from active to inactive status. An ~~Such~~ inactive
20 license may be reactivated within 6 months after becoming
21 inactive ~~the expiration date~~ upon filing ~~submission of a~~
22 completed reactivation form, payment of the renewal
23 ~~application~~ fee, and payment of a reactivation fee equal to
24 the renewal ~~application~~ fee. A license that is not
25 reactivated within 6 months after becoming inactive
26 automatically expires ~~may not be reactivated.~~

27 Section 14. Subsections (2) through (17) of section
28 520.61, Florida Statutes, are renumbered as subsections (3)
29 through (18), respectively, present subsections (18) and (19)
30 of said section are renumbered as subsections (20) and (21),
31

1 respectively, and new subsections (2) and (19) are added to
2 said section to read:

3 520.61 Definitions.--As used in this act:

4 (2) "Branch" means any location, other than a
5 licensee's principal place of business, at which a licensee
6 operates or conducts business under this act or which a
7 licensee owns or controls for the purpose of conducting
8 business under this act.

9 (19) "Principal place of business" means the physical
10 location designated on the licensee's application for
11 licensure unless otherwise designated as required by this
12 chapter.

13 Section 15. Subsections (2) and (3) of section 520.63,
14 Florida Statutes, are amended to read:

15 520.63 Licensees.--

16 (2) An application for a license under this part must
17 be submitted to the department in ~~on~~ such form ~~forms~~ as the
18 department may prescribe by rule. If the department
19 determines that an application should be granted, it shall
20 issue the license for a period not to exceed 2 years. A
21 nonrefundable application fee of \$175 ~~not exceeding \$200~~ shall
22 ~~be set by rule and~~ accompany an initial application for the
23 principal place of business and each application for a branch
24 location of a home improvement finance seller.

25 (3) The ~~A~~ renewal fee for a home improvement finance
26 license shall be \$175 ~~not exceeding \$200 shall be set by rule.~~
27 Biennial licensure periods and procedures for renewal of
28 licenses may also be established by the department by rule. A
29 license that is not renewed at the end of the biennium
30 established by the department shall automatically ~~expire and~~
31 revert from active to inactive status. An ~~Such~~ inactive

1 license may be reactivated within 6 months after becoming
2 inactive ~~the expiration date~~ upon filing ~~submission~~ of a
3 completed reactivation form, payment of the renewal
4 ~~application~~ fee, and payment of a reactivation fee equal to
5 the renewal ~~application~~ fee. A license that is not
6 reactivated within 6 months after becoming inactive
7 automatically expires ~~may not be reactivated~~.

8 Section 16. Subsection (5) of section 520.994, Florida
9 Statutes, 1998 Supplement, is amended to read:

10 520.994 Powers of department.--

11 (5) The department shall administer and enforce this
12 chapter. The department has authority to adopt rules pursuant
13 to ss. 120.536(1) and 120.54 to implement the provisions of
14 this chapter. The department may adopt rules to allow
15 electronic submission of any form, document, or fee required
16 by this chapter.

17 Section 17. Paragraphs (g) and (h) of subsection (1)
18 of section 520.995, Florida Statutes, are amended, paragraph
19 (i) is added to said subsection, and paragraph (c) of
20 subsection (3) of said section is amended, to read:

21 520.995 Grounds for disciplinary action.--

22 (1) The following acts are violations of this chapter
23 and constitute grounds for the disciplinary actions specified
24 in subsection (2):

25 (g) Refusal to permit inspection of books and records
26 in an investigation or examination by the department or
27 refusal to comply with a subpoena issued by the department; ~~or~~

28 (h) Criminal conduct in the course of a person's
29 business as a seller, as a home improvement finance seller, or
30 as a sales finance company; or

31

1 (i) Failure to timely pay any fee, charge, or fine
2 imposed or assessed pursuant to this chapter or any rule
3 adopted under this chapter.

4 (3) In addition to the acts specified in subsection
5 (1), the following shall be grounds for denial of a license
6 pursuant to this chapter, or for revocation, suspension, or
7 restriction of a license previously granted:

8 (c) Pleading nolo contendere to, or having been
9 convicted or found guilty of a crime involving fraud,
10 dishonest dealing, or any act of moral turpitude, regardless
11 of whether adjudication is withheld; or

12 Section 18. Effective January 1, 2001, subsection (1)
13 of section 520.996, Florida Statutes, is amended to read:

14 520.996 Investigations and complaints.--

15 (1)(a) The department or its agent may, at
16 intermittent periods, make such investigations and
17 examinations of any licensee or other person as it deems
18 necessary to determine compliance with this chapter. For such
19 purposes, it may examine the books, accounts, records, and
20 other documents or matters of any licensee or other person. It
21 shall have the power to compel the production of all relevant
22 books, records, and other documents and materials relative to
23 an examination or investigation. Such investigations and
24 examinations shall not be made more often than once during any
25 12-month period unless the department has good and sufficient
26 reason to believe the licensee is not complying with the
27 provisions of this chapter. ~~The expenses of the department~~
28 ~~incurred in each such examination may be established by~~
29 ~~department rule but shall not exceed \$250 per 8-hour day for~~
30 ~~each examiner.~~ Such examination fee shall be calculated on an
31 hourly basis and shall be rounded to the nearest hour.

1 (b) The department shall conduct all examinations at a
2 convenient location in this state unless the department
3 determines that it is more effective or cost-efficient to
4 perform an examination at the licensee's out-of-state
5 location. For an examination performed at the licensee's
6 out-of-state location, the licensee shall also pay the travel
7 expense and per diem subsistence at the rate provided by law
8 for up to 30 8-hour days per year for each examiner who
9 participates in such examination. However, if the examination
10 involves or reveals possible fraudulent conduct of the
11 licensee, the licensee shall pay the travel expenses and per
12 diem subsistence provided by law, without limitation, for each
13 participating examiner ~~allowance provided for state employees~~
14 ~~in s. 112.061. The licensee shall not be required to pay a per~~
15 ~~diem fee and expenses of an examination which shall consume~~
16 ~~more than 30 worker days in any one year unless such~~
17 ~~examination or investigation is due to fraudulent practices of~~
18 ~~the licensee, in which case such licensee shall be required to~~
19 ~~pay the entire cost regardless of time consumed.~~

20 Section 19. Subsection (5) is added to section
21 520.997, Florida Statutes, to read:

22 520.997 Books, accounts, and records.--

23 (5) A licensee that is the subject of a voluntary or
24 involuntary bankruptcy filing must provide notice of such
25 filing to the department within 7 days after the filing date.

26 Section 20. Paragraph (e) of subsection (2) of section
27 559.9232, Florida Statutes, is amended to read:

28 559.9232 Definitions; exclusion of rental-purchase
29 agreements from certain regulations.--

30
31

1 (2) A rental-purchase agreement that complies with
2 this act shall not be construed to be, nor be governed by, any
3 of the following:

4 (e) A lease or agreement which constitutes a "retail
5 installment contract" or "retail installment transaction" as
6 those terms are defined in s. 520.31~~(12)(10)~~and~~(13)(11)~~; or
7 Section 21. Subsection (19) of section 681.102,
8 Florida Statutes, 1998 Supplement, is amended to read:

9 681.102 Definitions.--As used in this chapter, the
10 term:

11 (19) "Purchase price" means the cash price as defined
12 in s. 520.31~~(2)(1)~~, inclusive of any allowance for a trade-in
13 vehicle, but excludes debt from any other transaction. "Any
14 allowance for a trade-in vehicle" means the net trade-in
15 allowance as reflected in the purchase contract or lease
16 agreement if acceptable to the consumer and manufacturer. If
17 such amount is not acceptable to the consumer and
18 manufacturer, then the trade-in allowance shall be an amount
19 equal to 100 percent of the retail price of the trade-in
20 vehicle as reflected in the NADA Official Used Car Guide
21 (Southeastern Edition) or NADA Recreation Vehicle Appraisal
22 Guide, whichever is applicable, in effect at the time of the
23 trade-in. The manufacturer shall be responsible for providing
24 the applicable NADA book.

25 Section 22. Paragraphs (b) and (c) of subsection (4)
26 of section 697.05, Florida Statutes, are amended to read:

27 697.05 Balloon mortgages; scope of law; definition;
28 requirements as to contents; penalties for violations;
29 exemptions.--

30 (4) This section does not apply to the following:

31

1 (b) Any first mortgage, excluding a mortgage in favor
2 of a home improvement contractor defined in s. 520.61(12)~~(11)~~
3 the execution of which is required solely by the terms of a
4 home improvement contract which is governed by the provisions
5 of ss. 520.60-520.992;

6 (c) Any mortgage created for a term of 5 years or
7 more, excluding a mortgage in favor of a home improvement
8 contractor defined in s. 520.61(12)~~(11)~~the execution of which
9 is required solely by the terms of a home improvement contract
10 which is governed by the provisions of ss. 520.60-520.992;

11 Section 23. Except as otherwise provided herein, this
12 act shall take effect October 1, 1999.

13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31