

By Senator Jones

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A bill to be entitled

An act relating to heir-finder businesses;
providing legislative intent; defining the term
"heir-finder business"; requiring heir-finder
businesses to obtain a surety bond or establish
a trust account or irrevocable letter of
credit; requiring contracts or agreements to
provide certain notice; providing for the
bringing of certain actions under certain
circumstances; limiting liability; providing an
effective date.

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

Section 1. (1) The Legislature declares that it is in the best interests of residents of this state or any other state who contract with an heir-finder business operating in this state that such business obtain and maintain a surety bond for purposes of operating such business.

(2) As used in this act, the term "heir-finder business" means a sole proprietorship, partnership, or corporation that in the regular course of business arranges, manages, advertises, promotes, or carries out contracts or agreements to locate heirs to property.

(3) An heir-finder business may not operate in this state without first either obtaining and maintaining a surety bond issued by a surety company authorized to do business in this state or establishing and maintaining a trust account or irrevocable letter of credit with a licensed and insured bank or savings institution located in this state. The amount of the bond, trust account, or irrevocable letter of credit must

1 be an amount not less than \$100,000. The bond, trust account,
2 or letter of credit must be to the state and in the favor of
3 any person who is a party to the contract or agreement who
4 suffers any loss as a result of any violation of the
5 conditions of such contract or agreement. Any contract or
6 agreement entered into by an heir-finder business must contain
7 a provision disclosing the existence of such surety bond,
8 trust account, or irrevocable letter of credit and of the
9 right to recovery under the bond, trust account, or letter of
10 credit available to a party to such contract or agreement who
11 has incurred a loss as a result of such violation. Any person
12 who suffers damages as a result of an heir-finder business'
13 breach of a contract or agreement or of any obligation arising
14 therefrom, may bring an action against the bond, trust
15 account, or irrevocable letter of credit to recover damages
16 suffered; however, the aggregate liability of the surety,
17 trustee, or financial institution is only for actual damages
18 and in no event may exceed the amount of the bond, trust
19 account, or irrevocable letter of credit.

20 Section 2. This act shall take effect October 1, 2001.

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23 LEGISLATIVE SUMMARY

24 Requires heir-finder businesses operating in this state
25 to maintain a surety bond, trust account, or irrevocable
26 letter of credit in favor of any person who suffers
27 damages as a result of the business' breach of contract.
28 Requires the contract to provide notice that an action
29 may be brought against that security.
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