

By Senator Fasano

11-378-03

1                                   A bill to be entitled  
 2           An act relating to securities transactions;  
 3           amending s. 517.302, F.S.; increasing the  
 4           penalty for criminal violations of specified  
 5           sections of chapter 517, F.S.; authorizing the  
 6           use of funds from the Anti-Fraud Trust Fund to  
 7           compensate victims of violations of that  
 8           chapter; assigning duties for administering the  
 9           program of compensation; providing for rules;  
 10          providing an effective date.

11  
 12 Be It Enacted by the Legislature of the State of Florida:

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 14           Section 1. Section 517.302, Florida Statutes, is  
 15 amended to read:

16           517.302 Criminal penalties; alternative fine;  
 17 Anti-Fraud Trust Fund; time limitation for criminal  
 18 prosecution.--

19           (1)(a) Except as provided in paragraph (b), whoever  
 20 violates any of the provisions of this chapter commits is  
 21 ~~guilty of~~ a felony of the third degree, punishable as provided  
 22 in s. 775.082, s. 775.083, or s. 775.084.

23           (b) Whoever violates any of the provisions of s.  
 24 517.275, s. 517.301, or s. 517.311 commits a felony of the  
 25 second degree, punishable as provided in s. 775.082, s.  
 26 775.083, or s. 775.084.

27           (2) Any person who violates the provisions of s.  
 28 517.312(1) by obtaining money or property of an aggregate  
 29 value exceeding \$50,000 from five or more persons commits is  
 30 ~~guilty of a life felony of the first degree,~~ punishable as  
 31 provided in s. 775.082, s. 775.083, or s. 775.084.

1           (3) In lieu of a fine otherwise authorized by law, a  
2 person who has been convicted of or who has pleaded guilty or  
3 no contest to having engaged in conduct in violation of the  
4 provisions of this chapter may be sentenced to pay a fine that  
5 does not exceed the greater of three times the gross value  
6 gained or three times the gross loss caused by such conduct,  
7 plus court costs and the costs of investigation and  
8 prosecution reasonably incurred.

9           (a) There is created within the department a trust  
10 fund to be known as the Anti-Fraud Trust Fund. Any amounts  
11 assessed as costs of investigation and prosecution under this  
12 subsection shall be deposited in the trust fund. Funds  
13 deposited in such trust fund shall be used, when authorized by  
14 appropriation, for investigation and prosecution of  
15 administrative, civil, and criminal actions arising under the  
16 provisions of this chapter. In addition, funds may be used,  
17 when authorized by appropriation, to compensate victims of  
18 criminal violations of this chapter. The department shall  
19 adopt rules to administer the disbursement of funds in  
20 compensation of such victims, including application forms and  
21 methods for substantiation of damages and determination of  
22 priority of payment when available funds are insufficient to  
23 pay all compensation claims.Funds may also be used to improve  
24 the public's awareness and understanding of prudent investing.

25           (b) The department shall report to the Executive  
26 Office of the Governor annually by November 15, the amounts  
27 deposited into the Anti-Fraud Trust Fund during the previous  
28 fiscal year. The Executive Office of the Governor shall  
29 distribute these reports to the President of the Senate and  
30 the Speaker of the House of Representatives.

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