

HB 1171

2004

A bill to be entitled

An act relating to financial transactions; amending s. 560.103, F.S.; revising a definition of unsafe or unsound practice to include failures to adhere to certain federal rules; amending s. 560.109, F.S.; authorizing the office to conduct examinations to determine the existence of violations of certain provisions of law; amending s. 560.114, F.S.; providing for disciplinary action for failure to maintain certain records required by rules adopted under federal law; amending s. 560.129, F.S.; clarifying certain provisions relating to confidentiality of certain records and documents of the office; providing an effective date.

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

Section 1. Subsection (21) of section 560.103, Florida Statutes, is amended to read:

560.103 Definitions.--As used in the code, unless the context otherwise requires:

(21) "Unsafe and ~~or~~ unsound practice" means:

(a) Any practice or conduct found by the office to be contrary to generally accepted standards applicable to the specific money transmitter, or a violation of any prior order of an appropriate regulatory agency, which practice, conduct, or violation creates the likelihood of material loss, insolvency, or dissipation of assets of the money transmitter or otherwise materially prejudices the interests of its customers; or

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29 (b) Failure to adhere to the provisions of 31 CFR ss.
 30 103.11, 103.20, 103.22, 103.27, 103.28, 103.29, 103.33, 103.37,
 31 103.41, and 103.125 as they existed on March 31, 2004.

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 33 In making this determination, the office must consider the size
 34 and condition of the money transmitter, the magnitude of the
 35 loss, the gravity of the violation, and the prior conduct of the
 36 person or business involved.

37 Section 2. Subsection (1) of section 560.109, Florida
 38 Statutes, is amended to read:

39 560.109 Investigations, subpoenas, hearings, and
 40 witnesses.--

41 (1) The office may make investigations, or conduct
 42 examinations as prescribed in s. 560.118, within or outside this
 43 state, which it deems necessary in order to determine whether a
 44 person has violated any provision of the code, ~~or~~ the rules
 45 adopted by the commission pursuant to the code, and 31 CFR ss.
 46 103.11, 103.20, 103.22, 103.27, 103.28, 103.29, 103.33, 103.37,
 47 103.41, and 103.125 as they existed on March 31, 2004.

48 Section 3. Paragraph (e) of subsection (1) of section
 49 560.114, Florida Statutes, is amended to read:

50 560.114 Disciplinary actions.--

51 (1) The following actions by a money transmitter or money
 52 transmitter-affiliated party are violations of the code and
 53 constitute grounds for the issuance of a cease and desist order,
 54 the issuance of a removal order, the denial of a registration
 55 application or the suspension or revocation of any registration
 56 previously issued pursuant to the code, or the taking of any

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57 other action within the authority of the office pursuant to the
58 code:

59 (e) Failure to maintain, preserve, and keep available for
60 examination all books, accounts, or other documents required by
61 the code, by any rule or order adopted pursuant to the code, and
62 by 31 CFR ss. 103.11, 103.20, 103.22, 103.27, 103.28, 103.29,
63 103.33, 103.37, 103.41, and 103.125 as they existed on March 31,
64 2004, or by any agreement entered into with the office.

65 Section 4. Paragraph (a) of subsection (2) of section
66 560.129, Florida Statutes, is amended to read:

67 560.129 Confidentiality.--

68 (2) This section does not prevent or restrict:

69 (a) Furnishing records or information to any appropriate
70 regulatory agency or law enforcement agency if such agency
71 adheres to the confidentiality provisions of the code;

72 Section 5. This act shall take effect upon becoming a law.