

CHAMBER ACTION

1 The Committee on Commerce recommends the following:

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3 **Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to financial transactions; amending s.
7 560.103, F.S.; revising a definition of unsafe or unsound
8 practice to include failures to adhere to certain federal
9 rules; amending s. 560.109, F.S.; authorizing the office
10 to conduct examinations to determine the existence of
11 violations of certain provisions of law; amending s.
12 560.114, F.S.; providing for disciplinary action for
13 failure to maintain certain records required by rules
14 adopted under federal law; amending s. 560.129, F.S.;
15 clarifying certain provisions relating to confidentiality
16 of certain records and documents of the office; providing
17 an effective date.

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

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

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23 560.103 Definitions.--As used in the code, unless the
24 context otherwise requires:

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

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

33 (b) Failure to adhere to the provisions of 31 CFR ss.
34 103.20, 103.22, 103.27, 103.28, 103.29, 103.33, 103.37, 103.41,
35 and 103.125 as they existed on March 31, 2004.

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37 In making this determination, the office must consider the size
38 and condition of the money transmitter, the magnitude of the
39 loss, the gravity of the violation, and the prior conduct of the
40 person or business involved.

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

43 560.109 Investigations, subpoenas, hearings, and
44 witnesses.--

45 (1) The office may make investigations, or conduct
46 examinations as prescribed in s. 560.118, within or outside this
47 state, which it deems necessary in order to determine whether a
48 person has violated any provision of the code, ~~or~~ the rules
49 adopted by the commission pursuant to the code, and 31 CFR ss.

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50 103.20, 103.22, 103.27, 103.28, 103.29, 103.33, 103.37, 103.41,
51 and 103.125 as they existed on March 31, 2004.

52 Section 3. Paragraph (e) of subsection (1) of section
53 560.114, Florida Statutes, is amended to read:

54 560.114 Disciplinary actions.--

55 (1) The following actions by a money transmitter or money
56 transmitter-affiliated party are violations of the code and
57 constitute grounds for the issuance of a cease and desist order,
58 the issuance of a removal order, the denial of a registration
59 application or the suspension or revocation of any registration
60 previously issued pursuant to the code, or the taking of any
61 other action within the authority of the office pursuant to the
62 code:

63 (e) Failure to maintain, preserve, and keep available for
64 examination all books, accounts, or other documents required by
65 the code, by any rule or order adopted pursuant to the code, and
66 by 31 CFR ss. 103.20, 103.22, 103.27, 103.28, 103.29, 103.33,
67 103.37, 103.41, and 103.125 as they existed on March 31, 2004,
68 or by any agreement entered into with the office.

69 Section 4. Paragraph (a) of subsection (2) of section
70 560.129, Florida Statutes, is amended to read:

71 560.129 Confidentiality.--

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

73 (a) Furnishing records or information to any appropriate
74 regulatory agency or law enforcement agency if such agency
75 adheres to the confidentiality provisions of the code;

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