

1 authorizing the commission to prescribe fees
2 and procedures for processing fingerprints;
3 authorizing the office to contract for
4 fingerprinting services; specifying that
5 certain licenses are not transferable or
6 assignable; amending s. 494.0033, F.S.;
7 clarifying requirements for mortgage broker
8 licensure; authorizing the commission to waive
9 certain examination requirements under
10 specified circumstances; authorizing the
11 commission to prescribe additional testing
12 fees; revising fingerprinting requirements;
13 authorizing the commission to prescribe fees
14 and procedures for processing fingerprints;
15 authorizing the office to contract for certain
16 fingerprinting services; specifying criteria
17 for receipt of applications; deleting
18 provisions relating to cancellation and
19 reinstatement of licenses; amending s.
20 494.0034, F.S.; clarifying the commission's
21 authorization to prescribe license renewal
22 forms; amending s. 494.0036, F.S.; clarifying
23 provisions relating to issuance of licenses to
24 mortgage brokerage business branch offices;
25 specifying criteria for receipt of certain
26 applications; amending s. 494.0041, F.S.;
27 specifying an additional ground for
28 disciplinary action; amending s. 494.006, F.S.;
29 clarifying the application of an exemption from
30 mortgage lender licensure requirements to
31 certain entities; amending s. 494.0061, F.S.;

1 requiring licensure of mortgage lenders;
2 specifying criteria for receipt of
3 applications; revising fingerprinting
4 requirements; authorizing the commission to
5 prescribe fees and procedures for processing
6 fingerprints; authorizing the office to
7 contract for certain fingerprinting services;
8 deleting certain provisions relating to
9 cancellation and reinstatement of licenses;
10 authorizing the commission to waive specified
11 examination requirements under certain
12 circumstances; authorizing the commission to
13 prescribe additional testing fees; amending s.
14 494.0062, F.S.; requiring licensure of
15 correspondent mortgage lenders; specifying
16 criteria for receipt of applications;
17 authorizing the office to require applicants to
18 provide certain information; revising
19 fingerprinting requirements; authorizing the
20 commission to prescribe fees and procedures for
21 processing fingerprints; authorizing the office
22 to contract for certain fingerprinting
23 services; deleting certain provisions relating
24 to cancellation and reinstatement of licenses;
25 authorizing the commission to waive specified
26 examination requirements under certain
27 circumstances; authorizing the commission to
28 prescribe additional testing fees; requiring
29 notice of a change in principal
30 representatives; providing educational
31 requirements for principal representatives;

1 amending s. 494.0064, F.S.; clarifying a
2 reference to professional continuing education
3 for certain licensees; amending s. 494.0065,
4 F.S.; specifying criteria for receipt of
5 applications; specifying education and testing
6 requirements for certain principal
7 representatives and for certain applications or
8 transfer applications; authorizing the
9 commission to waive specified examination
10 requirements under certain circumstances;
11 authorizing the commission to prescribe
12 additional testing fees; increasing a license
13 transfer fee; revising fingerprinting
14 requirements; authorizing the commission to
15 prescribe fees and procedures for processing
16 fingerprints; authorizing the office to
17 contract for certain fingerprinting services;
18 requiring mortgage lenders to designate a
19 principal representative; providing criteria
20 and requirements; requiring notice of a change
21 in principal representatives; amending s.
22 494.0066, F.S.; clarifying licensure
23 requirements for branch offices; amending s.
24 494.0067, F.S.; clarifying reference to
25 professional continuing education requirements;
26 amending s. 494.0072, F.S.; providing an
27 additional ground for disciplinary action;
28 amending s. 494.00721, F.S.; correcting
29 cross-references; amending s. 501.137, F.S.;
30 imposing certain costs and fees on a mortgage
31 lender that fails to pay a property owner's tax

1 or insurance premiums from an escrow account;
2 amending s. 516.03, F.S.; specifying criteria
3 for receipt of certain applications; providing
4 that specified fees are nonrefundable;
5 authorizing the commission to require
6 electronic submission of forms, documents, or
7 fees; providing for accommodating a
8 technological or financial hardship;
9 authorizing the commission to make rules
10 relating to obtaining such an accommodation;
11 amending s. 516.05, F.S.; deleting provisions
12 relating to fees for licenses that have been
13 denied; amending s. 516.07, F.S.; providing an
14 additional ground for disciplinary action;
15 amending s. 516.12, F.S.; authorizing the
16 commission to prescribe minimum information
17 that must be shown in a licensee's books,
18 accounts, records, and documents; authorizing
19 the commission to prescribe requirements for
20 destroying books, accounts, records, and
21 documents; authorizing the commission to
22 recognize alternative statutes of limitation
23 for such destruction; providing for procedures;
24 amending s. 517.061, F.S.; revising provisions
25 related to exempt transactions; amending ss.
26 517.051 and 517.081, F.S.; revising standards
27 for accounting principles to be used in
28 preparing certain financial statements;
29 amending s. 517.12, F.S.; revising provisions
30 for taking and submitting fingerprints of
31 dealers, associated persons, and similarly

1 situated persons; revising provisions relating
2 to expiration and renewal of registration of
3 such persons; providing an exemption from
4 registration requirements for a Canadian dealer
5 and an associated person who represents a
6 Canadian dealer, under certain conditions;
7 providing for notice filing by a Canadian
8 dealer under certain conditions; authorizing
9 the Office of Financial Regulation of the
10 Financial Services Commission to issue a permit
11 to evidence the effectiveness of a notice
12 filing for a Canadian dealer; providing for the
13 renewal of a notice filing by a Canadian
14 dealer; providing for reinstatement of a notice
15 filing; providing obligations for a Canadian
16 dealer who has given notice of filing;
17 providing obligations for an associated person
18 representing a Canadian dealer who has given
19 notice of filing; providing for the termination
20 of a notice of filing; providing for the
21 collection of fees; amending s. 517.131, F.S.;
22 revising conditions under which recovery can be
23 made from the Securities Guaranty Fund;
24 amending s. 517.141, F.S.; prescribing
25 circumstances under which a claimant must
26 reimburse the fund; providing for rulemaking;
27 amending s. 517.161, F.S.; providing an
28 additional ground for revocation, restriction,
29 or suspension of a registration; amending ss.
30 520.03, 520.32, 520.52, and 520.63, F.S.;
31 specifying criteria for receipt of certain

1 applications; providing that certain fees are
2 nonrefundable; amending s. 520.994, F.S.;
3 authorizing the commission to require
4 electronic submission of forms, documents, or
5 fees; providing for accommodating a
6 technological or financial hardship; providing
7 for rulemaking; amending s. 520.995, F.S.;
8 providing an additional ground for disciplinary
9 action; amending ss. 520.997 and 537.009, F.S.;
10 authorizing the commission to prescribe certain
11 minimum information that must be shown in a
12 licensee's books, accounts, records, and
13 documents; authorizing the commission to
14 prescribe requirements for destroying books,
15 accounts, records, and documents; authorizing
16 the commission to recognize alternative
17 statutes of limitation for such destruction;
18 providing for procedures; amending ss. 560.105
19 and 560.118, F.S.; authorizing the commission
20 to require electronic submission of forms,
21 documents, or fees; providing for accommodating
22 a technological or financial hardship; amending
23 s. 560.114, F.S.; providing an additional
24 ground for disciplinary action; amending s.
25 560.121, F.S.; authorizing the commission to
26 prescribe certain minimum information that must
27 be shown in a licensee's books, accounts,
28 records, and documents; authorizing the
29 commission to prescribe requirements for
30 destroying books, accounts, records, and
31 documents; authorizing the commission to

1 recognize alternative statutes of limitation
2 for such destruction; providing for procedures;
3 decreasing the required time period for the
4 office to retain certain reports, records,
5 applications, and related information; amending
6 s. 560.126, F.S.; requiring notice of changes
7 in information contained in a registration
8 application; amending s. 560.205, F.S.;
9 revising fingerprinting requirements;
10 authorizing the commission to prescribe fees
11 and procedures for processing fingerprints;
12 authorizing the office to contract for certain
13 fingerprinting services; authorizing the
14 commission to establish procedures for
15 depositing fees and filing documents
16 electronically; deleting a requirement that an
17 applicant provide a list of certain vendors;
18 requiring the reporting of certain changes of
19 registration by written amendment; amending s.
20 560.207, F.S.; authorizing the commission to
21 establish procedures for depositing fees and
22 filing documents electronically; revising
23 procedures for renewing a registration;
24 providing that specified fees are
25 nonrefundable; providing conditions to the
26 reinstatement of a registration; amending s.
27 560.210, F.S.; revising permissible investment
28 requirements for certain registrants; amending
29 ss. 560.211 and 560.310, F.S.; requiring notice
30 to the office of the location of certain
31 amended records; amending ss. 560.305 and

1 560.308, F.S.; revising procedures for renewing
2 a registration; providing that specified fees
3 are nonrefundable; providing conditions to the
4 reinstatement of a registration; authorizing
5 the commission to establish procedures for
6 depositing fees and filing documents
7 electronically; amending s. 560.306, F.S.;
8 revising certain fingerprinting requirements;
9 authorizing the commission to prescribe fees
10 and procedures for processing fingerprints;
11 authorizing the office to contract for certain
12 fingerprinting services; requiring the
13 reporting of certain changes of registration by
14 written amendment; specifying in general that
15 accounting principles are those generally
16 accepted in the United States; specifying
17 commission authority by rules; amending s.
18 560.403, F.S.; revising requirements for giving
19 notice of intent in connection with the renewal
20 of registration; providing that specified fees
21 are nonrefundable; providing conditions to the
22 reinstatement of a notice of intent; providing
23 an effective date.

24
25 Be It Enacted by the Legislature of the State of Florida:

26
27 Section 1. Subsection (2) of section 494.0011, Florida
28 Statutes, is amended, and subsection (6) is added to that
29 section, to read:

30 494.0011 Powers and duties of the commission and
31 office.--

1 (2) The commission ~~may has authority to~~ adopt rules
2 pursuant to ss. 120.536(1) and 120.54 to implement ss.
3 494.001-494.0077. The commission may adopt rules that require
4 ~~to allow~~ electronic submission of any forms, documents, or
5 fees required by this act if such rules reasonably accommodate
6 technological or financial hardship. The commission may
7 prescribe by rule requirements and procedures for obtaining an
8 exemption due to a technological or financial hardship. The
9 commission may also adopt rules to accept certification of
10 compliance with requirements of this act in lieu of requiring
11 submission of documents.

12 (6) The granting or denial of a license must be in
13 accordance with s. 120.60.

14 Section 2. Subsection (4) of section 494.0016, Florida
15 Statutes, is amended to read:

16 494.0016 Books, accounts, and records; maintenance;
17 examinations by the office.--

18 (4) The commission may prescribe by rule the minimum
19 information to be shown in the books, accounts, records, and
20 documents of licensees so that such records will enable the
21 office to determine the licensee's compliance with ss.
22 494.001-494.0077. In addition, the commission may prescribe by
23 rule the requirements for destruction of books, accounts,
24 records, and documents retained by the licensee after
25 completion of the time period indicated in subsection (3).
26 Notwithstanding the 3-year retention period provided in
27 subsection (3), if the office identifies a statute of
28 limitations in a federal law or rule or another law or rule of
29 this state which statute of limitations is reasonably related
30 by subject matter to the administration of this chapter, the
31 commission may identify that statute of limitations by rule

1 and may prohibit the destruction of records required to be
2 maintained by this chapter for a period of time, established
3 by rule, which is reasonably related to such statute of
4 limitations. The commission shall prescribe by rule those
5 documents or records that are to be preserved under the
6 identified statute of limitations.

7 Section 3. Subsections (1) and (2) of section
8 494.0029, Florida Statutes, are amended to read:

9 494.0029 Mortgage business schools.--

10 (1)(a) Each person, school, or institution, except
11 accredited colleges, universities, community colleges, and
12 career centers in this state, which offers or conducts
13 mortgage business training as a condition precedent to
14 licensure as a mortgage broker, mortgage ~~or~~ lender, or a
15 correspondent mortgage lender shall obtain a permit from the
16 office and abide by the regulations imposed upon such person,
17 school, or institution by this chapter and rules adopted
18 pursuant to this chapter. The commission shall, by rule,
19 recertify the permits annually with initial and renewal permit
20 fees that do not exceed \$500 plus the cost of accreditation.

21 (b) An application is considered received for purposes
22 of s. 120.60 upon receipt of a completed application form as
23 prescribed by commission rule, a nonrefundable application fee
24 of \$500, and any other fee prescribed by law.

25 (c) A permit issued under this section is not
26 transferable or assignable.

27 (2) All such schools shall maintain curriculum and
28 training materials necessary to determine the school's
29 compliance with this chapter and rules adopted under ~~pursuant~~
30 ~~to~~ this chapter. Any school that offers or conducts mortgage
31 business training shall at all times maintain an operation of

1 training, materials, and curriculum which is open to review by
2 the office to determine compliance and competency as a
3 mortgage business school. All such documents as prescribed by
4 commission rule must be submitted with the initial application
5 or recertification.

6 Section 4. Section 494.00295, Florida Statutes, is
7 amended to read:

8 494.00295 Professional continuing education.--

9 (1) Each mortgage broker, mortgage lender, and
10 correspondent mortgage lender must certify to the office at
11 the time of renewal that during the 2 years prior to an
12 application for license renewal, all mortgage brokers, ~~and~~ the
13 principal representative, and loan originators, ~~and associates~~
14 of a mortgage lender or correspondent mortgage lender have
15 successfully completed at least 14 hours of professional
16 continuing education programs covering primary and subordinate
17 mortgage financing transactions and the provisions of this
18 chapter. Licensees shall maintain records documenting
19 compliance with this subsection for a period of 4 years.

20 (2) Professional continuing education programs must
21 contribute directly to the professional competency of the
22 participants, may only be offered by permitted mortgage
23 business schools or entities specifically exempted from
24 permitting as mortgage business schools, and may include
25 electronically transmitted or distance education courses.

26 (3) The commission shall adopt rules necessary to
27 administer this section, including rules governing qualifying
28 hours for professional continuing education programs and
29 standards for electronically transmitted or distance education
30 courses, including course completion requirements.

31

1 Section 5. Paragraphs (b) and (c) of subsection (1)
2 and paragraph (e) of subsection (2) of section 494.003,
3 Florida Statutes, are amended to read:

4 494.003 Exemptions.--

5 (1) None of the following persons is subject to the
6 requirements of ss. 494.003-494.0043:

7 (b) A state or federal chartered bank, ~~bank holding~~
8 ~~company~~, trust company, savings and loan association, savings
9 bank or credit union, bank holding company regulated under the
10 laws of any state or the United States, or consumer finance
11 company licensed pursuant to chapter 516.

12 (c) A wholly owned bank holding company subsidiary
13 formed and regulated under the laws of any state or the United
14 States or a wholly owned savings and loan association holding
15 company subsidiary that is approved or certified by the
16 Department of Housing and Urban Development, the Veterans
17 Administration, the Government National Mortgage Association,
18 the Federal National Mortgage Association, or the Federal Home
19 Loan Mortgage Corporation.

20 (2) None of the following persons is required to be
21 licensed under ss. 494.003-494.0043:

22 (e) A wholly owned subsidiary of a state or federal
23 chartered bank or savings and loan association the sole
24 activity of which is to distribute the lending programs of
25 such state or federal chartered bank or savings and loan
26 association to persons who arrange loans for, or make loans
27 to, borrowers.

28 Section 6. Section 494.0031, Florida Statutes, is
29 amended to read:

30 494.0031 Licensure as a mortgage brokerage business.--

31

1 (1) Each person who acts as a mortgage brokerage
2 business must be licensed under this section unless otherwise
3 exempt from licensure.

4 ~~(2)(1)~~ The commission or office may require each
5 applicant for a mortgage brokerage business license to provide
6 any information reasonably necessary to determine the
7 applicant's eligibility for licensure. The office shall issue
8 a mortgage brokerage business license to each person who:

9 (a) Has submitted a completed application form and a
10 nonrefundable application fee of \$425. ~~;~~ ~~and~~

11 (b) Has a qualified principal broker pursuant to s.
12 494.0035.

13
14 An application is considered received for purposes of s.
15 120.60 upon receipt of a completed application form as
16 prescribed by the commission by rule, a nonrefundable
17 application fee of \$425, and any other fee prescribed by law.

18 ~~(3)(2)~~ The commission may require by rule that each
19 officer, director, and ultimate equitable owner of a
20 10-percent or greater interest in the mortgage brokerage
21 business submit a complete set of fingerprints. A fingerprint
22 card submitted to the office must be taken by an authorized
23 law enforcement agency if the fingerprint card is submitted to
24 the office in paper form ~~officer~~. In addition to the fees
25 prescribed in s. 215.405, the commission may prescribe by rule
26 an additional fee, not to exceed \$30, for processing the
27 fingerprints. The commission may prescribe by rule procedures
28 for submitting fingerprints and fees by electronic means to
29 the office or to a third party approved by the office. In
30 order to implement the submission and processing of
31 fingerprints as specified by rule under this section, the

1 office may contract with a third party or another state agency
2 that provides fingerprinting services.

3 ~~(4)(3)~~ Notwithstanding ~~the provisions of~~ subsection
4 ~~(2)(1)~~, it is a ground for denial of licensure if the
5 applicant; designated principal mortgage broker; any officer,
6 director, partner, or joint venturer of the applicant; ~~any~~
7 ~~natural person owning a 10 percent or greater interest in the~~
8 ~~mortgage brokerage business~~; or any natural person who is the
9 ultimate equitable owner of a 10-percent or greater interest
10 in the mortgage brokerage business has committed any violation
11 specified in ss. 494.001-494.0077 or has pending against him
12 or her in any jurisdiction any criminal prosecution or
13 administrative enforcement action ~~that, in any jurisdiction,~~
14 ~~which~~ involves fraud, dishonest dealing, or another act of
15 moral turpitude.

16 ~~(5)(4)~~ A mortgage brokerage business or branch office
17 license may be canceled if it was issued through mistake or
18 inadvertence of the office. A notice of cancellation must be
19 issued by the office within 90 days after the issuance of the
20 license. A notice of cancellation ~~is shall be~~ effective upon
21 receipt. The notice of cancellation must shall provide the
22 applicant with notification of the right to request a hearing
23 within 21 days after the applicant's receipt of the notice of
24 cancellation. A license must shall be reinstated if the
25 applicant can demonstrate that the requirements for obtaining
26 the license under pursuant to this chapter have been
27 satisfied.

28 ~~(6)(5)~~ A license issued under this part is not
29 transferable or assignable. ~~If an initial mortgage brokerage~~
30 ~~business or branch office license has been issued but the~~
31 ~~check upon which the license is based is returned due to~~

1 ~~insufficient funds, the license shall be deemed canceled. A~~
2 ~~license deemed canceled pursuant to this subsection shall be~~
3 ~~reinstated if the office receives a certified check for the~~
4 ~~appropriate amount within 30 days after the date the check was~~
5 ~~returned due to insufficient funds.~~

6 Section 7. Subsections (1), (2), and (7) of section
7 494.0033, Florida Statutes, are amended to read:

8 494.0033 Mortgage broker's license.--

9 (1) Each natural person who acts as a mortgage broker
10 for a mortgage brokerage business or acts as an associate for
11 a mortgage lender or correspondent mortgage lender must be
12 licensed under ~~pursuant to~~ this section. To act as a mortgage
13 broker, an individual must be an associate of a mortgage
14 brokerage business, mortgage lender, or correspondent mortgage
15 lender. A mortgage broker is prohibited from being an
16 associate of more than one mortgage brokerage business,
17 mortgage lender, or correspondent mortgage lender.

18 (2) Each initial application for a mortgage broker's
19 license must be in the form prescribed by rule of the
20 commission. The commission may require each applicant to
21 provide any information reasonably necessary to make a
22 determination of the applicant's eligibility for licensure.
23 The office shall issue an initial license to any natural
24 person who:

25 (a) Is at least 18 years of age. +

26 (b) Has passed a written test adopted and administered
27 by the office, or has passed an electronic test adopted and
28 administered by the office or a third party approved by the
29 office, which is designed to determine competency in primary
30 and subordinate mortgage financing transactions as well as to
31 test knowledge of ss. 494.001-494.0077 and the rules adopted

1 pursuant thereto. The commission may prescribe by rule an
2 additional fee not to exceed \$100 for the electronic version
3 of the mortgage broker test. The commission may waive by rule
4 the examination requirement for any individual who has passed
5 a comparable test offered by a national group of state
6 mortgage regulators or a federal governmental agency which
7 test covers primary and subordinate mortgage financing
8 transactions.†

9 (c) Has submitted a completed application and a
10 nonrefundable application fee of \$200. An application is
11 considered received for purposes of s. 120.60 upon receipt of
12 a completed application form as prescribed by the commission
13 by rule, a nonrefundable application fee of \$200, and any
14 other fee prescribed by law. ~~The commission may set by rule an~~
15 additional fee for a retake of the examination; and

16 (d) Has filed a complete set of fingerprints, ~~taken by~~
17 ~~an authorized law enforcement officer,~~ for submission by the
18 office to the Department of Law Enforcement or the Federal
19 Bureau of Investigation for processing. A fingerprint card
20 submitted to the office must be taken by an authorized law
21 enforcement agency if the fingerprint card is submitted to the
22 office in paper form. In addition to the fees prescribed in s.
23 215.405, the commission may prescribe by rule additional fees,
24 not to exceed \$30, for processing the fingerprints. The
25 commission may prescribe by rule procedures for submitting
26 fingerprints and fees by electronic means to the office or to
27 a third party approved by the office. In order to implement
28 the submission and processing of fingerprints as specified by
29 rule under this section, the office may contract with a third
30 party or another state agency that provides fingerprinting
31 services.

1 ~~(7) If an initial mortgage broker license has been~~
2 ~~issued but the check upon which the license is based is~~
3 ~~returned due to insufficient funds, the license shall be~~
4 ~~deemed canceled. A license deemed canceled pursuant to this~~
5 ~~subsection shall be reinstated if the office receives a~~
6 ~~certified check for the appropriate amount within 30 days~~
7 ~~after the date the check was returned due to insufficient~~
8 ~~funds.~~

9 Section 8. Subsection (2) of section 494.0034, Florida
10 Statutes, is amended to read:

11 494.0034 Renewal of mortgage broker's license.--

12 (2) The commission shall adopt rules establishing a
13 procedure for the biennial renewal of mortgage broker's
14 licenses. The commission may prescribe the form of the renewal
15 ~~application~~ and may require an update of information since the
16 licensee's last renewal.

17 Section 9. Subsection (2) of section 494.0036, Florida
18 Statutes, is amended to read:

19 494.0036 Mortgage brokerage business branch offices.--

20 (2) The office shall issue a mortgage brokerage
21 business branch office license to a mortgage brokerage
22 business licensee after the office determines that the
23 licensee has submitted upon receipt of a completed branch
24 office application in a form as prescribed by commission rule
25 and payment of an initial nonrefundable branch office license
26 fee of \$225. Branch office licenses must be renewed in
27 conjunction with the renewal of the mortgage brokerage
28 business license. The branch office license shall be issued in
29 the name of the mortgage brokerage business that maintains the
30 branch office. An application is considered received for
31 purposes of s. 120.60 upon receipt of a completed application

1 form as prescribed by the commission by rule, a nonrefundable
2 application fee of \$225, and any other fee prescribed by law.

3 Section 10. Paragraph (s) is added to subsection (2)
4 of section 494.0041, Florida Statutes, to read:

5 494.0041 Administrative penalties and fines; license
6 violations.--

7 (2) Each of the following acts constitutes a ground
8 for which the disciplinary actions specified in subsection (1)
9 may be taken:

10 (s) Payment to the office for a license or permit with
11 a check or electronic transmission of funds which is
12 dishonored by the applicant's or licensee's financial
13 institutions.

14 Section 11. Paragraphs (a) and (c) of subsection (1)
15 and paragraph (a) of subsection (2) of section 494.006,
16 Florida Statutes, are amended to read:

17 494.006 Exemptions.--

18 (1) None of the following persons are subject to the
19 requirements of ss. 494.006-494.0077 in order to act as a
20 mortgage lender or correspondent mortgage lender:

21 (a) A state or federal chartered bank, a ~~bank holding~~
22 ~~company,~~ trust company, a savings and loan association, a
23 savings bank or credit union, a bank holding company regulated
24 under the laws of any state or the United States, or an
25 insurance company if the insurance company is duly licensed in
26 this state.

27 (c) A wholly owned bank holding company subsidiary
28 formed and regulated under the laws of any state or the United
29 States or a wholly owned savings and loan association holding
30 company subsidiary that is approved or certified by the
31 Department of Housing and Urban Development, the Veterans

1 Administration, the Government National Mortgage Association,
2 the Federal National Mortgage Association, or the Federal Home
3 Loan Mortgage Corporation.

4 (2)(a) A natural person employed by a mortgage lender
5 or correspondent mortgage lender licensed under ss.
6 494.001-494.0077 is exempt from the licensure requirements of
7 ss. 494.001-494.0077 when acting within the scope of
8 employment with the licensee.

9 Section 12. Section 494.0061, Florida Statutes, is
10 amended to read:

11 494.0061 Mortgage lender's license requirements.--

12 (1) Each person who acts as a mortgage lender must be
13 licensed under this section unless otherwise exempt from
14 licensure.

15 ~~(2)(1)~~ The commission or office may require each
16 applicant for a mortgage lender license to provide any
17 information reasonably necessary to make a determination of
18 the applicant's eligibility for licensure. The office shall
19 issue an initial mortgage lender license to any person that
20 submits:

21 (a) A completed application form.~~+~~
22 (b) A nonrefundable application fee of \$575.~~+~~
23 (c) Audited financial statements, which documents
24 disclose that the applicant has a bona fide and verifiable net
25 worth, pursuant to United States generally accepted accounting
26 principles, of at least \$250,000, which must be continuously
27 maintained as a condition of licensure.~~+~~

28 (d) A surety bond in the amount of \$10,000, payable to
29 the state and conditioned upon compliance with ss.
30 494.001-494.0077, which inures to the office and which must be
31 continuously maintained thereafter in full force.~~+~~

1 (e) Documentation that the applicant is duly
2 incorporated, registered, or otherwise formed as a general
3 partnership, limited partnership, limited liability company,
4 or other lawful entity under the laws of this state or another
5 state of the United States. ~~;~~ and

6 (f) ~~For applications submitted after October 1, 2001,~~
7 Proof that the applicant's principal representative has
8 completed 24 hours of classroom instruction in primary and
9 subordinate financing transactions and in the provisions of
10 this chapter and rules adopted under this chapter. This
11 requirement shall be satisfied if the principal representative
12 has continuously served in the capacity of a principal
13 representative for a licensed entity under this chapter for at
14 least 1 year and has not had a lapse in designation as a
15 principal representative of more than 2 years prior to the
16 date of the submission of the application or amendment in the
17 case of a change in the principal representative.

18
19 An application is considered received for purposes of s.
20 120.60 upon receipt of a completed application form as
21 prescribed by the commission by rule, a nonrefundable
22 application fee of \$575, and any other fee prescribed by law.

23 ~~(3)(2)~~ Notwithstanding ~~the provisions~~ of subsection
24 ~~(2)(1)~~, it is a ground for denial of licensure if the
25 applicant, any principal officer, ~~or~~ director, partner, or
26 joint venturer of the applicant, or any natural person owning
27 a 10-percent or greater interest in the applicant, or any
28 natural person who is the ultimate equitable owner of a
29 10-percent or greater interest in the applicant has committed
30 any violation specified in s. 494.0072, or has pending against
31 her or him any criminal prosecution or administrative

1 enforcement action, in any jurisdiction, which involves fraud,
2 dishonest dealing, or any act of moral turpitude.

3 ~~(4)(3)~~ Each initial application for a mortgage
4 lender's license must be in a form prescribed by the
5 commission. ~~The commission or office may require each~~
6 ~~applicant to provide any information reasonably necessary to~~
7 ~~make a determination of the applicant's eligibility for~~
8 ~~licensure.~~ The commission or office may require that each
9 officer, director, and ultimate equitable owner of a
10 10-percent or greater interest in the applicant submit a
11 complete set of fingerprints. A fingerprint card submitted to
12 the office must be taken by an authorized law enforcement
13 agency if the fingerprint card is submitted to the office in
14 paper form ~~officer.~~ In addition to the fees prescribed in s.
15 215.405, the commission may prescribe by rule an additional
16 fee, not to exceed \$30, for processing the fingerprints. The
17 commission may prescribe by rule procedures for submitting
18 fingerprints and fees by electronic means to the office or to
19 a third party approved by the office. In order to implement
20 the submission and processing of fingerprints as specified by
21 rule under this section, the office may contract with a third
22 party or another state agency that provides fingerprinting
23 services.

24 ~~(5)(4)~~ A person required to be licensed under ss.
25 494.006-494.0077, or an agent or employee thereof, is deemed
26 to have consented to the venue of courts of competent
27 jurisdiction in this state regarding any matter within the
28 authority of ss. 494.001-494.0077 regardless of where an act
29 or violation was committed.

30 ~~(6)(5)~~ A license issued in accordance with ss.
31 494.006-494.0077 is not transferable or assignable.

1 ~~(7)~~(6) A mortgage lender or branch office license may
2 be canceled if it was issued through mistake or inadvertence
3 of the office. A notice of cancellation must be issued by the
4 office within 90 days after the issuance of the license. A
5 notice of cancellation shall be effective upon receipt. The
6 notice of cancellation shall provide the applicant with
7 notification of the right to request a hearing within 21 days
8 after the applicant's receipt of the notice of cancellation. A
9 license shall be reinstated if the applicant can demonstrate
10 that the requirements for obtaining the license under ~~pursuant~~
11 ~~to~~ this chapter have been satisfied.

12 ~~(7) If an initial mortgage lender or branch office~~
13 ~~license has been issued but the check upon which the license~~
14 ~~is based is returned due to insufficient funds, the license~~
15 ~~shall be deemed canceled. A license deemed canceled pursuant~~
16 ~~to this subsection shall be reinstated if the office receives~~
17 ~~a certified check for the appropriate amount within 30 days~~
18 ~~after the date the check was returned due to insufficient~~
19 ~~funds.~~

20 (8) Each lender, regardless of the number of branches
21 it operates, shall designate a principal representative who
22 exercises control of the licensee's business and shall
23 maintain a form prescribed by the commission designating the
24 principal representative. If the form is not accurately
25 maintained, the business is considered to be operated by each
26 officer, director, or equitable owner of a 10-percent or
27 greater interest in the business.

28 (9) ~~After October 1, 2001,~~ An applicant's principal
29 representative must pass a written test prescribed by the
30 commission and administered by the office, or must pass an
31 electronic test prescribed by the commission and administered

1 by the office or a third party approved by the office, which
2 covers primary and subordinate mortgage financing transactions
3 and the provisions of this chapter and rules adopted under
4 this chapter. The commission may set by rule a fee not to
5 exceed \$100 for the electronic version of the mortgage broker
6 test. The commission may waive by rule the examination
7 requirement for any individual who has passed a comparable
8 test offered by a national group of state mortgage regulators
9 or a federal governmental agency which test covers primary and
10 subordinate mortgage financing transactions. This requirement
11 shall be satisfied if the principal representative has
12 continuously served in the capacity of a principal
13 representative for a licensed entity under this chapter for at
14 least 1 year and has not had a lapse in designation as a
15 principal representative of more than 2 years prior to the
16 date of the submission of the application or amendment in the
17 case of a change in the principal representative.

18 (10) A lender shall notify the office of any change in
19 the designation of its principal representative within 30
20 days. A new principal representative shall satisfy the name
21 ~~and address of any new principal representative and shall~~
22 ~~document that the person has completed~~ the educational and
23 testing requirements of this section within 90 days after
24 being designated as upon the designation of a new principal
25 representative. This requirement shall be satisfied if the
26 principal representative has continuously served in the
27 capacity of a principal representative for a licensed entity
28 under this chapter for at least 1 year and has not had a lapse
29 in designation as a principal representative of more than 2
30 years prior to the date of the submission of the application
31

1 or amendment in the case of a change in the principal
2 representative.

3 Section 13. Section 494.0062, Florida Statutes, is
4 amended to read:

5 494.0062 Correspondent mortgage lender's license
6 requirements.--

7 (1) Each person who acts as a correspondent mortgage
8 lender must be licensed under this section unless otherwise
9 exempt from licensure.

10 (2)(1) The office may require each applicant to
11 provide any information reasonably necessary to determine the
12 applicant's eligibility for licensure. The office shall issue
13 an initial correspondent mortgage lender license to any person
14 who submits:

- 15 (a) A completed application form;
- 16 (b) A nonrefundable application fee of \$500;
- 17 (c) Audited financial statements that, which document
18 that the applicant application has a bona fide and verifiable
19 net worth, pursuant to United States generally accepted
20 accounting principles, of \$25,000 or more, which must be
21 continuously maintained as a condition of licensure;
- 22 (d) A surety bond in the amount of \$10,000, payable to
23 the State of Florida and conditioned upon compliance with ss.
24 494.001-494.0077, which inures to the office and which must be
25 continuously maintained, thereafter, in full force;
- 26 (e) Documentation that the applicant is duly
27 incorporated, registered, or otherwise formed as a general
28 partnership, limited partnership, limited liability company,
29 or other lawful entity under the laws of this state or another
30 state of the United States; and

31

1 (f) ~~For applications filed after October 1, 2001,~~
2 Proof that the applicant's principal representative has
3 completed 24 hours of classroom instruction in primary and
4 subordinate financing transactions and in the provisions of
5 this chapter and rules enacted under this chapter. This
6 requirement shall be satisfied if the principal representative
7 has continuously served in the capacity of a principal
8 representative for a licensed entity under this chapter for at
9 least 1 year and has not had a lapse in designation as a
10 principal representative of more than 2 years prior to the
11 date of the submission of the application or amendment in the
12 case of a change in the principal representative.

13
14 An application is considered received for purposes of s.
15 120.60 upon receipt of a completed application form as
16 prescribed by the commission by rule, a nonrefundable
17 application fee of \$500, and any other fee prescribed by law.

18 ~~(3)(2)~~ Notwithstanding ~~the provisions of~~ subsection
19 ~~(2)(1)~~, it is a ground for denial of licensure if the
20 applicant, any principal officer or director of the applicant,
21 or any natural person who is the ultimate equitable owner of a
22 10-percent or greater interest in the applicant has committed
23 any violation specified in s. 494.0072, or has pending against
24 her or him any criminal prosecution or administrative
25 enforcement action, in any jurisdiction, which involves fraud,
26 dishonest dealing, or any act of moral turpitude.

27 ~~(4)(3)~~ Each initial application for a correspondent
28 mortgage lender's license must be in a form prescribed by the
29 commission. ~~The commission or office may require each~~
30 ~~applicant to provide any information reasonably necessary to~~
31 ~~make a determination of the applicant's eligibility for~~

1 ~~licensure.~~ The commission or office may require by rule that
2 each officer, director, and ultimate equitable owner of a
3 10-percent or greater interest submit a complete set of
4 fingerprints. A fingerprint card submitted to the office must
5 be taken by an authorized law enforcement agency if the
6 fingerprint card is submitted to the office in paper form
7 officer. In addition to the fees prescribed in s. 215.405, the
8 commission may prescribe by rule an additional fee, not to
9 exceed \$30, for processing the fingerprints. The commission
10 may prescribe by rule procedures for submitting fingerprints
11 and fees by electronic means to the office or to a third party
12 approved by the office. In order to implement the submission
13 and processing of fingerprints as specified by rule under this
14 section, the office may contract with a third party or another
15 state agency that provides fingerprinting services.

16 ~~(5)(4)~~ Each license is valid for the remainder of the
17 biennium in which the license is issued.

18 ~~(6)(5)~~ A person licensed as a correspondent mortgage
19 lender may make mortgage loans, but may not service a mortgage
20 loan for more than 4 months after the date the mortgage loan
21 was made or acquired by the correspondent mortgage lender.

22 ~~(7)(6)~~ A licensee under ss. 494.006-494.0077, or an
23 agent or employee thereof, is deemed to have consented to the
24 venue of courts of competent jurisdiction in this state
25 regarding any matter within the authority of ss.
26 494.001-494.0077 regardless of where an act or violation was
27 committed.

28 ~~(8)(7)~~ A correspondent mortgage lender is subject to
29 the same requirements and restrictions as a licensed mortgage
30 lender unless otherwise provided in this section.

31

1 (9)~~(8)~~ A license issued under this section is not
2 transferable or assignable.

3 (10)~~(9)~~ A correspondent mortgage lender or branch
4 office license may be canceled if it was issued through
5 mistake or inadvertence of the office. A notice of
6 cancellation must be issued by the office within 90 days after
7 the issuance of the license. A notice of cancellation shall be
8 effective upon receipt. The notice of cancellation shall
9 provide the applicant with notification of the right to
10 request a hearing within 21 days after the applicant's receipt
11 of the notice of cancellation. A license shall be reinstated
12 if the applicant can demonstrate that the requirements for
13 obtaining the license pursuant to this chapter have been
14 satisfied.

15 ~~(10) If an initial correspondent mortgage lender or~~
16 ~~branch office license has been issued but the check upon which~~
17 ~~the license is based is returned due to insufficient funds,~~
18 ~~the license shall be deemed canceled. A license deemed~~
19 ~~canceled pursuant to this subsection shall be reinstated if~~
20 ~~the office receives a certified check for the appropriate~~
21 ~~amount within 30 days after the date the check was returned~~
22 ~~due to insufficient funds.~~

23 (11) Each correspondent lender shall designate a
24 principal representative who exercises control over the
25 business and shall maintain a form prescribed by the
26 commission designating the principal representative. If the
27 form is not accurately maintained, the business is considered
28 to be operated by each officer, director, or equitable owner
29 of a 10-percent or greater interest in the business.

30 (12) ~~After October 1, 2001,~~ An applicant's principal
31 representative must pass a written test prescribed by the

1 commission and administered by the office or a third party
2 approved by the office which test covers primary and
3 subordinate mortgage financing transactions and the provisions
4 of this chapter and rules adopted under this chapter. The
5 commission may waive by rule the examination requirement for
6 any individual who has passed a comparable test offered by a
7 national group of state mortgage regulators or a federal
8 governmental agency which test covers primary and subordinate
9 mortgage financing transactions. The commission may set by
10 rule a fee not to exceed \$100 for taking the examination. This
11 requirement shall be satisfied if the principal representative
12 has continuously served in the capacity of a principal
13 representative for a licensed entity under this chapter for at
14 least 1 year and has not had a lapse in designation as a
15 principal representative of more than 2 years prior to the
16 date of the submission of the application or amendment in the
17 case of a change in the principal representative.

18 (13) A correspondent lender shall notify the office of
19 any change in the designation of its principal representative
20 within 30 days. A new principal representative shall satisfy
21 ~~the name and address of any new principal representative and~~
22 ~~shall document that such person has completed~~ the educational
23 and testing requirements of this section within 90 days after
24 being designated as upon the lender's designation of a new
25 principal representative. This requirement shall be satisfied
26 if the principal representative has continuously served in the
27 capacity of a principal representative for a licensed entity
28 under this chapter for at least 1 year and has not had a lapse
29 in designation as a principal representative of more than 2
30 years prior to the date of the submission of the application
31

1 or amendment in the case of a change in the principal
2 representative.

3 Section 14. Paragraph (b) of subsection (1) of section
4 494.0064, Florida Statutes, is amended to read:

5 494.0064 Renewal of mortgage lender's license; branch
6 office license renewal.--

7 (1)

8 (b) A licensee shall also submit, as part of the
9 renewal form, certification that during the preceding 2 years
10 the licensee's principal representative and, loan originators,
11 ~~and associates~~ have completed the professional continuing
12 education requirements of s. 494.00295.

13 Section 15. Section 494.0065, Florida Statutes, is
14 amended to read:

15 494.0065 Saving clause.--

16 (1)(a) Any person in good standing who holds an active
17 registration pursuant to former s. 494.039 or license pursuant
18 to former s. 521.205, or any person who acted solely as a
19 mortgage servicer on September 30, 1991, is eligible to apply
20 to the office for a mortgage lender's license and is eligible
21 for licensure if the applicant:

22 1. For at least 12 months during the period of October
23 1, 1989, through September 30, 1991, has engaged in the
24 business of either acting as a seller or assignor of mortgage
25 loans or as a servicer of mortgage loans, or both;

26 2. Has documented a minimum net worth of \$25,000 in
27 audited financial statements; and

28 3. Has applied for licensure pursuant to this section
29 by January 1, 1992, and paid an application fee of \$100.

30 (b) A licensee pursuant to paragraph (a) may operate a
31 wholly owned subsidiary or affiliate for the purpose of

1 servicing accounts if the subsidiary or affiliate is
2 operational as of September 30, 1991. Such subsidiary or
3 affiliate is not required to obtain a separate license, but is
4 subject to all the requirements of a licensee under ss.
5 494.006-494.0077.

6 (2) A licensee issued a license pursuant to subsection
7 (1) may renew its mortgage lending license if it documents a
8 minimum net worth of \$25,000, according to United States
9 generally accepted accounting principles, which must be
10 continuously maintained as a condition to licensure. The
11 office shall require an audited financial statement which
12 documents such net worth.

13 (3) The commission may prescribe by rule forms and
14 procedures for application for licensure, and amendment and
15 withdrawal of application for licensure, or transfer,
16 including any existing branch offices, in accordance with
17 subsections (4) and (5), and for renewal of licensure of
18 licensees under this section. An application is considered
19 received for purposes of s. 120.60 upon receipt of a completed
20 application form as prescribed by the commission by rule, a
21 nonrefundable application fee of \$575, and any other fee
22 prescribed by law.

23 (4)(a) Notwithstanding ss. 494.0061(6)(5) and
24 494.0067(3), the ultimate equitable owner, as of the effective
25 date of this act, of a mortgage lender licensed under this
26 section may transfer, one time, at least 50 percent of the
27 ownership, control, or power to vote any class of equity
28 securities of such mortgage lender, except as provided in
29 paragraph (b). For purposes of this subsection, satisfaction
30 of the amount of the ownership transferred may be met in
31 multiple transactions or in a single transaction.

1 (b) A person who is an ultimate equitable owner on the
2 effective date of this act may transfer, at any time, at least
3 50 percent of the ownership, control, or power to vote any
4 class of equity securities of such person to the person's
5 spouse or child, and any such transferee may transfer, at any
6 time, such ownership, control, or power to vote to a spouse or
7 child of such transferee, in perpetuity.

8 (c) For any transfer application filed on or after
9 October 1, 2005:

10 1. An applicant must provide proof that the
11 applicant's principal representative has completed 24 hours of
12 instruction in primary and subordinate financing transactions
13 and in the provisions of this chapter and rules adopted under
14 this chapter. This requirement shall be satisfied if the
15 principal representative has continuously served in the
16 capacity of a principal representative for a licensed entity
17 under this chapter for at least 1 year and has not had a lapse
18 in designation as a principal representative of more than 2
19 years prior to the date of the submission of the application
20 or amendment in the case of a change in the principal
21 representative.

22 2. An applicant's principal representative must pass a
23 written test prescribed by the commission and administered by
24 the office, or must pass an electronic test prescribed by the
25 commission and administered by the office or a third party
26 approved by the office which test covers primary and
27 subordinate mortgage financing transactions and the provisions
28 of this chapter and rules adopted under this chapter. The
29 commission may set by rule a fee not to exceed \$100 for the
30 electronic version of the mortgage broker test. The commission
31 may waive by rule the examination requirement for any

1 individual who has passed a comparable test offered by a
2 national group of state mortgage regulators or a federal
3 governmental agency which test covers primary and subordinate
4 mortgage financing transactions. This requirement shall be
5 satisfied if the principal representative has continuously
6 served in the capacity of a principal representative for a
7 licensed entity under this chapter for at least 1 year and has
8 not had a lapse in designation as a principal representative
9 of more than 2 years prior to the date of the submission of
10 the application or amendment in the case of a change in the
11 principal representative.

12 (5) The commission or office may require each
13 applicant for any transfer to provide any information
14 reasonably necessary to make a determination of the
15 applicant's eligibility for licensure. The office shall issue
16 the transfer of licensure to any person who submits the
17 following documentation at least 90 days prior to the
18 anticipated transfer:

19 (a) A completed application form.

20 (b) A nonrefundable fee set by rule of the commission
21 in the amount of ~~\$575~~\$500.

22 (c) Audited financial statements that substantiate
23 that the applicant has a bona fide and verifiable net worth,
24 according to United States generally accepted accounting
25 principles, of at least \$25,000, which must be continuously
26 maintained as a condition of licensure.

27 (d) Documentation that the applicant is incorporated,
28 registered, or otherwise formed as a general partnership,
29 limited partnership, limited liability company, or other
30 lawful entity under the laws of this state or another state of
31 the United States.

1
2 An application is considered received for purposes of s.
3 120.60 upon receipt of a completed application form as
4 prescribed by the commission by rule, a nonrefundable
5 application fee of \$575, and any other fee prescribed by law.
6 The commission or office may require by rule that each
7 officer, director, and ultimate equitable owner of a
8 10-percent or greater interest in the applicant submit a
9 complete set of fingerprints. A fingerprint card submitted to
10 the office must be taken by an authorized law enforcement
11 agency if the fingerprint card is submitted to the office in
12 paper form ~~officer~~. In addition to the fees prescribed in s.
13 215.405, the commission may prescribe by rule an additional
14 fee, not to exceed \$30, for processing the fingerprints. The
15 commission may prescribe by rule procedures for submitting
16 fingerprints and fees by electronic means to the office or to
17 a third party approved by the office. In order to implement
18 the submission and processing of fingerprints as specified by
19 rule under this section, the office may contract with a third
20 party or another state agency that provides fingerprinting
21 services.

22 (6) Notwithstanding subsection (5), a transfer under
23 subsection (4) may be denied if the applicant, any principal
24 officer or director of the applicant, or any natural person
25 owning a 10-percent or greater interest in the applicant has
26 committed any violation specified in s. 494.0072, or has
27 entered a plea of nolo contendere, regardless of adjudication,
28 or has an action pending against the applicant in any criminal
29 prosecution or administrative enforcement action, in any
30 jurisdiction, which involves fraud, dishonest dealing, or any
31 act of moral turpitude.

1 (7) A license issued in accordance with this section
2 is not transferable or assignable except as provided in
3 subsection (4).

4 (8) Each person applying for a transfer of any branch
5 office pursuant to subsection (4) must comply with the
6 requirements of s. 494.0066.

7 (9) Each mortgage lender shall designate a principal
8 representative who exercises control over the business and
9 shall keep current the designation on a form prescribed by the
10 commission by rule designating the principal representative.
11 If the information on the form is not current, the business is
12 considered to be operated by each officer, director, or
13 equitable owner of a 10-percent or greater interest in the
14 business.

15 (10) A lender shall notify the office of any change in
16 the designation of its principal representative within 30
17 days. A new principal agent shall satisfy the educational and
18 testing requirements of this section within 90 days after
19 being designated as new principal representative. This
20 requirement shall be satisfied if the principal representative
21 has continuously served in the capacity of a principal
22 representative for a licensed entity under this chapter for at
23 least 1 year and has not had a lapse in designation as a
24 principal representative of more than 2 years prior to the
25 date of the submission of the application or amendment in the
26 case of a change in the principal representative.

27 Section 16. Subsection (2) of section 494.0066,
28 Florida Statutes, is amended to read:

29 494.0066 Branch offices.--

30 (2) The office shall issue a branch office license to
31 a licensee licensed under s. 494.0065(1) or a transfer

1 licensee after the office determines that the licensee has
2 submitted ~~upon receipt of~~ a completed branch office
3 application form as prescribed by rule by the commission and
4 an initial nonrefundable branch office license fee of \$325.
5 The branch office application must include the name and
6 license number of the licensee under ss. 494.006-494.0077, the
7 name of the licensee's employee in charge of the branch
8 office, and the address of the branch office. The branch
9 office license shall be issued in the name of the licensee
10 under ss. 494.006-494.0077 and must be renewed in conjunction
11 with the license renewal.

12 Section 17. Paragraph (a) of subsection (10) of
13 section 494.0067, Florida Statutes, is amended to read:

14 494.0067 Requirements of licensees under ss.
15 494.006-494.0077.--

16 (10)(a) Each licensee shall require the principal
17 representative and all loan originators ~~or associates~~ who
18 perform services for the licensee to complete 14 hours of
19 professional continuing education during each biennial license
20 period. The education shall cover primary and subordinate
21 mortgage financing transactions and the provisions of this
22 chapter and the rules adopted under this chapter.

23 Section 18. Paragraph (s) is added to subsection (2)
24 of section 494.0072, Florida Statutes, to read:

25 494.0072 Administrative penalties and fines; license
26 violations.--

27 (2) Each of the following acts constitutes a ground
28 for which the disciplinary actions specified in subsection (1)
29 may be taken:

30 (s) Payment to the office for a license or permit with
31 a check or electronic transmission of funds which is

1 dishonored by the applicant's or licensee's financial
2 institution.

3 Section 19. Subsection (2) of section 494.00721,
4 Florida Statutes, is amended to read:

5 494.00721 Net worth.--

6 (2) If a mortgage lender or correspondent mortgage
7 lender fails to satisfy the net worth requirements, the
8 mortgage lender or correspondent mortgage lender shall
9 immediately cease taking any new mortgage loan applications.
10 Thereafter, the mortgage lender or correspondent mortgage
11 lender shall have up to 60 days within which to satisfy the
12 net worth requirements. If the licensee makes the office
13 aware, prior to an examination, that the licensee no longer
14 meets the net worth requirements, the mortgage lender or
15 correspondent mortgage lender shall have 120 days within which
16 to satisfy the net worth requirements. A mortgage lender or
17 correspondent mortgage lender shall not resume acting as a
18 mortgage lender or correspondent mortgage lender without
19 written authorization from the office, which authorization
20 shall be granted if the mortgage lender or correspondent
21 mortgage lender provides the office with documentation which
22 satisfies the requirements of s. 494.0061~~(2)(1)~~(c), s.
23 494.0062~~(2)(1)~~(c), or s. 494.0065(2), whichever is applicable.

24 Section 20. Subsection (3) of section 501.137, Florida
25 Statutes, is amended to read:

26 501.137 Mortgage lenders; tax and insurance payments
27 from escrow accounts; duties.--

28 (3)(a) If the lender, ~~as a result of neglect,~~ fails to
29 pay any tax or insurance premium when the tax or premium is
30 due and there are sufficient escrow funds on deposit to pay
31 the tax or premium, and if the property owner suffers a loss

1 as a result of this failure, then the lender is liable for the
2 loss; except, however, that with respect to any loss which
3 would otherwise have been insured, the extent of the liability
4 shall not exceed the coverage limits of any insurance policy
5 which has lapsed.

6 (b) If the lender violates paragraph (a) and the
7 premium payment is not more than 90 days overdue, the insurer
8 shall reinstate the insurance policy, retroactive to the date
9 of cancellation, and the lender shall reimburse the property
10 owner for any penalty or fees imposed by the insurer and paid
11 by the property owner for purposes of reinstating the policy.
12 The lender shall also be liable for the reasonable costs and
13 attorney's fees of the property owner incurred as a result of
14 an action brought under this section.

15 (c) If the lender violates paragraph (a) and the
16 premium payment is more than 90 days overdue or if the insurer
17 refuses to reinstate the insurance policy, the lender shall
18 pay the difference between the cost of the previous insurance
19 policy and a new, comparable insurance policy for a period of
20 2 years. If the lender refuses, the lender shall be liable for
21 the reasonable attorney's fees and costs of the property owner
22 against a lender for a violation of this section.

23 Section 21. Section 516.03, Florida Statutes, is
24 amended to read:

25 516.03 Application for license; fees; etc.--

26 (1) APPLICATION.--Application for a license to make
27 loans under this chapter shall be in the form prescribed by
28 rule of the commission, and shall contain the name, residence
29 and business addresses of the applicant and, if the applicant
30 is a copartnership or association, of every member thereof
31 and, if a corporation, of each officer and director thereof,

1 also the county and municipality with the street and number or
2 approximate location where the business is to be conducted,
3 and such further relevant information as the commission or
4 office may require. At the time of making such application the
5 applicant shall pay to the office a nonrefundable biennial
6 license fee of \$625. Applications, except for applications to
7 renew or reactivate a license, must also be accompanied by a
8 nonrefundable ~~an~~ investigation fee of \$200. An application is
9 considered received for purposes of s. 120.60 upon receipt of
10 a completed application form as prescribed by the commission
11 by rule, a nonrefundable application fee of \$625, and any
12 other fee prescribed by law. The commission may adopt rules to
13 require ~~allow~~ electronic submission of any form, document, or
14 fee required by this act if such rules reasonably accommodate
15 technological or financial hardship. The commission may
16 prescribe by rule requirements and procedures for obtaining an
17 exemption due to a technological or financial hardship.

18 (2) FEES.--Fees herein provided for shall be collected
19 by the office and shall be turned into the State Treasury to
20 the credit of the regulatory trust fund under the office. The
21 office shall have full power to employ such examiners or
22 clerks to assist the office as may from time to time be deemed
23 necessary and fix their compensation. The commission may adopt
24 rules to require ~~allow~~ electronic submission of any fee
25 required by this section if such rules reasonably accommodate
26 technological or financial hardship. The commission may
27 prescribe by rule requirements and procedures for obtaining an
28 exemption due to a technological or financial hardship.

29 Section 22. Subsection (1) of section 516.05, Florida
30 Statutes, is amended to read:

31 516.05 License.--

1 (1) Upon the filing of an application for a license
2 and payment of all applicable fees, the office shall, unless
3 the application is to renew or reactivate an existing license,
4 make an investigation of the facts concerning the applicant's
5 proposed activities. If the office determines that a license
6 should be granted, it shall issue the license for a period not
7 to exceed 2 years. Biennial licensure periods and procedures
8 for renewal of licenses shall be established by the rule of
9 the commission. If the office determines that grounds exist
10 under this chapter for denial of an application other than an
11 application to renew a license, it shall deny such
12 application, ~~return to the applicant the sum paid as a license~~
13 ~~fee, and retain the investigation fee.~~

14 Section 23. Paragraph (p) is added to subsection (1)
15 of section 516.07, Florida Statutes, to read:

16 516.07 Grounds for denial of license or for
17 disciplinary action.--

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

22 (p) Payment to the office for a license or permit with
23 a check or electronic transmission of funds which is
24 dishonored by the applicant's or licensee's financial
25 institution.

26 Section 24. Subsection (3) is added to section 516.12,
27 Florida Statutes, to read:

28 516.12 Records to be kept by licensee.--

29 (3) The commission may prescribe by rule the minimum
30 information to be shown in the books, accounts, records, and
31 documents of licensees for purposes of enabling the office to

1 determine the licensee's compliance with ss. 516.001-516.36.
2 In addition, the commission may prescribe by rule the
3 requirements for destruction of books, accounts, records, and
4 documents retained by the licensee after completion of the
5 time period specified in subsection (1). Notwithstanding the
6 2-year retention period specified in subsection (1), if the
7 office identifies a statute of limitations in another civil or
8 criminal state or federal law or rule which statute of
9 limitations is reasonably related by subject matter to the
10 administration of this chapter, the commission may identify
11 that statute of limitations by rule and may prohibit the
12 destruction of records required to be maintained by this
13 chapter for a period of time, established by rule, which is
14 reasonably related to such statute of limitations. The
15 commission shall prescribe by rule those documents or records
16 that are to be preserved under the identified statute of
17 limitations.

18 Section 25. Subsection (9) of section 517.051, Florida
19 Statutes, is amended to read:

20 517.051 Exempt securities.--The exemptions provided
21 herein from the registration requirements of s. 517.07 are
22 self-executing and do not require any filing with the office
23 prior to claiming such exemption. Any person who claims
24 entitlement to any of these exemptions bears the burden of
25 proving such entitlement in any proceeding brought under this
26 chapter. The registration provisions of s. 517.07 do not apply
27 to any of the following securities:

28 (9) A security issued by a corporation organized and
29 operated exclusively for religious, educational, benevolent,
30 fraternal, charitable, or reformatory purposes and not for
31 pecuniary profit, no part of the net earnings of which

1 corporation inures to the benefit of any private stockholder
2 or individual, or any security of a fund that is excluded from
3 the definition of an investment company under s. 3(c)(10)(B)
4 of the Investment Company Act of 1940; provided that no person
5 shall directly or indirectly offer or sell securities under
6 this subsection except by an offering circular containing full
7 and fair disclosure, as prescribed by the rules of the
8 commission, of all material information, including, but not
9 limited to, a description of the securities offered and terms
10 of the offering, a description of the nature of the issuer's
11 business, a statement of the purpose of the offering and the
12 intended application by the issuer of the proceeds thereof,
13 and financial statements of the issuer prepared in conformance
14 with United States generally accepted accounting principles.
15 Section 6(c) of the Philanthropy Protection Act of 1995, Pub.
16 L. No. 104-62, shall not preempt any provision of this
17 chapter.

18 Section 26. Subsection (18) of section 517.061,
19 Florida Statutes, is amended to read:

20 517.061 Exempt transactions.--The exemption for each
21 transaction listed below is self-executing and does not
22 require any filing with the office prior to claiming such
23 exemption. Any person who claims entitlement to any of the
24 exemptions bears the burden of proving such entitlement in any
25 proceeding brought under this chapter. The registration
26 provisions of s. 517.07 do not apply to any of the following
27 transactions; however, such transactions are subject to the
28 provisions of ss. 517.301, 517.311, and 517.312:

29 (18) The offer or sale of any security effected by or
30 through a person in compliance with ~~registered pursuant to~~ s.
31 517.12(17).

1 Section 27. Paragraph (g) of subsection (3) of section
2 517.081, Florida Statutes, is amended to read:

3 517.081 Registration procedure.--

4 (3) The office may require the applicant to submit to
5 the office the following information concerning the issuer and
6 such other relevant information as the office may in its
7 judgment deem necessary to enable it to ascertain whether such
8 securities shall be registered pursuant to the provisions of
9 this section:

10 (g)1. A specimen copy of the security and a copy of
11 any circular, prospectus, advertisement, or other description
12 of such securities.

13 2. The commission shall adopt a form for a simplified
14 offering circular to be used solely by corporations to
15 register, under this section, securities of the corporation
16 that are sold in offerings in which the aggregate offering
17 price in any consecutive 12-month period does not exceed the
18 amount provided in s. 3(b) of the Securities Act of 1933. The
19 following issuers shall not be eligible to submit a simplified
20 offering circular adopted pursuant to this subparagraph:

21 a. An issuer seeking to register securities for resale
22 by persons other than the issuer.

23 b. An issuer who is subject to any of the
24 disqualifications described in 17 C.F.R. s. 230.262, adopted
25 pursuant to the Securities Act of 1933, or who has been or is
26 engaged or is about to engage in an activity that would be
27 grounds for denial, revocation, or suspension under s.
28 517.111. For purposes of this subparagraph, an issuer includes
29 an issuer's director, officer, shareholder who owns at least
30 10 percent of the shares of the issuer, promoter, or selling
31

1 agent of the securities to be offered or any officer,
2 director, or partner of such selling agent.

3 c. An issuer who is a development-stage company that
4 either has no specific business plan or purpose or has
5 indicated that its business plan is to merge with an
6 unidentified company or companies.

7 d. An issuer of offerings in which the specific
8 business or properties cannot be described.

9 e. Any issuer the office determines is ineligible if
10 the form would not provide full and fair disclosure of
11 material information for the type of offering to be registered
12 by the issuer.

13 f. Any corporation which has failed to provide the
14 office the reports required for a previous offering registered
15 pursuant to this subparagraph.

16
17 As a condition precedent to qualifying for use of the
18 simplified offering circular, a corporation shall agree to
19 provide the office with an annual financial report containing
20 a balance sheet as of the end of the issuer's fiscal year and
21 a statement of income for such year, prepared in accordance
22 with United States generally accepted accounting principles
23 and accompanied by an independent accountant's report. If the
24 issuer has more than 100 security holders at the end of a
25 fiscal year, the financial statements must be audited. Annual
26 financial reports must be filed with the office within 90 days
27 after the close of the issuer's fiscal year for each of the
28 first 5 years following the effective date of the
29 registration.

30 Section 28. Subsections (7), (10), (11), (15), and
31 (17) of section 517.12, Florida Statutes, are amended to read:

1 517.12 Registration of dealers, associated persons,
2 investment advisers, and branch offices.--

3 (7) The application shall also contain such
4 information as the commission or office may require about the
5 applicant; any partner, officer, or director of the applicant
6 or any person having a similar status or performing similar
7 functions; any person directly or indirectly controlling the
8 applicant; or any employee of a dealer or of an investment
9 adviser rendering investment advisory services. Each
10 applicant shall file a complete set of fingerprints. A
11 fingerprint card submitted to the office must be taken by an
12 authorized law enforcement agency if the fingerprint card is
13 submitted to the office in paper form ~~officer~~. In addition to
14 the fees prescribed in s. 215.405, the commission may
15 prescribe by rule an additional fee, not to exceed \$30, for
16 processing the fingerprints. The commission may prescribe by
17 rule procedures for submitting fingerprints and fees by
18 electronic means to the office or to a third party approved by
19 the office. In order to implement the submission and
20 processing of fingerprints as specified by rule under this
21 section, the office may contract with a third party or another
22 state agency that provides fingerprint services. Such
23 fingerprints shall be submitted to the Department of Law
24 Enforcement or the Federal Bureau of Investigation for state
25 and federal processing. The commission may waive, by rule,
26 the requirement that applicants must file a set of
27 fingerprints or the requirement that such fingerprints must be
28 processed by the Department of Law Enforcement or the Federal
29 Bureau of Investigation. The commission or office may require
30 information about any such applicant or person concerning such
31 matters as:

1 (a) His or her full name, and any other names by which
2 he or she may have been known, and his or her age, photograph,
3 qualifications, and educational and business history.

4 (b) Any injunction or administrative order by a state
5 or federal agency, national securities exchange, or national
6 securities association involving a security or any aspect of
7 the securities business and any injunction or administrative
8 order by a state or federal agency regulating banking,
9 insurance, finance, or small loan companies, real estate,
10 mortgage brokers, or other related or similar industries,
11 which injunctions or administrative orders relate to such
12 person.

13 (c) His or her conviction of, or plea of nolo
14 contendere to, a criminal offense or his or her commission of
15 any acts which would be grounds for refusal of an application
16 under s. 517.161.

17 (d) The names and addresses of other persons of whom
18 the office may inquire as to his or her character, reputation,
19 and financial responsibility.

20 (10) An applicant for registration shall pay an
21 assessment fee of \$200, in the case of a dealer or investment
22 adviser, or \$40, in the case of an associated person. The
23 assessment fee of an associated person shall be reduced to
24 \$30, but only after the office determines, by final order,
25 that sufficient funds have been allocated to the Securities
26 Guaranty Fund pursuant to s. 517.1203 to satisfy all valid
27 claims filed in accordance with s. 517.1203(2) and after all
28 amounts payable under any service contract entered into by the
29 office pursuant to s. 517.1204, and all notes, bonds,
30 certificates of indebtedness, other obligations, or evidences
31 of indebtedness secured by such notes, bonds, certificates of

1 indebtedness, or other obligations, have been paid or
2 provision has been made for the payment of such amounts,
3 notes, bonds, certificates of indebtedness, other obligations,
4 or evidences of indebtedness. An associated person ~~may not~~
5 ~~having current fingerprint cards filed with the National~~
6 ~~Association of Securities Dealers or a national securities~~
7 ~~exchange registered with the Securities and Exchange~~
8 ~~Commission shall~~ be assessed an additional fee to cover the
9 cost for said fingerprint cards to be processed by the office.
10 Such fee shall be determined by rule of the commission. Each
11 dealer and each investment adviser shall pay an assessment fee
12 of \$100 for each office in this state, except its designated
13 principal office. Such fees become the revenue of the state,
14 except for those assessments provided for under s. 517.131(1)
15 until such time as the Securities Guaranty Fund satisfies the
16 statutory limits, and are not returnable in the event that
17 registration is withdrawn or not granted.

18 (11) If the office finds that the applicant is of good
19 repute and character and has complied with the provisions of
20 this chapter and the rules made pursuant hereto, it shall
21 register the applicant. The registration of each dealer,
22 investment adviser, and associated person ~~expires will expire~~
23 on December 31, of the year it became effective unless the
24 registrant has renewed its registration on or before that
25 date. ~~and~~ The registration of each branch office ~~expires will~~
26 ~~expire~~ on March 31 or, once the National Association of
27 Securities Dealers develops the capacity to process branch
28 office registration through the Central Registration
29 Depository, December 31 of the year in which it became
30 effective unless the registrant has renewed its registration
31 on or before that date. The commission may establish by rule

1 the initial year in which branch renewals shall be processed
2 through the Central Registration Depository of the National
3 Association of Securities Dealers. The commission may
4 establish by rule procedures for renewing branch registrations
5 through the Central Registration Depository. Registration may
6 be renewed by furnishing such information as the commission
7 may require, together with payment of the fee required in
8 subsection (10) for dealers, investment advisers, associated
9 persons, or branch offices and the payment of any amount
10 lawfully due and owing to the office pursuant to any order of
11 the office or pursuant to any agreement with the office. Any
12 dealer, investment adviser, or associated person registrant
13 who has not renewed a registration by the time the current
14 registration expires may request reinstatement of such
15 registration by filing with the office, on or before January
16 31 of the year following the year of expiration, such
17 information as may be required by the commission, together
18 with payment of the fee required in subsection (10) for
19 dealers, investment advisers, or associated persons and a late
20 fee equal to the amount of such fee. Any reinstatement of
21 registration granted by the office during the month of January
22 shall be deemed effective retroactive to January 1 of that
23 year.

24 (15) In lieu of filing with the office the
25 applications specified in subsection (6), the fees required by
26 subsection (10), and the termination notices required by
27 subsection (12), the commission may by rule establish
28 procedures for the deposit of such fees and documents with the
29 Central Registration Depository or the Investment Advisor
30 Registration Depository of the National Association of
31 Securities Dealers, Inc., as developed under contract with the

1 North American Securities Administrators Association, Inc. ;
2 provided, however, that such procedures shall provide the
3 office with the information and data as required by this
4 section.

5 (17)(a) A dealer that is located in Canada, does not
6 have an office or other physical presence in this state, and
7 has made a notice filing in accordance with this subsection is
8 exempt from the registration requirements of this section and
9 may effect transactions in securities with or for, or induce
10 or attempt to induce the purchase or sale of any security by:

11 1. A person from Canada who is present in this state
12 and with whom the Canadian dealer had a bona fide
13 dealer-client relationship before the person entered the
14 United States; or

15 2. A person from Canada who is present in this state
16 and whose transactions are in a self-directed tax-advantaged
17 retirement plan in Canada of which the person is the holder or
18 contributor.

19 (b) A notice filing under this subsection must consist
20 of documents that the commission by rule requires to be filed,
21 together with a consent to service of process and a filing fee
22 of \$200. The commission may establish by rule procedures for
23 the deposit of fees and the filing of documents to be made by
24 electronic means, if such procedures provide the office with
25 the information and data required by this section.

26 (c) A Canadian dealer may make a notice filing under
27 this subsection if such dealer provides to the office:

28 1. A notice filing in the form that the commission by
29 rule requires;

30 2. A consent to service of process;

31

1 3. Evidence that the Canadian dealer is registered as
2 a dealer in the jurisdiction in which its main office is
3 located; and

4 4. Evidence that the Canadian dealer is a member of a
5 self-regulatory organization or stock exchange in Canada.

6 (d) The office may issue a permit to evidence the
7 effectiveness of a notice filing for a Canadian dealer.

8 (e) A notice filing is effective upon receipt. A
9 notice filing expires on December 31 of the year in which the
10 filing becomes effective unless the Canadian dealer has
11 renewed the filing on or before that date. A Canadian dealer
12 may annually renew a notice filing by furnishing to the office
13 such information as the office requires together with a
14 renewal fee of \$200 and the payment of any amount due and
15 owing the office pursuant to any agreement with the office.
16 Any Canadian dealer who has not renewed a notice filing by the
17 time a current notice filing expires may request reinstatement
18 of such notice filing by filing with the office, on or before
19 January 31 of the year following the year the notice filing
20 expires, such information as the commission requires, by rule,
21 together with the payment of \$200 and a late fee of \$200. Any
22 reinstatement of a notice filing granted by the office during
23 the month of January is effective retroactively to January 1
24 of that year.

25 (f) An associated person who represents a Canadian
26 dealer who has made a notice filing under this subsection is
27 exempt from the registration requirements of this section and
28 may effect transactions in securities in this state as
29 permitted for a dealer under paragraph (a) if such person is
30 registered in the jurisdiction from which he or she is
31 effecting transactions into this state.

1 (g) A Canadian dealer who has made a notice of filing
2 under this subsection shall:

3 1. Maintain its provincial or territorial registration
4 and its membership in a self-regulatory organization or stock
5 exchange in good standing.

6 2. Provide the office upon request with its books and
7 records relating to its business in this state as a dealer.

8 3. Provide the office upon request notice of each
9 civil, criminal, or administrative action initiated against
10 the dealer.

11 4. Disclose to its clients in this state that the
12 dealer and its associated persons are not subject to the full
13 regulatory requirements under this chapter.

14 5. Correct any inaccurate information within 30 days
15 after the information contained in the notice of filing
16 becomes inaccurate for any reason.

17 (h) An associated person representing a Canadian
18 dealer who has made a notice of filing under this subsection
19 shall:

20 1. Maintain provincial or territorial registration in
21 good standing.

22 2. Provide the office upon request with notice of each
23 civil, criminal, or administrative action initiated against
24 such person.

25 (i) A notice filing may be terminated by filing notice
26 of such termination with the office. Unless another date is
27 specified by the Canadian dealer, such notice is effective
28 upon its receipt by the office.

29 (j) All fees collected under this subsection become
30 the revenue of the state, except for those assessments
31 provided for under s. 517.131(1), until the Securities

1 Guaranty Fund has satisfied the statutory limits, and these
2 fees are not returnable if a notice filing is withdrawn. A
3 ~~dealer that is located in Canada and has no office or other~~
4 ~~physical presence in this state may, provided the dealer is~~
5 ~~registered in accordance with this section, effect~~
6 ~~transactions in securities with or for, or induce or attempt~~
7 ~~to induce the purchase or sale of any security by:~~
8 1. ~~A person from Canada who temporarily resides in~~
9 ~~this state and with whom the Canadian dealer had a bona fide~~
10 ~~dealer client relationship before the person entered the~~
11 ~~United States; or~~
12 2. ~~A person from Canada who is a resident of this~~
13 ~~state, and whose transactions are in a self directed tax~~
14 ~~advantage retirement plan in Canada of which the person is the~~
15 ~~holder or contributor.~~
16 (b) ~~An associated person who represents a Canadian~~
17 ~~dealer registered under this section may, provided the agent~~
18 ~~is registered in accordance with this section, effect~~
19 ~~transactions in securities in this state as permitted for a~~
20 ~~dealer, under subsection (a).~~
21 (c) ~~A Canadian dealer may register under this section~~
22 ~~provided that such dealer:~~
23 1. ~~Files an application in the form required by the~~
24 ~~jurisdiction in which the dealer has a head office.~~
25 2. ~~Files a consent to service of process.~~
26 3. ~~Is registered as a dealer in good standing in the~~
27 ~~jurisdiction from which it is effecting transactions into this~~
28 ~~state and files evidence of such registration with the office.~~
29 4. ~~Is a member of a self regulatory organization or~~
30 ~~stock exchange in Canada.~~
31

1 ~~(d) An associated person who represents a Canadian~~
2 ~~dealer registered under this section in effecting transactions~~
3 ~~in securities in this state may register under this section~~
4 ~~provided that such person:~~

5 ~~1. Files an application in the form required by the~~
6 ~~jurisdiction in which the dealer has its head office.~~

7 ~~2. Is registered in good standing in the jurisdiction~~
8 ~~from which he or she is effecting transactions into this state~~
9 ~~and files evidence of such registration with the office.~~

10 ~~(e) If the office finds that the applicant is of good~~
11 ~~repute and character and has complied with the provisions of~~
12 ~~this chapter, the office shall register the applicant.~~

13 ~~(f) A Canadian dealer registered under this section~~
14 ~~shall:~~

15 ~~1. Maintain its provincial or territorial registration~~
16 ~~and its membership in a self regulatory organization or stock~~
17 ~~exchange in good standing.~~

18 ~~2. Provide the office upon request with its books and~~
19 ~~records relating to its business in this state as a dealer.~~

20 ~~3. Provide the office notice of each civil, criminal,~~
21 ~~or administrative action initiated against the dealer.~~

22 ~~4. Disclose to its clients in this state that the~~
23 ~~dealer and its agents are not subject to the full regulatory~~
24 ~~requirements under this chapter.~~

25 ~~5. Correct any inaccurate information within 30 days,~~
26 ~~if the information contained in the application form becomes~~
27 ~~inaccurate for any reason before or after the dealer becomes~~
28 ~~registered.~~

29 ~~(g) An associated person of a Canadian dealer~~
30 ~~registered under this section shall:~~

31

1 ~~1. Maintain provincial or territorial registration in~~
2 ~~good standing.~~

3 ~~2. Provide the office with notice of each civil,~~
4 ~~criminal, or administrative action initiated against such~~
5 ~~person.~~

6 ~~3. Through the dealer, correct any inaccurate~~
7 ~~information within 30 days, if the information contained in~~
8 ~~the application form becomes inaccurate for any reason before~~
9 ~~or after the associated person becomes registered.~~

10 ~~(h) Renewal applications for Canadian dealers and~~
11 ~~associated persons under this section must be filed before~~
12 ~~December 31 each year. Every applicant for registration or~~
13 ~~renewal registration under this section shall pay the fee for~~
14 ~~dealers and associated persons under this chapter.~~

15 Section 29. Paragraphs (b) and (e) of subsection (3)
16 of section 517.131, Florida Statutes, are amended, and
17 subsection (5) is added to that section, to read:

18 517.131 Securities Guaranty Fund.--

19 (3) Any person is eligible to seek recovery from the
20 Securities Guaranty Fund if:

21 (b) Such person has made all reasonable searches and
22 inquiries to ascertain whether the judgment debtor possesses
23 real or personal property or other assets subject to being
24 sold or applied in satisfaction of the judgment, and by her or
25 his search the person has discovered no property or assets; or
26 she or he has discovered property and assets and has taken all
27 necessary action and proceedings for the application thereof
28 to the judgment, but the amount thereby realized was
29 insufficient to satisfy the judgment. To verify compliance
30 with such condition, the office may require such person to
31 have a writ of execution be issued upon such judgment, ~~and~~ may

1 ~~further~~ require a showing that no personal or real property of
2 the judgment debtor liable to be levied upon in complete
3 satisfaction of the judgment can be found, or may require an
4 affidavit from the claimant setting forth the reasonable
5 searches and inquiries undertaken and the result.

6 (e) The office waives compliance with the requirements
7 of paragraph (a) or paragraph (b). The office may waive such
8 compliance if the dealer, investment adviser, or associated
9 person which is the subject of the claim filed with the office
10 is the subject of any proceeding in which a receiver has been
11 appointed by a court of competent jurisdiction. If the office
12 waives such compliance, the office may, upon petition by the
13 claimant, the debtor, or the court-appointed trustee,
14 examiner, or receiver, distribute funds from the Securities
15 Guaranty Fund up to the amount allowed under s. 517.141. Any
16 waiver granted pursuant to this section shall be considered a
17 judgment for purposes of complying with the requirements of
18 this section and of s. 517.141.

19 (5) The commission may by rule specify the procedures
20 for complying with subsections (2), (3), and (4), including
21 rules for the form of submission and guidelines for the
22 sufficiency and content of submissions of notices and claims.

23 Section 30. Subsections (2) and (5) of section
24 517.141, Florida Statutes, are amended, and subsection (11) is
25 added to that section, to read:

26 517.141 Payment from the fund.--

27 (2) Regardless of the number of claims or claimants
28 involved, payments for claims shall be limited in the
29 aggregate to \$100,000 against any one dealer, investment
30 adviser, or associated person. If the total claims exceed the
31 aggregate limit of \$100,000, the office shall prorate the

1 payment based upon the ratio that the person's claim bears to
2 the total claims filed.

3 (5) If the final judgment ~~that~~ ~~which~~ gave rise to the
4 claim is overturned in any appeal or in any collateral
5 proceeding, the claimant shall reimburse the fund all amounts
6 paid from the fund to the claimant on the claim. If the
7 claimant satisfies the judgment referred to in s.
8 517.131(3)(a), the claimant shall reimburse the fund all
9 amounts paid from the fund to the claimant on the claim. Such
10 reimbursement shall be paid to the office within 60 days after
11 the final resolution of the appellate or collateral
12 proceedings or the satisfaction of judgment, with the 60-day
13 period commencing on the date the final order or decision is
14 entered in such proceedings.

15 (11) The commission may by rule specify the procedures
16 for complying with this section, including rules for the form
17 of submission and guidelines for the sufficiency and content
18 of submissions of notices and claims.

19 Section 31. Subsection (1) of section 517.161, Florida
20 Statutes, is amended to read:

21 517.161 Revocation, denial, or suspension of
22 registration of dealer, investment adviser, associated person,
23 or branch office.--

24 (1) Registration under s. 517.12 may be denied or any
25 registration granted may be revoked, restricted, or suspended
26 by the office if the office determines that such applicant or
27 registrant:

28 (a) Has violated any provision of this chapter or any
29 rule or order made under this chapter;

30 (b) Has made a material false statement in the
31 application for registration;

1 (c) Has been guilty of a fraudulent act in connection
2 with rendering investment advice or in connection with any
3 sale of securities, has been or is engaged or is about to
4 engage in making fictitious or pretended sales or purchases of
5 any such securities or in any practice involving the rendering
6 of investment advice or the sale of securities which is
7 fraudulent or in violation of the law;

8 (d) Has made a misrepresentation or false statement
9 to, or concealed any essential or material fact from, any
10 person in the rendering of investment advice or the sale of a
11 security to such person;

12 (e) Has failed to account to persons interested for
13 all money and property received;

14 (f) Has not delivered, after a reasonable time, to
15 persons entitled thereto securities held or agreed to be
16 delivered by the dealer, broker, or investment adviser, as and
17 when paid for, and due to be delivered;

18 (g) Is rendering investment advice or selling or
19 offering for sale securities through any associated person not
20 registered in compliance with the provisions of this chapter;

21 (h) Has demonstrated unworthiness to transact the
22 business of dealer, investment adviser, or associated person;

23 (i) Has exercised management or policy control over or
24 owned 10 percent or more of the securities of any dealer or
25 investment adviser that has been declared bankrupt, or had a
26 trustee appointed under the Securities Investor Protection
27 Act; or is, in the case of a dealer or investment adviser,
28 insolvent;

29 (j) Has been convicted of, or has entered a plea of
30 guilty or nolo contendere to, a crime against the laws of this
31 state or any other state or of the United States or of any

1 | other country or government which relates to registration as a
2 | dealer, investment adviser, issuer of securities, associated
3 | person, or branch office; which relates to the application for
4 | such registration; or which involves moral turpitude or
5 | fraudulent or dishonest dealing;

6 | (k) Has had a final judgment entered against her or
7 | him in a civil action upon grounds of fraud, embezzlement,
8 | misrepresentation, or deceit;

9 | (l) Is of bad business repute; ~~or~~

10 | (m) Has been the subject of any decision, finding,
11 | injunction, suspension, prohibition, revocation, denial,
12 | judgment, or administrative order by any court of competent
13 | jurisdiction, administrative law judge, or by any state or
14 | federal agency, national securities, commodities, or option
15 | exchange, or national securities, commodities, or option
16 | association, involving a violation of any federal or state
17 | securities or commodities law or any rule or regulation
18 | promulgated thereunder, or any rule or regulation of any
19 | national securities, commodities, or options exchange or
20 | national securities, commodities, or options association, or
21 | has been the subject of any injunction or adverse
22 | administrative order by a state or federal agency regulating
23 | banking, insurance, finance or small loan companies, real
24 | estate, mortgage brokers, or other related or similar
25 | industries. For purposes of this subsection, the office may
26 | not deny registration to any applicant who has been
27 | continuously registered with the office for 5 years from the
28 | entry of such decision, finding, injunction, suspension,
29 | prohibition, revocation, denial, judgment, or administrative
30 | order provided such decision, finding, injunction, suspension,
31 | prohibition, revocation, denial, judgment, or administrative

1 order has been timely reported to the office pursuant to the
2 commission's rules; ~~or-~~

3 (n) Made payment to the office for a license or permit
4 with a check or electronic transmission of funds which is
5 dishonored by the applicant's or registrant's financial
6 institution.

7 Section 32. Subsections (2) and (3) of section 520.03,
8 Florida Statutes, are amended to read:

9 520.03 Licenses.--

10 (2) An application for a license under this part must
11 be submitted to the office in such form as the commission may
12 prescribe by rule. If the office determines that an
13 application should be granted, it shall issue the license for
14 a period not to exceed 2 years. A nonrefundable application
15 fee of \$175 shall accompany an initial application for the
16 principal place of business and each application for a branch
17 location of a retail installment seller who is required to be
18 licensed under this chapter. An application is considered
19 received for purposes of s. 120.60 upon receipt of a completed
20 application form as prescribed by the commission by rule, a
21 nonrefundable application fee of \$175, and any other fee
22 prescribed by law.

23 (3) The nonrefundable renewal fee for a motor vehicle
24 retail installment seller license shall be \$175. The
25 commission shall establish by rule biennial licensure periods
26 and procedures for renewal of licenses. A license that is not
27 renewed by the end of the biennium established by the
28 commission shall revert from active to inactive status. An
29 inactive license may be reactivated within 6 months after
30 becoming inactive upon filing a completed reactivation form,
31 payment of the nonrefundable renewal fee, and payment of a

1 nonrefundable reactivation fee equal to the renewal fee. A
2 license that is not reactivated within 6 months after becoming
3 inactive automatically expires.

4 Section 33. Subsections (2) and (3) of section 520.32,
5 Florida Statutes, are amended to read:

6 520.32 Licenses.--

7 (2) An application for a license under this part must
8 be submitted to the office in such form as the commission may
9 prescribe by rule. If the office determines that an
10 application should be granted, it shall issue the license for
11 a period not to exceed 2 years. A nonrefundable application
12 fee of \$175 shall accompany an initial application for the
13 principal place of business and each application for a branch
14 location of a retail installment seller. An application is
15 considered received for purposes of s. 120.60 upon receipt of
16 a completed application form as prescribed by the commission
17 by rule, a nonrefundable application fee of \$175, and any
18 other fee prescribed by law.

19 (3) The nonrefundable renewal fee for a retail seller
20 license shall be \$175. Biennial licensure periods and
21 procedures for renewal of licenses may also be established by
22 the commission by rule. A license that is not renewed at the
23 end of the biennium established by the commission shall revert
24 from active to inactive status. An inactive license may be
25 reactivated within 6 months after becoming inactive upon
26 filing a completed reactivation form, payment of the
27 nonrefundable renewal fee, and payment of a reactivation fee
28 equal to the nonrefundable renewal fee. A license that is not
29 reactivated within 6 months after becoming inactive
30 automatically expires.

31

1 Section 34. 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 office in such form as the commission may
6 prescribe by rule. If the office determines that an
7 application should be granted, it shall issue the license for
8 a period not to exceed 2 years. A nonrefundable application
9 fee of \$175 shall accompany an initial application for the
10 principal place of business and each branch location of a
11 sales finance company. An application is considered received
12 for purposes of s. 120.60 upon receipt of a completed
13 application form as prescribed by the commission by rule, a
14 nonrefundable application fee of \$175, and any other fee
15 prescribed by law.

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

28 Section 35. Subsections (2) and (3) of section 520.63,
29 Florida Statutes, are amended to read:

30 520.63 Licensees.--

1 (2) An application for a license under this part must
2 be submitted to the office in such form as the commission may
3 prescribe by rule. If the office determines that an
4 application should be granted, it shall issue the license for
5 a period not to exceed 2 years. A nonrefundable application
6 fee of \$175 shall accompany an initial application for the
7 principal place of business and each application for a branch
8 location of a home improvement finance seller. An application
9 is considered received for purposes of s. 120.60 upon receipt
10 of a completed application form as prescribed by the
11 commission by rule, a nonrefundable application fee of \$175,
12 and any other fee prescribed by law.

13 (3) The nonrefundable renewal fee for a home
14 improvement finance license shall be \$175. Biennial licensure
15 periods and procedures for renewal of licenses may also be
16 established by the commission by rule. A license that is not
17 renewed at the end of the biennium established by the
18 commission shall automatically revert from active to inactive
19 status. An inactive license may be reactivated within 6 months
20 after becoming inactive upon filing a completed reactivation
21 form, payment of the nonrefundable renewal fee, and payment of
22 a nonrefundable reactivation fee equal to the renewal fee. A
23 license that is not reactivated within 6 months after becoming
24 inactive automatically expires.

25 Section 36. Subsection (5) of section 520.994, Florida
26 Statutes, is amended to read:

27 520.994 Powers of office.--

28 (5) The office shall administer and enforce this
29 chapter. The commission has authority to adopt rules pursuant
30 to ss. 120.536(1) and 120.54 to implement the provisions of
31 this chapter. The commission may adopt rules to require ~~allow~~

1 | electronic submission of any form, document, or fee required
2 | by this chapter if such rules reasonably accommodate
3 | technological or financial hardship. The commission may
4 | prescribe by rule requirements and procedures for obtaining an
5 | exemption due to a technological or financial hardship.

6 | Section 37. Paragraph (k) is added to subsection (1)
7 | of section 520.995, Florida Statutes, to read:

8 | 520.995 Grounds for disciplinary action.--

9 | (1) The following acts are violations of this chapter
10 | and constitute grounds for the disciplinary actions specified
11 | in subsection (2):

12 | (k) Payment to the office for a license or permit with
13 | a check or electronic transmission of funds which is
14 | dishonored by the applicant's or licensee's financial
15 | institution.

16 | Section 38. Subsection (4) of section 520.997, Florida
17 | Statutes, is amended to read:

18 | 520.997 Books, accounts, and records.--

19 | (4) The commission may prescribe by rule the minimum
20 | information to be shown in the books, accounts, documents, and
21 | records of licensees so that such records will enable the
22 | office to determine compliance with ~~the provisions of this~~
23 | chapter. In addition, the commission may prescribe by rule the
24 | requirements for destruction of books, accounts, records, and
25 | documents retained by the licensee after completion of the
26 | time period specified in subsection (3). Notwithstanding the
27 | 2-year retention period specified in subsection (3), if the
28 | office identifies a statute of limitations in another civil or
29 | criminal state or federal law or rule which statute of
30 | limitations is reasonably related by subject matter to the
31 | administration of this chapter, the commission may identify

1 that statute of limitations by rule and may prohibit the
2 destruction of records required to be maintained by this
3 chapter for a period of time, established by rule, which is
4 reasonably related to such statute of limitations. The
5 commission shall prescribe by rule those documents or records
6 that are to be preserved under the identified statute of
7 limitations.

8 Section 39. Subsection (5) of section 537.009, Florida
9 Statutes, is amended to read:

10 537.009 Recordkeeping; reporting; safekeeping of
11 property.--

12 (5) The commission may prescribe by rule the books,
13 accounts, documents, and records, and the minimum information
14 to be shown in the books, accounts, documents, and records, of
15 licensees so that such records will enable the office to
16 determine compliance with the provisions of this act. In
17 addition, the commission may prescribe by rule the
18 requirements for destruction of books, accounts, records, and
19 documents retained by the licensee after completion of the
20 time period specified in subsection (3). Notwithstanding the
21 2-year retention period specified in subsection (3), if the
22 office identifies a statute of limitations in another civil or
23 criminal state or federal law or rule which statute of
24 limitations is reasonably related by subject matter to the
25 administration of this chapter, the commission may identify
26 that statute of limitations by rule and may prohibit the
27 destruction of records required to be maintained by this
28 chapter for a period of time, established by rule, which is
29 reasonably related to such statute of limitations. The
30 commission shall prescribe by rule those documents or records
31

1 that are to be preserved under the identified statute of
2 limitations.

3 Section 40. Subsection (3) is added to section
4 560.105, Florida Statutes, to read:

5 560.105 Supervisory powers; rulemaking.--

6 (3) The commission may adopt rules that require
7 electronic submission of any forms, documents, or fees
8 required by this act if such rules reasonably accommodate
9 technological or financial hardship. The commission may
10 prescribe by rule requirements and procedures for obtaining an
11 exemption due to a technological or financial hardship.

12 Section 41. Paragraph (y) is added to subsection (1)
13 of section 560.114, Florida Statutes, to read:

14 560.114 Disciplinary actions.--

15 (1) The following actions by a money transmitter or
16 money transmitter-affiliated party are violations of the code
17 and constitute grounds for the issuance of a cease and desist
18 order, the issuance of a removal order, the denial of a
19 registration application or the suspension or revocation of
20 any registration previously issued pursuant to the code, or
21 the taking of any other action within the authority of the
22 office pursuant to the code:

23 (y) Payment to the office for a license or permit with
24 a check or electronic transmission of funds which is
25 dishonored by the applicant's or licensee's financial
26 institution.

27 Section 42. Paragraph (b) of subsection (2) of section
28 560.118, Florida Statutes, is amended to read:

29 560.118 Examinations, reports, and internal audits;
30 penalty.--

31 (2)

1 (b) The commission may, by rule, require each money
2 transmitter or authorized vendor to submit quarterly reports
3 to the office. The commission may adopt rules that require
4 electronic submission of any forms, documents, or fees
5 required by this act if such rules reasonably accommodate
6 technological or financial hardship. The commission may
7 prescribe by rule requirements and procedures for obtaining an
8 exemption due to a technological or financial hardship. The
9 commission may require that each report contain a declaration
10 by an officer, or any other responsible person authorized to
11 make such declaration, that the report is true and correct to
12 the best of her or his knowledge and belief. Such report must
13 include such information as the commission by rule requires
14 for that type of money transmitter.

15 Section 43. Subsection (2) of section 560.121, Florida
16 Statutes, is amended to read:

17 560.121 Records; limited restrictions upon public
18 access.--

19 (2) The commission may prescribe by rule the minimum
20 information that must be shown in the books, accounts,
21 records, and documents of licensees for purposes of enabling
22 the office to determine the licensee's compliance with ss.
23 560.101-560.408. In addition, the commission may prescribe by
24 rule the requirements for destruction of books, accounts,
25 records, and documents retained by the licensee after
26 completion of the time period specified in this subsection.
27 Notwithstanding the 3-year retention period specified in this
28 subsection, if the office identifies a statute of limitations
29 in another civil or criminal state or federal law or rule
30 which statute of limitations is reasonably related by subject
31 matter to the administration of this chapter, the commission

1 may identify that statute of limitations by rule and may
2 prohibit the destruction of records required to be maintained
3 by this chapter for a period of time, established by rule,
4 which is reasonably related to such statute of limitations.
5 The commission shall prescribe by rule those documents or
6 records that are to be preserved under the identified statute
7 of limitations. Examination reports, investigatory records,
8 applications, and related information compiled by the office,
9 or photographic copies thereof, shall be retained by the
10 office for a period of at least 3 years following the date
11 that the examination or investigation ceases to be active.
12 Application records, and related information compiled by the
13 office, or photographic copies thereof, shall be retained by
14 the office for a period of at least 2 years following the date
15 that the registration ceases to be active.

16 Section 44. Section 560.126, Florida Statutes, is
17 amended to read:

18 560.126 Significant events; notice required.--

19 (1) Unless exempted by the office, every money
20 transmitter must provide the office with a written notice
21 within 30 ~~15~~ days after the occurrence or knowledge of,
22 whichever period of time is greater, any of the following
23 events:

24 (a)(1) The filing of a petition under the United
25 States Bankruptcy Code for bankruptcy or reorganization by the
26 money transmitter.

27 (b)(2) The commencement of any registration suspension
28 or revocation proceeding, either administrative or judicial,
29 or the denial of any original registration request or a
30 registration renewal, by any state, the District of Columbia,
31 any United States territory, or any foreign country, in which

1 | the money transmitter operates or plans to operate or has
2 | registered to operate.

3 | ~~(c)(3)~~ A felony indictment relating to the money
4 | transmission business involving the money transmitter or a
5 | money transmitter-affiliated party of the money transmitter.

6 | ~~(d)(4)~~ The felony conviction, guilty plea, or plea of
7 | nolo contendere, if the court adjudicates the nolo contendere
8 | pleader guilty, or the adjudication of guilt of a money
9 | transmitter or money transmitter-affiliated party.

10 | ~~(e)(5)~~ The interruption of any corporate surety bond
11 | required by the code.

12 | ~~(f)(6)~~ Any suspected criminal act, as defined by the
13 | commission by rule, perpetrated in this state against a money
14 | transmitter or authorized vendor.

15 |

16 | However, ~~a person does not incur liability~~ ~~no liability shall~~
17 | ~~be incurred by any person~~ as a result of making a good-faith
18 | ~~good faith~~ effort to fulfill this disclosure requirement.

19 | (2) If the information contained in any registration
20 | application or any amendment thereto has changed, the
21 | registrant shall, within 30 days after the change occurs, file
22 | an amendment correcting the information on forms prescribed by
23 | the commission.

24 | Section 45. Section 560.205, Florida Statutes, is
25 | amended to read:

26 | 560.205 Qualifications of applicant for registration;
27 | contents.--

28 | (1) To qualify for registration under this part, an
29 | applicant must demonstrate to the office such character and
30 | general fitness as to command the confidence of the public and
31 | warrant the belief that the registered business will be

1 | operated lawfully and fairly. The office may investigate each
2 | applicant to ascertain whether the qualifications and
3 | requirements prescribed by this part have been met. The
4 | office's investigation may include a criminal background
5 | investigation of all controlling shareholders, principals,
6 | officers, directors, members, and responsible persons of a
7 | funds transmitter and a payment instrument seller and all
8 | persons designated by a funds transmitter or payment
9 | instrument seller as an authorized vendor. Each controlling
10 | shareholder, principal, officer, director, member, and
11 | responsible person of a funds transmitter or payment
12 | instrument seller, unless the applicant is a publicly traded
13 | corporation as defined by the commission by rule, a subsidiary
14 | thereof, or a subsidiary of a bank or bank holding company
15 | organized and regulated under the laws of any state or the
16 | United States, shall file a complete set of fingerprints. A
17 | fingerprint card submitted to the office must be taken by an
18 | authorized law enforcement agency if the fingerprint card is
19 | submitted to the office in paper form ~~officer~~. In addition to
20 | the fees prescribed in s. 215.405, the commission may
21 | prescribe by rule an additional fee, not to exceed \$30, for
22 | processing the fingerprints. The commission may prescribe by
23 | rule procedures for submitting fingerprints and fees by
24 | electronic means to the office or to a third party approved by
25 | the office. In order to implement the submission and
26 | processing of fingerprints as specified by rule under this
27 | section, the office may contract with a third party or another
28 | state agency that provides fingerprinting services. Such
29 | fingerprints must be submitted to the Department of Law
30 | Enforcement or the Federal Bureau of Investigation for state
31 | and federal processing. The commission may waive by rule the

1 requirement that applicants file a set of fingerprints or the
2 requirement that such fingerprints be processed by the
3 Department of Law Enforcement or the Federal Bureau of
4 Investigation.

5 (2) Each application for registration must be
6 submitted under oath to the office on such forms as the
7 commission prescribes by rule and must be accompanied by a
8 nonrefundable application fee. The commission may establish by
9 rule procedures for depositing fees and filing documents by
10 electronic means. Such fee may not exceed \$500 for each
11 payment instrument seller or funds transmitter and \$50 for
12 each authorized vendor or location operating within this
13 state. The application must contain ~~forms shall set forth~~ such
14 information as the commission ~~reasonably~~ requires by rule,
15 including, but not limited to:

16 (a) The name and address of the applicant, including
17 any fictitious or trade names used by the applicant in the
18 conduct of its business.

19 (b) The history of the applicant's material
20 litigation, criminal convictions, pleas of nolo contendere,
21 and cases of adjudication withheld.

22 (c) A description of the activities conducted by the
23 applicant, the applicant's history of operations, and the
24 business activities in which the applicant seeks to engage in
25 this state.

26 ~~(d) A list identifying the applicant's proposed~~
27 ~~authorized vendors in this state, including the location or~~
28 ~~locations in this state at which the applicant and its~~
29 ~~authorized vendors propose to conduct registered activities.~~

30 (d)(e) A sample authorized vendor contract, if
31 applicable.

1 ~~(e)(f)~~ A sample form of payment instrument, if
2 applicable.

3 ~~(f)(g)~~ The name and address of the clearing financial
4 institution or financial institutions through which the
5 applicant's payment instruments will be drawn or through which
6 such payment instruments will be payable.

7 ~~(g)(h)~~ Documents revealing that the net worth and
8 bonding requirements specified in s. 560.209 have been or will
9 be fulfilled.

10 (3) Each application for registration by an applicant
11 that is a corporation shall contain ~~also set forth~~ such
12 information as the commission ~~reasonably~~ requires by rule,
13 including, but not limited to:

14 (a) The date of the applicant's incorporation and
15 state of incorporation.

16 (b) A certificate of good standing from the state or
17 country in which the applicant was incorporated.

18 (c) A description of the corporate structure of the
19 applicant, including the identity of any parent or subsidiary
20 of the applicant, and the disclosure of whether any parent or
21 subsidiary is publicly traded on any stock exchange.

22 (d) The name, business and residence addresses, and
23 employment history for the past 5 years for each executive
24 officer, each director, each controlling shareholder, and the
25 responsible person who will be in charge of all the
26 applicant's business activities in this state.

27 (e) The history of material litigation and criminal
28 convictions, pleas of nolo contendere, and cases of
29 adjudication withheld for each ~~executive~~ officer, each
30 director, each controlling shareholder, and the responsible
31

1 person who will be in charge of the applicant's registered
2 activities.

3 (f) Copies of the applicant's audited financial
4 statements for the current year and, if available, for the
5 immediately preceding 2-year period. In cases where the
6 applicant is a wholly owned subsidiary of another corporation,
7 the parent's consolidated audited financial statements may be
8 submitted to satisfy this requirement. An applicant who is not
9 required to file audited financial statements may satisfy this
10 requirement by filing unaudited financial statements verified
11 under penalty of perjury, as provided by the commission by
12 rule.

13 (g) An applicant who is not required to file audited
14 financial statements may file copies of the applicant's
15 unconsolidated, unaudited financial statements for the current
16 year and, if available, for the immediately preceding 2-year
17 period.

18 (h) If the applicant is a publicly traded company,
19 copies of all filings made by the applicant with the United
20 States Securities and Exchange Commission, or with a similar
21 regulator in a country other than the United States, within
22 the year preceding the date of filing of the application.

23 (4) Each application for registration submitted to the
24 office by an applicant that is not a corporation shall contain
25 ~~also set forth~~ such information as the commission ~~reasonably~~
26 requires by rule, including, but not limited to:

27 (a) Evidence that the applicant is registered to do
28 business in this state.

29 (b) The name, business and residence addresses,
30 personal financial statement, and employment history for the
31 past 5 years for each individual having a controlling

1 ownership interest in the applicant, and each responsible
2 person who will be in charge of the applicant's registered
3 activities.

4 (c) The history of material litigation and criminal
5 convictions, pleas of nolo contendere, and cases of
6 adjudication withheld for each individual having a controlling
7 ownership interest in the applicant and each responsible
8 person who will be in charge of the applicant's registered
9 activities.

10 (d) Copies of the applicant's audited financial
11 statements for the current year, and, if available, for the
12 preceding 2 years. An applicant who is not required to file
13 audited financial statements may satisfy this requirement by
14 filing unaudited financial statements verified under penalty
15 of perjury, as provided by the commission by rule.

16 (6) Changes in registration occasioned by changes in
17 personnel of a partnership or in the principals, members,
18 partners, officers, directors, controlling shareholders, or
19 responsible persons of a money transmitter or by changes of
20 any material fact or method of doing business shall be
21 reported by written amendment in such form and at such time as
22 the commission specifies by rule.

23 Section 46. Section 560.207, Florida Statutes, is
24 amended to read:

25 560.207 Renewal of registration; registration fee.--

26 (1) Registration may be renewed for a 24-month period
27 or the remainder of any such period without proration
28 following the date of its expiration by furnishing such
29 information as the commission requires by rule, together with
30 the payment of the fees required under subsections (2), (3),
31 and (4), upon the filing with the office of an application and

1 ~~other statements and documents as may reasonably be required~~
2 ~~of registrants by the commission. The commission may establish~~
3 ~~by rule procedures for depositing fees and filing documents by~~
4 ~~electronic means. However, the registrant must remain~~
5 ~~qualified for such registration under the provisions of this~~
6 ~~part.~~

7 (2) Each application for renewal of All registration
8 ~~must renewal applications shall~~ be accompanied by a
9 nonrefundable renewal fee not to exceed \$1,000. A registration
10 expires on April 30 of the year in which the existing
11 registration expires, unless the registrant has renewed its
12 registration on or before that date. All renewal applications
13 ~~must be filed on or after January 1 of the year in which the~~
14 ~~existing registration expires, but before the expiration date~~
15 ~~of April 30. If the renewal application is filed prior to the~~
16 ~~expiration date of an existing registration, no late fee shall~~
17 ~~be paid in connection with such renewal application. If the~~
18 ~~renewal application is filed within 60 calendar days after the~~
19 ~~expiration date of an existing registration, then, in addition~~
20 ~~to the \$1,000 renewal fee, the renewal application shall be~~
21 ~~accompanied by a nonrefundable late fee of \$500. If the~~
22 ~~registrant has not filed a renewal application within 60~~
23 ~~calendar days after the expiration date of an existing~~
24 ~~registration, a new application shall be filed with the office~~
25 ~~pursuant to s. 560.205.~~

26 (3) In addition to the renewal fee required under
27 subsection (2), each registrant must pay ~~Every~~ registration
28 ~~renewal application shall also include~~ a 2-year nonrefundable
29 registration renewal fee of \$50 for each authorized vendor or
30 location operating within this state or, at the option of the
31 registrant, a total 2-year nonrefundable renewal fee of

1 \$20,000 may be paid to renew the registration of all such
2 locations currently registered at the time of renewal.

3 (4) A registration may be reinstated only if the
4 renewal fee and a nonrefundable late fee of \$500 are filed
5 within 60 calendar days after the expiration of the existing
6 registration. The office must grant a reinstatement of
7 registration for which application is filed during the 60
8 calendar days, and the reinstatement is effective upon receipt
9 of the required fees and any information that the commission
10 requires by rule. If the registrant has not filed application
11 for reinstatement of the registration within the 60 calendar
12 days after the expiration of an existing registration, the
13 registration expires, and a new application must be filed with
14 the office pursuant to s. 560.205.

15 Section 47. Subsection (1) of section 560.210, Florida
16 Statutes, is amended to read:

17 560.210 Permissible investments.--

18 (1) A registrant shall at all times possess
19 permissible investments with an aggregate market value
20 calculated in accordance with United States generally accepted
21 accounting principles of not less than the aggregate face
22 amount of all outstanding funds transmissions ~~transmitted~~ and
23 ~~outstanding~~ payment instruments issued or sold by the
24 registrant or an authorized vendor in the United States.

25 Section 48. Subsection (2) of section 560.211, Florida
26 Statutes, is amended to read:

27 560.211 Records.--

28 (2) The records required to be maintained by the code
29 may be maintained by the registrant at any location, provided
30 that the registrant notifies the office in writing of the
31 location of the records in its application or otherwise by

1 amendment as prescribed by the commission by rule. The
2 registrant shall make such records available to the office for
3 examination and investigation in this state, as permitted by
4 the code, within 7 days after receipt of a written request.

5 Section 49. Section 560.305, Florida Statutes, is
6 amended to read:

7 560.305 Application.--Each application for
8 registration must ~~shall~~ be in writing and under oath to the
9 office, in such form as the commission prescribes. The
10 commission may establish by rule procedures for depositing
11 fees and filing documents by electronic means. The application
12 must contain such information as the commission requires by
13 rule, including, but not limited to ~~shall include the~~
14 ~~following:~~

15 (1) The legal name and residence and business
16 addresses of the applicant if the applicant is a natural
17 person, or, if the applicant is a partnership, association, or
18 corporation, the name of every partner, officer, or director
19 thereof.

20 (2) The location of the principal office of the
21 applicant.

22 (3) The complete address of any other locations at
23 which the applicant proposes to engage in such activities
24 since the provisions of registration apply to each and every
25 operating location of a registrant.

26 (4) Such other information as the commission or office
27 reasonably requires with respect to the applicant or any money
28 transmitter-affiliated party of the applicant; however, the
29 commission or office may not require more information than is
30 specified in part II.

31

1 Section 50. Subsections (1) and (4) of section
2 560.306, Florida Statutes, are amended, and subsection (6) is
3 added to that section, to read:

4 560.306 Standards.--

5 (1) In order to qualify for registration under this
6 part, an applicant must demonstrate to the office that he or
7 she has such character and general fitness as will command the
8 confidence of the public and warrant the belief that the
9 registered business will be operated lawfully and fairly. The
10 office may investigate each applicant to ascertain whether the
11 qualifications and requirements prescribed by this part have
12 been met. The office's investigation may include a criminal
13 background investigation of all controlling shareholders,
14 principals, officers, directors, members, and responsible
15 persons of a check casher and a foreign currency exchanger and
16 all persons designated by a foreign currency exchanger or
17 check casher as an authorized vendor. Each controlling
18 shareholder, principal, officer, director, member, and
19 responsible person of a check casher or foreign currency
20 exchanger, unless the applicant is a publicly traded
21 corporation as defined by the commission by rule ~~if the~~
22 ~~fingerprint card is submitted to the office in paper form as~~
23 ~~defined by the commission by rule~~, a subsidiary thereof, or a
24 subsidiary of a bank or bank holding company organized and
25 regulated under the laws of any state or the United States,
26 shall file a complete set of fingerprints. A fingerprint card
27 submitted to the office must be taken by an authorized law
28 enforcement agency if the fingerprint card is submitted to the
29 office in paper form ~~officer~~. In addition to the fees
30 prescribed in s. 215.405, the commission may prescribe by rule
31 an additional fee, not to exceed \$30, for processing the

1 fingerprints. The commission may prescribe by rule procedures
2 for submitting fingerprints and fees by electronic means to
3 the office or to a third party approved by the office. In
4 order to implement the submission and processing of
5 fingerprints as specified by rule under this section, the
6 office may contract with a third party or another state agency
7 that provides fingerprinting services. Such fingerprints must
8 be submitted to the Department of Law Enforcement or the
9 Federal Bureau of Investigation for state and federal
10 processing. The commission may waive by rule the requirement
11 that applicants file a set of fingerprints or the requirement
12 that such fingerprints be processed by the Department of Law
13 Enforcement or the Federal Bureau of Investigation.

14 (4) Each registration application and renewal
15 application must specify the location at which the applicant
16 proposes to establish its principal place of business and any
17 other location, including authorized vendors operating in this
18 state. The registrant shall notify the office of any changes
19 to any such locations. ~~Any registrant may satisfy this~~
20 ~~requirement by providing the office with a list of such~~
21 ~~locations, including all authorized vendors operating in this~~
22 ~~state, not less than annually.~~ A registrant may not transact
23 business as a check casher or a foreign currency exchanger
24 except pursuant to the name under which it is registered.

25 (6) Changes in registration occasioned by changes in
26 personnel of a partnership or in the principals, members,
27 partners, officers, directors, controlling shareholders, or
28 responsible persons of a money transmitter or by changes of
29 any material fact or method of doing business shall be
30 reported by written amendment in such form and at such time as
31 the commission specifies by rule.

1 Section 51. Section 560.308, Florida Statutes, is
2 amended to read:

3 560.308 Registration terms; renewal; renewal fees.--

4 (1) Registration may be renewed for a 24-month period
5 or the remainder of any such period without proration
6 following the date of its expiration, by furnishing such
7 information as the commission requires by rule, together with
8 the payment of the fees required under subsections (2), (3),
9 and (4). The commission may establish by rule procedures for
10 depositing fees and filing documents by electronic means.
11 ~~Registration pursuant to this part shall remain effective~~
12 ~~through the remainder of the second calendar year following~~
13 ~~its date of issuance unless during such calendar year the~~
14 ~~registration is surrendered, suspended, or revoked.~~

15 (2) Each application for renewal of registration must
16 be accompanied by ~~The office shall renew registration upon~~
17 ~~receipt of a completed renewal form and payment of a~~
18 ~~nonrefundable renewal fee not to exceed \$500. The registration~~
19 ~~expires on December 31 of the year in which the existing~~
20 ~~registration expires, unless the registrant has renewed its~~
21 ~~registration on or before that date. The completed renewal~~
22 ~~form and payment of the renewal fee shall occur on or after~~
23 ~~June 1 of the year in which the existing registration expires.~~

24 (3) In addition to the renewal fee required by
25 subsection (2), each registrant must pay a 2-year
26 nonrefundable registration renewal fee of \$50 for each
27 authorized vendor or location operating within this state or,
28 at the option of the registrant, a total 2-year nonrefundable
29 renewal fee of \$20,000 may be paid to renew the registration
30 of all such locations currently registered at the time of
31 renewal.

1 (4) ~~Registration that is not renewed on or before the~~
2 ~~expiration date of the registration period automatically~~
3 ~~expires.~~ A renewal ~~application and fee,~~ and a nonrefundable
4 late fee of \$250~~7~~ must be filed within 60 calendar days after
5 the expiration of an existing registration in order for the
6 registration to be reinstated. The office must grant a
7 reinstatement of registration for which application is filed
8 during the 60 calendar days, and the reinstatement is
9 effective upon receipt of the required fees and any
10 information that the commission requires by rule. If the
11 registrant has not filed an a-renewal application for
12 reinstatement within 60 calendar days after the expiration
13 date of an existing registration, the registration expires and
14 a new application must be filed with the office pursuant to s.
15 560.307.

16 Section 52. Subsection (2) of section 560.310, Florida
17 Statutes, is amended to read:

18 560.310 Records of check cashers and foreign currency
19 exchangers.--

20 (2) The records required to be maintained by the code
21 may be maintained by the registrant at any location, provided
22 that the registrant notifies the office, in writing, of the
23 location of the records in its application or otherwise by
24 amendment as prescribed by the commission by rule. The
25 registrant shall make such records available to the office for
26 examination and investigation in this state, as permitted by
27 the code, within 7 days after receipt of a written request.

28 Section 53. Subsections (2) and (4) of section
29 560.403, Florida Statutes, are amended to read:

30 560.403 Requirements of registration; declaration of
31 intent.--

1 (2) A registrant under this part shall renew his or
2 her intent to engage in the business of deferred presentment
3 transactions or to act as a deferred presentment provider upon
4 renewing his or her registration under part II or part III and
5 shall do so by indicating his or her intent ~~on the renewal~~
6 ~~form and~~ by submitting a nonrefundable deferred presentment
7 provider renewal fee of \$1,000, in addition to any fees
8 required for renewal of registration under part II or part
9 III.

10 (4) The notice of intent of a registrant under this
11 part who fails to timely renew his or her intent to engage in
12 the business of deferred presentment transactions or to act as
13 a deferred presentment provider on or before the expiration
14 date of the registration period automatically expires. A
15 renewal ~~declaration of intent and fee,~~ and a nonrefundable
16 late fee of \$500~~,~~ must be filed within 60 calendar days after
17 the expiration of an existing registration in order for the
18 declaration of intent to be reinstated. The office must grant
19 a reinstatement of a notice of intent for which application is
20 filed during the 60 calendar days, and the reinstatement is
21 effective upon receipt of the required fees and any
22 information that the commission requires by rule. If the
23 registrant has not filed a reinstatement of a renewal
24 declaration of intent within 60 calendar days after the
25 expiration date of an existing registration, the notice of
26 intent expires and a new declaration of intent must be filed
27 with the office.

28 Section 54. This act shall take effect October 1,
29 2005.

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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
Senate Bill 304

1. Allows a property owner to recover attorney's fees and costs from the mortgage lender for failing to pay insurance premiums tax when due from the escrow account and the property owner incurred penalties as a result of the cancellation, reinstatement, or issuance of a new insurance policy.
2. Clarifies that a principal representative of a mortgage broker does not have to meet the continuing education requirements during a transfer or change of designation if the principal representative has acted in that capacity for at least 1 year during the prior 2 years.
3. Clarifies that the information related to the designation of a principal representative of a mortgage broker must be current.
4. Authorizes the Office of Financial Regulation to contract with a third party for processing fingerprints electronically.
5. Eliminates the provision providing procedures for the destruction of records for insurance agents and any licensees of the Office of Insurance.
6. Requires that an authorized law enforcement agency, rather than an authorized law enforcement officer, take fingerprint cards if the fingerprint card is submitted to the office in paper form.