

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. In order to implement the submission and
30 processing of fingerprints as specified by rule under this
31 section, the office may contract with another state agency

1 that provides fingerprinting services. The office shall submit
2 the fingerprints to the Department of Law Enforcement for
3 state processing, and the Department of Law Enforcement shall
4 forward them to the Federal Bureau of Investigation for
5 national processing. The cost of the fingerprint processing
6 may be borne by the office, the employer, or the person who is
7 subject to the background check. The Department of Law
8 Enforcement shall bill the office for the fingerprints
9 submitted each month. The office shall screen the results of
10 the background check to determine whether the applicant meets
11 licensure requirements.

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

25 ~~(5)(4)~~ A mortgage brokerage business or branch office
26 license may be canceled if it was issued through mistake or
27 inadvertence of the office. A notice of cancellation must be
28 issued by the office within 90 days after the issuance of the
29 license. A notice of cancellation ~~is shall be~~ effective upon
30 receipt. The notice of cancellation ~~must shall~~ provide the
31 applicant with notification of the right to request a hearing

1 within 21 days after the applicant's receipt of the notice of
2 cancellation. A license ~~must shall~~ be reinstated if the
3 applicant can demonstrate that the requirements for obtaining
4 the license under ~~pursuant to~~ this chapter have been
5 satisfied.

6 ~~(6)(5) A license issued under this part is not~~
7 ~~transferable or assignable. If an initial mortgage brokerage~~
8 ~~business or branch office license has been issued but the~~
9 ~~check upon which the license is based is returned due to~~
10 ~~insufficient funds, the license shall be deemed canceled. A~~
11 ~~license deemed canceled pursuant to this subsection shall be~~
12 ~~reinstated if the office receives a certified check for the~~
13 ~~appropriate amount within 30 days after the date the check was~~
14 ~~returned due to insufficient funds.~~

15 Section 7. Subsections (1), (2), and (7) of section
16 494.0033, Florida Statutes, are amended to read:

17 494.0033 Mortgage broker's license.--

18 (1) Each natural person who acts as a mortgage broker
19 for a mortgage brokerage business or acts as an associate for
20 a mortgage lender or correspondent mortgage lender must be
21 licensed under ~~pursuant to~~ this section. To act as a mortgage
22 broker, an individual must be an associate of a mortgage
23 brokerage business, mortgage lender, or correspondent mortgage
24 lender. A mortgage broker is prohibited from being an
25 associate of more than one mortgage brokerage business,
26 mortgage lender, or correspondent mortgage lender.

27 (2) Each initial application for a mortgage broker's
28 license must be in the form prescribed by rule of the
29 commission. The commission may require each applicant to
30 provide any information reasonably necessary to make a
31 determination of the applicant's eligibility for licensure.

1 The office shall issue an initial license to any natural
2 person who:

3 (a) Is at least 18 years of age.†
4 (b) Has passed a written test adopted and administered
5 by the office, or has passed an electronic test adopted and
6 administered by the office or a third party approved by the
7 office, which is designed to determine competency in primary
8 and subordinate mortgage financing transactions as well as to
9 test knowledge of ss. 494.001-494.0077 and the rules adopted
10 pursuant thereto. The commission may prescribe by rule an
11 additional fee not to exceed \$100 for the electronic version
12 of the mortgage broker test. The commission may waive by rule
13 the examination requirement for any individual who has passed
14 a comparable test offered by a national group of state
15 mortgage regulators or a federal governmental agency which
16 test covers primary and subordinate mortgage financing
17 transactions.†

18 (c) Has submitted a completed application and a
19 nonrefundable application fee of \$200. An application is
20 considered received for purposes of s. 120.60 upon receipt of
21 a completed application form as prescribed by the commission
22 by rule, a nonrefundable application fee of \$200, and any
23 other fee prescribed by law. ~~The commission may set by rule an~~
24 additional fee for a retake of the examination; and

25 (d) Has filed a complete set of fingerprints, ~~taken by~~
26 ~~an authorized law enforcement officer,~~ for submission by the
27 office to the Department of Law Enforcement or the Federal
28 Bureau of Investigation for processing. A fingerprint card
29 submitted to the office must be taken by an authorized law
30 enforcement agency if the fingerprint card is submitted to the
31 office in paper form. In addition to the fees prescribed in s.

1 215.405, the commission may prescribe by rule additional fees,
2 not to exceed \$30, for processing the fingerprints. The
3 commission may prescribe by rule procedures for submitting
4 fingerprints and fees by electronic means to the office. In
5 order to implement the submission and processing of
6 fingerprints as specified by rule under this section, the
7 office may contract with another state agency that provides
8 fingerprinting services. The office shall submit the
9 fingerprints to the Department of Law Enforcement for state
10 processing, and the Department of Law Enforcement shall
11 forward them to the Federal Bureau of Investigation for
12 national processing. The cost of the fingerprint processing
13 may be borne by the office, the employer, or the person who is
14 subject to the background check. The Department of Law
15 Enforcement shall bill the office for the fingerprints
16 submitted each month. The office shall screen the results of
17 the background check to determine whether the applicant meets
18 licensure requirements.

19 ~~(7) If an initial mortgage broker license has been~~
20 ~~issued but the check upon which the license is based is~~
21 ~~returned due to insufficient funds, the license shall be~~
22 ~~deemed canceled. A license deemed canceled pursuant to this~~
23 ~~subsection shall be reinstated if the office receives a~~
24 ~~certified check for the appropriate amount within 30 days~~
25 ~~after the date the check was returned due to insufficient~~
26 ~~funds.~~

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

29 494.0034 Renewal of mortgage broker's license.--

30 (2) The commission shall adopt rules establishing a
31 procedure for the biennial renewal of mortgage broker's

1 licenses. The commission may prescribe the form of the renewal
2 ~~application~~ and may require an update of information since the
3 licensee's last renewal.

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

6 494.0036 Mortgage brokerage business branch offices.--

7 (2) The office shall issue a mortgage brokerage
8 business branch office license to a mortgage brokerage
9 business licensee after the office determines that the
10 licensee has submitted ~~upon receipt of~~ a completed branch
11 office application in a form as prescribed by commission rule
12 and payment of an initial nonrefundable branch office license
13 fee of \$225. Branch office licenses must be renewed in
14 conjunction with the renewal of the mortgage brokerage
15 business license. The branch office license shall be issued in
16 the name of the mortgage brokerage business that maintains the
17 branch office. An application is considered received for
18 purposes of s. 120.60 upon receipt of a completed application
19 form as prescribed by the commission by rule, a nonrefundable
20 application fee of \$225, and any other fee prescribed by law.

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

23 494.0041 Administrative penalties and fines; license
24 violations.--

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

28 (s) Payment to the office for a license or permit with
29 a check or electronic transmission of funds which is
30 dishonored by the applicant's or licensee's financial
31 institutions.

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

4 494.006 Exemptions.--

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

8 (a) A state or federal chartered bank, a bank holding
9 ~~company,~~ trust company, a savings and loan association, a
10 savings bank or credit union, a bank holding company regulated
11 under the laws of any state or the United States, or an
12 insurance company if the insurance company is duly licensed in
13 this state.

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

22 (2)(a) A natural person employed by a mortgage lender
23 or correspondent mortgage lender licensed under ss.
24 494.001-494.0077 is exempt from the licensure requirements of
25 ss. 494.001-494.0077 when acting within the scope of
26 employment with the licensee.

27 Section 12. Section 494.0061, Florida Statutes, is
28 amended to read:

29 494.0061 Mortgage lender's license requirements.--
30
31

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

4 ~~(2)(1)~~ The commission or office may require each
5 applicant for a mortgage lender license to provide any
6 information reasonably necessary to make a determination of
7 the applicant's eligibility for licensure. The office shall
8 issue an initial mortgage lender license to any person that
9 submits:

10 (a) A completed application form.~~†~~

11 (b) A nonrefundable application fee of \$575.~~†~~

12 (c) Audited financial statements, which documents
13 disclose that the applicant has a bona fide and verifiable net
14 worth, pursuant to United States generally accepted accounting
15 principles, of at least \$250,000, which must be continuously
16 maintained as a condition of licensure.~~†~~

17 (d) A surety bond in the amount of \$10,000, payable to
18 the state and conditioned upon compliance with ss.
19 494.001-494.0077, which inures to the office and which must be
20 continuously maintained thereafter in full force.~~†~~

21 (e) Documentation that the applicant is duly
22 incorporated, registered, or otherwise formed as a general
23 partnership, limited partnership, limited liability company,
24 or other lawful entity under the laws of this state or another
25 state of the United States.~~†~~ ~~and~~

26 (f) ~~For applications submitted after October 1, 2001,~~
27 Proof that the applicant's principal representative has
28 completed 24 hours of classroom instruction in primary and
29 subordinate financing transactions and in the provisions of
30 this chapter and rules adopted under this chapter. This
31 requirement shall be satisfied if the principal representative

1 has continuously served in the capacity of a principal
2 representative for a licensed entity under this chapter for at
3 least 1 year and has not had a lapse in designation as a
4 principal representative of more than 2 years prior to the
5 date of the submission of the application or amendment in the
6 case of a change in the principal representative, or this
7 requirement shall be satisfied if the principal representative
8 currently has an active mortgage broker license in this state.

9
10 An application is considered received for purposes of s.
11 120.60 upon receipt of a completed application form as
12 prescribed by the commission by rule, a nonrefundable
13 application fee of \$575, and any other fee prescribed by law.

14 ~~(3)(2)~~ Notwithstanding ~~the provisions of~~ subsection
15 ~~(2)(1)~~, it is a ground for denial of licensure if the
16 applicant, any principal officer, ~~or~~ director, partner, or
17 joint venturer of the applicant, or any natural person owning
18 a 10-percent or greater interest in the applicant, or any
19 natural person who is the ultimate equitable owner of a
20 10-percent or greater interest in the applicant has committed
21 any violation specified in s. 494.0072, or has pending against
22 her or him any criminal prosecution or administrative
23 enforcement action, in any jurisdiction, which involves fraud,
24 dishonest dealing, or any act of moral turpitude.

25 ~~(4)(3)~~ Each initial application for a mortgage
26 lender's license must be in a form prescribed by the
27 commission. ~~The commission or office may require each~~
28 ~~applicant to provide any information reasonably necessary to~~
29 ~~make a determination of the applicant's eligibility for~~
30 ~~licensure.~~ The commission or office may require that each
31 officer, director, and ultimate equitable owner of a

1 10-percent or greater interest in the applicant submit a
2 complete set of fingerprints. A fingerprint card submitted to
3 the office must be taken by an authorized law enforcement
4 agency if the fingerprint card is submitted to the office in
5 paper form ~~officer~~. In addition to the fees prescribed in s.
6 215.405, the commission may prescribe by rule an additional
7 fee, not to exceed \$30, for processing the fingerprints. The
8 commission may prescribe by rule procedures for submitting
9 fingerprints and fees by electronic means to the office. In
10 order to implement the submission and processing of
11 fingerprints as specified by rule under this section, the
12 office may contract with another state agency that provides
13 fingerprinting services. The office shall submit the
14 fingerprints to the Department of Law Enforcement for state
15 processing, and the Department of Law Enforcement shall
16 forward them to the Federal Bureau of Investigation for
17 national processing. The cost of the fingerprint processing
18 may be borne by the office, the employer, or the person who is
19 subject to the background check. The Department of Law
20 Enforcement shall bill the office for the fingerprints
21 submitted each month. The office shall screen the results of
22 the background check to determine whether the applicant meets
23 licensure requirements.

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, or this
18 requirement shall be satisfied if the principal representative
19 currently has an active mortgage broker license in this state.

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

1 years prior to the date of the submission of the application
2 or amendment in the case of a change in the principal
3 representative, or this requirement shall be satisfied if the
4 principal representative currently has an active mortgage
5 broker license in this state.

6 Section 13. Section 494.0062, Florida Statutes, is
7 amended to read:

8 494.0062 Correspondent mortgage lender's license
9 requirements.--

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

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

18 (a) A completed application form;

19 (b) A nonrefundable application fee of \$500;

20 (c) Audited financial statements ~~that, which~~ document
21 that the applicant application has a bona fide and verifiable
22 net worth, pursuant to United States generally accepted
23 accounting principles, of \$25,000 or more, which must be
24 continuously maintained as a condition of licensure;

25 (d) A surety bond in the amount of \$10,000, payable to
26 the State of Florida and conditioned upon compliance with ss.
27 494.001-494.0077, which inures to the office and which must be
28 continuously maintained, thereafter, in full force;

29 (e) Documentation that the applicant is duly
30 incorporated, registered, or otherwise formed as a general
31 partnership, limited partnership, limited liability company,

1 or other lawful entity under the laws of this state or another
2 state of the United States; and

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

17
18 An application is considered received for purposes of s.
19 120.60 upon receipt of a completed application form as
20 prescribed by the commission by rule, a nonrefundable
21 application fee of \$500, and any other fee prescribed by law.

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

31

1 ~~(4)(3)~~ Each initial application for a correspondent
2 mortgage lender's license must be in a form prescribed by the
3 commission. ~~The commission or office may require each~~
4 ~~applicant to provide any information reasonably necessary to~~
5 ~~make a determination of the applicant's eligibility for~~
6 ~~licensure.~~ The commission or office may require by rule that
7 each officer, director, and ultimate equitable owner of a
8 10-percent or greater interest submit a complete set of
9 fingerprints. A fingerprint card submitted to the office must
10 be taken by an authorized law enforcement agency if the
11 fingerprint card is submitted to the office in paper form
12 officer. In addition to the fees prescribed in s. 215.405, the
13 commission may prescribe by rule an additional fee, not to
14 exceed \$30, for processing the fingerprints. The commission
15 may prescribe by rule procedures for submitting fingerprints
16 and fees by electronic means to the office. In order to
17 implement the submission and processing of fingerprints as
18 specified by rule under this section, the office may contract
19 with another state agency that provides fingerprinting
20 services. The office shall submit the fingerprints to the
21 Department of Law Enforcement for state processing, and the
22 Department of Law Enforcement shall forward them to the
23 Federal Bureau of Investigation for national processing. The
24 cost of the fingerprint processing may be borne by the office,
25 the employer, or the person who is subject to the background
26 check. The Department of Law Enforcement shall bill the office
27 for the fingerprints submitted each month. The office shall
28 screen the results of the background check to determine
29 whether the applicant meets licensure requirements.

30 ~~(5)(4)~~ Each license is valid for the remainder of the
31 biennium in which the license is issued.

1 (6)~~(5)~~ A person licensed as a correspondent mortgage
2 lender may make mortgage loans, but may not service a mortgage
3 loan for more than 4 months after the date the mortgage loan
4 was made or acquired by the correspondent mortgage lender.

5 (7)~~(6)~~ A licensee under ss. 494.006-494.0077, or an
6 agent or employee thereof, is deemed to have consented to the
7 venue of courts of competent jurisdiction in this state
8 regarding any matter within the authority of ss.

9 494.001-494.0077 regardless of where an act or violation was
10 committed.

11 (8)~~(7)~~ A correspondent mortgage lender is subject to
12 the same requirements and restrictions as a licensed mortgage
13 lender unless otherwise provided in this section.

14 (9)~~(8)~~ A license issued under this section is not
15 transferable or assignable.

16 (10)~~(9)~~ A correspondent mortgage lender or branch
17 office license may be canceled if it was issued through
18 mistake or inadvertence of the office. A notice of
19 cancellation must be issued by the office within 90 days after
20 the issuance of the license. A notice of cancellation shall be
21 effective upon receipt. The notice of cancellation shall
22 provide the applicant with notification of the right to
23 request a hearing within 21 days after the applicant's receipt
24 of the notice of cancellation. A license shall be reinstated
25 if the applicant can demonstrate that the requirements for
26 obtaining the license pursuant to this chapter have been
27 satisfied.

28 ~~(10) If an initial correspondent mortgage lender or~~
29 ~~branch office license has been issued but the check upon which~~
30 ~~the license is based is returned due to insufficient funds,~~
31 ~~the license shall be deemed canceled. A license deemed~~

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

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

12 (12) ~~After October 1, 2001,~~ An applicant's principal
13 representative must pass a written test prescribed by the
14 commission and administered by the office or a third party
15 approved by the office which test covers primary and
16 subordinate mortgage financing transactions and the provisions
17 of this chapter and rules adopted under this chapter. The
18 commission may waive by rule the examination requirement for
19 any individual who has passed a comparable test offered by a
20 national group of state mortgage regulators or a federal
21 governmental agency which test covers primary and subordinate
22 mortgage financing transactions. The commission may set by
23 rule a fee not to exceed \$100 for taking the examination. This
24 requirement shall be satisfied if the principal representative
25 has continuously served in the capacity of a principal
26 representative for a licensed entity under this chapter for at
27 least 1 year and has not had a lapse in designation as a
28 principal representative of more than 2 years prior to the
29 date of the submission of the application or amendment in the
30 case of a change in the principal representative, or this
31

1 requirement shall be satisfied if the principal representative
2 currently has an active mortgage broker license in this state.

3 (13) A correspondent lender shall notify the office of
4 any change in the designation of its principal representative
5 within 30 days. A new principal representative shall satisfy
6 ~~the name and address of any new principal representative and~~
7 ~~shall document that such person has completed~~ the educational
8 and testing requirements of this section within 90 days after
9 being designated as upon the lender's designation of a new
10 principal representative. This requirement shall be satisfied
11 if the principal representative has continuously served in the
12 capacity of a principal representative for a licensed entity
13 under this chapter for at least 1 year and has not had a lapse
14 in designation as a principal representative of more than 2
15 years prior to the date of the submission of the application
16 or amendment in the case of a change in the principal
17 representative, or this requirement shall be satisfied if the
18 principal representative currently has an active mortgage
19 broker license in this state.

20 Section 14. Paragraph (b) of subsection (1) of section
21 494.0064, Florida Statutes, is amended to read:

22 494.0064 Renewal of mortgage lender's license; branch
23 office license renewal.--

24 (1)

25 (b) A licensee shall also submit, as part of the
26 renewal form, certification that during the preceding 2 years
27 the licensee's principal representative and⁷ loan originators⁷
28 ~~and associates~~ have completed the professional continuing
29 education requirements of s. 494.00295.

30 Section 15. Section 494.0065, Florida Statutes, is
31 amended to read:

1 | 494.0065 Saving clause.--

2 | (1)(a) Any person in good standing who holds an active
3 | registration pursuant to former s. 494.039 or license pursuant
4 | to former s. 521.205, or any person who acted solely as a
5 | mortgage servicer on September 30, 1991, is eligible to apply
6 | to the office for a mortgage lender's license and is eligible
7 | for licensure if the applicant:

8 | 1. For at least 12 months during the period of October
9 | 1, 1989, through September 30, 1991, has engaged in the
10 | business of either acting as a seller or assignor of mortgage
11 | loans or as a servicer of mortgage loans, or both;

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

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

16 | (b) A licensee pursuant to paragraph (a) may operate a
17 | wholly owned subsidiary or affiliate for the purpose of
18 | servicing accounts if the subsidiary or affiliate is
19 | operational as of September 30, 1991. Such subsidiary or
20 | affiliate is not required to obtain a separate license, but is
21 | subject to all the requirements of a licensee under ss.
22 | 494.006-494.0077.

23 | (2) A licensee issued a license pursuant to subsection
24 | (1) may renew its mortgage lending license if it documents a
25 | minimum net worth of \$25,000, according to United States
26 | generally accepted accounting principles, which must be
27 | continuously maintained as a condition to licensure. The
28 | office shall require an audited financial statement which
29 | documents such net worth.

30 | (3) The commission may prescribe by rule forms and
31 | procedures for application for licensure, and amendment and

1 withdrawal of application for licensure, or transfer,
2 including any existing branch offices, in accordance with
3 subsections (4) and (5), and for renewal of licensure of
4 licensees under this section. An application is considered
5 received for purposes of s. 120.60 upon receipt of a completed
6 application form as prescribed by the commission by rule, a
7 nonrefundable application fee of \$575, and any other fee
8 prescribed by law.

9 (4)(a) Notwithstanding ss. 494.0061~~(6)~~~~(5)~~ and
10 494.0067(3), the ultimate equitable owner, as of the effective
11 date of this act, of a mortgage lender licensed under this
12 section may transfer, one time, at least 50 percent of the
13 ownership, control, or power to vote any class of equity
14 securities of such mortgage lender, except as provided in
15 paragraph (b). For purposes of this subsection, satisfaction
16 of the amount of the ownership transferred may be met in
17 multiple transactions or in a single transaction.

18 (b) A person who is an ultimate equitable owner on the
19 effective date of this act may transfer, at any time, at least
20 50 percent of the ownership, control, or power to vote any
21 class of equity securities of such person to the person's
22 spouse or child, and any such transferee may transfer, at any
23 time, such ownership, control, or power to vote to a spouse or
24 child of such transferee, in perpetuity.

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

27 1. An applicant must provide proof that the
28 applicant's principal representative has completed 24 hours of
29 instruction in primary and subordinate financing transactions
30 and in the provisions of this chapter and rules adopted under
31 this chapter. This requirement shall be satisfied if the

1 principal representative has continuously served in the
2 capacity of a principal representative for a licensed entity
3 under this chapter for at least 1 year and has not had a lapse
4 in designation as a principal representative of more than 2
5 years prior to the date of the submission of the application
6 or amendment in the case of a change in the principal
7 representative, or this requirement shall be satisfied if the
8 principal representative currently has an active mortgage
9 broker license in this state.

10 2. An applicant's principal representative must pass a
11 written test prescribed by the commission and administered by
12 the office, or must pass an electronic test prescribed by the
13 commission and administered by the office or a third party
14 approved by the office which test covers primary and
15 subordinate mortgage financing transactions and the provisions
16 of this chapter and rules adopted under this chapter. The
17 commission may set by rule a fee not to exceed \$100 for the
18 electronic version of the mortgage broker test. The commission
19 may waive by rule the examination requirement for any
20 individual who has passed a comparable test offered by a
21 national group of state mortgage regulators or a federal
22 governmental agency which test covers primary and subordinate
23 mortgage financing transactions. This requirement shall be
24 satisfied if the principal representative has continuously
25 served in the capacity of a principal representative for a
26 licensed entity under this chapter for at least 1 year and has
27 not had a lapse in designation as a principal representative
28 of more than 2 years prior to the date of the submission of
29 the application or amendment in the case of a change in the
30 principal representative, or this requirement shall be
31

1 satisfied if the principal representative currently has an
2 active mortgage broker license in this state.

3 (5) The commission or office may require each
4 applicant for any transfer to provide any information
5 reasonably necessary to make a determination of the
6 applicant's eligibility for licensure. The office shall issue
7 the transfer of licensure to any person who submits the
8 following documentation at least 90 days prior to the
9 anticipated transfer:

10 (a) A completed application form.

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

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

18 (d) Documentation that the applicant is incorporated,
19 registered, or otherwise formed as a general partnership,
20 limited partnership, limited liability company, or other
21 lawful entity under the laws of this state or another state of
22 the United States.

23
24 An application is considered received for purposes of s.
25 120.60 upon receipt of a completed application form as
26 prescribed by the commission by rule, a nonrefundable
27 application fee of \$575, and any other fee prescribed by law.
28 The commission or office may require by rule that each
29 officer, director, and ultimate equitable owner of a
30 10-percent or greater interest in the applicant submit a
31 complete set of fingerprints. A fingerprint card submitted to

1 the office must be taken by an authorized law enforcement
2 agency if the fingerprint card is submitted to the office in
3 paper form ~~officer~~. In addition to the fees prescribed in s.
4 215.405, the commission may prescribe by rule an additional
5 fee, not to exceed \$30, for processing the fingerprints. The
6 commission may prescribe by rule procedures for submitting
7 fingerprints and fees by electronic means to the office. In
8 order to implement the submission and processing of
9 fingerprints as specified by rule under this section, the
10 office may contract with another state agency that provides
11 fingerprinting services. The office shall submit the
12 fingerprints to the Department of Law Enforcement for state
13 processing, and the Department of Law Enforcement shall
14 forward them to the Federal Bureau of Investigation for
15 national processing. The cost of the fingerprint processing
16 may be borne by the office, the employer, or the person who is
17 subject to the background check. The Department of Law
18 Enforcement shall bill the office for the fingerprints
19 submitted each month. The office shall screen the results of
20 the background check to determine whether the applicant meets
21 licensure requirements.

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, or this
27 requirement shall be satisfied if the principal representative
28 currently has an active mortgage broker license in this state.

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

31 494.0066 Branch offices.--

1 (2) The office shall issue a branch office license to
2 a licensee licensed under s. 494.0065(1) or a transfer
3 licensee after the office determines that the licensee has
4 submitted ~~upon receipt of~~ a completed branch office
5 application form as prescribed by rule by the commission and
6 an initial nonrefundable branch office license fee of \$325.
7 The branch office application must include the name and
8 license number of the licensee under ss. 494.006-494.0077, the
9 name of the licensee's employee in charge of the branch
10 office, and the address of the branch office. The branch
11 office license shall be issued in the name of the licensee
12 under ss. 494.006-494.0077 and must be renewed in conjunction
13 with the license renewal.

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

16 494.0067 Requirements of licensees under ss.
17 494.006-494.0077.--

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

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

27 494.0072 Administrative penalties and fines; license
28 violations.--

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

1 (s) Payment to the office for a license or permit with
2 a check or electronic transmission of funds which is
3 dishonored by the applicant's or licensee's financial
4 institution.

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

7 494.00721 Net worth.--

8 (2) If a mortgage lender or correspondent mortgage
9 lender fails to satisfy the net worth requirements, the
10 mortgage lender or correspondent mortgage lender shall
11 immediately cease taking any new mortgage loan applications.
12 Thereafter, the mortgage lender or correspondent mortgage
13 lender shall have up to 60 days within which to satisfy the
14 net worth requirements. If the licensee makes the office
15 aware, prior to an examination, that the licensee no longer
16 meets the net worth requirements, the mortgage lender or
17 correspondent mortgage lender shall have 120 days within which
18 to satisfy the net worth requirements. A mortgage lender or
19 correspondent mortgage lender shall not resume acting as a
20 mortgage lender or correspondent mortgage lender without
21 written authorization from the office, which authorization
22 shall be granted if the mortgage lender or correspondent
23 mortgage lender provides the office with documentation which
24 satisfies the requirements of s. 494.0061~~(2)(1)~~(c), s.
25 494.0062~~(2)(1)~~(c), or s. 494.0065(2), whichever is applicable.

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

28 501.137 Mortgage lenders; tax and insurance payments
29 from escrow accounts; duties.--

30 (3)(a) If the lender, as a result of neglect, fails to
31 pay any tax or insurance premium when the tax or premium is

1 due and there are sufficient escrow funds on deposit to pay
2 the tax or premium, and if the property owner suffers a loss
3 as a result of this failure, then the lender is liable for the
4 loss; except, however, that with respect to any loss which
5 would otherwise have been insured, the extent of the liability
6 shall not exceed the coverage limits of any insurance policy
7 which has lapsed.

8 (b) If the lender violates paragraph (a) and the
9 premium payment is not more than 90 days overdue, the insurer
10 shall reinstate the insurance policy, retroactive to the date
11 of cancellation, and the lender shall reimburse the property
12 owner for any penalty or fees imposed by the insurer and paid
13 by the property owner for purposes of reinstating the policy.

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

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

24 516.03 Application for license; fees; etc.--

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

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

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

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

30 516.05 License.--
31

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. In order to implement the
19 submission and processing of fingerprints as specified by rule
20 under this section, the office may contract with another state
21 agency that provides fingerprint services. The office shall
22 submit the fingerprints to the Department of Law Enforcement
23 for state processing, and the Department of Law Enforcement
24 shall forward them to the Federal Bureau of Investigation for
25 national processing. The cost of the fingerprint processing
26 may be borne by the office, the employer, or the person who is
27 subject to the background check. The Department of Law
28 Enforcement shall bill the office for the fingerprints
29 submitted each month. The office shall screen the results of
30 the background check to determine whether the applicant meets
31 licensure requirements. Such fingerprints shall be submitted

1 to the Department of Law Enforcement or the Federal Bureau of
2 Investigation for state and federal processing. The
3 commission may waive, by rule, the requirement that applicants
4 must file a set of fingerprints or the requirement that such
5 fingerprints must be processed by the Department of Law
6 Enforcement or the Federal Bureau of Investigation. The
7 commission or office may require information about any such
8 applicant or person concerning such matters as:

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

12 (b) Any injunction or administrative order by a state
13 or federal agency, national securities exchange, or national
14 securities association involving a security or any aspect of
15 the securities business and any injunction or administrative
16 order by a state or federal agency regulating banking,
17 insurance, finance, or small loan companies, real estate,
18 mortgage brokers, or other related or similar industries,
19 which injunctions or administrative orders relate to such
20 person.

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

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

28 (10) An applicant for registration shall pay an
29 assessment fee of \$200, in the case of a dealer or investment
30 adviser, or \$40, in the case of an associated person. The
31 assessment fee of an associated person shall be reduced to

1 | \$30, but only after the office determines, by final order,
2 | that sufficient funds have been allocated to the Securities
3 | Guaranty Fund pursuant to s. 517.1203 to satisfy all valid
4 | claims filed in accordance with s. 517.1203(2) and after all
5 | amounts payable under any service contract entered into by the
6 | office pursuant to s. 517.1204, and all notes, bonds,
7 | certificates of indebtedness, other obligations, or evidences
8 | of indebtedness secured by such notes, bonds, certificates of
9 | indebtedness, or other obligations, have been paid or
10 | provision has been made for the payment of such amounts,
11 | notes, bonds, certificates of indebtedness, other obligations,
12 | or evidences of indebtedness. An associated person may not
13 | ~~having current fingerprint cards filed with the National~~
14 | ~~Association of Securities Dealers or a national securities~~
15 | ~~exchange registered with the Securities and Exchange~~
16 | ~~Commission shall~~ be assessed an additional fee to cover the
17 | cost for said fingerprint cards to be processed by the office.
18 | Such fee shall be determined by rule of the commission. Each
19 | dealer and each investment adviser shall pay an assessment fee
20 | of \$100 for each office in this state, except its designated
21 | principal office. Such fees become the revenue of the state,
22 | except for those assessments provided for under s. 517.131(1)
23 | until such time as the Securities Guaranty Fund satisfies the
24 | statutory limits, and are not returnable in the event that
25 | registration is withdrawn or not granted.

26 | (11) If the office finds that the applicant is of good
27 | repute and character and has complied with the provisions of
28 | this chapter and the rules made pursuant hereto, it shall
29 | register the applicant. The registration of each dealer,
30 | investment adviser, and associated person expires ~~will expire~~
31 | on December 31 of the year it became effective unless the

1 registrant has renewed its registration on or before that
2 date., ~~and~~ The registration of each branch office expires will
3 expire on March 31 or, once the National Association of
4 Securities Dealers develops the capacity to process branch
5 office registration through the Central Registration
6 Depository, December 31 of the year in which it became
7 effective unless the registrant has renewed its registration
8 on or before that date. The commission may establish by rule
9 the initial year in which branch renewals shall be processed
10 through the Central Registration Depository of the National
11 Association of Securities Dealers. The commission may
12 establish by rule procedures for renewing branch registrations
13 through the Central Registration Depository. Registration may
14 be renewed by furnishing such information as the commission
15 may require, together with payment of the fee required in
16 subsection (10) for dealers, investment advisers, associated
17 persons, or branch offices and the payment of any amount
18 lawfully due and owing to the office pursuant to any order of
19 the office or pursuant to any agreement with the office. Any
20 dealer, investment adviser, or associated person registrant
21 who has not renewed a registration by the time the current
22 registration expires may request reinstatement of such
23 registration by filing with the office, on or before January
24 31 of the year following the year of expiration, such
25 information as may be required by the commission, together
26 with payment of the fee required in subsection (10) for
27 dealers, investment advisers, or associated persons and a late
28 fee equal to the amount of such fee. Any reinstatement of
29 registration granted by the office during the month of January
30 shall be deemed effective retroactive to January 1 of that
31 year.

1 (15) In lieu of filing with the office the
2 applications specified in subsection (6), the fees required by
3 subsection (10), and the termination notices required by
4 subsection (12), the commission may by rule establish
5 procedures for the deposit of such fees and documents with the
6 Central Registration Depository or the Investment Advisor
7 Registration Depository of the National Association of
8 Securities Dealers, Inc., as developed under contract with the
9 North American Securities Administrators Association, Inc. ;
10 provided, however, that such procedures shall provide the
11 office with the information and data as required by this
12 section.

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

19 1. A person from Canada who is present in this state
20 and with whom the Canadian dealer had a bona fide
21 dealer-client relationship before the person entered the
22 United States; or

23 2. A person from Canada who is present in this state
24 and whose transactions are in a self-directed tax-advantaged
25 retirement plan in Canada of which the person is the holder or
26 contributor.

27 (b) A notice filing under this subsection must consist
28 of documents that the commission by rule requires to be filed,
29 together with a consent to service of process and a filing fee
30 of \$200. The commission may establish by rule procedures for
31 the deposit of fees and the filing of documents to be made by

1 electronic means, if such procedures provide the office with
2 the information and data required by this section.

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

5 1. A notice filing in the form that the commission by
6 rule requires;

7 2. A consent to service of process;

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

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

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

15 (e) A notice filing is effective upon receipt. A
16 notice filing expires on December 31 of the year in which the
17 filing becomes effective unless the Canadian dealer has
18 renewed the filing on or before that date. A Canadian dealer
19 may annually renew a notice filing by furnishing to the office
20 such information as the office requires together with a
21 renewal fee of \$200 and the payment of any amount due and
22 owing the office pursuant to any agreement with the office.

23 Any Canadian dealer who has not renewed a notice filing by the
24 time a current notice filing expires may request reinstatement
25 of such notice filing by filing with the office, on or before
26 January 31 of the year following the year the notice filing
27 expires, such information as the commission requires, by rule,
28 together with the payment of \$200 and a late fee of \$200. Any
29 reinstatement of a notice filing granted by the office during
30 the month of January is effective retroactively to January 1
31 of that year.

1 (f) An associated person who represents a Canadian
2 dealer who has made a notice filing under this subsection is
3 exempt from the registration requirements of this section and
4 may effect transactions in securities in this state as
5 permitted for a dealer under paragraph (a) if such person is
6 registered in the jurisdiction from which he or she is
7 effecting transactions into this state.

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

10 1. Maintain its provincial or territorial registration
11 and its membership in a self-regulatory organization or stock
12 exchange in good standing.

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

15 3. Provide the office upon request notice of each
16 civil, criminal, or administrative action initiated against
17 the dealer.

18 4. Disclose to its clients in this state that the
19 dealer and its associated persons are not subject to the full
20 regulatory requirements under this chapter.

21 5. Correct any inaccurate information within 30 days
22 after the information contained in the notice of filing
23 becomes inaccurate for any reason.

24 (h) An associated person representing a Canadian
25 dealer who has made a notice of filing under this subsection
26 shall:

27 1. Maintain provincial or territorial registration in
28 good standing.

29 2. Provide the office upon request with notice of each
30 civil, criminal, or administrative action initiated against
31 such person.

1 (i) A notice filing may be terminated by filing notice
2 of such termination with the office. Unless another date is
3 specified by the Canadian dealer, such notice is effective
4 upon its receipt by the office.

5 (j) All fees collected under this subsection become
6 the revenue of the state, except for those assessments
7 provided for under s. 517.131(1), until the Securities
8 Guaranty Fund has satisfied the statutory limits, and these
9 fees are not returnable if a notice filing is withdrawn. A
10 ~~dealer that is located in Canada and has no office or other~~
11 ~~physical presence in this state may, provided the dealer is~~
12 ~~registered in accordance with this section, effect~~
13 ~~transactions in securities with or for, or induce or attempt~~
14 ~~to induce the purchase or sale of any security by:~~

15 1. ~~A person from Canada who temporarily resides in~~
16 ~~this state and with whom the Canadian dealer had a bona fide~~
17 ~~dealer client relationship before the person entered the~~
18 ~~United States; or~~

19 2. ~~A person from Canada who is a resident of this~~
20 ~~state, and whose transactions are in a self directed tax~~
21 ~~advantage retirement plan in Canada of which the person is the~~
22 ~~holder or contributor.~~

23 ~~(b) An associated person who represents a Canadian~~
24 ~~dealer registered under this section may, provided the agent~~
25 ~~is registered in accordance with this section, effect~~
26 ~~transactions in securities in this state as permitted for a~~
27 ~~dealer, under subsection (a).~~

28 ~~(c) A Canadian dealer may register under this section~~
29 ~~provided that such dealer:~~

30 1. ~~Files an application in the form required by the~~
31 ~~jurisdiction in which the dealer has a head office.~~

1 ~~2. Files a consent to service of process.~~
2 ~~3. Is registered as a dealer in good standing in the~~
3 ~~jurisdiction from which it is effecting transactions into this~~
4 ~~state and files evidence of such registration with the office.~~
5 ~~4. Is a member of a self regulatory organization or~~
6 ~~stock exchange in Canada.~~
7 ~~(d) An associated person who represents a Canadian~~
8 ~~dealer registered under this section in effecting transactions~~
9 ~~in securities in this state may register under this section~~
10 ~~provided that such person:~~
11 ~~1. Files an application in the form required by the~~
12 ~~jurisdiction in which the dealer has its head office.~~
13 ~~2. Is registered in good standing in the jurisdiction~~
14 ~~from which he or she is effecting transactions into this state~~
15 ~~and files evidence of such registration with the office.~~
16 ~~(e) If the office finds that the applicant is of good~~
17 ~~repute and character and has complied with the provisions of~~
18 ~~this chapter, the office shall register the applicant.~~
19 ~~(f) A Canadian dealer registered under this section~~
20 ~~shall:~~
21 ~~1. Maintain its provincial or territorial registration~~
22 ~~and its membership in a self regulatory organization or stock~~
23 ~~exchange in good standing.~~
24 ~~2. Provide the office upon request with its books and~~
25 ~~records relating to its business in this state as a dealer.~~
26 ~~3. Provide the office notice of each civil, criminal,~~
27 ~~or administrative action initiated against the dealer.~~
28 ~~4. Disclose to its clients in this state that the~~
29 ~~dealer and its agents are not subject to the full regulatory~~
30 ~~requirements under this chapter.~~
31

1 ~~5. Correct any inaccurate information within 30 days,~~
2 ~~if the information contained in the application form becomes~~
3 ~~inaccurate for any reason before or after the dealer becomes~~
4 ~~registered.~~

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

7 ~~1. Maintain provincial or territorial registration in~~
8 ~~good standing.~~

9 ~~2. Provide the office with notice of each civil,~~
10 ~~criminal, or administrative action initiated against such~~
11 ~~person.~~

12 ~~3. Through the dealer, correct any inaccurate~~
13 ~~information within 30 days, if the information contained in~~
14 ~~the application form becomes inaccurate for any reason before~~
15 ~~or after the associated person becomes registered.~~

16 ~~(h) Renewal applications for Canadian dealers and~~
17 ~~associated persons under this section must be filed before~~
18 ~~December 31 each year. Every applicant for registration or~~
19 ~~renewal registration under this section shall pay the fee for~~
20 ~~dealers and associated persons under this chapter.~~

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

24 517.131 Securities Guaranty Fund.--

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

27 (b) Such person has made all reasonable searches and
28 inquiries to ascertain whether the judgment debtor possesses
29 real or personal property or other assets subject to being
30 sold or applied in satisfaction of the judgment, and by her or
31 his search the person has discovered no property or assets; or

1 she or he has discovered property and assets and has taken all
2 necessary action and proceedings for the application thereof
3 to the judgment, but the amount thereby realized was
4 insufficient to satisfy the judgment. To verify compliance
5 with such condition, the office may require such person to
6 have a writ of execution be issued upon such judgment, ~~and~~ may
7 ~~further~~ require a showing that no personal or real property of
8 the judgment debtor liable to be levied upon in complete
9 satisfaction of the judgment can be found, or may require an
10 affidavit from the claimant setting forth the reasonable
11 searches and inquiries undertaken and the result.

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

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

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

1 517.141 Payment from the fund.--

2 (2) Regardless of the number of claims or claimants
3 involved, payments for claims shall be limited in the
4 aggregate to \$100,000 against any one dealer, investment
5 adviser, or associated person. If the total claims exceed the
6 aggregate limit of \$100,000, the office shall prorate the
7 payment based upon the ratio that the person's claim bears to
8 the total claims filed.

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

21 (11) The commission may by rule specify the procedures
22 for complying with this section, including rules for the form
23 of submission and guidelines for the sufficiency and content
24 of submissions of notices and claims.

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

27 517.161 Revocation, denial, or suspension of
28 registration of dealer, investment adviser, associated person,
29 or branch office.--

30 (1) Registration under s. 517.12 may be denied or any
31 registration granted may be revoked, restricted, or suspended

1 | by the office if the office determines that such applicant or
2 | registrant:

3 | (a) Has violated any provision of this chapter or any
4 | rule or order made under this chapter;

5 | (b) Has made a material false statement in the
6 | application for registration;

7 | (c) Has been guilty of a fraudulent act in connection
8 | with rendering investment advice or in connection with any
9 | sale of securities, has been or is engaged or is about to
10 | engage in making fictitious or pretended sales or purchases of
11 | any such securities or in any practice involving the rendering
12 | of investment advice or the sale of securities which is
13 | fraudulent or in violation of the law;

14 | (d) Has made a misrepresentation or false statement
15 | to, or concealed any essential or material fact from, any
16 | person in the rendering of investment advice or the sale of a
17 | security to such person;

18 | (e) Has failed to account to persons interested for
19 | all money and property received;

20 | (f) Has not delivered, after a reasonable time, to
21 | persons entitled thereto securities held or agreed to be
22 | delivered by the dealer, broker, or investment adviser, as and
23 | when paid for, and due to be delivered;

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

27 | (h) Has demonstrated unworthiness to transact the
28 | business of dealer, investment adviser, or associated person;

29 | (i) Has exercised management or policy control over or
30 | owned 10 percent or more of the securities of any dealer or
31 | investment adviser that has been declared bankrupt, or had a

1 trustee appointed under the Securities Investor Protection
2 Act; or is, in the case of a dealer or investment adviser,
3 insolvent;

4 (j) Has been convicted of, or has entered a plea of
5 guilty or nolo contendere to, a crime against the laws of this
6 state or any other state or of the United States or of any
7 other country or government which relates to registration as a
8 dealer, investment adviser, issuer of securities, associated
9 person, or branch office; which relates to the application for
10 such registration; or which involves moral turpitude or
11 fraudulent or dishonest dealing;

12 (k) Has had a final judgment entered against her or
13 him in a civil action upon grounds of fraud, embezzlement,
14 misrepresentation, or deceit;

15 (l) Is of bad business repute; ~~or~~

16 (m) Has been the subject of any decision, finding,
17 injunction, suspension, prohibition, revocation, denial,
18 judgment, or administrative order by any court of competent
19 jurisdiction, administrative law judge, or by any state or
20 federal agency, national securities, commodities, or option
21 exchange, or national securities, commodities, or option
22 association, involving a violation of any federal or state
23 securities or commodities law or any rule or regulation
24 promulgated thereunder, or any rule or regulation of any
25 national securities, commodities, or options exchange or
26 national securities, commodities, or options association, or
27 has been the subject of any injunction or adverse
28 administrative order by a state or federal agency regulating
29 banking, insurance, finance or small loan companies, real
30 estate, mortgage brokers, or other related or similar
31 industries. For purposes of this subsection, the office may

1 | not deny registration to any applicant who has been
2 | continuously registered with the office for 5 years from the
3 | entry of such decision, finding, injunction, suspension,
4 | prohibition, revocation, denial, judgment, or administrative
5 | order provided such decision, finding, injunction, suspension,
6 | prohibition, revocation, denial, judgment, or administrative
7 | order has been timely reported to the office pursuant to the
8 | commission's rules; ~~or-~~

9 | (n) Made payment to the office for a license or permit
10 | with a check or electronic transmission of funds which is
11 | dishonored by the applicant's or registrant's financial
12 | institution.

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

15 | 520.03 Licenses.--

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

29 | (3) The nonrefundable renewal fee for a motor vehicle
30 | retail installment seller license shall be \$175. The
31 | commission shall establish by rule biennial licensure periods

1 and procedures for renewal of licenses. A license that is not
2 renewed by the end of the biennium established by the
3 commission shall revert from active to inactive status. An
4 inactive license may be reactivated within 6 months after
5 becoming inactive upon filing a completed reactivation form,
6 payment of the nonrefundable renewal fee, and payment of a
7 nonrefundable reactivation fee equal to the renewal fee. A
8 license that is not reactivated within 6 months after becoming
9 inactive automatically expires.

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

12 520.32 Licenses.--

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

25 (3) The nonrefundable renewal fee for a retail seller
26 license shall be \$175. Biennial licensure periods and
27 procedures for renewal of licenses may also be established by
28 the commission by rule. A license that is not renewed at the
29 end of the biennium established by the commission shall revert
30 from active to inactive status. An inactive license may be
31 reactivated within 6 months after becoming inactive upon

1 filing a completed reactivation form, payment of the
2 nonrefundable renewal fee, and payment of a reactivation fee
3 equal to the nonrefundable renewal fee. A license that is not
4 reactivated within 6 months after becoming inactive
5 automatically expires.

6 Section 34. Subsections (2) and (3) of section 520.52,
7 Florida Statutes, are amended to read:

8 520.52 Licensees.--

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

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

1 reactivated within 6 months after becoming inactive
2 automatically expires.

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

5 520.63 Licensees.--

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

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

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

1 520.994 Powers of office.--

2 (5) The office shall administer and enforce this
3 chapter. The commission has authority to adopt rules pursuant
4 to ss. 120.536(1) and 120.54 to implement the provisions of
5 this chapter. The commission may adopt rules to require ~~allow~~
6 electronic submission of any form, document, or fee required
7 by this chapter if such rules reasonably accommodate
8 technological or financial hardship. The commission may
9 prescribe by rule requirements and procedures for obtaining an
10 exemption due to a technological or financial hardship.

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

13 520.995 Grounds for disciplinary action.--

14 (1) The following acts are violations of this chapter
15 and constitute grounds for the disciplinary actions specified
16 in subsection (2):

17 (k) Payment to the office for a license or permit with
18 a check or electronic transmission of funds which is
19 dishonored by the applicant's or licensee's financial
20 institution.

21 Section 38. Subsection (4) of section 520.997, Florida
22 Statutes, is amended to read:

23 520.997 Books, accounts, and records.--

24 (4) The commission may prescribe by rule the minimum
25 information to be shown in the books, accounts, documents, and
26 records of licensees so that such records will enable the
27 office to determine compliance with ~~the provisions of this~~
28 chapter. In addition, the commission may prescribe by rule the
29 requirements for destruction of books, accounts, records, and
30 documents retained by the licensee after completion of the
31 time period specified in subsection (3). Notwithstanding the

1 2-year retention period specified in subsection (3), if the
2 office identifies a statute of limitations in another civil or
3 criminal state or federal law or rule which statute of
4 limitations is reasonably related by subject matter to the
5 administration of this chapter, the commission may identify
6 that statute of limitations by rule and may prohibit the
7 destruction of records required to be maintained by this
8 chapter for a period of time, established by rule, which is
9 reasonably related to such statute of limitations. The
10 commission shall prescribe by rule those documents or records
11 that are to be preserved under the identified statute of
12 limitations.

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

15 537.009 Recordkeeping; reporting; safekeeping of
16 property.--

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

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

7 Section 40. Subsection (3) is added to section
8 560.105, Florida Statutes, to read:

9 560.105 Supervisory powers; rulemaking.--

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

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

18 560.114 Disciplinary actions.--

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

27 (y) Payment to the office for a license or permit with
28 a check or electronic transmission of funds which is
29 dishonored by the applicant's or licensee's financial
30 institution.

31

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

3 560.118 Examinations, reports, and internal audits;
4 penalty.--

5 (2)

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

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

22 560.121 Records; limited restrictions upon public
23 access.--

24 (2) The commission may prescribe by rule the minimum
25 information that must be shown in the books, accounts,
26 records, and documents of licensees for purposes of enabling
27 the office to determine the licensee's compliance with ss.
28 560.101-560.408. In addition, the commission may prescribe by
29 rule the requirements for destruction of books, accounts,
30 records, and documents retained by the licensee after
31 completion of the time period specified in this subsection.

1 Notwithstanding the 3-year retention period specified in this
2 subsection, if the office identifies a statute of limitations
3 in another civil or criminal state or federal law or rule
4 which statute of limitations is reasonably related by subject
5 matter to the administration of this chapter, the commission
6 may identify that statute of limitations by rule and may
7 prohibit the destruction of records required to be maintained
8 by this chapter for a period of time, established by rule,
9 which is reasonably related to such statute of limitations.
10 The commission shall prescribe by rule those documents or
11 records that are to be preserved under the identified statute
12 of limitations. Examination reports, investigatory records,
13 applications, and related information compiled by the office,
14 or photographic copies thereof, shall be retained by the
15 office for a period of at least 3 years following the date
16 that the examination or investigation ceases to be active.
17 Application records, and related information compiled by the
18 office, or photographic copies thereof, shall be retained by
19 the office for a period of at least 2 years following the date
20 that the registration ceases to be active.

21 Section 44. Section 560.126, Florida Statutes, is
22 amended to read:

23 560.126 Significant events; notice required.--

24 (1) Unless exempted by the office, every money
25 transmitter must provide the office with a written notice
26 within 30 ~~15~~ days after the occurrence or knowledge of,
27 whichever period of time is greater, any of the following
28 events:

29 (a)~~(1)~~ The filing of a petition under the United
30 States Bankruptcy Code for bankruptcy or reorganization by the
31 money transmitter.

1 ~~(b)(2)~~ The commencement of any registration suspension
2 or revocation proceeding, either administrative or judicial,
3 or the denial of any original registration request or a
4 registration renewal, by any state, the District of Columbia,
5 any United States territory, or any foreign country, in which
6 the money transmitter operates or plans to operate or has
7 registered to operate.

8 ~~(c)(3)~~ A felony indictment relating to the money
9 transmission business involving the money transmitter or a
10 money transmitter-affiliated party of the money transmitter.

11 ~~(d)(4)~~ The felony conviction, guilty plea, or plea of
12 nolo contendere, if the court adjudicates the nolo contendere
13 pleader guilty, or the adjudication of guilt of a money
14 transmitter or money transmitter-affiliated party.

15 ~~(e)(5)~~ The interruption of any corporate surety bond
16 required by the code.

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

20
21 ~~However, a person does not incur liability no liability shall~~
22 ~~be incurred by any person~~ as a result of making a good-faith
23 ~~good faith~~ effort to fulfill this disclosure requirement.

24 ~~(2)~~ If the information contained in any registration
25 application or any amendment thereto has changed, the
26 registrant shall, within 30 days after the change occurs, file
27 an amendment correcting the information on forms prescribed by
28 the commission.

29 Section 45. Section 560.205, Florida Statutes, is
30 amended to read:

31

1 560.205 Qualifications of applicant for registration;
2 contents.--

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

1 under this section, the office may contract with another state
2 agency that provides fingerprinting services. The office shall
3 submit the fingerprints to the Department of Law Enforcement
4 for state processing, and the Department of Law Enforcement
5 shall forward them to the Federal Bureau of Investigation for
6 national processing. The cost of the fingerprint processing
7 may be borne by the office, the employer, or the person who is
8 subject to the background check. The Department of Law
9 Enforcement shall bill the office for the fingerprints
10 submitted each month. The office shall screen the results of
11 the background check to determine whether the applicant meets
12 licensure requirements. Such fingerprints must be submitted to
13 the Department of Law Enforcement or the Federal Bureau of
14 Investigation for state and federal processing. The commission
15 may waive by rule the requirement that applicants file a set
16 of fingerprints or the requirement that such fingerprints be
17 processed by the Department of Law Enforcement or the Federal
18 Bureau of Investigation.

19 (2) Each application for registration must be
20 submitted under oath to the office on such forms as the
21 commission prescribes by rule and must be accompanied by a
22 nonrefundable application fee. The commission may establish by
23 rule procedures for depositing fees and filing documents by
24 electronic means. Such fee may not exceed \$500 for each
25 payment instrument seller or funds transmitter and \$50 for
26 each authorized vendor or location operating within this
27 state. The application must contain ~~forms shall set forth~~ such
28 information as the commission ~~reasonably~~ requires by rule,
29 including, but not limited to:

30
31

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

4 (b) The history of the applicant's material
5 litigation, criminal convictions, pleas of nolo contendere,
6 and cases of adjudication withheld.

7 (c) A description of the activities conducted by the
8 applicant, the applicant's history of operations, and the
9 business activities in which the applicant seeks to engage in
10 this state.

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

15 ~~(d)(e)~~ (e) A sample authorized vendor contract, if
16 applicable.

17 ~~(e)(f)~~ (f) A sample form of payment instrument, if
18 applicable.

19 ~~(f)(g)~~ (g) The name and address of the clearing financial
20 institution or financial institutions through which the
21 applicant's payment instruments will be drawn or through which
22 such payment instruments will be payable.

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

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

30 (a) The date of the applicant's incorporation and
31 state of incorporation.

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

3 (c) A description of the corporate structure of the
4 applicant, including the identity of any parent or subsidiary
5 of the applicant, and the disclosure of whether any parent or
6 subsidiary is publicly traded on any stock exchange.

7 (d) The name, business and residence addresses, and
8 employment history for the past 5 years for each executive
9 officer, each director, each controlling shareholder, and the
10 responsible person who will be in charge of all the
11 applicant's business activities in this state.

12 (e) The history of material litigation and criminal
13 convictions, pleas of nolo contendere, and cases of
14 adjudication withheld for each ~~executive~~ officer, each
15 director, each controlling shareholder, and the responsible
16 person who will be in charge of the applicant's registered
17 activities.

18 (f) Copies of the applicant's audited financial
19 statements for the current year and, if available, for the
20 immediately preceding 2-year period. In cases where the
21 applicant is a wholly owned subsidiary of another corporation,
22 the parent's consolidated audited financial statements may be
23 submitted to satisfy this requirement. An applicant who is not
24 required to file audited financial statements may satisfy this
25 requirement by filing unaudited financial statements verified
26 under penalty of perjury, as provided by the commission by
27 rule.

28 (g) An applicant who is not required to file audited
29 financial statements may file copies of the applicant's
30 unconsolidated, unaudited financial statements for the current
31

1 year and, if available, for the immediately preceding 2-year
2 period.

3 (h) If the applicant is a publicly traded company,
4 copies of all filings made by the applicant with the United
5 States Securities and Exchange Commission, or with a similar
6 regulator in a country other than the United States, within
7 the year preceding the date of filing of the application.

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

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

14 (b) The name, business and residence addresses,
15 personal financial statement_s, and employment history for the
16 past 5 years for each individual having a controlling
17 ownership interest in the applicant, and each responsible
18 person who will be in charge of the applicant's registered
19 activities.

20 (c) The history of material litigation and criminal
21 convictions, pleas of nolo contendere, and cases of
22 adjudication withheld for each individual having a controlling
23 ownership interest in the applicant and each responsible
24 person who will be in charge of the applicant's registered
25 activities.

26 (d) Copies of the applicant's audited financial
27 statements for the current year, and, if available, for the
28 preceding 2 years. An applicant who is not required to file
29 audited financial statements may satisfy this requirement by
30 filing unaudited financial statements verified under penalty
31 of perjury, as provided by the commission by rule.

1 (6) Changes in registration occasioned by changes in
2 personnel of a partnership or in the principals, members,
3 partners, officers, directors, controlling shareholders, or
4 responsible persons of a money transmitter or by changes of
5 any material fact or method of doing business shall be
6 reported by written amendment in such form and at such time as
7 the commission specifies by rule.

8 Section 46. Section 560.207, Florida Statutes, is
9 amended to read:

10 560.207 Renewal of registration; registration fee.--

11 (1) Registration may be renewed for a 24-month period
12 or the remainder of any such period without proration
13 following the date of its expiration by furnishing such
14 information as the commission requires by rule, together with
15 the payment of the fees required under subsections (2), (3),
16 and (4), upon the filing with the office of an application and
17 other statements and documents as may reasonably be required
18 of registrants by the commission. The commission may establish
19 by rule procedures for depositing fees and filing documents by
20 electronic means. However, the registrant must remain
21 qualified for such registration under the provisions of this
22 part.

23 (2) Each application for renewal of All registration
24 must renewal applications shall be accompanied by a
25 nonrefundable renewal fee not to exceed \$1,000. A registration
26 expires on April 30 of the year in which the existing
27 registration expires, unless the registrant has renewed its
28 registration on or before that date. All renewal applications
29 must be filed on or after January 1 of the year in which the
30 existing registration expires, but before the expiration date
31 of April 30. If the renewal application is filed prior to the

1 ~~expiration date of an existing registration, no late fee shall~~
2 ~~be paid in connection with such renewal application. If the~~
3 ~~renewal application is filed within 60 calendar days after the~~
4 ~~expiration date of an existing registration, then, in addition~~
5 ~~to the \$1,000 renewal fee, the renewal application shall be~~
6 ~~accompanied by a nonrefundable late fee of \$500. If the~~
7 ~~registrant has not filed a renewal application within 60~~
8 ~~calendar days after the expiration date of an existing~~
9 ~~registration, a new application shall be filed with the office~~
10 ~~pursuant to s. 560.205.~~

11 (3) In addition to the renewal fee required under
12 subsection (2), each registrant must pay ~~Every registration~~
13 ~~renewal application shall also include~~ a 2-year nonrefundable
14 registration renewal fee of \$50 for each authorized vendor or
15 location operating within this state or, at the option of the
16 registrant, a total 2-year nonrefundable renewal fee of
17 \$20,000 may be paid to renew the registration of all such
18 locations currently registered at the time of renewal.

19 (4) A registration may be reinstated only if the
20 renewal fee and a nonrefundable late fee of \$500 are filed
21 within 60 calendar days after the expiration of the existing
22 registration. The office must grant a reinstatement of
23 registration for which application is filed during the 60
24 calendar days, and the reinstatement is effective upon receipt
25 of the required fees and any information that the commission
26 requires by rule. If the registrant has not filed application
27 for reinstatement of the registration within the 60 calendar
28 days after the expiration of an existing registration, the
29 registration expires, and a new application must be filed with
30 the office pursuant to s. 560.205.

31

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

3 560.210 Permissible investments.--

4 (1) A registrant shall at all times possess
5 permissible investments with an aggregate market value
6 calculated in accordance with United States generally accepted
7 accounting principles of not less than the aggregate face
8 amount of all outstanding funds transmissions transmitted and
9 ~~outstanding~~ payment instruments issued or sold by the
10 registrant or an authorized vendor in the United States.

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

13 560.211 Records.--

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

22 Section 49. Section 560.305, Florida Statutes, is
23 amended to read:

24 560.305 Application.--Each application for

25 registration must shall be in writing and under oath to the
26 office, in such form as the commission prescribes. The
27 commission may establish by rule procedures for depositing
28 fees and filing documents by electronic means. The application
29 must contain such information as the commission requires by
30 rule, including, but not limited to shall include the
31 following:

1 (1) The legal name and residence and business
2 addresses of the applicant if the applicant is a natural
3 person, or, if the applicant is a partnership, association, or
4 corporation, the name of every partner, officer, or director
5 thereof.

6 (2) The location of the principal office of the
7 applicant.

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

12 (4) Such other information as the commission or office
13 reasonably requires with respect to the applicant or any money
14 transmitter-affiliated party of the applicant; however, the
15 commission or office may not require more information than is
16 specified in part II.

17 Section 50. Subsections (1) and (4) of section
18 560.306, Florida Statutes, are amended, and subsection (6) is
19 added to that section, to read:

20 560.306 Standards.--

21 (1) In order to qualify for registration under this
22 part, an applicant must demonstrate to the office that he or
23 she has such character and general fitness as will command the
24 confidence of the public and warrant the belief that the
25 registered business will be operated lawfully and fairly. The
26 office may investigate each applicant to ascertain whether the
27 qualifications and requirements prescribed by this part have
28 been met. The office's investigation may include a criminal
29 background investigation of all controlling shareholders,
30 principals, officers, directors, members, and responsible
31 persons of a check casher and a foreign currency exchanger and

1 | all persons designated by a foreign currency exchanger or
2 | check casher as an authorized vendor. Each controlling
3 | shareholder, principal, officer, director, member, and
4 | responsible person of a check casher or foreign currency
5 | exchanger, unless the applicant is a publicly traded
6 | corporation as defined by the commission by rule ~~if the~~
7 | ~~fingerprint card is submitted to the office in paper form as~~
8 | ~~defined by the commission by rule~~, a subsidiary thereof, or a
9 | subsidiary of a bank or bank holding company organized and
10 | regulated under the laws of any state or the United States,
11 | shall file a complete set of fingerprints. A fingerprint card
12 | submitted to the office must be taken by an authorized law
13 | enforcement agency if the fingerprint card is submitted to the
14 | office in paper form ~~officer~~. In addition to the fees
15 | prescribed in s. 215.405, the commission may prescribe by rule
16 | an additional fee, not to exceed \$30, for processing the
17 | fingerprints. The commission may prescribe by rule procedures
18 | for submitting fingerprints and fees by electronic means to
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 another state agency
22 | that provides fingerprinting services. The office shall submit
23 | the fingerprints to the Department of Law Enforcement for
24 | state processing, and the Department of Law Enforcement shall
25 | forward them to the Federal Bureau of Investigation for
26 | national processing. The cost of the fingerprint processing
27 | may be borne by the office, the employer, or the person who is
28 | subject to the background check. The Department of Law
29 | Enforcement shall bill the office for the fingerprints
30 | submitted each month. The office shall screen the results of
31 | the background check to determine whether the applicant meets

1 licensure requirements. Such fingerprints must be submitted to
2 the Department of Law Enforcement or the Federal Bureau of
3 Investigation for state and federal processing. The commission
4 may waive by rule the requirement that applicants file a set
5 of fingerprints or the requirement that such fingerprints be
6 processed by the Department of Law Enforcement or the Federal
7 Bureau of Investigation.

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

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

26 Section 51. Section 560.308, Florida Statutes, is
27 amended to read:

28 560.308 Registration terms; renewal; renewal fees.--

29 (1) Registration may be renewed for a 24-month period
30 or the remainder of any such period without proration
31 following the date of its expiration, by furnishing such

1 information as the commission requires by rule, together with
2 the payment of the fees required under subsections (2), (3),
3 and (4). The commission may establish by rule procedures for
4 depositing fees and filing documents by electronic means.

5 ~~Registration pursuant to this part shall remain effective~~
6 ~~through the remainder of the second calendar year following~~
7 ~~its date of issuance unless during such calendar year the~~
8 ~~registration is surrendered, suspended, or revoked.~~

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

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

26 (4) ~~Registration that is not renewed on or before the~~
27 ~~expiration date of the registration period automatically~~
28 ~~expires. A renewal application and fee, and a nonrefundable~~
29 ~~late fee of \$250, must be filed within 60 calendar days after~~
30 ~~the expiration of an existing registration in order for the~~
31 ~~registration to be reinstated. The office must grant a~~

1 reinstatement of registration for which application is filed
2 during the 60 calendar days, and the reinstatement is
3 effective upon receipt of the required fees and any
4 information that the commission requires by rule. If the
5 registrant has not filed an a-renewal application for
6 reinstatement within 60 calendar days after the expiration
7 date of an existing registration, the registration expires and
8 a new application must be filed with the office pursuant to s.
9 560.307.

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

12 560.310 Records of check cashers and foreign currency
13 exchangers.--

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

22 Section 53. Subsections (2) and (4) of section
23 560.403, Florida Statutes, are amended to read:

24 560.403 Requirements of registration; declaration of
25 intent.--

26 (2) A registrant under this part shall renew his or
27 her intent to engage in the business of deferred presentment
28 transactions or to act as a deferred presentment provider upon
29 renewing his or her registration under part II or part III and
30 shall do so by indicating his or her intent ~~on the renewal~~
31 ~~form and~~ by submitting a nonrefundable deferred presentment

1 provider renewal fee of \$1,000, in addition to any fees
2 required for renewal of registration under part II or part
3 III.

4 (4) The notice of intent of a registrant under this
5 part who fails to timely renew his or her intent to engage in
6 the business of deferred presentment transactions or to act as
7 a deferred presentment provider on or before the expiration
8 date of the registration period automatically expires. A
9 renewal ~~declaration of intent and fee~~, and a nonrefundable
10 late fee of \$500~~7~~ must be filed within 60 calendar days after
11 the expiration of an existing registration in order for the
12 declaration of intent to be reinstated. The office must grant
13 a reinstatement of a notice of intent for which application is
14 filed during the 60 calendar days, and the reinstatement is
15 effective upon receipt of the required fees and any
16 information that the commission requires by rule. If the
17 registrant has not filed a reinstatement of a renewal
18 declaration of intent within 60 calendar days after the
19 expiration date of an existing registration, the notice of
20 intent expires and a new declaration of intent must be filed
21 with the office.

22 Section 54. This act shall take effect October 1,
23 2005.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
CS for SB 304

CS for CS for SB 304 removes the authority given an unnamed third party to process the expanded fingerprinting requirements contained in the bill. That responsibility will reside in public agencies only. In designated sections the public agency specified is the Florida Department of Law Enforcement. A principal representative of a mortgage broker will satisfy additional education requirements if the representative holds an active mortgage license. The bill reinstates current law on the standard of neglect when a mortgage lender fails to discharge its duties in payment of a property owner's premium or tax.