

1                   A bill to be entitled  
2           An act relating to financial entities and transactions;  
3           amending s. 494.0011, F.S.; authorizing the Financial  
4           Services Commission to require electronic submission of  
5           forms, documents, or fees; providing for accommodating a  
6           technological or financial hardship; authorizing the  
7           commission to adopt rules relating to obtaining such an  
8           accommodation; providing a requirement for granting or  
9           denying a license; amending s. 494.0016, F.S.; authorizing  
10          the commission to prescribe requirements for destroying  
11          books, accounts, records, and documents; authorizing the  
12          commission to recognize alternative statutes of limitation  
13          for such destruction; providing for procedures; amending  
14          s. 494.0029, F.S.; specifying criteria for receipt of  
15          certain applications; specifying that certain permits are  
16          not transferable or assignable; amending s. 494.00295,  
17          F.S.; revising provisions to specify continuing education  
18          for certain professions; amending s. 494.003, F.S.;  
19          clarifying application of an exemption from application of  
20          specified mortgage broker licensure requirements to  
21          certain entities; amending s. 494.0031, F.S.; requiring  
22          licensure of mortgage brokerage businesses; specifying  
23          criteria for receipt of applications; authorizing the  
24          commission or the Office of Financial Regulation to  
25          require specified information from certain applicants;  
26          revising certain fingerprinting requirements; authorizing  
27          the commission to prescribe fees and procedures for  
28          processing fingerprints; authorizing the office to

29 contract for fingerprinting services; specifying that  
30 certain licenses are not transferable or assignable;  
31 amending s. 494.0033, F.S.; clarifying requirements for  
32 mortgage broker licensure; authorizing the commission to  
33 waive certain examination requirements under specified  
34 circumstances; authorizing the commission to prescribe  
35 additional testing fees; revising fingerprinting  
36 requirements; authorizing the commission to prescribe fees  
37 and procedures for processing fingerprints; authorizing  
38 the office to contract for certain fingerprinting  
39 services; specifying criteria for receipt of applications;  
40 deleting provisions relating to cancellation and  
41 reinstatement of licenses; amending s. 494.0034, F.S.;  
42 clarifying the commission's authorization to prescribe  
43 license renewal forms; amending s. 494.0036, F.S.;  
44 clarifying provisions relating to issuance of licenses to  
45 mortgage brokerage business branch offices; specifying  
46 criteria for receipt of certain applications; amending s.  
47 494.004, F.S.; conforming cross references; amending s.  
48 494.0041, F.S.; specifying an additional ground for  
49 disciplinary action; amending s. 494.006, F.S.; clarifying  
50 the application of an exemption from mortgage lender  
51 licensure requirements to certain entities; amending s.  
52 494.0061, F.S.; requiring licensure of mortgage lenders;  
53 specifying criteria for receipt of applications; revising  
54 fingerprinting requirements; authorizing the commission to  
55 prescribe fees and procedures for processing fingerprints;  
56 authorizing the office to contract for certain

57 |       fingerprinting services; deleting certain provisions  
58 |       relating to cancellation and reinstatement of licenses;  
59 |       authorizing the commission to waive specified examination  
60 |       requirements under certain circumstances; authorizing the  
61 |       commission to prescribe additional testing fees; amending  
62 |       s. 494.0062, F.S.; requiring licensure of correspondent  
63 |       mortgage lenders; specifying criteria for receipt of  
64 |       applications; authorizing the office to require applicants  
65 |       to provide certain information; revising fingerprinting  
66 |       requirements; authorizing the commission to prescribe fees  
67 |       and procedures for processing fingerprints; authorizing  
68 |       the office to contract for certain fingerprinting  
69 |       services; deleting certain provisions relating to  
70 |       cancellation and reinstatement of licenses; authorizing  
71 |       the commission to waive specified examination requirements  
72 |       under certain circumstances; authorizing the commission to  
73 |       prescribe additional testing fees; requiring notice of a  
74 |       change in principal representatives; providing educational  
75 |       requirements for principal representatives; amending s.  
76 |       494.0064, F.S.; clarifying a reference to professional  
77 |       continuing education for certain licensees; amending s.  
78 |       494.0065, F.S.; specifying criteria for receipt of  
79 |       applications; specifying education and testing  
80 |       requirements for certain principal representatives and for  
81 |       certain applications or transfer applications; authorizing  
82 |       the commission to waive specified examination requirements  
83 |       under certain circumstances; authorizing the commission to  
84 |       prescribe additional testing fees; increasing a license

85 transfer fee; revising fingerprinting requirements;  
86 authorizing the commission to prescribe fees and  
87 procedures for processing fingerprints; authorizing the  
88 office to contract for certain fingerprinting services;  
89 requiring mortgage lenders to designate a principal  
90 representative; providing criteria and requirements;  
91 requiring notice of a change in principal representatives;  
92 amending s. 494.0066, F.S.; clarifying licensure  
93 requirements for branch offices; amending s. 494.0067,  
94 F.S.; clarifying reference to professional continuing  
95 education requirements; amending s. 494.0072, F.S.;  
96 providing an additional ground for disciplinary action;  
97 amending s. 494.00721, F.S.; correcting cross-references;  
98 amending s. 516.03, F.S.; specifying criteria for receipt  
99 of certain applications; providing that specified fees are  
100 nonrefundable; authorizing the commission to require  
101 electronic submission of forms, documents, or fees;  
102 providing for accommodating a technological or financial  
103 hardship; authorizing the commission to make rules  
104 relating to obtaining such an accommodation; amending s.  
105 516.05, F.S.; deleting provisions relating to fees for  
106 licenses that have been denied; amending s. 516.07, F.S.;  
107 providing an additional ground for disciplinary action;  
108 amending s. 516.12, F.S.; authorizing the commission to  
109 prescribe minimum information that must be shown in a  
110 licensee's books, accounts, records, and documents;  
111 authorizing the commission to prescribe requirements for  
112 destroying books, accounts, records, and documents;

113 authorizing the commission to recognize alternative  
114 statutes of limitation for such destruction; providing for  
115 procedures; amending s. 517.061, F.S.; revising provisions  
116 related to exempt transactions; amending ss. 517.051,  
117 517.081, F.S.; revising standards for accounting  
118 principles to be used in preparing certain financial  
119 statements; amending s. 517.12, F.S.; revising provisions  
120 for taking and submitting fingerprints of dealers,  
121 associated persons, and similarly situated persons;  
122 revising provisions relating to expiration and renewal of  
123 registration of such persons; providing an exemption from  
124 registration requirements for a Canadian dealer and an  
125 associated person who represents a Canadian dealer, under  
126 certain conditions; providing for notice filing by a  
127 Canadian dealer under certain conditions; authorizing the  
128 Office of Financial Regulation of the Financial Services  
129 Commission to issue a permit to evidence the effectiveness  
130 of a notice filing for a Canadian dealer; providing for  
131 the renewal of a notice filing by a Canadian dealer;  
132 providing for reinstatement of a notice filing; providing  
133 obligations for a Canadian dealer who has given notice of  
134 filing; providing obligations for an associated person  
135 representing a Canadian dealer who has given notice of  
136 filing; providing for the termination of a notice of  
137 filing; providing for the collection of fees; amending s.  
138 517.131, F.S.; revising conditions under which recovery  
139 can be made from the Securities Guaranty Fund; amending s.  
140 517.141, F.S.; prescribing circumstances under which a

141 claimant must reimburse the fund; providing for  
142 rulemaking; amending s. 517.161, F.S.; providing an  
143 additional ground for revocation, restriction, or  
144 suspension of a registration; amending ss. 520.03, 520.32,  
145 520.52, and 520.63, F.S.; specifying criteria for receipt  
146 of certain applications; providing that certain fees are  
147 nonrefundable; amending s. 520.994, F.S.; authorizing the  
148 commission to require electronic submission of forms,  
149 documents, or fees; providing for accommodating a  
150 technological or financial hardship; providing for  
151 rulemaking; amending s. 520.995, F.S.; providing an  
152 additional ground for disciplinary action; amending ss.  
153 520.997 and 537.009, F.S.; authorizing the commission to  
154 prescribe certain minimum information that must be shown  
155 in a licensee's books, accounts, records, and documents;  
156 authorizing the commission to prescribe requirements for  
157 destroying books, accounts, records, and documents;  
158 authorizing the commission to recognize alternative  
159 statutes of limitation for such destruction; providing for  
160 procedures; amending ss. 560.105 and 560.118, F.S.;  
161 authorizing the commission to require electronic  
162 submission of forms, documents, or fees; providing for  
163 accommodating a technological or financial hardship;  
164 amending s. 560.114, F.S.; providing an additional ground  
165 for disciplinary action; amending s. 560.121, F.S.;  
166 authorizing the commission to prescribe certain minimum  
167 information that must be shown in a licensee's books,  
168 accounts, records, and documents; authorizing the

169 commission to prescribe requirements for destroying books,  
170 accounts, records, and documents; authorizing the  
171 commission to recognize alternative statutes of limitation  
172 for such destruction; providing for procedures; decreasing  
173 the required time period for the office to retain certain  
174 reports, records, applications, and related information;  
175 amending s. 560.126, F.S.; requiring notice of changes in  
176 information contained in a registration application;  
177 amending s. 560.205, F.S.; revising fingerprinting  
178 requirements; authorizing the commission to prescribe fees  
179 and procedures for processing fingerprints; authorizing  
180 the office to contract for certain fingerprinting  
181 services; authorizing the commission to establish  
182 procedures for depositing fees and filing documents  
183 electronically; deleting a requirement that an applicant  
184 provide a list of certain vendors; requiring the reporting  
185 of certain changes of registration by written amendment;  
186 amending s. 560.207, F.S.; authorizing the commission to  
187 establish procedures for depositing fees and filing  
188 documents electronically; revising procedures for renewing  
189 a registration; providing that specified fees are  
190 nonrefundable; providing conditions to the reinstatement  
191 of a registration; amending s. 560.210, F.S.; revising  
192 permissible investment requirements for certain  
193 registrants; specifying in general that accounting  
194 principles are those generally accepted in the United  
195 States; amending ss. 560.211 and 560.310, F.S.; requiring  
196 notice to the office of the location of certain amended

197 records; amending ss. 560.305 and 560.308, F.S.; revising  
198 procedures for renewing a registration; providing that  
199 specified fees are nonrefundable; providing conditions to  
200 the reinstatement of a registration; authorizing the  
201 commission to establish procedures for depositing fees and  
202 filing documents electronically; amending s. 560.306,  
203 F.S.; revising certain fingerprinting requirements;  
204 authorizing the commission to prescribe fees and  
205 procedures for processing fingerprints; authorizing the  
206 office to contract for certain fingerprinting services;  
207 requiring the reporting of certain changes of registration  
208 by written amendment; specifying commission authority by  
209 rules; amending s. 560.403, F.S.; revising requirements  
210 for giving notice of intent in connection with the renewal  
211 of registration; providing that specified fees are  
212 nonrefundable; providing conditions to the reinstatement  
213 of a notice of intent; creating s. 626.565, F.S.;  
214 requiring an agent of the Department of Financial Services  
215 or Office of Insurance Regulation to dispose of records  
216 containing personal financial or health information  
217 concerning certain persons after the retention requirement  
218 has been met; requiring such disposition to protect the  
219 confidentiality of personal financial or health  
220 information; authorizing the Department of Financial  
221 Services or the Financial Services Commission to adopt  
222 rules for the disposition of personal financial or health  
223 information; providing severability; providing an  
224 effective date.



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

Section 1. Subsection (2) of section 494.0011, Florida Statutes, is amended, and subsection (6) is added to said section, to read:

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

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

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

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

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

(4) The commission may prescribe by rule the minimum information to be shown in the books, accounts, records, and documents of licensees so that such records will enable the office to determine the licensee's compliance with ss. 494.001-

253 494.0077. In addition, the commission may prescribe by rule the  
 254 requirements for destruction of books, accounts, records, and  
 255 documents retained by the licensee after completion of the time  
 256 period indicated in subsection (3). Notwithstanding the 3-year  
 257 retention period provided in subsection (3), if the office  
 258 identifies a statute of limitations in a federal law or rule or  
 259 another law or rule of this state which statute of limitations  
 260 is reasonably related by subject matter to the administration of  
 261 this chapter, the commission may identify that statute of  
 262 limitations by rule and may prohibit the destruction of records  
 263 required to be maintained by this chapter for a period of time,  
 264 established by rule, which is reasonably related to such statute  
 265 of limitations. The commission shall prescribe by rule those  
 266 documents or records that are to be preserved under the  
 267 identified statute of limitations.

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

270 494.0029 Mortgage business schools.--

271 (1)(a) Each person, school, or institution, except  
 272 accredited colleges, universities, community colleges, and  
 273 career centers in this state, which offers or conducts mortgage  
 274 business training as a condition precedent to licensure as a  
 275 mortgage broker, mortgage ~~or~~-lender, or a correspondent mortgage  
 276 lender shall obtain a permit from the office and abide by the  
 277 regulations imposed upon such person, school, or institution by  
 278 this chapter and rules adopted pursuant to this chapter. The  
 279 commission shall, by rule, recertify the permits annually with  
 280 initial and renewal permit fees that do not exceed \$500 plus the

281 cost of accreditation.

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

286 (c) A permit issued under this section is not transferable  
 287 or assignable.

288 (2) All such schools shall maintain curriculum and  
 289 training materials necessary to determine the school's  
 290 compliance with this chapter and rules adopted under ~~pursuant to~~  
 291 this chapter. Any school that offers or conducts mortgage  
 292 business training shall at all times maintain an operation of  
 293 training, materials, and curriculum which is open to review by  
 294 the office to determine compliance and competency as a mortgage  
 295 business school. All documents prescribed by commission rule  
 296 must be submitted with the initial application or  
 297 recertification.

298 Section 4. Section 494.00295, Florida Statutes, is amended  
 299 to read:

300 494.00295 Professional continuing education.--

301 (1) Each mortgage broker, mortgage lender, and  
 302 correspondent mortgage lender must certify to the office at the  
 303 time of renewal that during the 2 years prior to an application  
 304 for license renewal, all mortgage brokers, ~~and~~ the principal  
 305 representative, and loan originators, ~~and associates~~ of a  
 306 mortgage lender or correspondent mortgage lender have  
 307 successfully completed at least 14 hours of professional  
 308 continuing education programs covering primary and subordinate

309 mortgage financing transactions and the provisions of this  
 310 chapter. Licensees shall maintain records documenting compliance  
 311 with this subsection for a period of 4 years.

312 (2) Professional continuing education programs must  
 313 contribute directly to the professional competency of the  
 314 participants, may only be offered by permitted mortgage business  
 315 schools or entities specifically exempted from permitting as  
 316 mortgage business schools, and may include electronically  
 317 transmitted or distance education courses.

318 (3) The commission shall adopt rules necessary to  
 319 administer this section, including rules governing qualifying  
 320 hours for professional continuing education programs and  
 321 standards for electronically transmitted or distance education  
 322 courses, including course completion requirements.

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

326 494.003 Exemptions.--

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

329 (b) A state or federal chartered bank, ~~bank holding~~  
 330 ~~company~~, trust company, savings and loan association, savings  
 331 bank, or credit union, bank holding company regulated under the  
 332 laws of any state or the United States, or consumer finance  
 333 company licensed pursuant to chapter 516.

334 (c) A wholly owned bank holding company subsidiary formed  
 335 and regulated under the laws of any state or the United States  
 336 or a wholly owned savings and loan association holding company

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337 subsidiary that is approved or certified by the Department of  
 338 Housing and Urban Development, the Veterans Administration, the  
 339 Government National Mortgage Association, the Federal National  
 340 Mortgage Association, or the Federal Home Loan Mortgage  
 341 Corporation.

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

344 (e) A wholly owned subsidiary of a state or federal  
 345 chartered bank or savings and loan association the sole activity  
 346 of which is to distribute the lending programs of such state or  
 347 federal chartered bank or savings and loan association to  
 348 persons who arrange loans for, or make loans to, borrowers.

349 Section 6. Section 494.0031, Florida Statutes, is amended  
 350 to read:

351 494.0031 Licensure as a mortgage brokerage business.--

352 (1) Each person who acts as a mortgage brokerage business  
 353 must be licensed under this section.

354 (2)(1) The commission or office may require each applicant  
 355 for a mortgage brokerage business license to provide any  
 356 information reasonably necessary to determine the applicant's  
 357 eligibility for licensure. The office shall issue a mortgage  
 358 brokerage business license to each person who:

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

361 (b) Has a qualified principal broker pursuant to s.  
 362 494.0035.

363  
 364 An application is considered received for purposes of s. 120.60

365 upon receipt of a completed application form as prescribed by  
 366 commission rule, a nonrefundable application fee of \$425, and  
 367 any other fee prescribed by law.

368 ~~(3)(2)~~ The commission may require by rule that each  
 369 officer, director, and ultimate equitable owner of a 10-percent  
 370 or greater interest in the mortgage brokerage business submit a  
 371 complete set of fingerprints. A fingerprint card submitted to  
 372 the office must be taken by an authorized law enforcement  
 373 officer if the fingerprint card is submitted to the office in  
 374 paper form. In addition to the fees prescribed in s. 215.405,  
 375 the commission may prescribe by rule an additional fee, not to  
 376 exceed \$30, for processing the fingerprints. The commission may  
 377 prescribe by rule procedures for submitting fingerprints and  
 378 fees by electronic means to the office or to a third party  
 379 approved by the office. In order to implement the submission and  
 380 processing of fingerprints as specified by rule under this  
 381 section, the office may contract with a third party or another  
 382 state agency that provides fingerprinting services.

383 ~~(4)(3)~~ Notwithstanding ~~the provisions of~~ subsection (2)  
 384 ~~(1)~~, it is a ground for denial of licensure if the applicant;  
 385 designated principal mortgage broker; any officer, director,  
 386 partner, or joint venturer of the applicant; any natural person  
 387 owning a 10-percent or greater interest in the mortgage  
 388 brokerage business; or any natural person who is the ultimate  
 389 equitable owner of a 10-percent or greater interest in the  
 390 mortgage brokerage business has committed any violation  
 391 specified in ss. 494.001-494.0077 or has pending against him or  
 392 her in any jurisdiction any criminal prosecution or

393 administrative enforcement action that, ~~in any jurisdiction,~~  
 394 ~~which~~ involves fraud, dishonest dealing, or any other act of  
 395 moral turpitude.

396 (5)~~(4)~~ A mortgage brokerage business or branch office  
 397 license may be canceled if it was issued through mistake or  
 398 inadvertence of the office. A notice of cancellation must be  
 399 issued by the office within 90 days after the issuance of the  
 400 license. A notice of cancellation is ~~shall be~~ effective upon  
 401 receipt. The notice of cancellation must ~~shall~~ provide the  
 402 applicant with notification of the right to request a hearing  
 403 within 21 days after the applicant's receipt of the notice of  
 404 cancellation. A license must ~~shall~~ be reinstated if the  
 405 applicant can demonstrate that the requirements for obtaining  
 406 the license under ~~pursuant to~~ this chapter have been satisfied.

407 (6)~~(5)~~ A license issued under this part is not  
 408 transferable or assignable. ~~If an initial mortgage brokerage~~  
 409 ~~business or branch office license has been issued but the check~~  
 410 ~~upon which the license is based is returned due to insufficient~~  
 411 ~~funds, the license shall be deemed canceled. A license deemed~~  
 412 ~~canceled pursuant to this subsection shall be reinstated if the~~  
 413 ~~office receives a certified check for the appropriate amount~~  
 414 ~~within 30 days after the date the check was returned due to~~  
 415 ~~insufficient funds.~~

416 Section 7. Subsections (1), (2), and (7) of section  
 417 494.0033, Florida Statutes, are amended to read:

418 494.0033 Mortgage broker's license.--

419 (1) Each natural person who acts as a mortgage broker for  
 420 a mortgage brokerage business or acts as an associate for a

421 mortgage lender or correspondent mortgage lender must be  
 422 licensed under ~~pursuant to~~ this section. To act as a mortgage  
 423 broker, an individual must be an associate of a mortgage  
 424 brokerage business, mortgage lender, or correspondent mortgage  
 425 lender. A mortgage broker is prohibited from being an associate  
 426 of more than one mortgage brokerage business, mortgage lender,  
 427 or correspondent mortgage lender.

428 (2) Each initial application for a mortgage broker's  
 429 license must be in the form prescribed by rule of the  
 430 commission. The commission may require each applicant to provide  
 431 any information reasonably necessary to make a determination of  
 432 the applicant's eligibility for licensure. The office shall  
 433 issue an initial license to any natural person who:

434 (a) Is at least 18 years of age.†

435 (b) Has passed a written test adopted and administered by  
 436 the office, or has passed an electronic test adopted and  
 437 administered by the office or a third party approved by the  
 438 office, which is designed to determine competency in primary and  
 439 subordinate mortgage financing transactions as well as to test  
 440 knowledge of ss. 494.001-494.0077 and the rules adopted pursuant  
 441 thereto. The commission may prescribe by rule an additional fee  
 442 not to exceed \$100 for the electronic version of the mortgage  
 443 broker test. The commission may waive by rule the examination  
 444 requirement for any individual who has passed a comparable test  
 445 offered by a national group of state mortgage regulators or a  
 446 federal governmental agency which test covers primary and  
 447 subordinate mortgage financing transactions.†

448 (c) Has submitted a completed application and a



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449 nonrefundable application fee of \$200. An application is  
450 considered received for purposes of s. 120.60 upon receipt of a  
451 completed application form as prescribed by commission rule, a  
452 nonrefundable application fee of \$200, and any other fee  
453 prescribed by law. The commission may set by rule an additional  
454 fee for a retake of the examination; and

455 (d) ~~Has filed a complete set of fingerprints, taken by an~~  
456 ~~authorized law enforcement officer,~~ for submission by the office  
457 to the Department of Law Enforcement or the Federal Bureau of  
458 Investigation for processing. A fingerprint card submitted to  
459 the office must be taken by an authorized law enforcement  
460 officer if the fingerprint card is submitted to the office in  
461 paper form. In addition to the fees prescribed in s. 215.405,  
462 the commission may prescribe by rule additional fees, not to  
463 exceed \$30, for processing the fingerprints. The commission may  
464 prescribe by rule procedures for submitting fingerprints and  
465 fees by electronic means to the office or to a third party  
466 approved by the office. In order to implement the submission and  
467 processing of fingerprints as specified by rule under this  
468 section, the office may contract with a third party or another  
469 state agency that provides fingerprinting services.

470 ~~(7) If an initial mortgage broker license has been issued~~  
471 ~~but the check upon which the license is based is returned due to~~  
472 ~~insufficient funds, the license shall be deemed canceled. A~~  
473 ~~license deemed canceled pursuant to this subsection shall be~~  
474 ~~reinstated if the office receives a certified check for the~~  
475 ~~appropriate amount within 30 days after the date the check was~~  
476 ~~returned due to insufficient funds.~~

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

479 494.0034 Renewal of mortgage broker's license.--

480 (2) The commission shall adopt rules establishing a  
 481 procedure for the biennial renewal of mortgage broker's  
 482 licenses. The commission may prescribe the form of the renewal  
 483 ~~application~~ and may require an update of information since the  
 484 licensee's last renewal.

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

487 494.0036 Mortgage brokerage business branch offices.--

488 (2) The office shall issue a mortgage brokerage business  
 489 branch office license to a mortgage brokerage business licensee  
 490 after the office determines that the licensee has submitted ~~upon~~  
 491 ~~receipt of~~ a completed branch office application in a form as  
 492 prescribed by commission rule and payment of an initial  
 493 nonrefundable branch office license fee of \$225. Branch office  
 494 licenses must be renewed in conjunction with the renewal of the  
 495 mortgage brokerage business license. The branch office license  
 496 shall be issued in the name of the mortgage brokerage business  
 497 that maintains the branch office. An application is considered  
 498 received for purposes of s. 120.60 upon receipt of a completed  
 499 application form as prescribed by commission rule, a  
 500 nonrefundable application fee of \$225, and any other fee  
 501 prescribed by law.

502 Section 10. Subsections (1), (2), and (4) of section  
 503 494.004, Florida Statutes, are amended to read:

504 494.004 Requirements of licensees.--

505 (1) Each licensee under ss. 494.003-494.0043 shall report,  
 506 in writing, any conviction of, or plea of nolo contendere to,  
 507 regardless of adjudication, any crime or administrative  
 508 violation that involves fraud, dishonest dealing, or any other  
 509 act of moral turpitude, in any jurisdiction, by the licensee or  
 510 any natural person named in s. 494.0031~~(4)~~~~(3)~~, not later than 30  
 511 days after the date of conviction, entry of a plea of nolo  
 512 contendere, or final administrative action.

513 (2) Each licensee under ss. 494.003-494.0043 shall report,  
 514 in a form prescribed by rule of the commission, any conviction  
 515 of, or plea of nolo contendere to, regardless of whether  
 516 adjudication is withheld, any felony committed by the licensee  
 517 or any natural person named in s. 494.0031~~(4)~~~~(3)~~, not later than  
 518 30 days after the date of conviction or the date the plea of  
 519 nolo contendere is entered.

520 (4) Each licensee under ss. 494.003-494.0043 shall report  
 521 any change in the form of business organization or any change of  
 522 a person named, pursuant to s. 494.0031~~(4)~~~~(3)~~, to the office in  
 523 writing not later than 30 days after the change is effective.

524 Section 11. Paragraph (s) is added to subsection (2) of  
 525 section 494.0041, Florida Statutes, to read:

526 494.0041 Administrative penalties and fines; license  
 527 violations.--

528 (2) Each of the following acts constitutes a ground for  
 529 which the disciplinary actions specified in subsection (1) may  
 530 be taken:

531 (s) Payment to the office for a license or permit with a  
 532 check or electronic transmission of funds which fails to clear

533 the applicant's or licensee's financial institutions.

534 Section 12. Paragraphs (a) and (c) of subsection (1) and  
 535 paragraph (a) of subsection (2) of section 494.006, Florida  
 536 Statutes, are amended to read:

537 494.006 Exemptions.--

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

541 (a) A state or federal chartered bank, a bank holding  
 542 ~~company,~~ trust company, a savings and loan association, a  
 543 savings bank, or credit union, a bank holding company regulated  
 544 under the laws of any state or the United States, or an  
 545 insurance company if the insurance company is duly licensed in  
 546 this state.

547 (c) A wholly owned bank holding company subsidiary formed  
 548 and regulated under the laws of any state or the United States  
 549 or a wholly owned savings and loan association holding company  
 550 subsidiary that is approved or certified by the Department of  
 551 Housing and Urban Development, the Veterans Administration, the  
 552 Government National Mortgage Association, the Federal National  
 553 Mortgage Association, or the Federal Home Loan Mortgage  
 554 Corporation.

555 (2)(a) A natural person employed by a mortgage lender or  
 556 correspondent mortgage lender licensed under ss. 494.001-  
 557 494.0077 is exempt from the licensure requirements of ss.  
 558 494.001-494.0077 when acting within the scope of employment with  
 559 the licensee.

560 Section 13. Section 494.0061, Florida Statutes, is amended

561 to read:

562 494.0061 Mortgage lender's license requirements.--

563 (1) Each person who acts as a mortgage lender must be  
 564 licensed under this section.

565 (2)(1) The commission or office may require each applicant  
 566 for a mortgage lender license to provide any information  
 567 reasonably necessary to make a determination of the applicant's  
 568 eligibility for licensure. The office shall issue an initial  
 569 mortgage lender license to any person that submits:

570 (a) A completed application form.+

571 (b) A nonrefundable application fee of \$575.+

572 (c) Audited financial statements, which documents disclose  
 573 that the applicant has a bona fide and verifiable net worth,  
 574 pursuant to United States generally accepted accounting  
 575 principles, of at least \$250,000, which must be continuously  
 576 maintained as a condition of licensure.+

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

581 (e) Documentation that the applicant is duly incorporated,  
 582 registered, or otherwise formed as a general partnership,  
 583 limited partnership, limited liability company, or other lawful  
 584 entity under the laws of this state or another state of the  
 585 United States.+~~and~~

586 ~~(f) For applications submitted after October 1, 2001,~~  
 587 Proof that the applicant's principal representative has  
 588 completed 24 hours of classroom instruction in primary and

589 subordinate financing transactions and in the provisions of this  
 590 chapter and rules adopted under this chapter. This requirement  
 591 is satisfied if the principal representative has continuously  
 592 served in the capacity of a principal representative for a  
 593 licensed entity under this chapter for a period of at least 1  
 594 year and has not had a lapse in designation as a principal  
 595 representative of more than 2 years prior to the date of the  
 596 submission of the application or amendment in the case of a  
 597 change in the principal representative.

598  
 599 An application is considered received for purposes of s. 120.60  
 600 upon receipt of a completed application form as prescribed by  
 601 commission rule, a nonrefundable application fee of \$575, and  
 602 any other fee prescribed by law.

603 (3)(2) Notwithstanding the ~~provisions~~ of subsection  
 604 (2)(1), it is a ground for denial of licensure if the applicant,  
 605 any principal officer, ~~or~~ director, partner, or joint venturer  
 606 of the applicant, or any natural person owning a 10-percent or  
 607 greater interest in the applicant, or any natural person who is  
 608 the ultimate equitable owner of a 10-percent or greater interest  
 609 in the applicant has committed any violation specified in s.  
 610 494.0072, or has pending against her or him any criminal  
 611 prosecution or administrative enforcement action, in any  
 612 jurisdiction, which involves fraud, dishonest dealing, or any  
 613 act of moral turpitude.

614 (4)(3) Each initial application for a mortgage lender's  
 615 license must be in a form prescribed by the commission. ~~The~~  
 616 ~~commission or office may require each applicant to provide any~~

617 ~~information reasonably necessary to make a determination of the~~  
 618 ~~applicant's eligibility for licensure.~~ The commission or office  
 619 may require that each officer, director, and ultimate equitable  
 620 owner of a 10-percent or greater interest in the applicant  
 621 submit a complete set of fingerprints. A fingerprint card  
 622 submitted to the office must be taken by an authorized law  
 623 enforcement officer if the fingerprint card is submitted to the  
 624 office in paper form. In addition to the fees prescribed in s.  
 625 215.405, the commission may prescribe by rule an additional fee,  
 626 not to exceed \$30, for processing the fingerprints. The  
 627 commission may prescribe by rule procedures for submitting  
 628 fingerprints and fees by electronic means to the office or to a  
 629 third party approved by the office. In order to implement the  
 630 submission and processing of fingerprints as specified by rule  
 631 under this section, the office may contract with a third party  
 632 or another state agency that provides fingerprinting services.

633 (5)(4) A person required to be licensed under ss. 494.006-  
 634 494.0077, or an agent or employee thereof, is deemed to have  
 635 consented to the venue of courts of competent jurisdiction in  
 636 this state regarding any matter within the authority of ss.  
 637 494.001-494.0077 regardless of where an act or violation was  
 638 committed.

639 (6)(5) A license issued in accordance with ss. 494.006-  
 640 494.0077 is not transferable or assignable.

641 (7)(6) A mortgage lender or branch office license may be  
 642 canceled if it was issued through mistake or inadvertence of the  
 643 office. A notice of cancellation must be issued by the office  
 644 within 90 days after the issuance of the license. A notice of

645 cancellation shall be effective upon receipt. The notice of  
 646 cancellation shall provide the applicant with notification of  
 647 the right to request a hearing within 21 days after the  
 648 applicant's receipt of the notice of cancellation. A license  
 649 shall be reinstated if the applicant can demonstrate that the  
 650 requirements for obtaining the license under ~~pursuant to~~ this  
 651 chapter have been satisfied.

652 ~~(7) If an initial mortgage lender or branch office license~~  
 653 ~~has been issued but the check upon which the license is based is~~  
 654 ~~returned due to insufficient funds, the license shall be deemed~~  
 655 ~~canceled. A license deemed canceled pursuant to this subsection~~  
 656 ~~shall be reinstated if the office receives a certified check for~~  
 657 ~~the appropriate amount within 30 days after the date the check~~  
 658 ~~was returned due to insufficient funds.~~

659 (8) Each lender, regardless of the number of branches it  
 660 operates, shall designate a principal representative who  
 661 exercises control of the licensee's business and shall maintain  
 662 a form prescribed by the commission designating the principal  
 663 representative. If the form is not accurately maintained, the  
 664 business is considered to be operated by each officer, director,  
 665 or equitable owner of a 10-percent or greater interest in the  
 666 business.

667 (9) ~~After October 1, 2001,~~ An applicant's principal  
 668 representative must pass a written test prescribed by the  
 669 commission and administered by the office, or must pass an  
 670 electronic test prescribed by the commission and administered by  
 671 the office or a third party approved by the office, which covers  
 672 primary and subordinate mortgage financing transactions and the



673 provisions of this chapter and rules adopted under this chapter.  
 674 The commission may set by rule a fee not to exceed \$100 for the  
 675 electronic version of the mortgage broker test. The commission  
 676 may waive by rule the examination requirement for any individual  
 677 who has passed a comparable test offered by a national group of  
 678 state mortgage regulators or a federal governmental agency which  
 679 test covers primary and subordinate mortgage financing  
 680 transactions. This requirement is satisfied if the principal  
 681 representative has continuously served in the capacity of a  
 682 principal representative for a licensed entity under this  
 683 chapter for a period of at least 1 year and has not had a lapse  
 684 in designation as a principal representative of more than 2  
 685 years prior to the date of the submission of the application or  
 686 amendment in the case of a change in the principal  
 687 representative.

688 (10) A lender shall notify the office of any change in the  
 689 designation of its principal representative within 30 days. A  
 690 new principal representative shall satisfy ~~the name and address~~  
 691 of any new principal representative and shall document that the  
 692 person has ~~completed~~ the educational and testing requirements of  
 693 this section within 90 days after being designated as ~~upon~~ the  
 694 designation of a new principal representative. This requirement  
 695 is satisfied if the principal representative has continuously  
 696 served in the capacity of a principal representative for a  
 697 licensed entity under this chapter for a period of at least 1  
 698 year and has not had a lapse in designation as a principal  
 699 representative of more than 2 years prior to the date of the  
 700 submission of the application or amendment in the case of a

701 change in the principal representative.

702 Section 14. Section 494.0062, Florida Statutes, is amended  
703 to read:

704 494.0062 Correspondent mortgage lender's license  
705 requirements.--

706 (1) Each person who acts as a correspondent mortgage  
707 lender must be licensed under this section.

708 (2)~~(1)~~ The office may require each applicant to provide  
709 any information reasonably necessary to determine the  
710 applicant's eligibility for licensure. The office shall issue an  
711 initial correspondent mortgage lender license to any person who  
712 submits:

713 (a) A completed application form;

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

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

720 (d) A surety bond in the amount of \$10,000, payable to the  
721 State of Florida and conditioned upon compliance with ss.  
722 494.001-494.0077, which inures to the office and which must be  
723 continuously maintained, thereafter, in full force;

724 (e) Documentation that the applicant is duly incorporated,  
725 registered, or otherwise formed as a general partnership,  
726 limited partnership, limited liability company, or other lawful  
727 entity under the laws of this state or another state of the  
728 United States; and

729           (f) ~~For applications filed after October 1, 2001,~~ Proof  
730 that the applicant's principal representative has completed 24  
731 hours of classroom instruction in primary and subordinate  
732 financing transactions and in the provisions of this chapter and  
733 rules enacted under this chapter. This requirement is satisfied  
734 if the principal representative has continuously served in the  
735 capacity of a principal representative for a licensed entity  
736 under this chapter for a period of at least 1 year and has not  
737 had a lapse in designation as a principal representative of more  
738 than 2 years prior to the date of the submission of the  
739 application or amendment in the case of a change in the  
740 principal representative.

741  
742 An application is considered received for purposes of s. 120.60  
743 upon receipt of a completed application form as prescribed by  
744 commission rule, a nonrefundable application fee of \$500, and  
745 another fee prescribed by law.

746           ~~(3)(2)~~ Notwithstanding ~~the provisions of~~ subsection  
747 ~~(2)(1)~~, it is a ground for denial of licensure if the applicant,  
748 any principal officer or director of the applicant, or any  
749 natural person who is the ultimate equitable owner of a 10-  
750 percent or greater interest in the applicant has committed any  
751 violation specified in s. 494.0072, or has pending against her  
752 or him any criminal prosecution or administrative enforcement  
753 action, in any jurisdiction, which involves fraud, dishonest  
754 dealing, or any act of moral turpitude.

755           ~~(4)(3)~~ Each initial application for a correspondent  
756 mortgage lender's license must be in a form prescribed by the

757 ~~commission. The commission or office may require each applicant~~  
758 ~~to provide any information reasonably necessary to make a~~  
759 ~~determination of the applicant's eligibility for licensure. The~~  
760 commission or office may require by rule that each officer,  
761 director, and ultimate equitable owner of a 10-percent or  
762 greater interest submit a complete set of fingerprints. A  
763 fingerprint card submitted to the office must be taken by an  
764 authorized law enforcement officer if the fingerprint card is  
765 submitted to the office in paper form. In addition to the fees  
766 prescribed in s. 215.405, the commission may prescribe by rule  
767 an additional fee, not to exceed \$30, for processing the  
768 fingerprints. The commission may prescribe by rule procedures  
769 for submitting fingerprints and fees by electronic means to the  
770 office or to a third party approved by the office. In order to  
771 implement the submission and processing of fingerprints as  
772 specified by rule under this section, the office may contract  
773 with a third party or another state agency that provides  
774 fingerprinting services.

775 ~~(5)(4)~~ Each license is valid for the remainder of the  
776 biennium in which the license is issued.

777 ~~(6)(5)~~ A person licensed as a correspondent mortgage  
778 lender may make mortgage loans, but may not service a mortgage  
779 loan for more than 4 months after the date the mortgage loan was  
780 made or acquired by the correspondent mortgage lender.

781 ~~(7)(6)~~ A licensee under ss. 494.006-494.0077, or an agent  
782 or employee thereof, is deemed to have consented to the venue of  
783 courts of competent jurisdiction in this state regarding any  
784 matter within the authority of ss. 494.001-494.0077 regardless

785 of where an act or violation was committed.

786 (8)~~(7)~~ A correspondent mortgage lender is subject to the  
 787 same requirements and restrictions as a licensed mortgage lender  
 788 unless otherwise provided in this section.

789 (9)~~(8)~~ A license issued under this section is not  
 790 transferable or assignable.

791 (10)~~(9)~~ A correspondent mortgage lender or branch office  
 792 license may be canceled if it was issued through mistake or  
 793 inadvertence of the office. A notice of cancellation must be  
 794 issued by the office within 90 days after the issuance of the  
 795 license. A notice of cancellation shall be effective upon  
 796 receipt. The notice of cancellation shall provide the applicant  
 797 with notification of the right to request a hearing within 21  
 798 days after the applicant's receipt of the notice of  
 799 cancellation. A license shall be reinstated if the applicant can  
 800 demonstrate that the requirements for obtaining the license  
 801 pursuant to this chapter have been satisfied.

802 ~~(10) If an initial correspondent mortgage lender or branch~~  
 803 ~~office license has been issued but the check upon which the~~  
 804 ~~license is based is returned due to insufficient funds, the~~  
 805 ~~license shall be deemed canceled. A license deemed canceled~~  
 806 ~~pursuant to this subsection shall be reinstated if the office~~  
 807 ~~receives a certified check for the appropriate amount within 30~~  
 808 ~~days after the date the check was returned due to insufficient~~  
 809 ~~funds.~~

810 (11) Each correspondent lender shall designate a principal  
 811 representative who exercises control over the business and shall  
 812 maintain a form prescribed by the commission designating the

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813 principal representative. If the form is not accurately  
814 maintained, the business is considered to be operated by each  
815 officer, director, or equitable owner of a 10-percent or greater  
816 interest in the business.

817 (12) ~~After October 1, 2001,~~ An applicant's principal  
818 representative must pass a written test prescribed by the  
819 commission and administered by the office or a third party  
820 approved by the office which test covers primary and subordinate  
821 mortgage financing transactions and the provisions of this  
822 chapter and rules adopted under this chapter. The commission may  
823 waive by rule the examination requirement for any individual who  
824 has passed a comparable test offered by a national group of  
825 state mortgage regulators or a federal governmental agency which  
826 test covers primary and subordinate mortgage financing  
827 transactions. The commission may set by rule a fee not to exceed  
828 \$100 for taking the examination. This requirement is satisfied  
829 if the principal representative has continuously served in the  
830 capacity of a principal representative for a licensed entity  
831 under this chapter for a period of at least 1 year and has not  
832 had a lapse in designation as a principal representative of more  
833 than 2 years prior to the date of the submission of the  
834 application or amendment in the case of a change in the  
835 principal representative.

836 (13) A correspondent lender shall notify the office of any  
837 change in the designation of its principal representative within  
838 30 days. A new principal representative shall satisfy the name  
839 ~~and address of any new principal representative and shall~~  
840 ~~document that such person has completed~~ the educational and

841 testing requirements of this section within 90 days after being  
 842 designated as ~~upon the lender's designation of a new principal~~  
 843 representative. This requirement is satisfied if the principal  
 844 representative has continuously served in the capacity of a  
 845 principal representative for a licensed entity under this  
 846 chapter for a period of at least 1 year and has not had a lapse  
 847 in designation as a principal representative of more than 2  
 848 years prior to the date of the submission of the application or  
 849 amendment in the case of a change in the principal  
 850 representative.

851 Section 15. Paragraph (b) of subsection (1) of section  
 852 494.0064, Florida Statutes, is amended to read:

853 494.0064 Renewal of mortgage lender's license; branch  
 854 office license renewal.--

855 (1)

856 (b) A licensee shall also submit, as part of the renewal  
 857 form, certification that during the preceding 2 years the  
 858 licensee's principal representative and~~7~~ loan originators,~~and~~  
 859 ~~associates~~ have completed the professional continuing education  
 860 requirements of s. 494.00295.

861 Section 16. Section 494.0065, Florida Statutes, is amended  
 862 to read:

863 494.0065 Saving clause.--

864 (1)(a) Any person in good standing who holds an active  
 865 registration pursuant to former s. 494.039 or license pursuant  
 866 to former s. 521.205, or any person who acted solely as a  
 867 mortgage servicer on September 30, 1991, is eligible to apply to  
 868 the office for a mortgage lender's license and is eligible for

869 licensure if the applicant:

870 1. For at least 12 months during the period of October 1,  
 871 1989, through September 30, 1991, has engaged in the business of  
 872 either acting as a seller or assignor of mortgage loans or as a  
 873 servicer of mortgage loans, or both;

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

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

878 (b) A licensee pursuant to paragraph (a) may operate a  
 879 wholly owned subsidiary or affiliate for the purpose of  
 880 servicing accounts if the subsidiary or affiliate is operational  
 881 as of September 30, 1991. Such subsidiary or affiliate is not  
 882 required to obtain a separate license, but is subject to all the  
 883 requirements of a licensee under ss. 494.006-494.0077.

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

890 (3) The commission may prescribe by rule forms and  
 891 procedures for application for licensure, and amendment and  
 892 withdrawal of application for licensure, or transfer, including  
 893 any existing branch offices, in accordance with subsections (4)  
 894 and (5), and for renewal of licensure of licensees under this  
 895 section. An application is considered received for purposes of  
 896 s. 120.60 upon receipt of a completed application form as



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897 prescribed by commission rule, a nonrefundable application fee  
898 of \$575, and any other fee prescribed by law.

899 (4)(a) Notwithstanding ss. 494.0061~~(6)~~~~(5)~~ and 494.0067(3),  
900 the ultimate equitable owner, as of the effective date of this  
901 act, of a mortgage lender licensed under this section may  
902 transfer, one time, at least 50 percent of the ownership,  
903 control, or power to vote any class of equity securities of such  
904 mortgage lender, except as provided in paragraph (b). For  
905 purposes of this subsection, satisfaction of the amount of the  
906 ownership transferred may be met in multiple transactions or in  
907 a single transaction.

908 (b) A person who is an ultimate equitable owner on the  
909 effective date of this act may transfer, at any time, at least  
910 50 percent of the ownership, control, or power to vote any class  
911 of equity securities of such person to the person's spouse or  
912 child, and any such transferee may transfer, at any time, such  
913 ownership, control, or power to vote to a spouse or child of  
914 such transferee, in perpetuity.

915 (c) For any transfer application filed after October 1,  
916 2005:

917 1. An applicant must provide proof that the applicant's  
918 principal representative has completed 24 hours of instruction  
919 in primary and subordinate financing transactions and in the  
920 provisions of this chapter and rules adopted under this chapter.  
921 This requirement is satisfied if the principal representative  
922 has continuously served in the capacity of a principal  
923 representative for a licensed entity under this chapter for a  
924 period of at least 1 year and has not had a lapse in designation

925 as a principal representative of more than 2 years prior to the  
 926 date of the submission of the application or amendment in the  
 927 case of a change in the principal representative.

928 2. An applicant's principal representative must pass a  
 929 written test prescribed by the commission and administered by  
 930 the office, or must pass an electronic test prescribed by the  
 931 commission and administered by the office or a third party  
 932 approved by the office which test covers primary and subordinate  
 933 mortgage financing transactions and the provisions of this  
 934 chapter and rules adopted under this chapter. The commission may  
 935 set by rule a fee not to exceed \$100 for the electronic version  
 936 of the mortgage broker test. The commission may waive by rule  
 937 the examination requirement for any individual who has passed a  
 938 comparable test offered by a national group of state mortgage  
 939 regulators or a federal governmental agency which test covers  
 940 primary and subordinate mortgage financing transactions. This  
 941 requirement is satisfied if the principal representative has  
 942 continuously served in the capacity of a principal  
 943 representative for a licensed entity under this chapter for a  
 944 period of at least 1 year and has not had a lapse in designation  
 945 as a principal representative of more than 2 years prior to the  
 946 date of the submission of the application or amendment in the  
 947 case of a change in the principal representative.

948 (5) The commission or office may require each applicant  
 949 for any transfer to provide any information reasonably necessary  
 950 to make a determination of the applicant's eligibility for  
 951 licensure. The office shall issue the transfer of licensure to  
 952 any person who submits the following documentation at least 90

953 days prior to the anticipated transfer:

954 (a) A completed application form.

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

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

962 (d) Documentation that the applicant is incorporated,  
 963 registered, or otherwise formed as a general partnership,  
 964 limited partnership, limited liability company, or other lawful  
 965 entity under the laws of this state or another state of the  
 966 United States.

967  
 968 An application is considered received for purposes of s. 120.60  
 969 upon receipt of a completed application form as prescribed by  
 970 commission rule, a nonrefundable application fee of \$575, and  
 971 any other fee prescribed by law. The commission or office may  
 972 require by rule that each officer, director, and ultimate  
 973 equitable owner of a 10-percent or greater interest in the  
 974 applicant submit a complete set of fingerprints. A fingerprint  
 975 card submitted to the office must be taken by an authorized law  
 976 enforcement officer if the fingerprint card is submitted to the  
 977 office in paper form. In addition to the fees prescribed in s.  
 978 215.405, the commission may prescribe by rule an additional fee,  
 979 not to exceed \$30, for processing the fingerprints. The  
 980 commission may prescribe by rule procedures for submitting

981 fingerprints and fees by electronic means to the office or to a  
 982 third party approved by the office. In order to implement the  
 983 submission and processing of fingerprints as specified by rule  
 984 under this section, the office may contract with a third party  
 985 or another state agency that provides fingerprinting services.

986 (6) Notwithstanding subsection (5), a transfer under  
 987 subsection (4) may be denied if the applicant, any principal  
 988 officer or director of the applicant, or any natural person  
 989 owning a 10-percent or greater interest in the applicant has  
 990 committed any violation specified in s. 494.0072, or has entered  
 991 a plea of nolo contendere, regardless of adjudication, or has an  
 992 action pending against the applicant in any criminal prosecution  
 993 or administrative enforcement action, in any jurisdiction, which  
 994 involves fraud, dishonest dealing, or any act of moral  
 995 turpitude.

996 (7) A license issued in accordance with this section is  
 997 not transferable or assignable except as provided in subsection  
 998 (4).

999 (8) Each person applying for a transfer of any branch  
 1000 office pursuant to subsection (4) must comply with the  
 1001 requirements of s. 494.0066.

1002 (9) Each mortgage lender shall designate a principal  
 1003 representative who exercises control over the business and shall  
 1004 keep current the designation on a form prescribed by commission  
 1005 rule designating the principal representative. If the  
 1006 information on the form is not kept current, the business is  
 1007 considered to be operated by each officer, director, or  
 1008 equitable owner of a 10-percent or greater interest in the

1009 business.

1010 (10) A lender shall notify the office of any change in the  
 1011 designation of its principal representative within 30 days. A  
 1012 new principal representative shall satisfy the educational and  
 1013 testing requirements of this section within 90 days after being  
 1014 designated as new principal representative. This requirement is  
 1015 satisfied if the principal representative has continuously  
 1016 served in the capacity of a principal representative for a  
 1017 licensed entity under this chapter for a period of at least 1  
 1018 year and has not had a lapse in designation as a principal  
 1019 representative of more than 2 years prior to the date of the  
 1020 submission of the application or amendment in the case of a  
 1021 change in the principal representative.

1022 Section 17. Subsection (2) of section 494.0066, Florida  
 1023 Statutes, is amended to read:

1024 494.0066 Branch offices.--

1025 (2) The office shall issue a branch office license to a  
 1026 licensee licensed under s. 494.0065(1) or a transfer licensee  
 1027 after the office determines that the licensee has submitted ~~upon~~  
 1028 ~~receipt of~~ a completed branch office application form as  
 1029 prescribed by rule by the commission and an initial  
 1030 nonrefundable branch office license fee of \$325. The branch  
 1031 office application must include the name and license number of  
 1032 the licensee under ss. 494.006-494.0077, the name of the  
 1033 licensee's employee in charge of the branch office, and the  
 1034 address of the branch office. The branch office license shall be  
 1035 issued in the name of the licensee under ss. 494.006-494.0077  
 1036 and must be renewed in conjunction with the license renewal.

1037 Section 18. Paragraph (a) of subsection (10) of section  
 1038 494.0067, Florida Statutes, is amended to read:

1039 494.0067 Requirements of licensees under ss. 494.006-  
 1040 494.0077.--

1041 (10)(a) Each licensee shall require the principal  
 1042 representative and all loan originators ~~or associates~~ who  
 1043 perform services for the licensee to complete 14 hours of  
 1044 professional continuing education during each biennial license  
 1045 period. The education shall cover primary and subordinate  
 1046 mortgage financing transactions and the provisions of this  
 1047 chapter and the rules adopted under this chapter.

1048 Section 19. Paragraph (s) is added to subsection (2) of  
 1049 section 494.0072, Florida Statutes, to read:

1050 494.0072 Administrative penalties and fines; license  
 1051 violations.--

1052 (2) Each of the following acts constitutes a ground for  
 1053 which the disciplinary actions specified in subsection (1) may  
 1054 be taken:

1055 (s) Payment to the office for a license or permit with a  
 1056 check or electronic transmission of funds which fails to clear  
 1057 the applicant's or licensee's financial institution.

1058 Section 20. Subsection (2) of section 494.00721, Florida  
 1059 Statutes, is amended to read:

1060 494.00721 Net worth.--

1061 (2) If a mortgage lender or correspondent mortgage lender  
 1062 fails to satisfy the net worth requirements, the mortgage lender  
 1063 or correspondent mortgage lender shall immediately cease taking  
 1064 any new mortgage loan applications. Thereafter, the mortgage

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1065 lender or correspondent mortgage lender shall have up to 60 days  
 1066 within which to satisfy the net worth requirements. If the  
 1067 licensee makes the office aware, prior to an examination, that  
 1068 the licensee no longer meets the net worth requirements, the  
 1069 mortgage lender or correspondent mortgage lender shall have 120  
 1070 days within which to satisfy the net worth requirements. A  
 1071 mortgage lender or correspondent mortgage lender shall not  
 1072 resume acting as a mortgage lender or correspondent mortgage  
 1073 lender without written authorization from the office, which  
 1074 authorization shall be granted if the mortgage lender or  
 1075 correspondent mortgage lender provides the office with  
 1076 documentation which satisfies the requirements of s.  
 1077 494.0061(2)~~(1)~~(c), s. 494.0062(2)~~(1)~~(c), or s. 494.0065(2),  
 1078 whichever is applicable.

1079 Section 21. Section 516.03, Florida Statutes, is amended  
 1080 to read:

1081 516.03 Application for license; fees; etc.--

1082 (1) APPLICATION.--Application for a license to make loans  
 1083 under this chapter shall be in the form prescribed by rule of  
 1084 the commission, and shall contain the name, residence and  
 1085 business addresses of the applicant and, if the applicant is a  
 1086 copartnership or association, of every member thereof and, if a  
 1087 corporation, of each officer and director thereof, also the  
 1088 county and municipality with the street and number or  
 1089 approximate location where the business is to be conducted, and  
 1090 such further relevant information as the commission or office  
 1091 may require. At the time of making such application the  
 1092 applicant shall pay to the office a nonrefundable biennial

1093 license fee of \$625. Applications, except for applications to  
 1094 renew or reactivate a license, must also be accompanied by a  
 1095 nonrefundable an investigation fee of \$200. An application is  
 1096 considered received for purposes of s. 120.60 upon receipt of a  
 1097 completed application form as prescribed by commission rule, a  
 1098 nonrefundable application fee of \$625, and any other fee  
 1099 prescribed by law. The commission may adopt rules to require  
 1100 allow electronic submission of any form, document, or fee  
 1101 authorized ~~required~~ by this act if such rules reasonably  
 1102 accommodate technological or financial hardship. The commission  
 1103 may prescribe by rule requirements and procedures for obtaining  
 1104 an exemption due to a technological or financial hardship.

1105 (2) FEES.--Fees herein provided for shall be collected by  
 1106 the office and shall be turned into the State Treasury to the  
 1107 credit of the regulatory trust fund under the office. The office  
 1108 shall have full power to employ such examiners or clerks to  
 1109 assist the office as may from time to time be deemed necessary  
 1110 and fix their compensation. The commission may adopt rules to  
 1111 require ~~allow~~ electronic submission of any fee required by this  
 1112 section if such rules reasonably accommodate technological or  
 1113 financial hardship. The commission may prescribe by rule  
 1114 requirements and procedures for obtaining an exemption due to a  
 1115 technological or financial hardship.

1116 Section 22. Subsection (1) of section 516.05, Florida  
 1117 Statutes, is amended to read:

1118 516.05 License.--

1119 (1) Upon the filing of an application for a license and  
 1120 payment of all applicable fees, the office shall, unless the



1121 application is to renew or reactivate an existing license, make  
 1122 an investigation of the facts concerning the applicant's  
 1123 proposed activities. If the office determines that a license  
 1124 should be granted, it shall issue the license for a period not  
 1125 to exceed 2 years. Biennial licensure periods and procedures for  
 1126 renewal of licenses shall be established by the rule of the  
 1127 commission. If the office determines that grounds exist under  
 1128 this chapter for denial of an application other than an  
 1129 application to renew a license, it shall deny such application,  
 1130 ~~return to the applicant the sum paid as a license fee, and~~  
 1131 ~~retain the investigation fee.~~

1132 Section 23. Paragraph (p) is added to subsection (1) of  
 1133 section 516.07, Florida Statutes, to read:

1134 516.07 Grounds for denial of license or for disciplinary  
 1135 action.--

1136 (1) The following acts are violations of this chapter and  
 1137 constitute grounds for denial of an application for a license to  
 1138 make consumer finance loans and grounds for any of the  
 1139 disciplinary actions specified in subsection (2):

1140 (p) Payment to the office for a license or permit with a  
 1141 check or electronic transmission of funds which fails to clear  
 1142 the applicant's or licensee's financial institution.

1143 Section 24. Subsection (3) is added to section 516.12,  
 1144 Florida Statutes, to read:

1145 516.12 Records to be kept by licensee.--

1146 (3) The commission may prescribe by rule the minimum  
 1147 information to be shown in the books, accounts, records, and  
 1148 documents of licensees for purposes of enabling the office to

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1149 determine the licensee's compliance with ss. 516.001-516.36. In  
 1150 addition, the commission may prescribe by rule the requirements  
 1151 for destruction of books, accounts, records, and documents  
 1152 retained by the licensee after completion of the time period  
 1153 specified in subsection (1). Notwithstanding the 2-year  
 1154 retention period specified in subsection (1), if the office  
 1155 identifies a statute of limitations in another civil or criminal  
 1156 state or federal law or rule which statute of limitations is  
 1157 reasonably related by subject matter to the administration of  
 1158 this chapter, the commission may identify that statute of  
 1159 limitations by rule and may prohibit the destruction of records  
 1160 required to be maintained by this chapter for a period of time,  
 1161 established by rule, which is reasonably related to such statute  
 1162 of limitations. The commission shall prescribe by rule those  
 1163 documents or records that are to be preserved under the  
 1164 identified statute of limitations.

1165 Section 25. Subsection (9) of section 517.051, Florida  
 1166 Statutes, is amended to read:

1167 517.051 Exempt securities.--The exemptions provided herein  
 1168 from the registration requirements of s. 517.07 are self-  
 1169 executing and do not require any filing with the office prior to  
 1170 claiming such exemption. Any person who claims entitlement to  
 1171 any of these exemptions bears the burden of proving such  
 1172 entitlement in any proceeding brought under this chapter. The  
 1173 registration provisions of s. 517.07 do not apply to any of the  
 1174 following securities:

1175 (9) A security issued by a corporation organized and  
 1176 operated exclusively for religious, educational, benevolent,

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1177 fraternal, charitable, or reformatory purposes and not for  
 1178 pecuniary profit, no part of the net earnings of which  
 1179 corporation inures to the benefit of any private stockholder or  
 1180 individual, or any security of a fund that is excluded from the  
 1181 definition of an investment company under s. 3(c)(10)(B) of the  
 1182 Investment Company Act of 1940; provided that no person shall  
 1183 directly or indirectly offer or sell securities under this  
 1184 subsection except by an offering circular containing full and  
 1185 fair disclosure, as prescribed by the rules of the commission,  
 1186 of all material information, including, but not limited to, a  
 1187 description of the securities offered and terms of the offering,  
 1188 a description of the nature of the issuer's business, a  
 1189 statement of the purpose of the offering and the intended  
 1190 application by the issuer of the proceeds thereof, and financial  
 1191 statements of the issuer prepared in conformance with United  
 1192 States generally accepted accounting principles. Section 6(c) of  
 1193 the Philanthropy Protection Act of 1995, Pub. L. No. 104-62,  
 1194 shall not preempt any provision of this chapter.

1195 Section 26. Subsection (18) of section 517.061, Florida  
 1196 Statutes, is amended to read:

1197 517.061 Exempt transactions.--The exemption for each  
 1198 transaction listed below is self-executing and does not require  
 1199 any filing with the office prior to claiming such exemption.  
 1200 Any person who claims entitlement to any of the exemptions bears  
 1201 the burden of proving such entitlement in any proceeding brought  
 1202 under this chapter. The registration provisions of s. 517.07 do  
 1203 not apply to any of the following transactions; however, such  
 1204 transactions are subject to the provisions of ss. 517.301,

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1205 517.311, and 517.312:

1206 (18) The offer or sale of any security effected by or  
 1207 through a person in compliance with ~~registered pursuant to s.~~  
 1208 517.12(17).

1209 Section 27. Paragraph (g) of subsection (3) of section  
 1210 517.081, Florida Statutes, is amended to read:

1211 517.081 Registration procedure.--

1212 (3) The office may require the applicant to submit to the  
 1213 office the following information concerning the issuer and such  
 1214 other relevant information as the office may in its judgment  
 1215 deem necessary to enable it to ascertain whether such securities  
 1216 shall be registered pursuant to the provisions of this section:

1217 (g)1. A specimen copy of the security and a copy of any  
 1218 circular, prospectus, advertisement, or other description of  
 1219 such securities.

1220 2. The commission shall adopt a form for a simplified  
 1221 offering circular to be used solely by corporations to register,  
 1222 under this section, securities of the corporation that are sold  
 1223 in offerings in which the aggregate offering price in any  
 1224 consecutive 12-month period does not exceed the amount provided  
 1225 in s. 3(b) of the Securities Act of 1933. The following issuers  
 1226 shall not be eligible to submit a simplified offering circular  
 1227 adopted pursuant to this subparagraph:

1228 a. An issuer seeking to register securities for resale by  
 1229 persons other than the issuer.

1230 b. An issuer who is subject to any of the  
 1231 disqualifications described in 17 C.F.R. s. 230.262, adopted  
 1232 pursuant to the Securities Act of 1933, or who has been or is

1233 engaged or is about to engage in an activity that would be  
1234 grounds for denial, revocation, or suspension under s. 517.111.  
1235 For purposes of this subparagraph, an issuer includes an  
1236 issuer's director, officer, shareholder who owns at least 10  
1237 percent of the shares of the issuer, promoter, or selling agent  
1238 of the securities to be offered or any officer, director, or  
1239 partner of such selling agent.

1240 c. An issuer who is a development-stage company that  
1241 either has no specific business plan or purpose or has indicated  
1242 that its business plan is to merge with an unidentified company  
1243 or companies.

1244 d. An issuer of offerings in which the specific business  
1245 or properties cannot be described.

1246 e. Any issuer the office determines is ineligible if the  
1247 form would not provide full and fair disclosure of material  
1248 information for the type of offering to be registered by the  
1249 issuer.

1250 f. Any corporation which has failed to provide the office  
1251 the reports required for a previous offering registered pursuant  
1252 to this subparagraph.

1253  
1254 As a condition precedent to qualifying for use of the simplified  
1255 offering circular, a corporation shall agree to provide the  
1256 office with an annual financial report containing a balance  
1257 sheet as of the end of the issuer's fiscal year and a statement  
1258 of income for such year, prepared in accordance with United  
1259 States generally accepted accounting principles and accompanied  
1260 by an independent accountant's report. If the issuer has more

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1261 than 100 security holders at the end of a fiscal year, the  
1262 financial statements must be audited. Annual financial reports  
1263 must be filed with the office within 90 days after the close of  
1264 the issuer's fiscal year for each of the first 5 years following  
1265 the effective date of the registration.

1266 Section 28. Subsections (7), (10), (11), (15), and (17) of  
1267 section 517.12, Florida Statutes, are amended to read:

1268 517.12 Registration of dealers, associated persons,  
1269 investment advisers, and branch offices.--

1270 (7) The application shall also contain such information as  
1271 the commission or office may require about the applicant; any  
1272 partner, officer, or director of the applicant or any person  
1273 having a similar status or performing similar functions; any  
1274 person directly or indirectly controlling the applicant; or any  
1275 employee of a dealer or of an investment adviser rendering  
1276 investment advisory services. Each applicant shall file a  
1277 complete set of fingerprints. A fingerprint card submitted to  
1278 the office must be taken by an authorized law enforcement  
1279 officer if the fingerprint card is submitted to the office in  
1280 paper form. In addition to the fees prescribed in s. 215.405,  
1281 the commission may prescribe by rule an additional fee, not to  
1282 exceed \$30, for processing the fingerprints. The commission may  
1283 prescribe by rule procedures for submitting fingerprints and  
1284 fees by electronic means to the office or to a third party  
1285 approved by the office. In order to implement the submission and  
1286 processing of fingerprints as specified by rule under this  
1287 section, the office may contract with a third party or another  
1288 state agency that provides fingerprint services. Such

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1289 fingerprints shall be submitted to the Department of Law  
1290 Enforcement or the Federal Bureau of Investigation for state and  
1291 federal processing. The commission may waive, by rule, the  
1292 requirement that applicants must file a set of fingerprints or  
1293 the requirement that such fingerprints must be processed by the  
1294 Department of Law Enforcement or the Federal Bureau of  
1295 Investigation. The commission or office may require information  
1296 about any such applicant or person concerning such matters as:

1297 (a) His or her full name, and any other names by which he  
1298 or she may have been known, and his or her age, photograph,  
1299 qualifications, and educational and business history.

1300 (b) Any injunction or administrative order by a state or  
1301 federal agency, national securities exchange, or national  
1302 securities association involving a security or any aspect of the  
1303 securities business and any injunction or administrative order  
1304 by a state or federal agency regulating banking, insurance,  
1305 finance, or small loan companies, real estate, mortgage brokers,  
1306 or other related or similar industries, which injunctions or  
1307 administrative orders relate to such person.

1308 (c) His or her conviction of, or plea of nolo contendere  
1309 to, a criminal offense or his or her commission of any acts  
1310 which would be grounds for refusal of an application under s.  
1311 517.161.

1312 (d) The names and addresses of other persons of whom the  
1313 office may inquire as to his or her character, reputation, and  
1314 financial responsibility.

1315 (10) An applicant for registration shall pay an assessment  
1316 fee of \$200, in the case of a dealer or investment adviser, or

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1317 \$40, in the case of an associated person. The assessment fee of  
 1318 an associated person shall be reduced to \$30, but only after the  
 1319 office determines, by final order, that sufficient funds have  
 1320 been allocated to the Securities Guaranty Fund pursuant to s.  
 1321 517.1203 to satisfy all valid claims filed in accordance with s.  
 1322 517.1203(2) and after all amounts payable under any service  
 1323 contract entered into by the office pursuant to s. 517.1204, and  
 1324 all notes, bonds, certificates of indebtedness, other  
 1325 obligations, or evidences of indebtedness secured by such notes,  
 1326 bonds, certificates of indebtedness, or other obligations, have  
 1327 been paid or provision has been made for the payment of such  
 1328 amounts, notes, bonds, certificates of indebtedness, other  
 1329 obligations, or evidences of indebtedness. An associated person  
 1330 ~~may not having current fingerprint cards filed with the National~~  
 1331 ~~Association of Securities Dealers or a national securities~~  
 1332 ~~exchange registered with the Securities and Exchange Commission~~  
 1333 shall be assessed an additional fee to cover the cost for said  
 1334 fingerprint cards to be processed by the office. Such fee shall  
 1335 be determined by rule of the commission. Each dealer and each  
 1336 investment adviser shall pay an assessment fee of \$100 for each  
 1337 office in this state, except its designated principal office.  
 1338 Such fees become the revenue of the state, except for those  
 1339 assessments provided for under s. 517.131(1) until such time as  
 1340 the Securities Guaranty Fund satisfies the statutory limits, and  
 1341 are not returnable in the event that registration is withdrawn  
 1342 or not granted.

1343 (11) If the office finds that the applicant is of good  
 1344 repute and character and has complied with the provisions of



1345 this chapter and the rules made pursuant hereto, it shall  
1346 register the applicant. The registration of each dealer,  
1347 investment adviser, and associated person expires ~~will expire~~ on  
1348 December 31, of the year the registration became effective  
1349 unless the registrant has renewed his or her registration on or  
1350 before that date. ~~and~~ The registration of each branch office  
1351 expires ~~will expire~~ on March 31 or, once the National  
1352 Association of Securities Dealers develops the capacity to  
1353 process branch office registration through the Central  
1354 Registration Depository, December 31 of the year in which it  
1355 became effective unless the registrant has renewed its  
1356 registration on or before that date. The commission may  
1357 establish by rule the beginning of the year in which branch  
1358 renewals shall be processed through the Central Registration  
1359 Depository of the National Association of Securities Dealers.  
1360 The commission may establish by rule procedures for renewing  
1361 branch registrations through the Central Registration  
1362 Depository. Registration may be renewed by furnishing such  
1363 information as the commission may require, together with payment  
1364 of the fee required in subsection (10) for dealers, investment  
1365 advisers, associated persons, or branch offices and the payment  
1366 of any amount lawfully due and owing to the office pursuant to  
1367 any order of the office or pursuant to any agreement with the  
1368 office. Any dealer, investment adviser, or associated person  
1369 registrant who has not renewed a registration by the time the  
1370 current registration expires may request reinstatement of such  
1371 registration by filing with the office, on or before January 31  
1372 of the year following the year of expiration, such information

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1373 as may be required by the commission, together with payment of  
 1374 the fee required in subsection (10) for dealers, investment  
 1375 advisers, or associated persons and a late fee equal to the  
 1376 amount of such fee. Any reinstatement of registration granted  
 1377 by the office during the month of January shall be deemed  
 1378 effective retroactive to January 1 of that year.

1379 (15) In lieu of filing with the office the applications  
 1380 specified in subsection (6), the fees required by subsection  
 1381 (10), and the termination notices required by subsection (12),  
 1382 the commission may by rule establish procedures for the deposit  
 1383 of such fees and documents with the Central Registration  
 1384 Depository or the Investment Advisor Registration Depository of  
 1385 the National Association of Securities Dealers, Inc., as  
 1386 developed under contract with the North American Securities  
 1387 Administrators Association, Inc.; provided, however, that such  
 1388 procedures shall provide the office with the information and  
 1389 data as required by this section.

1390 (17)(a) A dealer that is located in Canada, does not have  
 1391 an and has no office or other physical presence in this state,  
 1392 and has made a notice filing in accordance with this subsection  
 1393 is exempt from the registration requirements of this section and  
 1394 may, provided the dealer is registered in accordance with this  
 1395 section, effect transactions in securities with or for, or  
 1396 induce or attempt to induce the purchase or sale of any security  
 1397 by:

1398 1. A person from Canada who is present temporarily resides  
 1399 in this state and with whom the Canadian dealer had a bona fide  
 1400 dealer-client relationship before the person entered the United

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1401 States; or

1402 2. A person from Canada who is present in ~~a resident of~~  
1403 this state, and whose transactions are in a self-directed tax-  
1404 advantaged ~~tax-advantage~~ retirement plan in Canada of which the  
1405 person is the holder or contributor.

1406 (b) A notice filing under this subsection must consist of  
1407 documents that the commission by rule requires to be filed,  
1408 together with a consent to service of process and a filing fee  
1409 of \$200. The commission may establish by rule procedures for the  
1410 deposit of fees and the filing of documents to be made by  
1411 electronic means, if such procedures provide the office with the  
1412 information and data required by this section.

1413 (c) A Canadian dealer may make a notice filing under this  
1414 subsection if such dealer provides to the office:

1415 1. A notice filing in the form that the commission by rule  
1416 requires;

1417 2. A consent to service of process;

1418 3. Evidence that the Canadian dealer is registered as a  
1419 dealer in the jurisdiction in which its main office is located;  
1420 and

1421 4. Evidence that the Canadian dealer is a member of a  
1422 self-regulatory organization or stock exchange in Canada.

1423 (d) The office may issue a permit to evidence the  
1424 effectiveness of a notice filing for a Canadian dealer.

1425 (e) A notice filing is effective upon receipt. A notice  
1426 filing expires on December 31 of the year in which the filing  
1427 becomes effective unless the Canadian dealer has renewed the  
1428 filing on or before that date. A Canadian dealer may annually

1429 renew a notice filing by furnishing to the office such  
1430 information as the office requires together with a renewal fee  
1431 of \$200 and the payment of any amount due and owing the office  
1432 pursuant to any agreement with the office. Any Canadian dealer  
1433 who has not renewed a notice filing by the time a current notice  
1434 filing expires may request reinstatement of such notice filing  
1435 by filing with the office, on or before January 31 of the year  
1436 following the year the notice filing expires, such information  
1437 as the commission requires, by rule, together with the payment  
1438 of \$200 and a late fee of \$200. Any reinstatement of a notice  
1439 filing granted by the office during the month of January is  
1440 effective retroactively to January 1 of that year.

1441 (f) An associated person who represents a Canadian dealer  
1442 who has made a notice filing under this subsection is exempt  
1443 from the registration requirements of this section and may  
1444 effect transactions in securities in this state as permitted for  
1445 a dealer under paragraph (a) if such person is registered in the  
1446 jurisdiction from which he or she is effecting transactions into  
1447 this state.

1448 (g) A Canadian dealer who has made a notice of filing  
1449 under this subsection shall:

1450 1. Maintain its provincial or territorial registration and  
1451 its membership in a self-regulatory organization or stock  
1452 exchange in good standing.

1453 2. Provide the office upon request with its books and  
1454 records relating to its business in this state as a dealer.

1455 3. Provide the office upon request notice of each civil,  
1456 criminal, or administrative action initiated against the dealer.

1457 4. Disclose to its clients in this state that the dealer  
1458 and its associated persons are not subject to the full  
1459 regulatory requirements under this chapter.

1460 5. Correct any inaccurate information within 30 days after  
1461 the information contained in the notice of filing becomes  
1462 inaccurate for any reason.

1463 (h) An associated person representing a Canadian dealer  
1464 who has made a notice of filing under this subsection shall:

1465 1. Maintain provincial or territorial registration in good  
1466 standing.

1467 2. Provide the office upon request with notice of each  
1468 civil, criminal, or administrative action initiated against such  
1469 person.

1470 (i) A notice filing may be terminated by filing notice of  
1471 such termination with the office. Unless another date is  
1472 specified by the Canadian dealer, such notice is effective upon  
1473 its receipt by the office.

1474 (j) All fees collected under this subsection become the  
1475 revenue of the state, except for those assessments provided for  
1476 under s. 517.131(1), until the Securities Guaranty Fund has  
1477 satisfied the statutory limits, and these fees are not  
1478 returnable if a notice filing is withdrawn.

1479 ~~(b) An associated person who represents a Canadian dealer~~  
1480 ~~registered under this section may, provided the agent is~~  
1481 ~~registered in accordance with this section, effect transactions~~  
1482 ~~in securities in this state as permitted for a dealer, under~~  
1483 ~~subsection (a).~~

1484 ~~(c) A Canadian dealer may register under this section~~

1485 ~~provided that such dealer:~~

1486       1. ~~Files an application in the form required by the~~

1487 ~~jurisdiction in which the dealer has a head office.~~

1488       2. ~~Files a consent to service of process.~~

1489       3. ~~Is registered as a dealer in good standing in the~~

1490 ~~jurisdiction from which it is effecting transactions into this~~

1491 ~~state and files evidence of such registration with the office.~~

1492       4. ~~Is a member of a self-regulatory organization or stock~~

1493 ~~exchange in Canada.~~

1494       (d) ~~An associated person who represents a Canadian dealer~~

1495 ~~registered under this section in effecting transactions in~~

1496 ~~securities in this state may register under this section~~

1497 ~~provided that such person:~~

1498       1. ~~Files an application in the form required by the~~

1499 ~~jurisdiction in which the dealer has its head office.~~

1500       2. ~~Is registered in good standing in the jurisdiction from~~

1501 ~~which he or she is effecting transactions into this state and~~

1502 ~~files evidence of such registration with the office.~~

1503       (e) ~~If the office finds that the applicant is of good~~

1504 ~~repute and character and has complied with the provisions of~~

1505 ~~this chapter, the office shall register the applicant.~~

1506       (f) ~~A Canadian dealer registered under this section shall:~~

1507       1. ~~Maintain its provincial or territorial registration and~~

1508 ~~its membership in a self-regulatory organization or stock~~

1509 ~~exchange in good standing.~~

1510       2. ~~Provide the office upon request with its books and~~

1511 ~~records relating to its business in this state as a dealer.~~

1512       3. ~~Provide the office notice of each civil, criminal, or~~

1513 ~~administrative action initiated against the dealer.~~

1514 ~~4. Disclose to its clients in this state that the dealer~~  
 1515 ~~and its agents are not subject to the full regulatory~~  
 1516 ~~requirements under this chapter.~~

1517 ~~5. Correct any inaccurate information within 30 days, if~~  
 1518 ~~the information contained in the application form becomes~~  
 1519 ~~inaccurate for any reason before or after the dealer becomes~~  
 1520 ~~registered.~~

1521 ~~(g) An associated person of a Canadian dealer registered~~  
 1522 ~~under this section shall:~~

1523 ~~1. Maintain provincial or territorial registration in good~~  
 1524 ~~standing.~~

1525 ~~2. Provide the office with notice of each civil, criminal,~~  
 1526 ~~or administrative action initiated against such person.~~

1527 ~~3. Through the dealer, correct any inaccurate information~~  
 1528 ~~within 30 days, if the information contained in the application~~  
 1529 ~~form becomes inaccurate for any reason before or after the~~  
 1530 ~~associated person becomes registered.~~

1531 ~~(h) Renewal applications for Canadian dealers and~~  
 1532 ~~associated persons under this section must be filed before~~  
 1533 ~~December 31 each year. Every applicant for registration or~~  
 1534 ~~renewal registration under this section shall pay the fee for~~  
 1535 ~~dealers and associated persons under this chapter.~~

1536 Section 29. Paragraphs (b) and (e) of subsection (3) of  
 1537 section 517.131, Florida Statutes, are amended, and subsection  
 1538 (5) is added to said section, to read:

1539 517.131 Securities Guaranty Fund.--

1540 (3) Any person is eligible to seek recovery from the

1541 Securities Guaranty Fund if:

1542 (b) Such person has made all reasonable searches and  
 1543 inquiries to ascertain whether the judgment debtor possesses  
 1544 real or personal property or other assets subject to being sold  
 1545 or applied in satisfaction of the judgment, and by her or his  
 1546 search the person has discovered no property or assets; or she  
 1547 or he has discovered property and assets and has taken all  
 1548 necessary action and proceedings for the application thereof to  
 1549 the judgment, but the amount thereby realized was insufficient  
 1550 to satisfy the judgment. To verify compliance with such  
 1551 condition, the office may require such person to have a writ of  
 1552 execution be issued upon such judgment, ~~and may further~~ require  
 1553 a showing that no personal or real property of the judgment  
 1554 debtor liable to be levied upon in complete satisfaction of the  
 1555 judgment can be found, or may require an affidavit from the  
 1556 claimant setting forth the reasonable searches and inquiries  
 1557 undertaken and the result.

1558 (e) The office waives compliance with the requirements of  
 1559 paragraph (a) or paragraph (b). The office may waive such  
 1560 compliance if the dealer, investment adviser, or associated  
 1561 person which is the subject of the claim filed with the office  
 1562 is the subject of any proceeding in which a receiver has been  
 1563 appointed by a court of competent jurisdiction. If the office  
 1564 waives such compliance, the office may, upon petition by the  
 1565 claimant, the debtor, or the court-appointed trustee, examiner,  
 1566 or receiver, distribute funds from the Securities Guaranty Fund  
 1567 up to the amount allowed under s. 517.141. Any waiver granted  
 1568 pursuant to this section shall be considered a judgment for



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1569 purposes of complying with the requirements of this section and  
1570 of s. 517.141.

1571 (5) The commission may by rule specify the procedures for  
1572 complying with subsections (2), (3), and (4), including rules  
1573 for the form of submission and guidelines for the sufficiency  
1574 and content of submissions of notices and claims.

1575 Section 30. Subsections (2) and (5) of section 517.141,  
1576 Florida Statutes, are amended, and subsection (11) is added to  
1577 said section, to read:

1578 517.141 Payment from the fund.--

1579 (2) Regardless of the number of claims or claimants  
1580 involved, payments for claims shall be limited in the aggregate  
1581 to \$100,000 against any one dealer, investment adviser, or  
1582 associated person. If the total claims exceed the aggregate  
1583 limit of \$100,000, the office shall prorate the payment based  
1584 upon the ratio that the person's claim bears to the total claims  
1585 filed.

1586 (5) If the final judgment that ~~which~~ gave rise to the  
1587 claim is overturned in any appeal or in any collateral  
1588 proceeding, the claimant shall reimburse the fund all amounts  
1589 paid from the fund to the claimant on the claim. If the claimant  
1590 satisfies the judgment referred to in s. 517.131(3)(a), the  
1591 claimant shall reimburse the fund all amounts paid from the fund  
1592 to the claimant on the claim. Such reimbursement shall be paid  
1593 to the office within 60 days after the final resolution of the  
1594 appellate or collateral proceedings or the satisfaction of  
1595 judgment, with the 60-day period commencing on the date the  
1596 final order or decision is entered in such proceedings.

1597           (11) The commission may by rule specify the procedures for  
 1598 complying with this section, including rules for the form of  
 1599 submission and guidelines for the sufficiency and content of  
 1600 submissions of notices and claims.

1601           Section 31. Subsection (1) of section 517.161, Florida  
 1602 Statutes, is amended to read:

1603           517.161 Revocation, denial, or suspension of registration  
 1604 of dealer, investment adviser, associated person, or branch  
 1605 office.--

1606           (1) Registration under s. 517.12 may be denied or any  
 1607 registration granted may be revoked, restricted, or suspended by  
 1608 the office if the office determines that such applicant or  
 1609 registrant:

1610           (a) Has violated any provision of this chapter or any rule  
 1611 or order made under this chapter;

1612           (b) Has made a material false statement in the application  
 1613 for registration;

1614           (c) Has been guilty of a fraudulent act in connection with  
 1615 rendering investment advice or in connection with any sale of  
 1616 securities, has been or is engaged or is about to engage in  
 1617 making fictitious or pretended sales or purchases of any such  
 1618 securities or in any practice involving the rendering of  
 1619 investment advice or the sale of securities which is fraudulent  
 1620 or in violation of the law;

1621           (d) Has made a misrepresentation or false statement to, or  
 1622 concealed any essential or material fact from, any person in the  
 1623 rendering of investment advice or the sale of a security to such  
 1624 person;

- 1625           (e) Has failed to account to persons interested for all
- 1626 money and property received;
- 1627           (f) Has not delivered, after a reasonable time, to persons
- 1628 entitled thereto securities held or agreed to be delivered by
- 1629 the dealer, broker, or investment adviser, as and when paid for,
- 1630 and due to be delivered;
- 1631           (g) Is rendering investment advice or selling or offering
- 1632 for sale securities through any associated person not registered
- 1633 in compliance with the provisions of this chapter;
- 1634           (h) Has demonstrated unworthiness to transact the business
- 1635 of dealer, investment adviser, or associated person;
- 1636           (i) Has exercised management or policy control over or
- 1637 owned 10 percent or more of the securities of any dealer or
- 1638 investment adviser that has been declared bankrupt, or had a
- 1639 trustee appointed under the Securities Investor Protection Act;
- 1640 or is, in the case of a dealer or investment adviser, insolvent;
- 1641           (j) Has been convicted of, or has entered a plea of guilty
- 1642 or nolo contendere to, a crime against the laws of this state or
- 1643 any other state or of the United States or of any other country
- 1644 or government which relates to registration as a dealer,
- 1645 investment adviser, issuer of securities, associated person, or
- 1646 branch office; which relates to the application for such
- 1647 registration; or which involves moral turpitude or fraudulent or
- 1648 dishonest dealing;
- 1649           (k) Has had a final judgment entered against her or him in
- 1650 a civil action upon grounds of fraud, embezzlement,
- 1651 misrepresentation, or deceit;
- 1652           (l) Is of bad business repute; ~~or~~

1653 (m) Has been the subject of any decision, finding,  
 1654 injunction, suspension, prohibition, revocation, denial,  
 1655 judgment, or administrative order by any court of competent  
 1656 jurisdiction, administrative law judge, or by any state or  
 1657 federal agency, national securities, commodities, or option  
 1658 exchange, or national securities, commodities, or option  
 1659 association, involving a violation of any federal or state  
 1660 securities or commodities law or any rule or regulation  
 1661 promulgated thereunder, or any rule or regulation of any  
 1662 national securities, commodities, or options exchange or  
 1663 national securities, commodities, or options association, or has  
 1664 been the subject of any injunction or adverse administrative  
 1665 order by a state or federal agency regulating banking,  
 1666 insurance, finance or small loan companies, real estate,  
 1667 mortgage brokers, or other related or similar industries. For  
 1668 purposes of this subsection, the office may not deny  
 1669 registration to any applicant who has been continuously  
 1670 registered with the office for 5 years from the entry of such  
 1671 decision, finding, injunction, suspension, prohibition,  
 1672 revocation, denial, judgment, or administrative order provided  
 1673 such decision, finding, injunction, suspension, prohibition,  
 1674 revocation, denial, judgment, or administrative order has been  
 1675 timely reported to the office pursuant to the commission's  
 1676 rules; or-

1677 (n) Made payment to the office for a license or permit  
 1678 with a check or electronic transmission of funds which fails to  
 1679 clear the applicant's or registrant's financial institution.

1680 Section 32. Subsections (2) and (3) of section 520.03,

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1681 Florida Statutes, are amended to read:

1682 520.03 Licenses.--

1683 (2) An application for a license under this part must be  
 1684 submitted to the office in such form as the commission may  
 1685 prescribe by rule. If the office determines that an application  
 1686 should be granted, it shall issue the license for a period not  
 1687 to exceed 2 years. A nonrefundable application fee of \$175 shall  
 1688 accompany an initial application for the principal place of  
 1689 business and each application for a branch location of a retail  
 1690 installment seller who is required to be licensed under this  
 1691 chapter. An application is considered received for purposes of  
 1692 s. 120.60 upon receipt of a completed application form as  
 1693 prescribed by commission rule, a nonrefundable application fee  
 1694 of \$175, and any other fee prescribed by law.

1695 (3) The nonrefundable renewal fee for a motor vehicle  
 1696 retail installment seller license shall be \$175. The commission  
 1697 shall establish by rule biennial licensure periods and  
 1698 procedures for renewal of licenses. A license that is not  
 1699 renewed by the end of the biennium established by the commission  
 1700 shall revert from active to inactive status. An inactive license  
 1701 may be reactivated within 6 months after becoming inactive upon  
 1702 filing a completed reactivation form, payment of the  
 1703 nonrefundable renewal fee, and payment of a nonrefundable  
 1704 reactivation fee equal to the renewal fee. A license that is not  
 1705 reactivated within 6 months after becoming inactive  
 1706 automatically expires.

1707 Section 33. Subsections (2) and (3) of section 520.32,  
 1708 Florida Statutes, are amended to read:

1709 520.32 Licenses.--

1710 (2) An application for a license under this part must be  
 1711 submitted to the office in such form as the commission may  
 1712 prescribe by rule. If the office determines that an application  
 1713 should be granted, it shall issue the license for a period not  
 1714 to exceed 2 years. A nonrefundable application fee of \$175 shall  
 1715 accompany an initial application for the principal place of  
 1716 business and each application for a branch location of a retail  
 1717 installment seller. An application is considered received for  
 1718 purposes of s. 120.60 upon receipt of a completed application  
 1719 form as prescribed by commission rule, a nonrefundable  
 1720 application fee of \$175, and any other fee prescribed by law.

1721 (3) The nonrefundable renewal fee for a retail seller  
 1722 license shall be \$175. Biennial licensure periods and procedures  
 1723 for renewal of licenses may also be established by the  
 1724 commission by rule. A license that is not renewed at the end of  
 1725 the biennium established by the commission shall revert from  
 1726 active to inactive status. An inactive license may be  
 1727 reactivated within 6 months after becoming inactive upon filing  
 1728 a completed reactivation form, payment of the nonrefundable  
 1729 renewal fee, and payment of a reactivation fee equal to the  
 1730 nonrefundable renewal fee. A license that is not reactivated  
 1731 within 6 months after becoming inactive automatically expires.

1732 Section 34. Subsections (2) and (3) of section 520.52,  
 1733 Florida Statutes, are amended to read:

1734 520.52 Licensees.--

1735 (2) An application for a license under this part must be  
 1736 submitted to the office in such form as the commission may

1737 prescribe by rule. If the office determines that an application  
 1738 should be granted, it shall issue the license for a period not  
 1739 to exceed 2 years. A nonrefundable application fee of \$175 shall  
 1740 accompany an initial application for the principal place of  
 1741 business and each branch location of a sales finance company. An  
 1742 application is considered received for purposes of s. 120.60  
 1743 upon receipt of a completed application form as prescribed by  
 1744 commission rule, a nonrefundable application fee of \$175, and  
 1745 any other fee prescribed by law.

1746 (3) The nonrefundable renewal fee for a sales finance  
 1747 company license shall be \$175. Biennial licensure periods and  
 1748 procedures for renewal of licenses may also be established by  
 1749 the commission by rule. A license that is not renewed at the end  
 1750 of the biennium established by the commission shall revert from  
 1751 active to inactive status. An inactive license may be  
 1752 reactivated within 6 months after becoming inactive upon filing  
 1753 a completed reactivation form, payment of the nonrefundable  
 1754 renewal fee, and payment of a reactivation fee equal to the  
 1755 nonrefundable renewal fee. A license that is not reactivated  
 1756 within 6 months after becoming inactive automatically expires.

1757 Section 35. Subsections (2) and (3) of section 520.63,  
 1758 Florida Statutes, are amended to read:

1759 520.63 Licensees.--

1760 (2) An application for a license under this part must be  
 1761 submitted to the office in such form as the commission may  
 1762 prescribe by rule. If the office determines that an application  
 1763 should be granted, it shall issue the license for a period not  
 1764 to exceed 2 years. A nonrefundable application fee of \$175 shall

1765 accompany an initial application for the principal place of  
 1766 business and each application for a branch location of a home  
 1767 improvement finance seller. An application is considered  
 1768 received for purposes of s. 120.60 upon receipt of a completed  
 1769 application form as prescribed by commission rule, a  
 1770 nonrefundable application fee of \$175, and any other fee  
 1771 prescribed by law.

1772 (3) The nonrefundable renewal fee for a home improvement  
 1773 finance license shall be \$175. Biennial licensure periods and  
 1774 procedures for renewal of licenses may also be established by  
 1775 the commission by rule. A license that is not renewed at the end  
 1776 of the biennium established by the commission shall  
 1777 automatically revert from active to inactive status. An inactive  
 1778 license may be reactivated within 6 months after becoming  
 1779 inactive upon filing a completed reactivation form, payment of  
 1780 the nonrefundable renewal fee, and payment of a nonrefundable  
 1781 reactivation fee equal to the renewal fee. A license that is not  
 1782 reactivated within 6 months after becoming inactive  
 1783 automatically expires.

1784 Section 36. Subsection (5) of section 520.994, Florida  
 1785 Statutes, is amended to read:

1786 520.994 Powers of office.--

1787 (5) The office shall administer and enforce this chapter.  
 1788 The commission has authority to adopt rules pursuant to ss.  
 1789 120.536(1) and 120.54 to implement the provisions of this  
 1790 chapter. The commission may adopt rules to require allow  
 1791 electronic submission of any form, document, or fee authorized  
 1792 ~~required~~ by this chapter if such rules reasonably accommodate



1793 technological or financial hardship. The commission may  
 1794 prescribe by rule requirements and procedures for obtaining an  
 1795 exemption due to a technological or financial hardship.

1796 Section 37. Paragraph (k) is added to subsection (1) of  
 1797 section 520.995, Florida Statutes, to read:

1798 520.995 Grounds for disciplinary action.--

1799 (1) The following acts are violations of this chapter and  
 1800 constitute grounds for the disciplinary actions specified in  
 1801 subsection (2):

1802 (k) Payment to the office for a license or permit with a  
 1803 check or electronic transmission of funds which fails to clear  
 1804 the applicant's or licensee's financial institution.

1805 Section 38. Subsection (4) of section 520.997, Florida  
 1806 Statutes, is amended to read:

1807 520.997 Books, accounts, and records.--

1808 (4) The commission may prescribe by rule the minimum  
 1809 information to be shown in the books, accounts, documents, and  
 1810 records of licensees so that such records will enable the office  
 1811 to determine compliance with ~~the provisions of~~ this chapter. In  
 1812 addition, the commission may prescribe by rule the requirements  
 1813 for destruction of books, accounts, records, and documents  
 1814 retained by the licensee after completion of the time period  
 1815 specified in subsection (3). Notwithstanding the 2-year  
 1816 retention period specified in subsection (3), if the office  
 1817 identifies a statute of limitations in another civil or criminal  
 1818 law or federal law or rule which statute of limitations is  
 1819 reasonably related by subject matter to the administration of  
 1820 this chapter, the commission may identify that statute of

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1821 limitations by rule and may prohibit the destruction of records  
1822 required to be maintained by this chapter for a period of time,  
1823 established by rule, which is reasonably related to such statute  
1824 of limitations. The commission shall prescribe by rule those  
1825 documents or records that are to be preserved under the  
1826 identified statute of limitations.

1827 Section 39. Subsection (5) of section 537.009, Florida  
1828 Statutes, is amended to read:

1829 537.009 Recordkeeping; reporting; safekeeping of  
1830 property.--

1831 (5) The commission may prescribe by rule the books,  
1832 accounts, documents, and records, and the minimum information to  
1833 be shown in the books, accounts, documents, and records, of  
1834 licensees so that such records will enable the office to  
1835 determine compliance with the provisions of this act. In  
1836 addition, the commission may prescribe by rule the requirements  
1837 for destruction of books, accounts, records, and documents  
1838 retained by the licensee after completion of the time period  
1839 specified in subsection (3). Notwithstanding the 2-year  
1840 retention period specified in subsection (3), if the office  
1841 identifies a statute of limitations in another civil or criminal  
1842 law or federal law or rule which statute of limitations is  
1843 reasonably related by subject matter to the administration of  
1844 this chapter, the commission may identify that statute of  
1845 limitations by rule and may prohibit the destruction of records  
1846 required to be maintained by this chapter for a period of time,  
1847 established by rule, which is reasonably related to such statute  
1848 of limitations. The commission shall prescribe by rule those

1849 documents or records that are to be preserved under the  
 1850 identified statute of limitations.

1851 Section 40. Subsection (3) is added to section 560.105,  
 1852 Florida Statutes, to read:

1853 560.105 Supervisory powers; rulemaking.--

1854 (3) The commission may adopt rules that require electronic  
 1855 submission of any forms, documents, or fees required by this act  
 1856 if such rules reasonably accommodate technological or financial  
 1857 hardship. The commission may prescribe by rule requirements and  
 1858 procedures for obtaining an exemption due to a technological or  
 1859 financial hardship.

1860 Section 41. Paragraph (y) is added to subsection (1) of  
 1861 section 560.114, Florida Statutes, to read:

1862 560.114 Disciplinary actions.--

1863 (1) The following actions by a money transmitter or money  
 1864 transmitter-affiliated party are violations of the code and  
 1865 constitute grounds for the issuance of a cease and desist order,  
 1866 the issuance of a removal order, the denial of a registration  
 1867 application or the suspension or revocation of any registration  
 1868 previously issued pursuant to the code, or the taking of any  
 1869 other action within the authority of the office pursuant to the  
 1870 code:

1871 (y) Payment to the office for a license or permit with a  
 1872 check or electronic transmission of funds which fails to clear  
 1873 the applicant's or licensee's financial institution.

1874 Section 42. Paragraph (b) of subsection (2) of section  
 1875 560.118, Florida Statutes, is amended to read:

1876 560.118 Examinations, reports, and internal audits;

1877 penalty.--

1878 (2)

1879 (b) The commission may, by rule, require each money  
 1880 transmitter or authorized vendor to submit quarterly reports to  
 1881 the office. The commission may adopt rules that require  
 1882 electronic submission of any forms, documents, or fees required  
 1883 by this act if such rules reasonably accommodate technological  
 1884 or financial hardship. The commission may prescribe by rule  
 1885 requirements and procedures for obtaining an exemption due to a  
 1886 technological or financial hardship. The commission may require  
 1887 that each report contain a declaration by an officer, or any  
 1888 other responsible person authorized to make such declaration,  
 1889 that the report is true and correct to the best of her or his  
 1890 knowledge and belief. Such report must include such information  
 1891 as the commission by rule requires for that type of money  
 1892 transmitter.

1893 Section 43. Subsection (2) of section 560.121, Florida  
 1894 Statutes, is amended to read:

1895 560.121 Records; limited restrictions upon public  
 1896 access.--

1897 (2) The commission may prescribe by rule the minimum  
 1898 information that must be shown in the books, accounts, records,  
 1899 and documents of licensees for purposes of enabling the office  
 1900 to determine the licensee's compliance with ss. 560.101-560.408.  
 1901 In addition, the commission may prescribe by rule the  
 1902 requirements for destruction of books, accounts, records, and  
 1903 documents retained by the licensee after completion of the time  
 1904 period specified in this subsection. Notwithstanding the 3-year

1905 retention period specified in this subsection, if the office  
 1906 identifies a statute of limitations in another civil or criminal  
 1907 law or federal law or rule which statute of limitations is  
 1908 reasonably related by subject matter to the administration of  
 1909 this chapter, the commission may identify that statute of  
 1910 limitations by rule and may prohibit the destruction of records  
 1911 required to be maintained by this chapter for a period of time,  
 1912 established by rule, which is reasonably related to such statute  
 1913 of limitations. The commission shall prescribe by rule those  
 1914 documents or records that are to be preserved under the  
 1915 identified statute of limitations. Examination reports,  
 1916 investigatory records, applications, and related information  
 1917 compiled by the office, or photographic copies thereof, shall be  
 1918 retained by the office for a period of at least 3 years  
 1919 following the date that the examination or investigation ceases  
 1920 to be active. Application records, and related information  
 1921 compiled by the office, or photographic copies thereof, shall be  
 1922 retained by the office for a period of at least 2 years  
 1923 following the date that the registration ceases to be active.

1924 Section 44. Section 560.126, Florida Statutes, is amended  
 1925 to read:

1926 560.126 Significant events; notice required.--

1927 (1) Unless exempted by the office, every money transmitter  
 1928 must provide the office with a written notice within 30 ~~15~~ days  
 1929 after the occurrence or knowledge of, whichever period of time  
 1930 is greater, any of the following events:

1931 (a)~~(1)~~ The filing of a petition under the United States  
 1932 Bankruptcy Code for bankruptcy or reorganization by the money

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1933 transmitter.

1934 (b)~~(2)~~ The commencement of any registration suspension or  
 1935 revocation proceeding, either administrative or judicial, or the  
 1936 denial of any original registration request or a registration  
 1937 renewal, by any state, the District of Columbia, any United  
 1938 States territory, or any foreign country, in which the money  
 1939 transmitter operates or plans to operate or has registered to  
 1940 operate.

1941 (c)~~(3)~~ A felony indictment relating to the money  
 1942 transmission business involving the money transmitter or a money  
 1943 transmitter-affiliated party of the money transmitter.

1944 (d)~~(4)~~ The felony conviction, guilty plea, or plea of nolo  
 1945 contendere, if the court adjudicates the nolo contendere pleader  
 1946 guilty, or the adjudication of guilt of a money transmitter or  
 1947 money transmitter-affiliated party.

1948 (e)~~(5)~~ The interruption of any corporate surety bond  
 1949 required by the code.

1950 (f)~~(6)~~ Any suspected criminal act, as defined by the  
 1951 commission by rule, perpetrated in this state against a money  
 1952 transmitter or authorized vendor.

1953  
 1954 However, a person does not incur liability ~~no liability shall be~~  
 1955 ~~incurred by any person~~ as a result of making a good-faith ~~good~~  
 1956 ~~faith~~ effort to fulfill this disclosure requirement.

1957 (2) If the information contained in any registration  
 1958 application or any amendment thereto has changed, the registrant  
 1959 shall, within 30 days after the change occurs, file an amendment  
 1960 correcting the information on forms prescribed by the

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1961 commission.

1962 Section 45. Section 560.205, Florida Statutes, is amended  
 1963 to read:

1964 560.205 Qualifications of applicant for registration;  
 1965 contents.--

1966 (1) To qualify for registration under this part, an  
 1967 applicant must demonstrate to the office such character and  
 1968 general fitness as to command the confidence of the public and  
 1969 warrant the belief that the registered business will be operated  
 1970 lawfully and fairly. The office may investigate each applicant  
 1971 to ascertain whether the qualifications and requirements  
 1972 prescribed by this part have been met. The office's  
 1973 investigation may include a criminal background investigation of  
 1974 all controlling shareholders, principals, officers, directors,  
 1975 members, and responsible persons of a funds transmitter and a  
 1976 payment instrument seller and all persons designated by a funds  
 1977 transmitter or payment instrument seller as an authorized  
 1978 vendor. Each controlling shareholder, principal, officer,  
 1979 director, member, and responsible person of a funds transmitter  
 1980 or payment instrument seller, unless the applicant is a publicly  
 1981 traded corporation as defined by the commission by rule, a  
 1982 subsidiary thereof, or a subsidiary of a bank or bank holding  
 1983 company organized and regulated under the laws of any state or  
 1984 the United States, shall file a complete set of fingerprints. A  
 1985 fingerprint card submitted to the office must be taken by an  
 1986 authorized law enforcement officer if the fingerprint card is  
 1987 submitted to the office in paper form. In addition to the fees  
 1988 prescribed in s. 215.405, the commission may prescribe by rule

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1989 an additional fee, not to exceed \$30, for processing the  
 1990 fingerprints. The commission may prescribe by rule procedures  
 1991 for submitting fingerprints and fees by electronic means to the  
 1992 office or to a third party approved by the office. In order to  
 1993 implement the submission and processing of fingerprints as  
 1994 specified by rule under this section, the office may contract  
 1995 with a third party or another state agency that provides  
 1996 fingerprinting services. Such fingerprints must be submitted to  
 1997 the Department of Law Enforcement or the Federal Bureau of  
 1998 Investigation for state and federal processing. The commission  
 1999 may waive by rule the requirement that applicants file a set of  
 2000 fingerprints or the requirement that such fingerprints be  
 2001 processed by the Department of Law Enforcement or the Federal  
 2002 Bureau of Investigation.

2003 (2) Each application for registration must be submitted  
 2004 under oath to the office on such forms as the commission  
 2005 prescribes by rule and must be accompanied by a nonrefundable  
 2006 application fee. The commission may establish by rule procedures  
 2007 for depositing fees and filing documents by electronic means.  
 2008 Such fee may not exceed \$500 for each payment instrument seller  
 2009 or funds transmitter and \$50 for each authorized vendor or  
 2010 location operating within this state. The application must  
 2011 contain forms shall set forth such information as the commission  
 2012 ~~reasonably~~ requires by rule, including, but not limited to:

2013 (a) The name and address of the applicant, including any  
 2014 fictitious or trade names used by the applicant in the conduct  
 2015 of its business.

2016 (b) The history of the applicant's material litigation,



2017 criminal convictions, pleas of nolo contendere, and cases of  
 2018 adjudication withheld.

2019 (c) A description of the activities conducted by the  
 2020 applicant, the applicant's history of operations, and the  
 2021 business activities in which the applicant seeks to engage in  
 2022 this state.

2023 ~~(d) A list identifying the applicant's proposed authorized~~  
 2024 ~~vendors in this state, including the location or locations in~~  
 2025 ~~this state at which the applicant and its authorized vendors~~  
 2026 ~~propose to conduct registered activities.~~

2027 (d)~~(e)~~ A sample authorized vendor contract, if applicable.

2028 (e)~~(f)~~ A sample form of payment instrument, if applicable.

2029 (f)~~(g)~~ The name and address of the clearing financial  
 2030 institution or financial institutions through which the  
 2031 applicant's payment instruments will be drawn or through which  
 2032 such payment instruments will be payable.

2033 (g)~~(h)~~ Documents revealing that the net worth and bonding  
 2034 requirements specified in s. 560.209 have been or will be  
 2035 fulfilled.

2036 (3) Each application for registration by an applicant that  
 2037 is a corporation shall contain ~~also set forth~~ such information  
 2038 as the commission ~~reasonably~~ requires by rule, including, but  
 2039 not limited to:

2040 (a) The date of the applicant's incorporation and state of  
 2041 incorporation.

2042 (b) A certificate of good standing from the state or  
 2043 country in which the applicant was incorporated.

2044 (c) A description of the corporate structure of the

2045 applicant, including the identity of any parent or subsidiary of  
 2046 the applicant, and the disclosure of whether any parent or  
 2047 subsidiary is publicly traded on any stock exchange.

2048 (d) The name, business and residence addresses, and  
 2049 employment history for the past 5 years for each executive  
 2050 officer, each director, each controlling shareholder, and the  
 2051 responsible person who will be in charge of all the applicant's  
 2052 business activities in this state.

2053 (e) The history of material litigation and criminal  
 2054 convictions, pleas of nolo contendere, and cases of adjudication  
 2055 withheld for each ~~executive~~ officer, each director, each  
 2056 controlling shareholder, and the responsible person who will be  
 2057 in charge of the applicant's registered activities.

2058 (f) Copies of the applicant's audited financial statements  
 2059 for the current year and, if available, for the immediately  
 2060 preceding 2-year period. In cases where the applicant is a  
 2061 wholly owned subsidiary of another corporation, the parent's  
 2062 consolidated audited financial statements may be submitted to  
 2063 satisfy this requirement. An applicant who is not required to  
 2064 file audited financial statements may satisfy this requirement  
 2065 by filing unaudited financial statements verified under penalty  
 2066 of perjury, as provided by the commission by rule.

2067 (g) An applicant who is not required to file audited  
 2068 financial statements may file copies of the applicant's  
 2069 unconsolidated, unaudited financial statements for the current  
 2070 year and, if available, for the immediately preceding 2-year  
 2071 period.

2072 (h) If the applicant is a publicly traded company, copies

2073 of all filings made by the applicant with the United States  
 2074 Securities and Exchange Commission, or with a similar regulator  
 2075 in a country other than the United States, within the year  
 2076 preceding the date of filing of the application.

2077 (4) Each application for registration submitted to the  
 2078 office by an applicant that is not a corporation shall contain  
 2079 ~~also set forth~~ such information as the commission ~~reasonably~~  
 2080 requires by rule, including, but not limited to:

2081 (a) Evidence that the applicant is registered to do  
 2082 business in this state.

2083 (b) The name, business and residence addresses, personal  
 2084 financial statement, and employment history for the past 5 years  
 2085 for each individual having a controlling ownership interest in  
 2086 the applicant, and each responsible person who will be in charge  
 2087 of the applicant's registered activities.

2088 (c) The history of material litigation and criminal  
 2089 convictions, pleas of nolo contendere, and cases of adjudication  
 2090 withheld for each individual having a controlling ownership  
 2091 interest in the applicant and each responsible person who will  
 2092 be in charge of the applicant's registered activities.

2093 (d) Copies of the applicant's audited financial statements  
 2094 for the current year, and, if available, for the preceding 2  
 2095 years. An applicant who is not required to file audited  
 2096 financial statements may satisfy this requirement by filing  
 2097 unaudited financial statements verified under penalty of  
 2098 perjury, as provided by the commission by rule.

2099 (5) Each applicant shall designate and maintain an agent  
 2100 in this state for service of process.

2101           (6) Changes in registration occasioned by changes in  
 2102 personnel of a partnership or in the principals, members,  
 2103 copartners, officers, directors, controlling shareholders, or  
 2104 responsible persons of a money transmitter or by changes of any  
 2105 material fact or method of doing business shall be reported by  
 2106 written amendment in such form and at such time as the  
 2107 commission specifies by rule.

2108           Section 46. Section 560.207, Florida Statutes, is amended  
 2109 to read:

2110           560.207 Renewal of registration; registration fee.--

2111           (1) Registration may be renewed for a 24-month period or  
 2112 the remainder of any such period without proration following the  
 2113 date of its expiration by furnishing such information as the  
 2114 commission requires by rule, together with the payment of the  
 2115 fees required under subsections (2), (3), and (4), ~~upon the~~  
 2116 ~~filing with the office of an application and other statements~~  
 2117 ~~and documents as may reasonably be required of registrants by~~  
 2118 ~~the commission.~~ The commission may establish by rule procedures  
 2119 for depositing fees and filing documents by electronic means.  
 2120 ~~However, the registrant must remain qualified for such~~  
 2121 ~~registration under the provisions of this part.~~

2122           (2) Each application for renewal of All registration must  
 2123 ~~renewal applications shall~~ be accompanied by a nonrefundable  
 2124 renewal fee not to exceed \$1,000. A registration expires on  
 2125 April 30 of the year in which the existing registration expires,  
 2126 unless the registrant has renewed his or her registration on or  
 2127 before that date. ~~All renewal applications must be filed on or~~  
 2128 ~~after January 1 of the year in which the existing registration~~

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2129 ~~expires, but before the expiration date of April 30. If the~~  
2130 ~~renewal application is filed prior to the expiration date of an~~  
2131 ~~existing registration, no late fee shall be paid in connection~~  
2132 ~~with such renewal application. If the renewal application is~~  
2133 ~~filed within 60 calendar days after the expiration date of an~~  
2134 ~~existing registration, then, in addition to the \$1,000 renewal~~  
2135 ~~fee, the renewal application shall be accompanied by a~~  
2136 ~~nonrefundable late fee of \$500. If the registrant has not filed~~  
2137 ~~a renewal application within 60 calendar days after the~~  
2138 ~~expiration date of an existing registration, a new application~~  
2139 ~~shall be filed with the office pursuant to s. 560.205.~~

2140       (3) In addition to the renewal fee required under  
2141 subsection (2), each registrant must pay ~~Every registration~~  
2142 ~~renewal application shall also include~~ a 2-year nonrefundable  
2143 registration renewal fee of \$50 for each authorized vendor or  
2144 location operating within this state or, at the option of the  
2145 registrant, a total 2-year nonrefundable renewal fee of \$20,000  
2146 may be paid to renew the registration of all such locations  
2147 currently registered at the time of renewal.

2148       (4) A registration may be reinstated only if the renewal  
2149 fee and a nonrefundable late fee of \$500 are filed within 60  
2150 calendar days after the expiration of the existing registration.  
2151 The office must grant a reinstatement of registration for which  
2152 application is filed during the 60 calendar days, and the  
2153 reinstatement is effective upon receipt of the required fees and  
2154 any information that the commission requires by rule. If the  
2155 registrant has not filed application for reinstatement of the  
2156 registration within the 60 calendar days after the expiration of

2157 an existing registration, the registration expires, and a new  
 2158 application must be filed with the office pursuant to s.  
 2159 560.205.

2160 Section 47. Subsection (1) of section 560.210, Florida  
 2161 Statutes, is amended to read:

2162 560.210 Permissible investments.--

2163 (1) A registrant shall at all times possess permissible  
 2164 investments with an aggregate market value calculated in  
 2165 accordance with United States generally accepted accounting  
 2166 principles of not less than the aggregate face amount of all  
 2167 outstanding funds transmissions ~~transmitted~~ and ~~outstanding~~  
 2168 payment instruments issued or sold by the registrant or an  
 2169 authorized vendor in the United States.

2170 Section 48. Subsection (2) of section 560.211, Florida  
 2171 Statutes, is amended to read:

2172 560.211 Records.--

2173 (2) The records required to be maintained by the code may  
 2174 be maintained by the registrant at any location, provided that  
 2175 the registrant notifies the office in writing of the location of  
 2176 the records in its application or otherwise by amendment as  
 2177 prescribed by commission rule. The registrant shall make such  
 2178 records available to the office for examination and  
 2179 investigation in this state, as permitted by the code, within 7  
 2180 days after receipt of a written request.

2181 Section 49. Section 560.305, Florida Statutes, is amended  
 2182 to read:

2183 560.305 Application.--Each application for registration  
 2184 must ~~shall~~ be in writing and under oath to the office, in such

2185 form as the commission prescribes. The commission may establish  
 2186 by rule procedures for depositing fees and filing documents by  
 2187 electronic means. The application must contain such information  
 2188 as the commission requires by rule, including, but not limited  
 2189 to shall include the following:

2190 (1) The legal name and residence and business addresses of  
 2191 the applicant if the applicant is a natural person, or, if the  
 2192 applicant is a partnership, association, or corporation, the  
 2193 name of every partner, officer, or director thereof.

2194 (2) The location of the principal office of the applicant.

2195 (3) The complete address of any other locations at which  
 2196 the applicant proposes to engage in such activities since the  
 2197 provisions of registration apply to each and every operating  
 2198 location of a registrant.

2199 (4) Such other information as the commission or office  
 2200 reasonably requires with respect to the applicant or any money  
 2201 transmitter-affiliated party of the applicant; however, the  
 2202 commission or office may not require more information than is  
 2203 specified in part II.

2204 Section 50. Subsections (1) and (4) of section 560.306,  
 2205 Florida Statutes, are amended, and subsection (6) is added to  
 2206 said section, to read:

2207 560.306 Standards.--

2208 (1) In order to qualify for registration under this part,  
 2209 an applicant must demonstrate to the office that he or she has  
 2210 such character and general fitness as will command the  
 2211 confidence of the public and warrant the belief that the  
 2212 registered business will be operated lawfully and fairly. The

2213 office may investigate each applicant to ascertain whether the  
 2214 qualifications and requirements prescribed by this part have  
 2215 been met. The office's investigation may include a criminal  
 2216 background investigation of all controlling shareholders,  
 2217 principals, officers, directors, members, and responsible  
 2218 persons of a check casher and a foreign currency exchanger and  
 2219 all persons designated by a foreign currency exchanger or check  
 2220 casher as an authorized vendor. Each controlling shareholder,  
 2221 principal, officer, director, member, and responsible person of  
 2222 a check casher or foreign currency exchanger, unless the  
 2223 applicant is a publicly traded corporation as defined by the  
 2224 commission by rule if the fingerprint card is submitted to the  
 2225 office in paper form as defined by the commission by rule, a  
 2226 subsidiary thereof, or a subsidiary of a bank or bank holding  
 2227 company organized and regulated under the laws of any state or  
 2228 the United States, shall file a complete set of fingerprints. A  
 2229 fingerprint card submitted to the office must be taken by an  
 2230 authorized law enforcement officer if the fingerprint card is  
 2231 submitted to the office in paper form. In addition to the fees  
 2232 prescribed in s. 215.405, the commission may prescribe by rule  
 2233 an additional fee, not to exceed \$30, for processing the  
 2234 fingerprints. The commission may prescribe by rule procedures  
 2235 for submitting fingerprints and fees by electronic means to the  
 2236 office or to a third party approved by the office. In order to  
 2237 implement the submission and processing of fingerprints as  
 2238 specified by rule under this section, the office may contract  
 2239 with a third party or another state agency that provides  
 2240 fingerprinting services. Such fingerprints must be submitted to



2241 the Department of Law Enforcement or the Federal Bureau of  
 2242 Investigation for state and federal processing. The commission  
 2243 may waive by rule the requirement that applicants file a set of  
 2244 fingerprints or the requirement that such fingerprints be  
 2245 processed by the Department of Law Enforcement or the Federal  
 2246 Bureau of Investigation.

2247 (4) Each registration application and renewal application  
 2248 must specify the location at which the applicant proposes to  
 2249 establish its principal place of business and any other  
 2250 location, including authorized vendors operating in this state.  
 2251 The registrant shall notify the office of any changes to any  
 2252 such locations. ~~Any registrant may satisfy this requirement by~~  
 2253 ~~providing the office with a list of such locations, including~~  
 2254 ~~all authorized vendors operating in this state, not less than~~  
 2255 ~~annually.~~ A registrant may not transact business as a check  
 2256 cashier or a foreign currency exchanger except pursuant to the  
 2257 name under which it is registered.

2258 (6) Changes in registration occasioned by changes in  
 2259 personnel of a partnership or in the principals, members,  
 2260 copartners, officers, directors, controlling shareholders, or  
 2261 responsible persons of a money transmitter or by changes of any  
 2262 material fact or method of doing business shall be reported by  
 2263 written amendment in such form and at such time as the  
 2264 commission specifies by rule.

2265 Section 51. Section 560.308, Florida Statutes, is amended  
 2266 to read:

2267 560.308 Registration terms; renewal; renewal fees.--

2268 (1) Registration may be renewed for a 24-month period or

2269 the remainder of any such period without proration following the  
 2270 date of its expiration, by furnishing such information as the  
 2271 commission requires by rule, together with the payment of the  
 2272 fees required under subsections (2), (3), and (4). The  
 2273 commission may establish by rule procedures for depositing fees  
 2274 and filing documents by electronic means. Registration pursuant  
 2275 ~~to this part shall remain effective through the remainder of the~~  
 2276 ~~second calendar year following its date of issuance unless~~  
 2277 ~~during such calendar year the registration is surrendered,~~  
 2278 ~~suspended, or revoked.~~

2279 (2) Each application for renewal of registration must be  
 2280 accompanied by ~~The office shall renew registration upon receipt~~  
 2281 ~~of a completed renewal form and payment of a nonrefundable~~  
 2282 ~~renewal fee not to exceed \$500. The registration expires on~~  
 2283 December 31 of the year in which the existing registration  
 2284 expires, unless the registrant has renewed his or her  
 2285 registration on or before that date. ~~The completed renewal form~~  
 2286 ~~and payment of the renewal fee shall occur on or after June 1 of~~  
 2287 ~~the year in which the existing registration expires.~~

2288 (3) In addition to the renewal fee required by subsection  
 2289 (2), each registrant must pay a 2-year nonrefundable  
 2290 registration renewal fee of \$50 for each authorized vendor or  
 2291 location operating within this state or, at the option of the  
 2292 registrant, a total 2-year nonrefundable renewal fee of \$20,000  
 2293 may be paid to renew the registration of all such locations  
 2294 currently registered at the time of renewal.

2295 (4) ~~Registration that is not renewed on or before the~~  
 2296 ~~expiration date of the registration period automatically~~

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2297 ~~expires.~~ A renewal ~~application and fee,~~ and a nonrefundable late  
 2298 fee of \$250~~,~~ must be filed within 60 calendar days after the  
 2299 expiration of an existing registration in order for the  
 2300 registration to be reinstated. The office must grant a  
 2301 reinstatement of registration for which application is filed  
 2302 during the 60 calendar days, and the reinstatement is effective  
 2303 upon receipt of the required fees and any information that the  
 2304 commission requires by rule. If the registrant has not filed an  
 2305 ~~a renewal~~ application for reinstatement within 60 calendar days  
 2306 after the expiration date of an existing registration, the  
 2307 registration expires and a new application must be filed with  
 2308 the office pursuant to s. 560.307.

2309 Section 52. Subsection (2) of section 560.310, Florida  
 2310 Statutes, is amended to read:

2311 560.310 Records of check cashers and foreign currency  
 2312 exchangers.--

2313 (2) The records required to be maintained by the code may  
 2314 be maintained by the registrant at any location, provided that  
 2315 the registrant notifies the office, in writing, of the location  
 2316 of the records in its application or otherwise by amendment as  
 2317 prescribed by commission rule. The registrant shall make such  
 2318 records available to the office for examination and  
 2319 investigation in this state, as permitted by the code, within 7  
 2320 days after receipt of a written request.

2321 Section 53. Subsections (2) and (4) of section 560.403,  
 2322 Florida Statutes, are amended to read:

2323 560.403 Requirements of registration; declaration of  
 2324 intent.--

2325           (2) A registrant under this part shall renew his or her  
 2326 intent to engage in the business of deferred presentment  
 2327 transactions or to act as a deferred presentment provider upon  
 2328 renewing his or her registration under part II or part III and  
 2329 shall do so by indicating his or her intent ~~on the renewal form~~  
 2330 ~~and~~ by submitting a nonrefundable deferred presentment provider  
 2331 renewal fee of \$1,000, in addition to any fees required for  
 2332 renewal of registration under part II or part III.

2333           (4) The notice of intent of a registrant under this part  
 2334 who fails to timely renew his or her intent to engage in the  
 2335 business of deferred presentment transactions or to act as a  
 2336 deferred presentment provider on or before the expiration date  
 2337 of the registration period automatically expires. A renewal  
 2338 ~~declaration of intent and fee,~~ and a nonrefundable late fee of  
 2339 \$500~~,~~ must be filed within 60 calendar days after the expiration  
 2340 of an existing registration in order for the declaration of  
 2341 intent to be reinstated. The office must grant a reinstatement  
 2342 of a notice of intent for which application is filed during the  
 2343 60 calendar days, and the reinstatement is effective upon  
 2344 receipt of the required fees and any information that the  
 2345 commission requires by rule. If the registrant has not filed a  
 2346 reinstatement of a renewal declaration of intent within 60  
 2347 calendar days after the expiration date of an existing  
 2348 registration, the notice of intent expires and a new declaration  
 2349 of intent must be filed with the office.

2350           Section 54. Section 626.565, Florida Statutes, is created  
 2351 to read:

2352           626.565 Disposition of records.--

2353       (1) An agent or other licensee of the department or office  
2354 shall provide for the prudent disposition of records containing  
2355 personal financial or health information regarding a consumer,  
2356 policyholder, applicant, or insured after any applicable  
2357 retention requirement has been met. Disposition must be by a  
2358 method that protects the confidentiality of any of the personal  
2359 financial or health information. Each appointing entity shall  
2360 comply with this requirement by the licensee in any appointment  
2361 or representation agreement between the appointing entity and  
2362 the licensee.

2363       (2) The department or commission may adopt rules governing  
2364 the disposition of records of personal financial or health  
2365 information of a consumer, policyholder, applicant, or insured  
2366 by agents and other licensees. The rules must be designed to  
2367 protect the confidential and sensitive nature of the information  
2368 and to avoid identity theft

2369       Section 55. If any provision of this act or its  
2370 application to any person or circumstance is held invalid, the  
2371 invalidity does not affect other provisions or applications of  
2372 the act which can be given effect without the invalid provision  
2373 or application, and to this end the provisions of this act are  
2374 severable.

2375       Section 56. This act shall take effect October 1, 2005.