

HB 7153

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1 A bill to be entitled
2 An act relating to financial entities and transactions;
3 amending s. 494.001, F.S.; defining the term "control
4 person"; amending s. 494.0011, F.S.; authorizing the
5 Financial Services Commission to require electronic
6 submission of forms, documents, or fees; providing a
7 limitation; authorizing the commission to adopt rules
8 accommodating a technological or financial hardship;
9 requiring that a grant or denial of a license be in
10 accordance with ch. 120, F.S.; amending s. 494.0016, F.S.;
11 authorizing the commission to prescribe requirements for
12 destroying books, accounts, records, and documents;
13 amending s. 494.0029, F.S.; requiring that certain
14 entities who offer or conduct mortgage business training
15 obtain a permit; providing requirements and procedures for
16 obtaining a permit; specifying that permits are not
17 transferable or assignable; providing for expiration and
18 recertification of permits; authorizing permit fees;
19 requiring that curriculum, training, and training
20 materials be available for inspection; requiring
21 electronic notification to the office of persons who have
22 successfully completed certain education requirements;
23 requiring the commission to adopt rules; amending s.
24 494.00295, F.S.; revising professional education
25 provisions to apply to continuing education; providing
26 requirements; waiving such requirements for license
27 renewals for certain persons under certain circumstances;
28 amending s. 494.003, F.S.; revising the list of entities

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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29 exempt from certain mortgage broker licensure
30 requirements; amending s. 494.0031, F.S.; requiring
31 licensure of mortgage brokerage businesses; revising
32 requirements and procedures for issuing licenses;
33 providing duties and authority of the commission and
34 office; providing duties of the Department of Law
35 Enforcement; specifying that certain licenses are not
36 transferable or assignable; revising the grounds on which
37 a license may be denied; deleting certain provisions
38 relating to cancellation and reinstatement of licenses;
39 amending s. 494.0032, F.S.; requiring renewal of branch
40 office licenses with renewal of mortgage brokerage
41 business licenses; amending s. 494.0033, F.S.; revising
42 mortgage broker licensure requirements and procedures;
43 authorizing the commission to prescribe additional testing
44 fees; authorizing the commission to waive certain
45 examination requirements under specified circumstances;
46 providing duties and authority of the commission and
47 office; providing duties of the Department of Law
48 Enforcement; deleting provisions relating to cancellation
49 and reinstatement of licenses; amending s. 494.0036, F.S.;
50 revising mortgage brokerage business branch office
51 licensure requirements and procedures; deleting a
52 requirement for displaying licenses; amending s. 494.0039,
53 F.S.; deleting mortgage brokerage business change of
54 address reporting and license display requirements;
55 amending s. 494.004, F.S.; revising mortgage broker
56 licensee requirements; providing requirements for

57 | acquiring a controlling interest in a licensee; providing
58 | a definition; providing duties and authority of the
59 | commission; authorizing the office to bring an
60 | administrative action under certain circumstances;
61 | amending s. 494.0041, F.S.; specifying additional grounds
62 | for taking disciplinary action; amending s. 494.006, F.S.;
63 | revising the list of entities exempt from mortgage lender
64 | licensure requirements; amending s. 494.0061, F.S.;
65 | requiring the licensure of mortgage lenders; revising
66 | mortgage lender license requirements and procedures;
67 | providing duties and authority of the commission and
68 | office; providing duties of the Department of Law
69 | Enforcement; providing for commission rules; revising
70 | provisions governing grounds for imposing discipline;
71 | deleting certain provisions relating to cancellation and
72 | reinstatement of licenses; authorizing the commission to
73 | prescribe additional testing fees; revising provisions
74 | governing principal representatives; amending s. 494.0062,
75 | F.S.; requiring licensure of correspondent mortgage
76 | lenders; revising correspondent mortgage lender license
77 | requirements and procedures; providing duties and
78 | authority of the commission and office; providing duties
79 | of the Department of Law Enforcement; providing
80 | educational requirements for principal representatives;
81 | revising grounds for disciplinary action; deleting certain
82 | provisions relating to cancellation and reinstatement of
83 | licenses; authorizing the commission to prescribe
84 | additional testing fees; providing for commission rules;

85 | amending s. 494.0064, F.S.; revising mortgage lender
86 | branch office licensee professional continuing education
87 | requirements; amending s. 494.0065, F.S.; revising saving
88 | clause requirements and procedures; revising the duties
89 | and authority of the office and commission; providing
90 | duties of the Department of Law Enforcement; providing for
91 | commission rules; providing requirements for education and
92 | testing for certain principal representatives and for
93 | transfer applications; authorizing the commission to
94 | prescribe additional testing fees; revising provisions
95 | governing the denial of transfers; providing personal
96 | representative designation requirements; amending s.
97 | 494.0066, F.S.; revising branch office licensure
98 | requirements; providing for commission rules; amending s.
99 | 494.0067, F.S.; deleting a license display requirement;
100 | providing information reporting requirements; providing
101 | requirements for acquiring a controlling interest in a
102 | licensee; providing a definition; providing duties and
103 | authority of the commission; authorizing the office to
104 | bring an administrative action under certain
105 | circumstances; revising professional continuing education
106 | requirements; amending s. 494.0072, F.S.; providing
107 | additional grounds for taking disciplinary action;
108 | amending s. 494.00721, F.S.; conforming cross-references;
109 | amending s. 501.137, F.S.; providing mortgage lender
110 | liability for attorney's fees and costs for certain
111 | violations; amending s. 516.01, F.S.; defining the term
112 | "control person"; amending s. 516.03, F.S.; revising

113 requirements and procedures for issuing consumer finance
114 loan licenses; specifying certain fees as nonrefundable;
115 authorizing the commission to adopt rules; revising
116 certain fee requirements; providing for technological or
117 financial hardship exemptions under certain circumstances;
118 amending s. 516.031, F.S.; increasing a reimbursement
119 charge for certain investigation costs; amending s.
120 516.05, F.S.; revising investigation procedures; deleting
121 provisions relating to certain fees for licenses that have
122 been denied; providing licensee information reporting
123 requirements; providing requirements for acquiring a
124 controlling interest in a licensee; providing a
125 definition; providing duties and authority of the
126 commission and office; providing for commission rules;
127 authorizing the office to bring an administrative action
128 under certain circumstances; deleting provisions
129 authorizing the office to grant temporary licenses;
130 amending s. 516.07, F.S.; providing an additional ground
131 for taking disciplinary action; repealing s. 516.08, F.S.,
132 relating to requirements for posting a license; amending
133 s. 516.12, F.S.; authorizing the commission to adopt rules
134 specifying the minimum information to be shown in a
135 licensee's books, accounts, records, and documents and the
136 requirements for destroying a licensee's books, accounts,
137 records, and documents; amending s. 516.19, F.S.;
138 correcting cross-references; amending s. 517.021, F.S.;
139 redefining the term "branch office"; authorizing the
140 commission to adopt rules; amending s. 517.051, F.S.;

141 revising required accounting principles; amending s.
142 517.061, F.S.; revising a provision governing exempt
143 transactions; amending s. 517.081, F.S.; revising required
144 accounting principles; amending s. 517.12, F.S.; revising
145 requirements and procedures for registration of dealers,
146 associated persons, investment advisers, and branch
147 offices; revising duties and authority of the commission
148 and office; providing for commission rules; providing
149 duties of the Department of Law Enforcement; revising
150 requirements, procedures, and exemptions relating to
151 activities of Canadian dealers and associated persons;
152 providing for certain fees; providing that certain fees
153 are nonrefundable; providing for the collection of fees;
154 amending s. 517.131, F.S.; revising criteria under which
155 recovery can be made from the Securities Guaranty Fund;
156 authorizing the commission to adopt rules; amending s.
157 517.141, F.S.; revising requirements for claimant
158 reimbursements to the fund; authorizing the commission to
159 adopt rules; amending s. 517.161, F.S.; revising a ground
160 for a registration adverse action; providing an additional
161 ground; amending ss. 520.02, 520.31, and 520.61, F.S.;
162 defining the term "control person"; amending ss. 520.03,
163 520.32, 520.52, and 520.63, F.S.; revising requirements
164 and procedures for licensing motor vehicle retail
165 installment sellers, retail installment transaction retail
166 sellers, sales finance companies, and home improvement
167 finance sellers; revising duties and authority of the
168 commission and office; specifying certain fees as

169 nonrefundable; amending s. 520.994, F.S.; revising
170 commission authority to adopt rules to include electronic
171 submissions; providing for accommodating a technological
172 or financial hardship; amending s. 520.995, F.S.;
173 providing an additional ground for taking disciplinary
174 action; revising a provision applying disciplinary actions
175 to certain persons; amending s. 520.997, F.S.; revising
176 commission authority to adopt rules relating to a
177 licensee's books, accounts, records, and documents;
178 creating s. 520.999, F.S.; providing additional
179 requirements of licensees in sales and finance;
180 authorizing the office to bring an administrative action
181 under certain circumstances; authorizing the commission to
182 adopt rules; amending s. 537.009, F.S., relating to the
183 Florida Title Loan Act; revising provisions relating to a
184 licensee's books, accounts, records, and documents;
185 amending s. 559.9232, F.S.; correcting cross-references;
186 amending s. 560.105, F.S., relating to the Money
187 Transmitters' Code; authorizing the commission to adopt
188 rules for electronic submission of money transmitter
189 licensee forms, documents, or fees; providing for
190 exemptions due to technological or financial hardship;
191 amending s. 560.114, F.S.; providing an additional ground
192 for taking disciplinary action; amending s. 560.121, F.S.;
193 authorizing the commission to adopt rules relating to a
194 licensee's books, accounts, records, and documents;
195 amending s. 560.126, F.S.; revising information reporting
196 requirements; providing requirements for acquiring a

197 controlling interest; authorizing the office to bring an
198 administrative action under certain circumstances;
199 authorizing the commission to adopt rules; amending s.
200 560.127, F.S.; revising criteria for determining control
201 over a money transmitter; deleting provisions regulating
202 the acquisition or purchase of a money transmitter;
203 amending s. 560.205, F.S.; revising requirements and
204 procedures for registering money transmitters; revising
205 duties of the commission and office; providing duties of
206 the Department of Law Enforcement; amending s. 560.207,
207 F.S.; revising requirements and procedures for renewing a
208 registration; authorizing the commission to adopt rules;
209 providing that specified fees are nonrefundable; providing
210 conditions for reinstating a registration; providing an
211 additional fee; providing for expiration of registration;
212 amending s. 560.210, F.S.; revising required accounting
213 principles; amending s. 560.211, F.S.; revising certain
214 recordkeeping requirements; amending s. 560.305, F.S.,
215 relating to the Check Cashing and Foreign Currency
216 Exchange Act; revising requirements and procedures for
217 registration; amending s. 560.306, F.S.; revising
218 fingerprinting requirements and procedures; providing
219 duties of the office and Department of Law Enforcement;
220 amending s. 560.308, F.S.; revising requirements for
221 renewal of registration; providing for expiration of
222 registration; providing that specified fees are
223 nonrefundable; providing conditions for reinstatement of a
224 registration; amending s. 560.310, F.S.; revising certain

225 recordkeeping requirements; amending s. 560.403, F.S.;

226 revising requirements for registration renewal notices of

227 intent; providing that specified fees are nonrefundable;

228 providing conditions for reinstatement of a notice of

229 intent; amending s. 655.935, F.S.; authorizing the search

230 of a safe-deposit box co-leased by a decedent; providing

231 construction; amending s. 655.936, F.S.; providing for the

232 delivery of a safe-deposit box to a court-appointed

233 personal representative; amending s. 655.937, F.S.;

234 revising provisions for access to safe-deposit boxes;

235 providing a penalty; amending s. 733.6065, F.S.; revising

236 provisions relating to the initial opening of certain

237 safe-deposit boxes; providing an appropriation; providing

238 an effective date.

239

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

241

242 Section 1. Present subsections (9) through (30) of section

243 494.001, Florida Statutes, are redesignated as subsections (10)

244 through (31), respectively, and a new subsection (9) is added to

245 that section to read:

246 494.001 Definitions.--As used in ss. 494.001-494.0077, the

247 term:

248 (9) "Control person" means an individual, partnership,

249 corporation, trust, or other organization that possesses the

250 power, directly or indirectly, to direct the management or

251 policies of a company, whether through ownership of securities,

252 by contract, or otherwise. A person is presumed to control a

253 company if, with respect to a particular company, that person:

254 (a) Is a director, general partner, or officer exercising
 255 executive responsibility or having similar status or functions;

256 (b) Directly or indirectly may vote 10 percent or more of
 257 a class of voting securities or sell or direct the sale of 10
 258 percent or more of a class of voting securities; or

259 (c) In the case of a partnership, may receive upon
 260 dissolution or has contributed 10 percent or more of the
 261 capital.

262 Section 2. Subsection (2) of section 494.0011, Florida
 263 Statutes, is amended, and subsection (6) is added to that
 264 section, to read:

265 494.0011 Powers and duties of the commission and office.--

266 (2) The commission may ~~has authority to~~ adopt rules
 267 pursuant to ss. 120.536(1) and 120.54 to implement ss. 494.001-
 268 494.0077. The commission may adopt rules requiring to allow
 269 electronic submission of any forms, documents, or fees required
 270 by this act if such rules reasonably accommodate technological
 271 or financial hardship. The commission may prescribe by rule
 272 requirements and procedures for obtaining an exemption due to a
 273 technological or financial hardship. The commission may also
 274 adopt rules to accept certification of compliance with
 275 requirements of this act in lieu of requiring submission of
 276 documents.

277 (6) The grant or denial of any license under this chapter
 278 must be in accordance with s. 120.60.

279 Section 3. Subsection (4) of section 494.0016, Florida
 280 Statutes, is amended to read:

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281 494.0016 Books, accounts, and records; maintenance;
 282 examinations by the office.--

283 (4) The commission may prescribe by rule the minimum
 284 information to be shown in the books, accounts, records, and
 285 documents of licensees so that such records will enable the
 286 office to determine the licensee's compliance with ss. 494.001-
 287 494.0077. In addition, the commission may prescribe by rule
 288 requirements for the destruction of books, accounts, records,
 289 and documents retained by the licensee after completion of the
 290 time period specified in subsection (3).

291 Section 4. Section 494.0029, Florida Statutes, is amended
 292 to read:

293 494.0029 Mortgage business schools.--

294 (1) (a) Each person, school, or institution, except
 295 accredited colleges, universities, community colleges, and
 296 career centers in this state, which offers or conducts mortgage
 297 business training for the purpose of meeting professional
 298 continuing education requirements or as a condition precedent to
 299 licensure as a mortgage broker, mortgage ~~or~~ lender, or a
 300 correspondent mortgage lender must shall obtain a permit from
 301 the office to operate as a mortgage business school before
 302 offering or conducting mortgage business training and must abide
 303 by the regulations imposed upon such person, school, or
 304 institution by this chapter and rules adopted pursuant to this
 305 chapter. The commission may require by rule that each applicant
 306 for a mortgage business school permit provide any information
 307 reasonably necessary to determine the applicant's eligibility.
 308 Each person, school, or institution that applies for a permit

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309 under this section must do so on forms adopted by the commission
310 by rule ~~The commission shall, by rule, recertify the permits~~
311 ~~annually with initial and renewal permit fees that do not exceed~~
312 ~~\$500 plus the cost of accreditation.~~

313 (b) An application is considered received for purposes of
314 s. 120.60 upon receipt of a completed application form as
315 prescribed by commission rule, a nonrefundable application fee
316 of \$500, the cost of accreditation as defined by commission
317 rule, and any other fee prescribed by law.

318 (c) A permit issued under this section is not transferable
319 or assignable.

320 (d) Each permitted mortgage business school shall report,
321 on a form prescribed by the commission, any change in the
322 information contained in the initial application form or any
323 amendment to such form not later than 30 days after the change
324 is effective.

325 (e) A permit issued under this section expires on
326 September 30th of each year. The office shall recertify a permit
327 annually upon submission of information the commission requires
328 by rule, together with a nonrefundable permit fee of \$500, and
329 the cost of accreditation as defined by commission rule, which
330 shall be for the annual period beginning October 1 of each year.

331 ~~(2) All such schools shall maintain curriculum and~~
332 ~~training materials necessary to determine the school's~~
333 ~~compliance with this chapter and rules adopted pursuant to this~~
334 ~~chapter. Any school that offers or conducts mortgage business~~
335 ~~training shall at all times maintain an operation of training,~~
336 ~~materials, and curriculum which is open to review by the office~~

337 ~~to determine compliance and competency as a mortgage business~~
 338 ~~school.~~

339 (2)~~(3)~~(a) It is unlawful for any such person, school, or
 340 institution to offer or conduct mortgage business courses,
 341 regardless of the number of pupils, without first procuring a
 342 permit or to guarantee that the pupils will pass any mortgage
 343 business examination given on behalf of the office or to
 344 represent that the issuance of a permit is any recommendation or
 345 endorsement of the person, school, or institution to which it is
 346 issued or of any course of instruction given thereunder. Any
 347 person who violates this paragraph commits a misdemeanor of the
 348 second degree, punishable as provided in s. 775.082 or s.
 349 775.083.

350 (b) The location of classes and the frequency of class
 351 meetings shall be in the discretion of the school offering the
 352 courses, if such courses conform to this chapter and related
 353 rules adopted by the commission.

354 (c) A mortgage business school may not use advertising of
 355 any nature which is false, inaccurate, misleading, or
 356 exaggerated. Publicity and advertising of a mortgage business
 357 school, or of its representative, shall be based upon relevant
 358 facts and supported by evidence establishing their truth.

359 (d) A representative of a mortgage business school subject
 360 to the provisions of this chapter may not promise or guarantee
 361 employment or placement of any pupil or prospective pupil, using
 362 information, training, or skill purported to be provided or
 363 otherwise enhanced by a course or school as inducement to enroll
 364 in the school, unless such person offers the pupil or

365 prospective pupil a bona fide contract of employment.

366 (e) A school shall advertise only as a school and under
367 the permitted name of such school as recognized by the office.

368 (f) Reference may not be made in any publication or
369 communication medium as to a pass/fail ratio on mortgage
370 business examinations by any school permitted by the office.

371 (3) Each person, school, or institution that is required
372 to be permitted as a mortgage business school under this section
373 shall maintain and make available for the office's review,
374 inspection, and observation any training, curriculum, and
375 training materials necessary for the office to determine
376 compliance with this chapter and the rules adopted under this
377 chapter. All documents prescribed by commission rule must be
378 submitted with the initial application or recertification.

379 (4) Each person, school, or institution that is required
380 to be permitted as a mortgage business school under this section
381 must provide electronic notification to the office, in a manner
382 prescribed by commission rule, of any pupils who have
383 successfully completed the 24-hour prelicensure classroom
384 instruction for mortgage brokers and principal representatives
385 and any pupils who have completed the 14-hour professional
386 continuing education for mortgage brokers.

387 Section 5. Section 494.00295, Florida Statutes, is amended
388 to read:

389 494.00295 Professional continuing education.--

390 (1) Mortgage brokers, and the principal representatives
391 and loan originators of a mortgage lender, correspondent
392 mortgage lender, or mortgage lender pursuant to s. 494.0065,

393 must successfully complete at least 14 hours of professional
 394 continuing education covering primary and subordinate mortgage
 395 financing transactions and the provisions of this chapter during
 396 the 2-year period immediately preceding the renewal deadline for
 397 a mortgage broker, mortgage lender, correspondent mortgage
 398 lender, or mortgage lender pursuant to s. 494.0065. At the time
 399 of license renewal, a licensee must certify to the office that
 400 the professional continuing education requirements of this
 401 section have been met. Licensees shall maintain records
 402 documenting compliance with this subsection for a period of 4
 403 years. The requirements for professional continuing education
 404 are waived for the license renewal of a mortgage broker for the
 405 biennial license period immediately following the period in
 406 which the person became licensed as a mortgage broker. The
 407 requirements for professional continuing education for a
 408 principal representative are waived for the license renewal of a
 409 mortgage lender, correspondent mortgage lender, or mortgage
 410 lender pursuant to s. 494.0065 for the biennial license period
 411 immediately following the period in which the principal
 412 representative completed the 24 hours of classroom education and
 413 passed a written test in order to qualify to be a principal
 414 representative ~~Each mortgage broker, mortgage lender, and~~
 415 ~~correspondent mortgage lender must certify to the office at the~~
 416 ~~time of renewal that during the 2 years prior to an application~~
 417 ~~for license renewal, all mortgage brokers and the principal~~
 418 ~~representative, loan originators, and associates of a mortgage~~
 419 ~~lender or correspondent mortgage lender have successfully~~
 420 ~~completed at least 14 hours of professional education programs~~

421 ~~covering primary and subordinate mortgage financing transactions~~
 422 ~~and the provisions of this chapter. Licensees shall maintain~~
 423 ~~records documenting compliance with this subsection for a period~~
 424 ~~of 4 years.~~

425 (2) Professional continuing education programs must
 426 contribute directly to the professional competency of the
 427 participants, may only be offered by permitted mortgage business
 428 schools or entities specifically exempted from permitting as
 429 mortgage business schools, and may include electronically
 430 transmitted or distance education courses.

431 (3) The commission shall adopt rules necessary to
 432 administer this section, including rules governing qualifying
 433 hours for professional continuing education programs and
 434 standards for electronically transmitted or distance education
 435 courses, including course completion requirements.

436 Section 6. Paragraphs (b) and (c) of subsection (1) and
 437 paragraph (e) of subsection (2) of section 494.003, Florida
 438 Statutes, are amended to read:

439 494.003 Exemptions.--

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

442 (b) A state or federal chartered bank, ~~bank holding~~
 443 ~~company~~, trust company, savings and loan association, savings
 444 bank or, credit union, bank holding company regulated under the
 445 laws of any state or the United States, or consumer finance
 446 company licensed pursuant to chapter 516.

447 (c) A wholly owned bank holding company subsidiary or a
 448 wholly owned savings and loan association holding company

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449 subsidiary formed and regulated under the laws of any state or
450 the United States that is approved or certified by the
451 Department of Housing and Urban Development, the Veterans
452 Administration, the Government National Mortgage Association,
453 the Federal National Mortgage Association, or the Federal Home
454 Loan Mortgage Corporation.

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

457 (e) A wholly owned subsidiary of a state or federal
458 chartered bank or savings and loan association the sole activity
459 of which is to distribute the lending programs of such state or
460 federal chartered bank or savings and loan association to
461 persons who arrange loans for, or make loans to, borrowers.

462 Section 7. Section 494.0031, Florida Statutes, is amended
463 to read:

464 494.0031 Licensure as a mortgage brokerage business.--

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

468 (2)(1) Each initial application for a mortgage brokerage
469 business license must be in the form prescribed by rule of the
470 commission. The commission may require each applicant to provide
471 any information reasonably necessary to determine the
472 applicant's eligibility for licensure. The office shall issue a
473 mortgage brokerage business license to each person who:

474 (a) Has submitted a completed application form and a
475 nonrefundable application fee of \$425. An application is
476 considered received for purposes of s. 120.60 upon receipt of a

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477 completed application form as prescribed by commission rule, a
478 nonrefundable application fee of \$425, and any other fee
479 prescribed by law. ~~and~~

480 (b) Has a qualified principal broker pursuant to s.
481 494.0035.

482 ~~(c)(2)~~ Has provided a complete set of fingerprints as the
483 commission may require by rule for that each officer, director,
484 control person, member, partner, or joint venturer of the
485 applicant and each ultimate equitable owner of a 10-percent or
486 greater interest in the mortgage brokerage business. A
487 fingerprint card submitted to the office must be ~~submit a~~
488 ~~complete set of fingerprints~~ taken by an authorized law
489 enforcement agency officer. The office shall submit the
490 fingerprints to the Department of Law Enforcement for state
491 processing and the Department of Law Enforcement shall forward
492 the fingerprints to the Federal Bureau of Investigation for
493 federal processing. The cost of the fingerprint processing may
494 be borne by the office, the employer, or the person subject to
495 the background check. The Department of Law Enforcement shall
496 submit an invoice to the office for the fingerprints received
497 each month. The office shall screen the background results to
498 determine if the applicant meets licensure requirements.

499 (d) Has provided information that the commission requires
500 by rule concerning any designated principal mortgage broker; any
501 officer, director, control person, member, partner, or joint
502 venturer of the applicant; or any individual who is the ultimate
503 equitable owner of a 10-percent or greater interest in the
504 mortgage brokerage business. The commission may require

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505 information about any such applicant or person, including, but
506 not limited to, his or her full name or other names by which he
507 or she may have been known, age, social security number,
508 qualifications, educational and business history, and
509 disciplinary and criminal history.

510 (3) Notwithstanding ~~the provisions of~~ subsection (2) ~~(1)~~,
511 it is a ground for denial of licensure if the applicant;
512 designated principal mortgage broker; any officer, director,
513 control person, member, partner, or joint venturer of the
514 applicant; any natural person owning a 10 percent or greater
515 interest in the mortgage brokerage business; or any individual
516 natural person who is the ultimate equitable owner of a 10-
517 percent or greater interest in the mortgage brokerage business
518 has committed any violation specified in ss. 494.001-494.0077 or
519 has pending against him or her in any jurisdiction any criminal
520 prosecution or administrative enforcement action that, in any
521 jurisdiction, which involves fraud, dishonest dealing, or any
522 other act of moral turpitude.

523 (4) A mortgage brokerage business or branch office license
524 may be canceled if it was issued through mistake or inadvertence
525 of the office. A notice of cancellation must be issued by the
526 office within 90 days after the issuance of the license. A
527 notice of cancellation is ~~shall be~~ effective upon receipt. The
528 notice of cancellation must ~~shall~~ provide the applicant with
529 notification of the right to request a hearing within 21 days
530 after the applicant's receipt of the notice of cancellation. A
531 license must ~~shall~~ be reinstated if the applicant can
532 demonstrate that the requirements for obtaining the license

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533 under ~~pursuant to~~ this chapter have been satisfied.

534 ~~(5) If an initial mortgage brokerage business or branch~~
535 ~~office license has been issued but the check upon which the~~
536 ~~license is based is returned due to insufficient funds, the~~
537 ~~license shall be deemed canceled. A license deemed canceled~~
538 ~~pursuant to this subsection shall be reinstated if the office~~
539 ~~receives a certified check for the appropriate amount within 30~~
540 ~~days after the date the check was returned due to insufficient~~
541 ~~funds.~~

542 Section 8. Subsection (1) of section 494.0032, Florida
543 Statutes, is amended to read:

544 494.0032 Renewal of mortgage brokerage business license or
545 branch office license.--

546 (1) The office shall renew a mortgage brokerage business
547 license upon receipt of a completed renewal form and payment of
548 a nonrefundable renewal fee of \$375. Each licensee shall pay at
549 the time of renewal a nonrefundable renewal fee of \$225 for the
550 renewal of each branch office license. The license for a branch
551 office must be renewed in conjunction with the renewal of the
552 mortgage brokerage business license.

553 Section 9. Subsections (1), (2), and (7) of section
554 494.0033, Florida Statutes, are amended to read:

555 494.0033 Mortgage broker's license.--

556 (1) Each natural person who acts as a mortgage broker for
557 a mortgage brokerage business or acts as an associate for a
558 mortgage lender or correspondent mortgage lender must be
559 licensed under ~~pursuant to~~ this section. To act as a mortgage
560 broker, an individual must be an associate of a mortgage

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561 brokerage business, a mortgage lender, or a correspondent
 562 mortgage lender. A mortgage broker may not be ~~is prohibited from~~
 563 ~~being~~ an associate of more than one mortgage brokerage business,
 564 mortgage lender, or correspondent mortgage lender.

565 (2) Each initial application for a mortgage broker's
 566 license must be in the form prescribed by rule of the
 567 commission. The commission may require each applicant to provide
 568 any information reasonably necessary to make a determination of
 569 the applicant's eligibility for licensure. The office shall
 570 issue an initial license to any natural person who:

571 (a) Is at least 18 years of age.†

572 (b) Has passed a written test adopted and administered by
 573 the office, or has passed an electronic test adopted and
 574 administered by the office or a third party approved by the
 575 office, which is designed to determine competency in primary and
 576 subordinate mortgage financing transactions as well as to test
 577 knowledge of ss. 494.001-494.0077 and the rules adopted pursuant
 578 thereto. The commission may prescribe by rule an additional fee
 579 that may not exceed \$100 for the electronic version of the
 580 mortgage broker test. The commission may waive by rule the
 581 examination requirement for any person who has passed a test
 582 approved by the Conference of State Bank Supervisors, the
 583 American Association of Residential Mortgage Regulators, or the
 584 United States Department of Housing and Urban Development if the
 585 test covers primary and subordinate mortgage financing
 586 transactions.†

587 (c) Has submitted a completed application and a
 588 nonrefundable application fee of \$200. An application is

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589 considered received for purposes of s. 120.60 upon receipt of a
590 completed application form as prescribed by commission rule, a
591 nonrefundable application fee of \$200, and any other fee
592 prescribed by law. ~~The commission may set by rule an additional~~
593 ~~fee for a retake of the examination; and~~

594 (d) ~~Has filed a complete set of fingerprints, taken by an~~
595 ~~authorized law enforcement officer,~~ for submission by the office
596 to the Department of Law Enforcement or the Federal Bureau of
597 Investigation for processing. A fingerprint card submitted to
598 the office must be taken by an authorized law enforcement
599 agency. The office shall submit the fingerprints to the
600 Department of Law Enforcement for state processing and the
601 Department of Law Enforcement shall forward the fingerprints to
602 the Federal Bureau of Investigation for federal processing. The
603 cost of the fingerprint processing may be borne by the office,
604 the employer, or the person subject to the background check. The
605 Department of Law Enforcement shall submit an invoice to the
606 office for the fingerprints received each month. The office
607 shall screen the background results to determine if the
608 applicant meets licensure requirements.

609
610 The commission may require by rule information concerning any
611 such applicant or person, including, but not limited to, his or
612 her full name and any other names by which he or she may have
613 been known, age, social security number, qualifications and
614 educational and business history, and disciplinary and criminal
615 history.

616 ~~(7) If an initial mortgage broker license has been issued~~

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617 ~~but the check upon which the license is based is returned due to~~
618 ~~insufficient funds, the license shall be deemed canceled. A~~
619 ~~license deemed canceled pursuant to this subsection shall be~~
620 ~~reinstated if the office receives a certified check for the~~
621 ~~appropriate amount within 30 days after the date the check was~~
622 ~~returned due to insufficient funds.~~

623 Section 10. Subsections (2) and (3) of section 494.0036,
624 Florida Statutes, are amended to read:

625 494.0036 Mortgage brokerage business branch offices.--

626 (2) The office shall issue a mortgage brokerage business
627 branch office license to a mortgage brokerage business licensee
628 after the office determines that the licensee has submitted upon
629 receipt of a completed application for a branch office in a form
630 as prescribed by commission rule and payment of an initial
631 nonrefundable branch office license fee of \$225. ~~Branch office~~
632 ~~licenses must be renewed in conjunction with the renewal of the~~
633 ~~mortgage brokerage business license.~~ The branch office license
634 shall be issued in the name of the mortgage brokerage business
635 that maintains the branch office. An application is considered
636 received for purposes of s. 120.60 upon receipt of a completed
637 application form as prescribed by commission rule, a
638 nonrefundable application fee of \$225, and any other fee
639 prescribed by law.

640 ~~(3) Each branch office must prominently display the~~
641 ~~license issued for such branch office. Each person licensed as a~~
642 ~~mortgage broker must prominently display his or her license in~~
643 ~~the office where such person acts as a mortgage broker.~~

644 Section 11. Section 494.0039, Florida Statutes, is amended

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645 to read:

646 494.0039 Principal place of business requirements.--

647 ~~(1) Each mortgage brokerage business licensee shall~~
 648 maintain and transact business from a principal place of
 649 business.

650 ~~(2) A licensee under ss. 494.003-494.0043 shall report any~~
 651 ~~change of address of the principal place of business or any~~
 652 ~~branch office within 15 days after the change.~~

653 ~~(3) Each mortgage brokerage business must prominently~~
 654 ~~display its license at the principal place of business. Each~~
 655 ~~licensed mortgage broker must prominently display his or her~~
 656 ~~license in the office where such person acts as a mortgage~~
 657 ~~broker.~~

658 Section 12. Section 494.004, Florida Statutes, is amended
 659 to read:

660 494.004 Requirements of licensees.--

661 (1) Each licensee under ss. 494.003-494.0043 shall report,
 662 in writing, any conviction of, or plea of nolo contendere to,
 663 regardless of adjudication, any crime or administrative
 664 violation that involves fraud, dishonest dealing, or any other
 665 act of moral turpitude, in any jurisdiction, by the licensee or
 666 any natural person named in s. 494.0031(2) (d)~~(3)~~, not later than
 667 30 days after the date of conviction, entry of a plea of nolo
 668 contendere, or final administrative action.

669 (2) Each licensee under ss. 494.003-494.0043 shall report,
 670 in a form prescribed by rule of the commission, any conviction
 671 of, or plea of nolo contendere to, regardless of whether
 672 adjudication is withheld, any felony committed by the licensee

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673 or any natural person named in s. 494.0031(2)(d)~~(3)~~, not later
674 than 30 days after the date of conviction or the date the plea
675 of nolo contendere is entered.

676 (3) Each licensee under ss. 494.003-494.0043 shall report
677 any action in bankruptcy, voluntary or involuntary, to the
678 office not later than 7 business days after the action is
679 instituted.

680 (4) Each licensee under ss. 494.003-494.0043 shall report
681 on a form prescribed by rule of the commission any change to the
682 information contained in any initial application form or any
683 amendment to the application ~~any change in the form of business~~
684 ~~organization or any change of a person named, pursuant to s.~~
685 ~~494.0031(3), to the office in writing~~ not later than 30 days
686 after the change is effective.

687 (5) A license issued under ss. 494.003-494.0043 is not
688 transferable or assignable.

689 (6) Each licensee under ss. 494.003-494.0043 shall report
690 any change in the principal broker, partners, officers, members,
691 joint venturers, directors, control persons of any licensee, or
692 any individual who is the ultimate equitable owner of a 10-
693 percent or greater interest in the licensee, or any change in
694 the form of business organization, by written amendment in the
695 form and at the time the commission specifies by rule.

696 (a) In any case in which a person or a group of persons,
697 directly or indirectly or acting by or through one or more
698 persons, proposes to purchase or acquire a controlling interest
699 in a licensee, such person or group shall submit an initial
700 application for licensure as a mortgage brokerage business

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701 before such purchase or acquisition and at the time and in the
702 form the commission prescribes by rule.

703 (b) As used in this subsection, the term "controlling
704 interest" means possession of the power to direct or cause the
705 direction of the management or policies of a company whether
706 through ownership of securities, by contract, or otherwise. Any
707 person who directly or indirectly has the right to vote 25
708 percent or more of the voting securities of a company or is
709 entitled to 25 percent or more of the company's profits is
710 presumed to possess a controlling interest.

711 (c) Any addition of a partner, officer, member, joint
712 venturer, director, control person, or ultimate equitable owner
713 of the applicant who does not have a controlling interest and
714 who has not previously complied with the provisions of s.
715 494.0031(2)(c) and (d) is subject to such provisions unless
716 required to file an initial application in accordance with
717 paragraph (a). If the office finds that the licensee does not
718 continue to meet licensure requirements, the office may bring an
719 administrative action in accordance with s. 494.0041 to enforce
720 the provisions of this chapter.

721 (d) The commission shall adopt rules pursuant to ss.
722 120.536(1) and 120.54 providing for the waiver of the
723 application required by this subsection if the person or group
724 of persons proposing to purchase or acquire a controlling
725 interest in a licensee has previously complied with the
726 provisions of s. 494.0031(2)(c) and (d) with respect to the same
727 legal entity or is currently licensed by the office under this
728 chapter.

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729 ~~(7)(6)~~ On or before April 30, 2000, each mortgage
730 brokerage business shall file an initial report stating the
731 name, social security number, date of birth, mortgage broker
732 license number, date of hire and, if applicable, date of
733 termination for each person who was an associate of the mortgage
734 brokerage business during the immediate preceding quarter.
735 Thereafter, a mortgage brokerage business shall file a quarterly
736 report only if a person became an associate or ceased to be an
737 associate of the mortgage brokerage business during the
738 immediate preceding quarter. Such report shall be filed within
739 30 days after the last day of each calendar quarter and shall
740 contain the name, social security number, date of birth,
741 mortgage broker license number, date of hire and, if applicable,
742 the date of termination of each person who became or ceased to
743 be an associate of the mortgage brokerage business during the
744 immediate preceding quarter. The commission shall prescribe, by
745 rule, the procedures for filing reports required by this
746 subsection.

747 Section 13. Paragraphs (s), (t), and (u) are added to
748 subsection (2) of section 494.0041, Florida Statutes, and
749 subsection (3) of that section is amended, to read:

750 494.0041 Administrative penalties and fines; license
751 violations.--

752 (2) Each of the following acts constitutes a ground for
753 which the disciplinary actions specified in subsection (1) may
754 be taken:

755 (s) Payment to the office for a license or permit with a
756 check or electronic transmission of funds that is dishonored by

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757 the applicant's or licensee's financial institution.

758 (t) Having a final judgment entered against the applicant
759 or licensee in a civil action upon grounds of fraud,
760 embezzlement, misrepresentation, or deceit.

761 (u)1. Having been the subject of any decision, finding,
762 injunction, suspension, prohibition, revocation, denial,
763 judgment, or administrative order by any court of competent
764 jurisdiction, administrative law judge, state or federal agency,
765 national securities exchange, national commodities exchange,
766 national option exchange, national securities association,
767 national commodities association, or national option association
768 involving a violation of any federal or state securities or
769 commodities law or rule or regulation adopted under such law or
770 involving a violation of any rule or regulation of any national
771 securities, commodities, or options exchange or association.

772 2. Having been the subject of any injunction or adverse
773 administrative order by a state or federal agency regulating
774 banking, insurance, finance or small loan companies, real
775 estate, mortgage brokers or lenders, money transmitters, or
776 other related or similar industries.

777 (3) A mortgage brokerage business is subject to the
778 disciplinary actions specified in subsection (1) for a violation
779 of subsection (2) by any officer, member, director, control
780 person, joint venturer, partner, ultimate equitable owner of a
781 10-percent or greater interest in the mortgage brokerage
782 business, or associate mortgage broker of the licensee.

783 Section 14. Paragraphs (a) and (c) of subsection (1) and
784 paragraph (a) of subsection (2) of section 494.006, Florida

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785 Statutes, are amended to read:

786 494.006 Exemptions.--

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

790 (a) A state or federal chartered bank, bank holding
 791 ~~company,~~ trust company, savings and loan association, savings
 792 bank or credit union, bank holding company regulated under the
 793 laws of any state or the United States, or insurance company if
 794 the insurance company is duly licensed in this state.

795 (c) A wholly owned bank holding company subsidiary or a
 796 wholly owned savings and loan association holding company
 797 subsidiary that is formed and regulated under the laws of any
 798 state or the United States and that is approved or certified by
 799 the Department of Housing and Urban Development, the Veterans
 800 Administration, the Government National Mortgage Association,
 801 the Federal National Mortgage Association, or the Federal Home
 802 Loan Mortgage Corporation.

803 (2)(a) A natural person employed by a mortgage lender or
 804 correspondent mortgage lender licensed under ss. 494.001-
 805 494.0077 is exempt from the licensure requirements of ss.
 806 494.001-494.0077 when acting within the scope of employment with
 807 the licensee.

808 Section 15. Section 494.0061, Florida Statutes, is amended
 809 to read:

810 494.0061 Mortgage lender's license requirements.--

811 (1) Each person who acts as a mortgage lender must be
 812 licensed under this section unless otherwise exempt from

813 licensure.

814 ~~(2)(1)~~ Each initial application for a mortgage lender

815 license must be in the form prescribed by rule of the

816 commission. The commission or office may require each applicant

817 for a mortgage lender license to provide any information

818 reasonably necessary to make a determination of the applicant's

819 eligibility for licensure. The office shall issue an initial

820 mortgage lender license to any person that submits:

821 (a) A completed application form.‡

822 (b) A nonrefundable application fee of \$575. An

823 application is considered received for purposes of s. 120.60

824 upon receipt of a completed application form as prescribed by

825 commission rule, a nonrefundable application fee of \$575, and

826 any other fee prescribed by law.‡

827 (c) Audited financial statements, which documents disclose

828 that the applicant has a bona fide and verifiable net worth,

829 pursuant to United States generally accepted accounting

830 principles, of at least \$250,000, which must be continuously

831 maintained as a condition of licensure.‡

832 (d) A surety bond in the amount of \$10,000, payable to the

833 state and conditioned upon compliance with ss. 494.001-494.0077,

834 which inures to the office and which must be continuously

835 maintained thereafter in full force.‡

836 (e) Documentation that the applicant is duly incorporated,

837 registered, or otherwise formed as a general partnership,

838 limited partnership, limited liability company, or other lawful

839 entity under the laws of this state or another state of the

840 United States.‡~~and~~

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841 (f) ~~For applications submitted after October 1, 2001,~~
842 Proof that the applicant's principal representative has
843 completed 24 hours of classroom instruction in primary and
844 subordinate financing transactions and in the provisions of this
845 chapter and rules adopted under this chapter. This requirement
846 is satisfied if the principal representative has continuously
847 served in the capacity of a principal representative for a
848 licensed entity under this chapter for at least 1 year and has
849 not had a lapse in designation as a principal representative of
850 more than 2 years before the date of the submission of the
851 application or amendment in the case of a change in the
852 principal representative. This requirement is also satisfied if
853 the principal representative currently holds an active license
854 as a mortgage broker in this state.

855 (g) A complete set of fingerprints as the commission
856 requires by rule for the designated principal representative and
857 each officer, director, control person, member, partner, or
858 joint venturer of the applicant and ultimate equitable owner of
859 a 10-percent or greater interest in the applicant. A fingerprint
860 card submitted to the office must be taken by an authorized law
861 enforcement agency. The office shall submit the fingerprints to
862 the Department of Law Enforcement for state processing and the
863 Department of Law Enforcement shall forward the fingerprints to
864 the Federal Bureau of Investigation for federal processing. The
865 cost for the fingerprint processing may be borne by the office,
866 the employer, or the person subject to the background check. The
867 Department of Law Enforcement shall submit an invoice to the
868 office for the fingerprints received each month. The office

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869 shall screen the background results to determine if the
870 applicant meets licensure requirements.

871 (h) Information the commission requires by rule concerning
872 any designated principal representative; any officer, director,
873 control person, member, partner, or joint venturer of the
874 applicant or any person having the same or substantially similar
875 status or performing substantially similar functions; or any
876 natural person who is the ultimate equitable owner of a 10-
877 percent or greater interest in the mortgage lender. The
878 commission may require information concerning any such applicant
879 or person, including, but not limited to, his or her full name
880 and any other names by which he or she may have been known,
881 social security number, age, qualifications and educational and
882 business history, and disciplinary and criminal history.

883 (3)(2) ~~Notwithstanding the provisions of subsection (2)~~
884 ~~(1),~~ it is a ground for denial of licensure if the applicant;
885 designated principal representative; ~~any principal officer, or~~
886 director, control person, member, partner, or joint venturer of
887 the applicant; ~~or any natural person owning a 10-percent or~~
888 greater interest in the applicant; ~~or any natural person who is~~
889 the ultimate equitable owner of a 10-percent or greater interest
890 in the applicant has committed any violation specified in s.
891 494.0072, or has pending against her or him any criminal
892 prosecution or administrative enforcement action, in any
893 jurisdiction, which involves fraud, dishonest dealing, or any
894 act of moral turpitude.

895 ~~(3) Each initial application for a mortgage lender's~~
896 ~~license must be in a form prescribed by the commission. The~~

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897 ~~commission or office may require each applicant to provide any~~
898 ~~information reasonably necessary to make a determination of the~~
899 ~~applicant's eligibility for licensure. The commission or office~~
900 ~~may require that each officer, director, and ultimate equitable~~
901 ~~owner of a 10 percent or greater interest in the applicant~~
902 ~~submit a complete set of fingerprints taken by an authorized law~~
903 ~~enforcement officer.~~

904 (4) A person required to be licensed under ss. 494.006-
905 494.0077, or an agent or employee thereof, is deemed to have
906 consented to the venue of courts of competent jurisdiction in
907 this state regarding any matter within the authority of ss.
908 494.001-494.0077 regardless of where an act or violation was
909 committed.

910 (5) A license issued in accordance with ss. 494.006-
911 494.0077 is not transferable or assignable.

912 (6) A mortgage lender or branch office license may be
913 canceled if it was issued through mistake or inadvertence of the
914 office. A notice of cancellation must be issued by the office
915 within 90 days after the issuance of the license. A notice of
916 cancellation shall be effective upon receipt. The notice of
917 cancellation shall provide the applicant with notification of
918 the right to request a hearing within 21 days after the
919 applicant's receipt of the notice of cancellation. A license
920 shall be reinstated if the applicant can demonstrate that the
921 requirements for obtaining the license under ~~pursuant to~~ this
922 chapter have been satisfied.

923 ~~(7) If an initial mortgage lender or branch office license~~
924 ~~has been issued but the check upon which the license is based is~~

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925 ~~returned due to insufficient funds, the license shall be deemed~~
 926 ~~canceled. A license deemed canceled pursuant to this subsection~~
 927 ~~shall be reinstated if the office receives a certified check for~~
 928 ~~the appropriate amount within 30 days after the date the check~~
 929 ~~was returned due to insufficient funds.~~

930 (7)~~(8)~~ Each lender, regardless of the number of branches
 931 it operates, shall designate a principal representative who
 932 exercises control of the licensee's business and shall maintain
 933 a form prescribed by the commission designating the principal
 934 representative. If the form is not accurately maintained, the
 935 business is considered to be operated by each officer, director,
 936 or equitable owner of a 10-percent or greater interest in the
 937 business.

938 (8)~~(9)~~ ~~After October 1, 2001,~~ An applicant's principal
 939 representative must pass a written test prescribed by the
 940 commission and administered by the office, or must pass an
 941 electronic test prescribed by the commission and administered by
 942 the office or a third party approved by the office, which covers
 943 primary and subordinate mortgage financing transactions and the
 944 provisions of this chapter and rules adopted under this chapter.
 945 The commission may set a fee by rule, which may not exceed \$100,
 946 for the electronic version of the mortgage broker test. The
 947 commission may waive by rule the examination requirement for any
 948 person who has passed a test approved by the Conference of State
 949 Bank Supervisors, the American Association of Residential
 950 Mortgage Regulators, or the United States Department of Housing
 951 and Urban Development if the test covers primary and subordinate
 952 mortgage financing transactions. This requirement is satisfied

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953 if the principal representative has continuously served in the
954 capacity of a principal representative for a licensed entity
955 under this chapter for at least 1 year and has not had a lapse
956 in designation as a principal representative of more than 2
957 years before the date of the submission of the application or
958 amendment in the case of a change in the principal
959 representative. This requirement is also satisfied if the
960 principal representative holds an active license as a mortgage
961 broker in this state.

962 (9)(10) A lender shall notify the office of any change in
963 the designation of its principal representative within 30 days
964 after the change is effective. A new principal representative
965 shall satisfy the name and address of any new principal
966 representative and shall document that the person has completed
967 the educational and testing requirements of this section within
968 90 days after being designated as upon the designation of a new
969 principal representative. This requirement is satisfied if the
970 principal representative has continuously served in the capacity
971 of a principal representative for a licensed entity under this
972 chapter for at least 1 year and has not had a lapse in
973 designation as a principal representative of more than 2 years
974 before the date of the submission of the application or
975 amendment in the case of a change in the principal
976 representative. This requirement is also satisfied if the
977 principal representative holds an active license as a mortgage
978 broker in this state.

979 Section 16. Section 494.0062, Florida Statutes, is amended
980 to read:

981 494.0062 Correspondent mortgage lender's license
 982 requirements.--

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

986 (2)~~(1)~~ Each initial application for a correspondent
 987 mortgage lender's license must be in the form prescribed by rule
 988 of the commission. The office may require each applicant to
 989 provide any information reasonably necessary to determine the
 990 applicant's eligibility for licensure. The office shall issue an
 991 initial correspondent mortgage lender license to any person who
 992 submits:

993 (a) A completed application form.†

994 (b) A nonrefundable application fee of \$500. An
 995 application is considered received for purposes of s. 120.60
 996 upon receipt of a completed application form as prescribed by
 997 commission rule, a nonrefundable application fee of \$500, and
 998 any other fee prescribed by law.†

999 (c) Audited financial statements that,~~which~~ document that
 1000 the applicant ~~application~~ has a bona fide and verifiable net
 1001 worth pursuant to United States generally accepted accounting
 1002 principles of \$25,000 or more, which must be continuously
 1003 maintained as a condition of licensure.†

1004 (d) A surety bond in the amount of \$10,000, payable to the
 1005 State of Florida and conditioned upon compliance with ss.
 1006 494.001-494.0077, which inures to the office and which must be
 1007 continuously maintained, thereafter, in full force.†

1008 (e) Documentation that the applicant is duly incorporated,

1009 registered, or otherwise formed as a general partnership,
 1010 limited partnership, limited liability company, or other lawful
 1011 entity under the laws of this state or another state of the
 1012 United States. ~~and~~

1013 (f) ~~For applications filed after October 1, 2001,~~ Proof
 1014 that the applicant's principal representative has completed 24
 1015 hours of classroom instruction in primary and subordinate
 1016 financing transactions and in the provisions of this chapter and
 1017 rules enacted under this chapter. This requirement is satisfied
 1018 if the principal representative has continuously served in the
 1019 capacity of a principal representative for a licensed entity
 1020 under this chapter for at least 1 year and has not had a lapse
 1021 in designation as a principal representative of more than 2
 1022 years before the date of the submission of the application or
 1023 amendment in the case of a change in the principal
 1024 representative. This requirement is also satisfied if the
 1025 principal representative holds an active license as a mortgage
 1026 broker in this state.

1027 (g) A complete set of fingerprints as the commission
 1028 requires by rule for the designated principal representative and
 1029 each officer, director, control person, member, partner, or
 1030 joint venturer of the applicant and ultimate equitable owner of
 1031 a 10-percent or greater interest in the applicant. A fingerprint
 1032 card submitted to the office must be taken by an authorized law
 1033 enforcement agency. The office shall submit the fingerprints to
 1034 the Department of Law Enforcement for state processing and the
 1035 Department of Law Enforcement shall forward the fingerprints to
 1036 the Federal Bureau of Investigation for federal processing. The

1037 cost of the fingerprint processing may be borne by the office,
 1038 the employer, or the person subject to the background check. The
 1039 Department of Law Enforcement shall submit an invoice to the
 1040 office for the fingerprints received each month. The office
 1041 shall screen the background results to determine if the
 1042 applicant meets licensure requirements.

1043 (h) Information the commission requires by rule concerning
 1044 any designated principal representative; any officer, director,
 1045 control person, member, partner, or joint venturer of the
 1046 applicant or any person having the same or substantially similar
 1047 status or performing substantially similar functions; or any
 1048 natural person who is the ultimate equitable owner of a 10-
 1049 percent or greater interest in the correspondent mortgage
 1050 lender. The office may require information concerning any such
 1051 applicant or person, including, but not limited to, his or her
 1052 full name and any other names by which he or she may have been
 1053 known, age, social security number, qualifications and
 1054 educational and business history, and disciplinary and criminal
 1055 history.

1056 (3)(2) Notwithstanding the provisions of subsection (2)
 1057 (1), it is a ground for denial of licensure if the applicant;
 1058 any designated principal representative; any principal officer,
 1059 or director, control person, member, partner, or joint venturer
 1060 of the applicant; or any natural person who is the ultimate
 1061 equitable owner of a 10-percent or greater interest in the
 1062 applicant has committed any violation specified in s. 494.0072,
 1063 or has pending against her or him any criminal prosecution or
 1064 administrative enforcement action, in any jurisdiction, which

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1065 involves fraud, dishonest dealing, or any act of moral
 1066 turpitude.

1067 ~~(3) Each initial application for a correspondent mortgage~~
 1068 ~~lender's license must be in a form prescribed by the commission.~~
 1069 ~~The commission or office may require each applicant to provide~~
 1070 ~~any information reasonably necessary to make a determination of~~
 1071 ~~the applicant's eligibility for licensure. The commission or~~
 1072 ~~office may require that each officer, director, and ultimate~~
 1073 ~~equitable owner of a 10 percent or greater interest submit a~~
 1074 ~~complete set of fingerprints taken by an authorized law~~
 1075 ~~enforcement officer.~~

1076 (4) Each license is valid for the remainder of the
 1077 biennium in which the license is issued.

1078 (5) A person licensed as a correspondent mortgage lender
 1079 may make mortgage loans, but may not service a mortgage loan for
 1080 more than 4 months after the date the mortgage loan was made or
 1081 acquired by the correspondent mortgage lender.

1082 (6) A licensee under ss. 494.006-494.0077, or an agent or
 1083 employee thereof, is deemed to have consented to the venue of
 1084 courts of competent jurisdiction in this state regarding any
 1085 matter within the authority of ss. 494.001-494.0077 regardless
 1086 of where an act or violation was committed.

1087 (7) A correspondent mortgage lender is subject to the same
 1088 requirements and restrictions as a licensed mortgage lender
 1089 unless otherwise provided in this section.

1090 (8) A license issued under this section is not
 1091 transferable or assignable.

1092 (9) A correspondent mortgage lender or branch office

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1093 license may be canceled if it was issued through mistake or
 1094 inadvertence of the office. A notice of cancellation must be
 1095 issued by the office within 90 days after the issuance of the
 1096 license. A notice of cancellation shall be effective upon
 1097 receipt. The notice of cancellation shall provide the applicant
 1098 with notification of the right to request a hearing within 21
 1099 days after the applicant's receipt of the notice of
 1100 cancellation. A license shall be reinstated if the applicant can
 1101 demonstrate that the requirements for obtaining the license
 1102 pursuant to this chapter have been satisfied.

1103 ~~(10) If an initial correspondent mortgage lender or branch~~
 1104 ~~office license has been issued but the check upon which the~~
 1105 ~~license is based is returned due to insufficient funds, the~~
 1106 ~~license shall be deemed canceled. A license deemed canceled~~
 1107 ~~pursuant to this subsection shall be reinstated if the office~~
 1108 ~~receives a certified check for the appropriate amount within 30~~
 1109 ~~days after the date the check was returned due to insufficient~~
 1110 ~~funds.~~

1111 (10)~~(11)~~ Each correspondent lender shall designate a
 1112 principal representative who exercises control over the business
 1113 and shall maintain a form prescribed by the commission
 1114 designating the principal representative. If the form is not
 1115 accurately maintained, the business is considered to be operated
 1116 by each officer, director, or equitable owner of a 10-percent or
 1117 greater interest in the business.

1118 (11)~~(12)~~ After October 1, 2001, An applicant's principal
 1119 representative must pass a written test prescribed by the
 1120 commission and administered by the office, or must pass an

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1121 electronic test prescribed by the commission and administered by
 1122 the office or a third party approved by the office, which covers
 1123 primary and subordinate mortgage financing transactions and the
 1124 provisions of this chapter and rules adopted under this chapter.
 1125 The commission may waive by rule the examination requirement for
 1126 any person who has passed a test approved by the Conference of
 1127 State Bank Supervisors, the American Association of Residential
 1128 Mortgage Regulators, or the United States Department of Housing
 1129 and Urban Development if the test covers primary and subordinate
 1130 mortgage financing transactions. The commission may set by rule
 1131 a fee not to exceed \$100 for taking the examination. This
 1132 requirement is satisfied if the principal representative has
 1133 continuously served in the capacity of a principal
 1134 representative for a licensed entity under this chapter for at
 1135 least 1 year and has not had a lapse in designation as a
 1136 principal representative of more than 2 years before the date of
 1137 the submission of the application or amendment in the case of a
 1138 change in the principal representative. This requirement is also
 1139 satisfied if the principal representative holds an active
 1140 license as a mortgage broker in this state.

1141 (12) ~~(13)~~ A correspondent lender shall notify the office of
 1142 any change in the designation of its principal representative
 1143 within 30 days after the change is effective. A new principal
 1144 representative shall satisfy the name and address of any new
 1145 principal representative and shall document that such person has
 1146 completed the educational and testing requirements of this
 1147 section within 90 days after being designated as upon the
 1148 lender's designation of a new principal representative. This

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1149 requirement is satisfied if the principal representative has
 1150 continuously served in the capacity of a principal
 1151 representative for a licensed entity under this chapter for at
 1152 least 1 year and has not had a lapse in designation as a
 1153 principal representative of more than 2 years before the date of
 1154 the submission of the application or amendment in the case of a
 1155 change in the principal representative. This requirement is also
 1156 satisfied if the principal representative holds an active
 1157 license as a mortgage broker in this state.

1158 Section 17. Paragraph (b) of subsection (1) and subsection
 1159 (2) of section 494.0064, Florida Statutes, are amended to read:

1160 494.0064 Renewal of mortgage lender's license; branch
 1161 office license renewal.--

1162 (1)

1163 (b) A licensee shall also submit, as part of the renewal
 1164 form, certification that during the preceding 2 years the
 1165 licensee's principal representative and, ~~loan originators, and~~
 1166 ~~associates~~ have completed the professional continuing education
 1167 requirements of s. 494.00295.

1168 (2) The commission shall adopt rules establishing a
 1169 procedure for the biennial renewal of mortgage lender's
 1170 licenses, correspondent lender's licenses, and branch office
 1171 licenses ~~permits~~. The commission may prescribe the form for
 1172 renewal and may require an update of all information provided in
 1173 the licensee's initial application.

1174 Section 18. Section 494.0065, Florida Statutes, is amended
 1175 to read:

1176 494.0065 Saving clause.--

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1177 (1) (a) Any person in good standing who holds an active
 1178 registration pursuant to former s. 494.039 or license pursuant
 1179 to former s. 521.205, or any person who acted solely as a
 1180 mortgage servicer on September 30, 1991, is eligible to apply to
 1181 the office for a mortgage lender's license and is eligible for
 1182 licensure if the applicant:

1183 1. For at least 12 months during the period of October 1,
 1184 1989, through September 30, 1991, has engaged in the business of
 1185 either acting as a seller or assignor of mortgage loans or as a
 1186 servicer of mortgage loans, or both;

1187 2. Has documented a minimum net worth of \$25,000 in
 1188 audited financial statements; and

1189 3. Has applied for licensure pursuant to this section by
 1190 January 1, 1992, and paid an application fee of \$100.

1191 (b) A licensee pursuant to paragraph (a) may operate a
 1192 wholly owned subsidiary or affiliate for the purpose of
 1193 servicing accounts if the subsidiary or affiliate is operational
 1194 as of September 30, 1991. Such subsidiary or affiliate is not
 1195 required to obtain a separate license, but is subject to all the
 1196 requirements of a licensee under ss. 494.006-494.0077.

1197 (2) A licensee issued a license pursuant to subsection (1)
 1198 may renew its mortgage lending license if it documents a minimum
 1199 net worth of \$25,000, according to United States generally
 1200 accepted accounting principles, which must be continuously
 1201 maintained as a condition to licensure. The office shall require
 1202 an audited financial statement which documents such net worth.

1203 (3) The commission may prescribe by rule forms and
 1204 procedures for application for licensure, and amendment and

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1205 withdrawal of application for licensure, or transfer, including
 1206 any existing branch offices, in accordance with subsections (4)
 1207 and (5), and for renewal of licensure of licensees under this
 1208 section. The office may require each applicant to provide any
 1209 information reasonably necessary to determine the applicant's
 1210 eligibility for licensure. An application is considered received
 1211 for purposes of s. 120.60 upon receipt of a completed
 1212 application form as prescribed by commission rule, a
 1213 nonrefundable application fee of \$500, and any other fee
 1214 prescribed by law.

1215 (4) (a) Notwithstanding ss. 494.0061(5) and 494.0067(2) ~~(3)~~,
 1216 the ultimate equitable owner, as of the effective date of this
 1217 act, of a mortgage lender licensed under this section may
 1218 transfer, one time, at least 50 percent of the ownership,
 1219 control, or power to vote any class of equity securities of such
 1220 mortgage lender, except as provided in paragraph (b). For
 1221 purposes of this subsection, satisfaction of the amount of the
 1222 ownership transferred may be met in multiple transactions or in
 1223 a single transaction.

1224 (b) A person who is an ultimate equitable owner on the
 1225 effective date of this act may transfer, at any time, at least
 1226 50 percent of the ownership, control, or power to vote any class
 1227 of equity securities of such person to the person's spouse or
 1228 child, and any such transferee may transfer, at any time, such
 1229 ownership, control, or power to vote to a spouse or child of
 1230 such transferee, in perpetuity.

1231 (c) For any transfer application filed on or after October
 1232 1, 2006:

1233 1. An applicant must provide proof that the applicant's
 1234 principal representative has completed 24 hours of instruction
 1235 in primary and subordinate financing transactions and in the
 1236 provisions of this chapter and rules adopted under this chapter.
 1237 This requirement is satisfied if the principal representative
 1238 has continuously served in the capacity of a principal
 1239 representative for a licensed entity under this chapter for at
 1240 least 1 year and has not had a lapse in designation as a
 1241 principal representative of more than 2 years before the date of
 1242 the submission of the application or amendment in the case of a
 1243 change in the principal representative. This requirement is also
 1244 satisfied if the principal representative holds an active
 1245 license as a mortgage broker in this state.

1246 2. An applicant's principal representative must pass a
 1247 written test prescribed by the commission and administered by
 1248 the office, or must pass an electronic test prescribed by the
 1249 commission and administered by the office or a third party
 1250 approved by the office, which covers primary and subordinate
 1251 mortgage financing transactions and the provisions of this
 1252 chapter and rules adopted under this chapter. The commission may
 1253 set by rule a fee not to exceed \$100 for the electronic version
 1254 of the mortgage broker test. The commission may waive by rule
 1255 the examination requirement for any person who has passed a test
 1256 approved by the Conference of State Bank Supervisors, the
 1257 American Association of Residential Mortgage Regulators, or the
 1258 United States Department of Housing and Urban Development if the
 1259 test covers primary and subordinate mortgage financing
 1260 transactions. This requirement is satisfied if the principal

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1261 representative has continuously served in the capacity of a
1262 principal representative for a licensed entity under this
1263 chapter for at least 1 year and has not had a lapse in
1264 designation as a principal representative of more than 2 years
1265 before the date of the submission of the application or
1266 amendment in the case of a change in the principal
1267 representative. This requirement is also satisfied if the
1268 principal representative holds an active license as a mortgage
1269 broker in this state.

1270 (5) Each initial application for a transfer must be in the
1271 form prescribed by rule of the commission. The commission or
1272 office may require each applicant for any transfer to provide
1273 any information reasonably necessary to make a determination of
1274 the applicant's eligibility for licensure. The office shall
1275 issue the transfer of licensure to any person who submits the
1276 following documentation at least 90 days prior to the
1277 anticipated transfer:

1278 (a) A completed application form.

1279 (b) A nonrefundable fee set by rule of the commission in
1280 the amount of \$500. An application is considered received for
1281 purposes of s. 120.60 upon receipt of a completed application
1282 form as prescribed by commission rule, a nonrefundable
1283 application fee of \$500, and any other fee prescribed by law.

1284 (c) Audited financial statements that substantiate that
1285 the applicant has a bona fide and verifiable net worth,
1286 according to United States generally accepted accounting
1287 principles, of at least \$25,000, which must be continuously
1288 maintained as a condition of licensure.

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1289 (d) Documentation that the applicant is incorporated,
1290 registered, or otherwise formed as a general partnership,
1291 limited partnership, limited liability company, or other lawful
1292 entity under the laws of this state or another state of the
1293 United States.

1294 (e) A complete set of fingerprints as the commission
1295 requires by rule for ~~or office may require that~~ each designated
1296 principal representative, officer, director, control person,
1297 member, partner, or joint venturer of the applicant and the
1298 ultimate equitable owner of a 10-percent or greater interest in
1299 the applicant. A fingerprint card submitted to the office must
1300 be ~~submit a complete set of fingerprints~~ taken by an authorized
1301 law enforcement agency officer. The office shall submit the
1302 fingerprints to the Department of Law Enforcement for state
1303 processing and the Department of Law Enforcement shall forward
1304 the fingerprints to the Federal Bureau of Investigation for
1305 federal processing. The cost of the fingerprint processing may
1306 be borne by the office, the employer, or the person subject to
1307 the background check. The Department of Law Enforcement shall
1308 submit an invoice to the office for the fingerprints received
1309 each month. The office shall screen the background results to
1310 determine if the applicant meets licensure requirements.

1311 (f) Information that the commission requires by rule
1312 concerning any designated principal representative; any officer,
1313 director, control person, member, partner, or joint venturer of
1314 the applicant or any person having the same or substantially
1315 similar status or performing substantially similar functions; or
1316 any individual who is the ultimate equitable owner of a 10-

1317 percent or greater interest in the mortgage lender. The
 1318 commission may require information concerning such applicant or
 1319 person, including, but not limited to, his or her full name and
 1320 any other names by which he or she may have been known, age,
 1321 social security number, qualifications and educational and
 1322 business history, and disciplinary and criminal history.

1323 (6) Notwithstanding subsection (5), a transfer under
 1324 subsection (4) may be denied if the applicant; designated
 1325 principal representative; ~~or~~ any principal officer, ~~or~~ director,
 1326 control person, member, partner, or joint venturer of the
 1327 applicant; ~~or~~ or any natural person owning a 10-percent or greater
 1328 interest in the applicant has committed any violation specified
 1329 in s. 494.0072, or has entered a plea of nolo contendere,
 1330 regardless of adjudication, or has an action pending against the
 1331 applicant in any criminal prosecution or administrative
 1332 enforcement action, in any jurisdiction, which involves fraud,
 1333 dishonest dealing, or any act of moral turpitude.

1334 (7) A license issued in accordance with this section is
 1335 not transferable or assignable except as provided in subsection
 1336 (4).

1337 (8) Each person applying for a transfer of any branch
 1338 office pursuant to subsection (4) must comply with the
 1339 requirements of s. 494.0066.

1340 (9) Each mortgage lender shall designate a principal
 1341 representative who exercises control over the business and shall
 1342 keep the designation current on a form prescribed by commission
 1343 rule designating the principal representative. If the
 1344 information on the form is not kept current, the business is

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1345 considered to be operated by each officer, director, or
 1346 equitable owner of a 10-percent or greater interest in the
 1347 business.

1348 (10) A lender shall notify the office of any change in the
 1349 designation of its principal representative within 30 days after
 1350 the change is effective. A new principal representative must
 1351 satisfy the educational and testing requirements of this section
 1352 within 90 days after being designated as the new principal
 1353 representative. This requirement is satisfied if the principal
 1354 representative has continuously served in the capacity of a
 1355 principal representative for a licensed entity under this
 1356 chapter for at least 1 year and has not had a lapse in
 1357 designation as a principal representative of more than 2 years
 1358 before the date of the submission of the application or
 1359 amendment in the case of a change in the principal
 1360 representative. This requirement is also satisfied if the
 1361 principal representative currently holds an active license as a
 1362 mortgage broker in this state.

1363 Section 19. Subsection (2) of section 494.0066, Florida
 1364 Statutes, is amended to read:

1365 494.0066 Branch offices.--

1366 (2) The office shall issue a branch office license to a
 1367 licensee licensed under ss. 494.006-494.0077 after the office
 1368 determines that the licensee has submitted ~~upon receipt of a~~
 1369 completed branch office application form as prescribed by rule
 1370 by the commission and an initial nonrefundable branch office
 1371 license fee of \$325. The branch office application must include
 1372 the name and license number of the licensee under ss. 494.006-

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1373 494.0077, the name of the licensee's employee in charge of the
 1374 branch office, and the address of the branch office. The branch
 1375 office license shall be issued in the name of the licensee under
 1376 ss. 494.006-494.0077 and must be renewed in conjunction with the
 1377 license renewal.

1378 Section 20. Section 494.0067, Florida Statutes, is amended
 1379 to read:

1380 494.0067 Requirements of licensees under ss. 494.006-
 1381 494.0077.--

1382 ~~(1) Each license of a mortgage lender, correspondent~~
 1383 ~~mortgage lender, or branch office shall be prominently displayed~~
 1384 ~~in the office for which it is issued.~~

1385 (1)(2) Each licensee under ss. 494.006-494.0077 which
 1386 makes mortgage loans on real estate in this state shall transact
 1387 business from a principal place of business. Each principal
 1388 place of business and each branch office shall be operated under
 1389 the full charge, control, and supervision of the licensee under
 1390 ss. 494.006-494.0077.

1391 (2)(3) A license issued under ss. 494.006-494.0077 is not
 1392 transferable or assignable.

1393 (3) Each licensee under ss. 494.006-494.0077 shall report,
 1394 on a form prescribed by rule of the commission, any change in
 1395 the information contained in any initial application form, or
 1396 any amendment thereto, not later than 30 days after the change
 1397 is effective.

1398 (4) Each licensee under ss. 494.006-494.0077 shall report
 1399 any changes in the partners, officers, members, joint venturers,
 1400 directors, or control persons of any licensee or changes in the

1401 form of business organization by written amendment in such form
 1402 and at such time that the commission specifies by rule.

1403 (a) In any case in which a person or a group of persons,
 1404 directly or indirectly or acting by or through one or more
 1405 persons, proposes to purchase or acquire a controlling interest
 1406 in a licensee, such person or group must submit an initial
 1407 application for licensure as a mortgage lender or correspondent
 1408 mortgage lender before such purchase or acquisition and at the
 1409 time and in the form prescribed by the commission by rule.

1410 (b) As used in this subsection, the term "controlling
 1411 interest" means possession of the power to direct or cause the
 1412 direction of the management or policies of a company whether
 1413 through ownership of securities, by contract, or otherwise. Any
 1414 person who directly or indirectly has the right to vote 25
 1415 percent or more of the voting securities of a company or who is
 1416 entitled to 25 percent or more of the company's profits is
 1417 presumed to possess a controlling interest.

1418 (c) Any addition of a designated principal representative,
 1419 partner, officer, member, joint venturer, director, or control
 1420 person of the applicant who does not have a controlling interest
 1421 and who has not previously complied with the provisions of s.
 1422 494.0061(2)(g) and (h), s. 494.0062(2)(g) and (h), or s.
 1423 494.0065(5)(e) and (f) shall be subject to such provisions
 1424 unless required to file an initial application in accordance
 1425 with paragraph (a). If the office determines that the licensee
 1426 does not continue to meet licensure requirements, the office may
 1427 bring administrative action in accordance with s. 494.0072 to
 1428 enforce the provisions of this section.

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1429 (d) The commission shall adopt rules pursuant to ss.
1430 120.536(1) and 120.54 providing for the waiver of the
1431 application required by this subsection if the person or group
1432 of persons proposing to purchase or acquire a controlling
1433 interest in a licensee has previously complied with the
1434 provisions of s. 494.0061(2)(g) and (h), s. 494.0062(2)(g) and
1435 (h), or s. 494.0065(5)(e) and (f) with the same legal entity or
1436 is currently licensed with the office under this chapter.

1437 ~~(4) The commission or office may require each licensee~~
1438 ~~under ss. 494.006-494.0077 to report any change of address of~~
1439 ~~the principal place of business, change of address of any branch~~
1440 ~~office, or change of principal officer, director, or ultimate~~
1441 ~~equitable owner of 10 percent or more of the licensed~~
1442 ~~corporation to the office in a form prescribed by rule of the~~
1443 ~~commission not later than 30 business days after the change is~~
1444 ~~effective.~~

1445 (5) Each licensee under ss. 494.006-494.0077 shall report
1446 in a form prescribed by rule by the commission any indictment,
1447 information, charge, conviction, plea of nolo contendere, or
1448 plea of guilty to any crime or administrative violation that
1449 involves fraud, dishonest dealing, or any other act of moral
1450 turpitude, in any jurisdiction, by the licensee under ss.
1451 494.006-494.0077 or any principal officer, director, or ultimate
1452 equitable owner of 10 percent or more of the licensed
1453 corporation, not later than 30 business days after the
1454 indictment, information, charge, conviction, or final
1455 administrative action.

1456 (6) Each licensee under ss. 494.006-494.0077 shall report

1457 any action in bankruptcy, voluntary or involuntary, to the
 1458 office, not later than 7 business days after the action is
 1459 instituted.

1460 (7) Each licensee under ss. 494.006-494.0077 shall
 1461 designate a registered agent in this state for service of
 1462 process.

1463 (8) Each licensee under ss. 494.006-494.0077 shall provide
 1464 an applicant for a mortgage loan a good faith estimate of the
 1465 costs the applicant can reasonably expect to pay in obtaining a
 1466 mortgage loan. The good faith estimate of costs shall be mailed
 1467 or delivered to the applicant within a reasonable time after the
 1468 licensee receives a written loan application from the applicant.
 1469 The estimate of costs may be provided to the applicant by a
 1470 person other than the licensee making the loan. The commission
 1471 may adopt rules that set forth the disclosure requirements of
 1472 this section.

1473 (9) On or before April 30, 2000, each mortgage lender or
 1474 correspondent mortgage lender shall file an initial report
 1475 stating the full legal name, residential address, social
 1476 security number, date of birth, mortgage broker license number,
 1477 date of hire, and, if applicable, date of termination for each
 1478 person who acted as a loan originator or an associate of the
 1479 mortgage lender or correspondent mortgage lender during the
 1480 immediate preceding quarter. Thereafter, a mortgage lender or
 1481 correspondent mortgage lender shall file a report only if a
 1482 person became or ceased to be a loan originator or an associate
 1483 of the mortgage lender or correspondent mortgage lender during
 1484 the immediate preceding quarter. Such report shall be filed

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1485 within 30 days after the last day of each calendar quarter and
 1486 shall contain the full legal name, residential address, social
 1487 security number, date of birth, date of hire and, if applicable,
 1488 the mortgage broker license number and date of termination of
 1489 each person who became or ceased to be a loan originator or an
 1490 associate of the mortgage lender or correspondent mortgage
 1491 lender during the immediate preceding quarter. The commission
 1492 shall prescribe, by rule, the procedures for filing reports
 1493 required by this subsection.

1494 (10) (a) Each licensee shall require the principal
 1495 representative and all loan originators ~~or associates~~ who
 1496 perform services for the licensee to complete 14 hours of
 1497 professional continuing education during each biennial license
 1498 period. The education shall cover primary and subordinate
 1499 mortgage financing transactions and the provisions of this
 1500 chapter and the rules adopted under this chapter.

1501 (b) The licensee shall maintain records of such training
 1502 for a period of 4 years, including records of the content of and
 1503 hours designated for each program and the date and location of
 1504 the program.

1505 (c) Evidence of completion of such programs shall be
 1506 included with the licensee's renewal application.

1507 Section 21. Paragraphs (s), (t), and (u) are added to
 1508 subsection (2) of section 494.0072, Florida Statutes, and
 1509 subsection (3) of that section is amended, to read:

1510 494.0072 Administrative penalties and fines; license
 1511 violations.--

1512 (2) Each of the following acts constitutes a ground for

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1513 which the disciplinary actions specified in subsection (1) may
1514 be taken:

1515 (s) Payment to the office for a license or permit with a
1516 check or electronic transmission of funds that is dishonored by
1517 the applicant's or licensee's financial institution.

1518 (t) Having a final judgment entered against the applicant
1519 or licensee in a civil action upon grounds of fraud,
1520 embezzlement, misrepresentation, or deceit.

1521 (u)1. Having been the subject of any decision, finding,
1522 injunction, suspension, prohibition, revocation, denial,
1523 judgment, or administrative order by any court of competent
1524 jurisdiction, administrative law judge, state or federal agency,
1525 national securities exchange, national commodities exchange,
1526 national option exchange, national securities association,
1527 national commodities association, or national option association
1528 involving a violation of any federal or state securities or
1529 commodities law, or any rule or regulation adopted under such
1530 law, or involving a violation of any rule or regulation of any
1531 national securities, commodities, or options exchange or
1532 association.

1533 2. Having been the subject of any injunction or adverse
1534 administrative order by a state or federal agency regulating
1535 banking, insurance, finance or small loan companies, real
1536 estate, mortgage brokers or lenders, money transmitters, or
1537 other related or similar industries.

1538 (3) A mortgage lender or correspondent mortgage lender is
1539 subject to the disciplinary actions specified in subsection (1)
1540 if any officer, member, director, control person, joint

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1541 venturer, or ultimate equitable owner of a 10-percent or greater
 1542 interest in the mortgage lender or correspondent mortgage
 1543 lender, associate, or employee of the mortgage lender or
 1544 correspondent mortgage lender violates any provision of
 1545 subsection (2).

1546 Section 22. Subsection (2) of section 494.00721, Florida
 1547 Statutes, is amended to read:

1548 494.00721 Net worth.--

1549 (2) If a mortgage lender or correspondent mortgage lender
 1550 fails to satisfy the net worth requirements, the mortgage lender
 1551 or correspondent mortgage lender shall immediately cease taking
 1552 any new mortgage loan applications. Thereafter, the mortgage
 1553 lender or correspondent mortgage lender shall have up to 60 days
 1554 within which to satisfy the net worth requirements. If the
 1555 licensee makes the office aware, prior to an examination, that
 1556 the licensee no longer meets the net worth requirements, the
 1557 mortgage lender or correspondent mortgage lender shall have 120
 1558 days within which to satisfy the net worth requirements. A
 1559 mortgage lender or correspondent mortgage lender shall not
 1560 resume acting as a mortgage lender or correspondent mortgage
 1561 lender without written authorization from the office, which
 1562 authorization shall be granted if the mortgage lender or
 1563 correspondent mortgage lender provides the office with
 1564 documentation which satisfies the requirements of s.
 1565 494.0061(2)~~(1)~~(c), s. 494.0062(2)~~(1)~~(c), or s. 494.0065(2),
 1566 whichever is applicable.

1567 Section 23. Paragraph (c) of subsection (3) of section
 1568 501.137, Florida Statutes, is amended to read:

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1569 501.137 Mortgage lenders; tax and insurance payments from
1570 escrow accounts; duties.--

1571 (3)

1572 (c) If the lender violates paragraph (a) and the premium
1573 payment is more than 90 days overdue or if the insurer refuses
1574 to reinstate the insurance policy, the lender shall pay the
1575 difference between the cost of the previous insurance policy and
1576 a new, comparable insurance policy for a period of 2 years. If
1577 the lender refuses, the lender is liable for the reasonable
1578 attorney's fees and costs of the property owner for a violation
1579 of this section.

1580 Section 24. Subsection (8) is added to section 516.01,
1581 Florida Statutes, to read:

1582 516.01 Definitions.--As used in this chapter, the term:

1583 (8) "Control person" means an individual, partnership,
1584 corporation, trust, or other organization that possesses the
1585 power, directly or indirectly, to direct the management or
1586 policies of a company, whether through ownership of securities,
1587 by contract, or otherwise. A person is presumed to control a
1588 company if, with respect to a particular company, that person:

1589 (a) Is a director, general partner, or officer exercising
1590 executive responsibility or having similar status or functions;

1591 (b) Directly or indirectly may vote 10 percent or more of
1592 a class of a voting security or sell or direct the sale of 10
1593 percent or more of a class of voting securities; or

1594 (c) In the case of a partnership, may receive upon
1595 dissolution or has contributed 10 percent or more of the
1596 capital.

1597 Section 25. Section 516.03, Florida Statutes, is amended
 1598 to read:

1599 516.03 Application for license; fees; etc.--

1600 (1) APPLICATION.--Application for a license to make loans
 1601 under this chapter shall be in the form prescribed by rule of
 1602 the commission. The commission may require each applicant to
 1603 provide any information reasonably necessary to determine the
 1604 applicant's eligibility for licensure. The applicant shall also
 1605 provide information that the office requires concerning any
 1606 officer, director, control person, member, partner, or joint
 1607 venturer of the applicant or any person having the same or
 1608 substantially similar status or performing substantially similar
 1609 functions or concerning any individual who is the ultimate
 1610 equitable owner of a 10-percent or greater interest in the
 1611 applicant. The office may require information concerning any
 1612 such applicant or person, including, but not limited to, his or
 1613 her full name and any other names by which he or she may have
 1614 been known, age, social security number, residential history,
 1615 qualifications, educational and business history, and
 1616 disciplinary and criminal history. The applicant must provide
 1617 evidence of liquid assets of at least \$25,000, ~~and shall contain~~
 1618 ~~the name, residence and business addresses of the applicant and,~~
 1619 ~~if the applicant is a copartnership or association, of every~~
 1620 ~~member thereof and, if a corporation, of each officer and~~
 1621 ~~director thereof, also the county and municipality with the~~
 1622 ~~street and number or approximate location where the business is~~
 1623 ~~to be conducted, and such further relevant information as the~~
 1624 ~~commission or office may require. At the time of making such~~

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1625 application the applicant shall pay to the office a
 1626 nonrefundable biennial license fee of \$625. Applications, except
 1627 for applications to renew or reactivate a license, must also be
 1628 accompanied by a nonrefundable ~~an~~ investigation fee of \$200. An
 1629 application is considered received for purposes of s. 120.60
 1630 upon receipt of a completed application form as prescribed by
 1631 commission rule, a nonrefundable application fee of \$625, and
 1632 any other fee prescribed by law. The commission may adopt rules
 1633 requiring ~~to allow~~ electronic submission of any form, document,
 1634 or fee required by this act if such rules reasonably accommodate
 1635 technological or financial hardship. The commission may
 1636 prescribe by rule requirements and procedures for obtaining an
 1637 exemption due to a technological or financial hardship.

1638 (2) FEES.--Fees ~~herein~~ provided for in this section shall
 1639 be collected by the office and shall be turned into the State
 1640 Treasury to the credit of the regulatory trust fund under the
 1641 office. The office shall have full power to employ such
 1642 examiners or clerks to assist the office as may from time to
 1643 time be deemed necessary and fix their compensation. The
 1644 commission may adopt rules requiring ~~to allow~~ electronic
 1645 submission of any fee required by this section if such rules
 1646 reasonably accommodate technological or financial hardship. The
 1647 commission may prescribe by rule requirements and procedures for
 1648 obtaining an exemption due to a technological or financial
 1649 hardship.

1650 Section 26. Paragraph (a) of subsection (3) of section
 1651 516.031, Florida Statutes, is amended to read:

1652 516.031 Finance charge; maximum rates.--

1653 (3) OTHER CHARGES.--

1654 (a) In addition to the interest, delinquency, and
 1655 insurance charges herein provided for, no further or other
 1656 charges or amount whatsoever for any examination, service,
 1657 commission, or other thing or otherwise shall be directly or
 1658 indirectly charged, contracted for, or received as a condition
 1659 to the grant of a loan, except:

1660 1. An amount not to exceed \$25 ~~\$10~~ to reimburse a portion
 1661 of the costs for investigating the character and credit of the
 1662 person applying for the loan;

1663 2. An annual fee of \$25 on the anniversary date of each
 1664 line-of-credit account;

1665 3. Charges paid for brokerage fee on a loan or line of
 1666 credit of more than \$10,000, title insurance, and the appraisal
 1667 of real property offered as security when paid to a third party
 1668 and supported by an actual expenditure;

1669 4. Intangible personal property tax on the loan note or
 1670 obligation when secured by a lien on real property;

1671 5. The documentary excise tax and lawful fees, if any,
 1672 actually and necessarily paid out by the licensee to any public
 1673 officer for filing, recording, or releasing in any public office
 1674 any instrument securing the loan, which fees may be collected
 1675 when the loan is made or at any time thereafter;

1676 6. The premium payable for any insurance in lieu of
 1677 perfecting any security interest otherwise required by the
 1678 licensee in connection with the loan, if the premium does not
 1679 exceed the fees which would otherwise be payable, which premium
 1680 may be collected when the loan is made or at any time

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1681 thereafter;

1682 7. Actual and reasonable attorney's fees and court costs
1683 as determined by the court in which suit is filed;

1684 8. Actual and commercially reasonable expenses of
1685 repossession, storing, repairing and placing in condition for
1686 sale, and selling of any property pledged as security; or

1687 9. A delinquency charge not to exceed \$10 for each payment
1688 in default for a period of not less than 10 days, if the charge
1689 is agreed upon, in writing, between the parties before imposing
1690 the charge.

1691
1692 Any charges, including interest, in excess of the combined total
1693 of all charges authorized and permitted by this chapter
1694 constitute a violation of chapter 687 governing interest and
1695 usury, and the penalties of that chapter apply. In the event of
1696 a bona fide error, the licensee shall refund or credit the
1697 borrower with the amount of the overcharge immediately but
1698 within 20 days from the discovery of such error.

1699 Section 27. Section 516.05, Florida Statutes, is amended
1700 to read:

1701 516.05 License.--

1702 (1) Upon the filing of an application for a license and
1703 payment of all applicable fees, the office shall, unless the
1704 application is to renew or reactivate an existing license, make
1705 an investigation of the facts concerning the applicant's
1706 background ~~proposed activities~~. If the office determines that a
1707 license should be granted, it shall issue the license for a
1708 period not to exceed 2 years. Biennial licensure periods and

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1709 procedures for renewal of licenses shall be established by the
1710 rule of the commission. If the office determines that grounds
1711 exist under this chapter for denial of an application other than
1712 an application to renew a license, it shall deny such
1713 application, ~~return to the applicant the sum paid as a license~~
1714 ~~fee, and retain the investigation fee.~~

1715 (2) A license that is not renewed at the end of the
1716 biennium established by the commission shall automatically
1717 revert to inactive status. An inactive license may be
1718 reactivated upon submission of a completed reactivation
1719 application, payment of the biennial license fee, and payment of
1720 a reactivation fee which shall equal the biennial license fee. A
1721 license expires on the date at which it has been inactive for 6
1722 months.

1723 (3) Only one place of business for the purpose of making
1724 loans under this chapter may be maintained under one license,
1725 but the office may issue additional licenses to a licensee upon
1726 compliance with all the provisions of this chapter governing
1727 issuance of a single license.

1728 (4) Each licensee shall report, on a form prescribed by
1729 rule of the commission, any change to the information contained
1730 in any initial application form or any amendment to such
1731 application not later than 30 days after the change is
1732 effective.

1733 (5) Each licensee shall report any changes in the
1734 partners, officers, members, joint venturers, directors, or
1735 control persons of any licensee, or changes in the form of
1736 business organization, by written amendment in such form and at

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1737 such time as the commission specifies by rule.

1738 (a) In any case in which a person or a group of persons,
1739 directly or indirectly or acting by or through one or more
1740 persons, proposes to purchase or acquire a controlling interest
1741 in a licensee, such person or group must submit an initial
1742 application for licensure before such purchase or acquisition at
1743 such time and in such form as the commission prescribes by rule.

1744 (b) As used in this subsection, the term "controlling
1745 interest" means possession of the power to direct or cause the
1746 direction of the management or policies of a company whether
1747 through ownership of securities, by contract, or otherwise. Any
1748 person who directly or indirectly has the right to vote 25
1749 percent or more of the voting securities of a company or is
1750 entitled to 25 percent or more of the company's profits is
1751 presumed to possess a controlling interest.

1752 (c) Any addition of a partner, officer, member, joint
1753 venturer, director, or control person of the applicant who does
1754 not have a controlling interest and who has not previously
1755 complied with the provisions of s. 516.03(1) shall be subject to
1756 such provisions unless required to file an initial application
1757 in accordance with paragraph (a). If the office determines that
1758 the licensee does not continue to meet licensure requirements,
1759 the office may bring administrative action in accordance with s.
1760 516.07 to enforce the provisions of this chapter.

1761 (d) The commission shall adopt rules pursuant to ss.
1762 120.536(1) and 120.54 providing for the waiver of the
1763 application required by this subsection if the person or group
1764 of persons proposing to purchase or acquire a controlling

1765 interest in a licensee has previously complied with the
 1766 provisions of s. 516.03(1) with the same legal entity or is
 1767 currently licensed with the office under this chapter.

1768 ~~(4) Prior to relocating his or her place of business, a~~
 1769 ~~licensee must file with the office, in the manner prescribed by~~
 1770 ~~commission rule, notice of the relocation.~~

1771 (6)~~(5)~~ A licensee may conduct the business of making loans
 1772 under this chapter within a place of business in which other
 1773 business is solicited or engaged in, unless the office shall
 1774 find that the conduct of such other business by the licensee
 1775 results in an evasion of this chapter. Upon such finding, the
 1776 office shall order the licensee to desist from such evasion;
 1777 provided, however, that no license shall be granted to or
 1778 renewed for any person or organization engaged in the pawnbroker
 1779 business.

1780 ~~(6) If any person purchases substantially all of the~~
 1781 ~~assets of any existing licensed place of business, the purchaser~~
 1782 ~~shall give immediate notice thereof to the office and shall be~~
 1783 ~~granted a 90-day temporary license for the place of business~~
 1784 ~~within 10 days after the office's receipt of an application for~~
 1785 ~~a permanent license. Issuance of a temporary license for a place~~
 1786 ~~of business nullifies the existing license for the place of~~
 1787 ~~business, and the temporary licensee is subject to any~~
 1788 ~~disciplinary action provided for by this chapter.~~

1789 (7) Licenses are not transferable or assignable. A
 1790 licensee may invalidate any license by delivering it to the
 1791 office with a written notice of the delivery, but such delivery
 1792 does not affect any civil or criminal liability or the authority

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1793 to enforce this chapter for acts committed in violation thereof.

1794 (8) The office may refuse to process an initial
 1795 application for a license if the applicant or any person with
 1796 power to direct the management or policies of the applicant's
 1797 business is the subject of a pending criminal prosecution in any
 1798 jurisdiction until conclusion of such criminal prosecution.

1799 (9) A licensee that is the subject of a voluntary or
 1800 involuntary bankruptcy filing must report such filing to the
 1801 office within 7 business days after the filing date.

1802 Section 28. Subsection (1) of section 516.07, Florida
 1803 Statutes, is amended to read:

1804 516.07 Grounds for denial of license or for disciplinary
 1805 action.--

1806 (1) The following acts are violations of this chapter and
 1807 constitute grounds for denial of an application for a license to
 1808 make consumer finance loans and grounds for any of the
 1809 disciplinary actions specified in subsection (2):

1810 (a) A material misstatement of fact in an application for
 1811 a license.†

1812 (b) Failure to maintain liquid assets of at least \$25,000
 1813 at all times for the operation of business at a licensed
 1814 location or proposed location.†

1815 (c) Failure to demonstrate financial responsibility,
 1816 experience, character, or general fitness, such as to command
 1817 the confidence of the public and to warrant the belief that the
 1818 business operated at the licensed or proposed location is
 1819 lawful, honest, fair, efficient, and within the purposes of this
 1820 chapter.†

1821 (d) The violation, either knowingly or without the
 1822 exercise of due care, of any provision of this chapter, any rule
 1823 or order adopted under this chapter, or any written agreement
 1824 entered into with the office~~_.†~~

1825 (e) Any act of fraud, misrepresentation, or deceit,
 1826 regardless of reliance by or damage to a borrower, or any
 1827 illegal activity, where such acts are in connection with a loan
 1828 under this chapter. Such acts include, but are not limited to:

- 1829 1. Willful imposition of illegal or excessive charges; or
- 1830 2. Misrepresentation, circumvention, or concealment of any
 1831 matter required to be stated or furnished to a borrower~~_.†~~

1832 (f) The use of unreasonable collection practices or of
 1833 false, deceptive, or misleading advertising, where such acts are
 1834 in connection with the operation of a business to make consumer
 1835 finance loans~~_.†~~

1836 (g) Any violation of part III of chapter 817 or part II of
 1837 chapter 559 or of any rule adopted under part II of chapter
 1838 559~~_.†~~

1839 (h) Failure to maintain, preserve, and keep available for
 1840 examination, all books, accounts, or other documents required by
 1841 this chapter, by any rule or order adopted under this chapter,
 1842 or by any agreement entered into with the office~~_.†~~

1843 (i) Refusal to permit inspection of books and records in
 1844 an investigation or examination by the office or refusal to
 1845 comply with a subpoena issued by the office~~_.†~~

1846 (j) Pleading nolo contendere to, or having been convicted
 1847 or found guilty of, a crime involving fraud, dishonest dealing,
 1848 or any act of moral turpitude, regardless of whether

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1849 adjudication is withheld.~~†~~

1850 (k) Paying money or anything else of value, directly or
 1851 indirectly, to any person as compensation, inducement, or reward
 1852 for referring loan applicants to a licensee.~~†~~

1853 (l) Allowing any person other than the licensee to use the
 1854 licensee's business name, address, or telephone number in an
 1855 advertisement.~~†~~

1856 (m) Accepting or advertising that the licensee accepts
 1857 money on deposit or as consideration for the issuance or
 1858 delivery of certificates of deposit, savings certificates, or
 1859 similar instruments, except to the extent permitted under
 1860 chapter 517.~~†~~~~or~~

1861 (n) Failure to pay any fee, charge, or fine imposed or
 1862 assessed pursuant to this chapter or any rule adopted under this
 1863 chapter.

1864 (o) Using the name or logo of a financial institution, as
 1865 defined in s. 655.005(1), or its affiliates or subsidiaries when
 1866 marketing or soliciting existing or prospective customers if
 1867 such marketing materials are used without the written consent of
 1868 the financial institution and in a manner that would lead a
 1869 reasonable person to believe that the material or solicitation
 1870 originated from, was endorsed by, or is related to or the
 1871 responsibility of the financial institution or its affiliates or
 1872 subsidiaries.

1873 (p) Payment to the office for a license or permit with a
 1874 check or electronic transmission of funds that is dishonored by
 1875 the applicant's or licensee's financial institution.

1876 Section 29. Section 516.08, Florida Statutes, is repealed.

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1877 Section 30. Subsection (3) is added to section 516.12,
 1878 Florida Statutes, to read:

1879 516.12 Records to be kept by licensee.--

1880 (3) The commission may prescribe by rule the minimum
 1881 information to be shown in the books, accounts, records, and
 1882 documents of licensees for purposes of enabling the office to
 1883 determine the licensee's compliance with ss. 516.001-516.36. In
 1884 addition, the commission may prescribe by rule the requirements
 1885 for the destruction of books, accounts, records, and documents
 1886 retained by the licensee after completion of the time period
 1887 specified in subsection (1).

1888 Section 31. Section 516.19, Florida Statutes, is amended
 1889 to read:

1890 516.19 Penalties.--Any person who violates any of the
 1891 provisions of s. 516.02, s. 516.031, s. 516.05(3), ~~s. 516.05(4)~~,
 1892 s. 516.05(6)~~(5)~~, or s. 516.07(1)(e) is guilty of a misdemeanor
 1893 of the first degree, punishable as provided in s. 775.082 or s.
 1894 775.083.

1895 Section 32. Subsection (4) of section 517.021, Florida
 1896 Statutes, is amended to read:

1897 517.021 Definitions.--When used in this chapter, unless
 1898 the context otherwise indicates, the following terms have the
 1899 following respective meanings:

1900 (4) "Branch office" means any location in this state of a
 1901 dealer or investment adviser at which one or more associated
 1902 persons regularly conduct the business of rendering investment
 1903 advice or effecting any transactions in, or inducing or
 1904 attempting to induce the purchase or sale of, any security or

1905 any location that is held out as such. The commission may adopt
 1906 by rule exceptions to this definition for dealers in order to
 1907 maintain consistency with the definition of a branch office used
 1908 by self-regulatory organizations authorized by the Securities
 1909 and Exchange Commission, including, but not limited to, the
 1910 National Association of Securities Dealers or the New York Stock
 1911 Exchange. The commission may adopt by rule exceptions to this
 1912 definition for investment advisers ~~office of a dealer or~~
 1913 ~~investment adviser located in this state, other than the~~
 1914 ~~principal office of the dealer or investment adviser, which~~
 1915 ~~nonprincipal office is owned or controlled by the dealer or~~
 1916 ~~investment adviser for the purpose of conducting a securities~~
 1917 ~~business.~~

1918 Section 33. Subsection (9) of section 517.051, Florida
 1919 Statutes, is amended to read:

1920 517.051 Exempt securities.--The exemptions provided herein
 1921 from the registration requirements of s. 517.07 are self-
 1922 executing and do not require any filing with the office prior to
 1923 claiming such exemption. Any person who claims entitlement to
 1924 any of these exemptions bears the burden of proving such
 1925 entitlement in any proceeding brought under this chapter. The
 1926 registration provisions of s. 517.07 do not apply to any of the
 1927 following securities:

1928 (9) A security issued by a corporation organized and
 1929 operated exclusively for religious, educational, benevolent,
 1930 fraternal, charitable, or reformatory purposes and not for
 1931 pecuniary profit, no part of the net earnings of which
 1932 corporation inures to the benefit of any private stockholder or

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1933 individual, or any security of a fund that is excluded from the
 1934 definition of an investment company under s. 3(c)(10)(B) of the
 1935 Investment Company Act of 1940; provided that no person shall
 1936 directly or indirectly offer or sell securities under this
 1937 subsection except by an offering circular containing full and
 1938 fair disclosure, as prescribed by the rules of the commission,
 1939 of all material information, including, but not limited to, a
 1940 description of the securities offered and terms of the offering,
 1941 a description of the nature of the issuer's business, a
 1942 statement of the purpose of the offering and the intended
 1943 application by the issuer of the proceeds thereof, and financial
 1944 statements of the issuer prepared in conformance with United
 1945 States generally accepted accounting principles. Section 6(c) of
 1946 the Philanthropy Protection Act of 1995, Pub. L. No. 104-62,
 1947 shall not preempt any provision of this chapter.

1948 Section 34. Subsection (18) of section 517.061, Florida
 1949 Statutes, is amended to read:

1950 517.061 Exempt transactions.--The exemption for each
 1951 transaction listed below is self-executing and does not require
 1952 any filing with the office prior to claiming such exemption. Any
 1953 person who claims entitlement to any of the exemptions bears the
 1954 burden of proving such entitlement in any proceeding brought
 1955 under this chapter. The registration provisions of s. 517.07 do
 1956 not apply to any of the following transactions; however, such
 1957 transactions are subject to the provisions of ss. 517.301,
 1958 517.311, and 517.312:

1959 (18) The offer or sale of any security effected by or
 1960 through a person in compliance with ~~registered pursuant to~~ s.

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1961 517.12(17).

1962 Section 35. Paragraph (g) of subsection (3) of section

1963 517.081, Florida Statutes, is amended to read:

1964 517.081 Registration procedure.--

1965 (3) The office may require the applicant to submit to the

1966 office the following information concerning the issuer and such

1967 other relevant information as the office may in its judgment

1968 deem necessary to enable it to ascertain whether such securities

1969 shall be registered pursuant to the provisions of this section:

1970 (g)1. A specimen copy of the security and a copy of any

1971 circular, prospectus, advertisement, or other description of

1972 such securities.

1973 2. The commission shall adopt a form for a simplified

1974 offering circular to be used solely by corporations to register,

1975 under this section, securities of the corporation that are sold

1976 in offerings in which the aggregate offering price in any

1977 consecutive 12-month period does not exceed the amount provided

1978 in s. 3(b) of the Securities Act of 1933. The following issuers

1979 shall not be eligible to submit a simplified offering circular

1980 adopted pursuant to this subparagraph:

1981 a. An issuer seeking to register securities for resale by

1982 persons other than the issuer.

1983 b. An issuer who is subject to any of the

1984 disqualifications described in 17 C.F.R. s. 230.262, adopted

1985 pursuant to the Securities Act of 1933, or who has been or is

1986 engaged or is about to engage in an activity that would be

1987 grounds for denial, revocation, or suspension under s. 517.111.

1988 For purposes of this subparagraph, an issuer includes an

1989 issuer's director, officer, shareholder who owns at least 10
 1990 percent of the shares of the issuer, promoter, or selling agent
 1991 of the securities to be offered or any officer, director, or
 1992 partner of such selling agent.

1993 c. An issuer who is a development-stage company that
 1994 either has no specific business plan or purpose or has indicated
 1995 that its business plan is to merge with an unidentified company
 1996 or companies.

1997 d. An issuer of offerings in which the specific business
 1998 or properties cannot be described.

1999 e. Any issuer the office determines is ineligible if the
 2000 form would not provide full and fair disclosure of material
 2001 information for the type of offering to be registered by the
 2002 issuer.

2003 f. Any corporation which has failed to provide the office
 2004 the reports required for a previous offering registered pursuant
 2005 to this subparagraph.

2006
 2007 As a condition precedent to qualifying for use of the simplified
 2008 offering circular, a corporation shall agree to provide the
 2009 office with an annual financial report containing a balance
 2010 sheet as of the end of the issuer's fiscal year and a statement
 2011 of income for such year, prepared in accordance with United
 2012 States generally accepted accounting principles and accompanied
 2013 by an independent accountant's report. If the issuer has more
 2014 than 100 security holders at the end of a fiscal year, the
 2015 financial statements must be audited. Annual financial reports
 2016 must be filed with the office within 90 days after the close of

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2017 the issuer's fiscal year for each of the first 5 years following
 2018 the effective date of the registration.

2019 Section 36. Subsections (6), (7), (10), (11), (15), and
 2020 (17) of section 517.12, Florida Statutes, are amended to read:

2021 517.12 Registration of dealers, associated persons,
 2022 investment advisers, and branch offices.--

2023 (6) A dealer, associated person, investment adviser, or
 2024 branch office, in order to obtain registration, must file with
 2025 the office a written application, on a form which the commission
 2026 may by rule prescribe, ~~verified under oath~~. The commission may
 2027 establish, by rule, procedures for depositing fees and filing
 2028 documents by electronic means provided such procedures provide
 2029 the office with the information and data required by this
 2030 section. Each dealer or investment adviser must also file an
 2031 irrevocable written consent to service of civil process similar
 2032 to that provided for in s. 517.101. The application shall
 2033 contain such information as the commission or office may require
 2034 concerning such matters as:

2035 (a) The name of the applicant and the address of its
 2036 principal office and each office in this state.

2037 (b) The applicant's form and place of organization; and,
 2038 if the applicant is a corporation, a copy of its articles of
 2039 incorporation and amendments to the articles of incorporation
 2040 or, if a partnership, a copy of the partnership agreement.

2041 (c) The applicant's proposed method of doing business and
 2042 financial condition and history, including a certified financial
 2043 statement showing all assets and all liabilities, including
 2044 contingent liabilities of the applicant as of a date not more

2045 than 90 days prior to the filing of the application.

2046 (d) The names and addresses of all associated persons of
 2047 the applicant to be employed in this state and the offices to
 2048 which they will be assigned.

2049 (7) The application shall also contain such information as
 2050 the commission or office may require about the applicant; any
 2051 partner, officer, or director of the applicant or any person
 2052 having a similar status or performing similar functions; any
 2053 person directly or indirectly controlling the applicant; or any
 2054 employee of a dealer or of an investment adviser rendering
 2055 investment advisory services. Each applicant shall file a
 2056 complete set of fingerprints. A fingerprint card submitted to
 2057 the office must be taken by an authorized law enforcement agency
 2058 officer. The office shall submit the ~~Such~~ fingerprints shall be
 2059 submitted to the Department of Law Enforcement for state
 2060 processing and the Department of Law Enforcement shall forward
 2061 the fingerprints to ~~or~~ the Federal Bureau of Investigation for
 2062 state and federal processing. The cost of the fingerprint
 2063 processing may be borne by the office, the employer, or the
 2064 person subject to the background check. The Department of Law
 2065 Enforcement shall submit an invoice to the office for the
 2066 fingerprints received each month. The office shall screen the
 2067 background results to determine if the applicant meets licensure
 2068 requirements. The commission may waive, by rule, the requirement
 2069 that applicants must file a set of fingerprints or the
 2070 requirement that such fingerprints must be processed by the
 2071 Department of Law Enforcement or the Federal Bureau of
 2072 Investigation. The commission or office may require information

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2073 about any such applicant or person concerning such matters as:
 2074 (a) His or her full name, and any other names by which he
 2075 or she may have been known, and his or her age, social security
 2076 number, photograph, qualifications, and educational and business
 2077 history.
 2078 (b) Any injunction or administrative order by a state or
 2079 federal agency, national securities exchange, or national
 2080 securities association involving a security or any aspect of the
 2081 securities business and any injunction or administrative order
 2082 by a state or federal agency regulating banking, insurance,
 2083 finance, or small loan companies, real estate, mortgage brokers,
 2084 or other related or similar industries, which injunctions or
 2085 administrative orders relate to such person.
 2086 (c) His or her conviction of, or plea of nolo contendere
 2087 to, a criminal offense or his or her commission of any acts
 2088 which would be grounds for refusal of an application under s.
 2089 517.161.
 2090 (d) The names and addresses of other persons of whom the
 2091 office may inquire as to his or her character, reputation, and
 2092 financial responsibility.
 2093 (10) An applicant for registration shall pay an assessment
 2094 fee of \$200, in the case of a dealer or investment adviser, or
 2095 \$40, in the case of an associated person. The assessment fee of
 2096 an associated person shall be reduced to \$30, but only after the
 2097 office determines, by final order, that sufficient funds have
 2098 been allocated to the Securities Guaranty Fund pursuant to s.
 2099 517.1203 to satisfy all valid claims filed in accordance with s.
 2100 517.1203(2) and after all amounts payable under any service

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2101 contract entered into by the office pursuant to s. 517.1204, and
 2102 all notes, bonds, certificates of indebtedness, other
 2103 obligations, or evidences of indebtedness secured by such notes,
 2104 bonds, certificates of indebtedness, or other obligations, have
 2105 been paid or provision has been made for the payment of such
 2106 amounts, notes, bonds, certificates of indebtedness, other
 2107 obligations, or evidences of indebtedness. An associated person
 2108 ~~may not having current fingerprint cards filed with the National~~
 2109 ~~Association of Securities Dealers or a national securities~~
 2110 ~~exchange registered with the Securities and Exchange Commission~~
 2111 ~~shall~~ be assessed an additional fee to cover the cost for the
 2112 ~~said~~ fingerprint cards to be processed by the office. Such fee
 2113 shall be determined by rule of the commission. Each dealer and
 2114 each investment adviser shall pay an assessment fee of \$100 for
 2115 each office in this state, ~~except its designated principal~~
 2116 ~~office~~. Such fees become the revenue of the state, except for
 2117 those assessments provided for under s. 517.131(1) until such
 2118 time as the Securities Guaranty Fund satisfies the statutory
 2119 limits, and are not returnable in the event that registration is
 2120 withdrawn or not granted.

2121 (11) If the office finds that the applicant is of good
 2122 repute and character and has complied with the provisions of
 2123 this chapter and the rules made pursuant hereto, it shall
 2124 register the applicant. The registration of each dealer,
 2125 investment adviser, branch office, and associated person expires
 2126 ~~will expire~~ on December 31 of the year the registration became
 2127 effective unless the registrant has renewed his or her
 2128 registration on or before that date. The commission may

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2129 establish by rule procedures for renewing the registration of a
2130 branch office through the Central Registration Depository, ~~and~~
2131 ~~the registration of each branch office will expire on March 31,~~
2132 ~~of the year in which it became effective unless the registrant~~
2133 ~~has renewed its registration on or before that date.~~

2134 Registration may be renewed by furnishing such information as
2135 the commission may require, together with payment of the fee
2136 required in subsection (10) for dealers, investment advisers,
2137 associated persons, or branch offices and the payment of any
2138 amount lawfully due and owing to the office pursuant to any
2139 order of the office or pursuant to any agreement with the
2140 office. Any dealer, investment adviser, or associated person
2141 registrant who has not renewed a registration by the time the
2142 current registration expires may request reinstatement of such
2143 registration by filing with the office, on or before January 31
2144 of the year following the year of expiration, such information
2145 as may be required by the commission, together with payment of
2146 the fee required in subsection (10) for dealers, investment
2147 advisers, or associated persons and a late fee equal to the
2148 amount of such fee. Any reinstatement of registration granted by
2149 the office during the month of January shall be deemed effective
2150 retroactive to January 1 of that year.

2151 (15) (a) In order to facilitate uniformity and streamline
2152 procedures for persons who are subject to registration in
2153 multiple jurisdictions, the commission may adopt by rule uniform
2154 forms that have been approved by the Securities and Exchange
2155 Commission, and any subsequent amendments to such forms, if the
2156 forms are substantially consistent with the provisions of this

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2157 chapter. Uniform forms that the commission may adopt to
2158 administer this section include, but are not limited to:

- 2159 1. Form BR, Uniform Branch Office Registration Form,
2160 adopted October 2005.
- 2161 2. Form U4, Uniform Application for Securities Industry
2162 Registration or Transfer, adopted October 2005.
- 2163 3. Form U5, Uniform Termination Notice for Securities
2164 Industry Registration, adopted October 2005.
- 2165 4. Form ADV, Uniform Application for Investment Adviser
2166 Registration, adopted October 2003.
- 2167 5. Form ADV-W, Notice of Withdrawal from Registration as
2168 an Investment Adviser, adopted October 2003.
- 2169 6. Form BD, Uniform Application for Broker-Dealer
2170 Registration, adopted July 1999.
- 2171 7. Form BDW, Uniform Request for Broker-Dealer Withdrawal,
2172 adopted August 1999.

2173 (b) In lieu of filing with the office the applications
2174 specified in subsection (6), the fees required by subsection
2175 (10), the renewals required by subsection (11), and the
2176 termination notices required by subsection (12), the commission
2177 may by rule establish procedures for the deposit of such fees
2178 and documents with the Central Registration Depository or the
2179 Investment Adviser Registration Depository of the National
2180 Association of Securities Dealers, Inc., as developed under
2181 contract with the North American Securities Administrators
2182 Association, Inc., ~~provided, however, that such procedures shall~~
2183 ~~provide the office with the information and data as required by~~
2184 ~~this section.~~

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2185 (17) (a) A dealer that is located in Canada, does not have
 2186 an and has no office or other physical presence in this state,
 2187 and has made a notice filing in accordance with this subsection
 2188 is exempt from the registration requirements of this section and
 2189 may, provided the dealer is registered in accordance with this
 2190 section, effect transactions in securities with or for, or
 2191 induce or attempt to induce the purchase or sale of any security
 2192 by:

2193 1. A person from Canada who is present ~~temporarily resides~~
 2194 in this state and with whom the Canadian dealer had a bona fide
 2195 dealer-client relationship before the person entered the United
 2196 States; or

2197 2. A person from Canada who is present in a ~~resident of~~
 2198 this state, and whose transactions are in a self-directed, tax-
 2199 advantaged ~~tax advantage~~ retirement plan in Canada of which the
 2200 person is the holder or contributor.

2201 (b) A notice filing under this subsection must consist of
 2202 documents the commission by rule requires to be filed, together
 2203 with a consent to service of process and a nonrefundable filing
 2204 fee of \$200. The commission may establish by rule procedures for
 2205 the deposit of fees and the filing of documents to be made by
 2206 electronic means, if such procedures provide the office with the
 2207 information and data required by this section ~~An associated~~
 2208 ~~person who represents a Canadian dealer registered under this~~
 2209 ~~section may, provided the agent is registered in accordance with~~
 2210 ~~this section, effect transactions in securities in this state as~~
 2211 ~~permitted for a dealer, under subsection (a).~~

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2212 (c) A Canadian dealer may make a notice filing register
2213 under this subsection if the section provided that such dealer
2214 provides to the office:

2215 1. A notice filing Files an application in the form the
2216 commission requires by rule required by the jurisdiction in
2217 which the dealer has a head office.

2218 2. ~~Files~~ A consent to service of process.

2219 3. Evidence that the Canadian dealer is registered as a
2220 dealer in good standing in the jurisdiction in which the
2221 dealer's main office is located from which it is effecting
2222 transactions into this state and files evidence of such
2223 registration with the office.

2224 4. Evidence that the Canadian dealer is a member of a
2225 self-regulatory organization or stock exchange in Canada.

2226 (d) The office may issue a permit to evidence the
2227 effectiveness of a notice filing for a Canadian dealer.

2228 (e) A notice filing is effective upon receipt by the
2229 office. A notice filing expires on December 31 of the year in
2230 which the filing becomes effective unless the Canadian dealer
2231 has renewed the filing on or before that date. A Canadian dealer
2232 may annually renew a notice filing by furnishing to the office
2233 such information as the office requires together with a renewal
2234 fee of \$200 and the payment of any amount due and owing the
2235 office pursuant to any agreement with the office. Any Canadian
2236 dealer who has not renewed a notice filing by the time a current
2237 notice filing expires may request reinstatement of such notice
2238 filing by filing with the office, on or before January 31 of the
2239 year following the year the notice filing expires, such

2240 information as the commission requires by rule, together with
 2241 the payment of \$200 and a late fee of \$200. A reinstatement of a
 2242 notice filing granted by the office during the month of January
 2243 is effective retroactively to January 1 of that year.

2244 (f)(d) An associated person who represents a Canadian
 2245 dealer who has made a notice filing registered under this
 2246 subsection is exempt from the registration requirements of this
 2247 section and may effect ~~section in effecting~~ transactions in
 2248 securities in this state as permitted for a dealer under
 2249 paragraph (a) if such person may register under this section
 2250 provided that such person:

2251 1. Files an application in the form required by the
 2252 jurisdiction in which the dealer has its head office.

2253 2. is registered in good standing in the jurisdiction from
 2254 which he or she is effecting transactions into this state and
 2255 files evidence of such registration with the office.

2256 (e) ~~If the office finds that the applicant is of good~~
 2257 ~~repute and character and has complied with the provisions of~~
 2258 ~~this chapter, the office shall register the applicant.~~

2259 (g)(f) A Canadian dealer who has made a notice filing
 2260 registered under this subsection ~~section~~ shall:

2261 1. Maintain its provincial or territorial registration and
 2262 its membership in a self-regulatory organization or stock
 2263 exchange in good standing.

2264 2. Provide the office upon request with its books and
 2265 records relating to its business in this state as a dealer.

2266 3. Provide the office upon request notice of each civil,
 2267 criminal, or administrative action initiated against the dealer.

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2268 4. Disclose to its clients in this state that the dealer
 2269 and its associated persons ~~agents~~ are not subject to the full
 2270 regulatory requirements under this chapter.

2271 5. Correct any inaccurate information within 30 days
 2272 ~~after, if~~ the information contained in the notice filing
 2273 ~~application form~~ becomes inaccurate for any reason ~~before or~~
 2274 ~~after the dealer becomes registered.~~

2275 ~~(h)(g)~~ An associated person representing ~~of~~ a Canadian
 2276 dealer who has made a notice filing ~~registered~~ under this
 2277 subsection ~~section~~ shall:

2278 1. Maintain provincial or territorial registration in good
 2279 standing.

2280 2. Provide the office upon request with notice of each
 2281 civil, criminal, or administrative action initiated against such
 2282 person.

2283 ~~3. Through the dealer, correct any inaccurate information~~
 2284 ~~within 30 days, if the information contained in the application~~
 2285 ~~form becomes inaccurate for any reason before or after the~~
 2286 ~~associated person becomes registered.~~

2287 (i) A notice filing may be terminated by filing notice of
 2288 such termination with the office. Unless another date is
 2289 specified by the Canadian dealer, such notice is effective upon
 2290 receipt of the notice by the office.

2291 (j) All fees collected under this subsection become the
 2292 revenue of the state, except those assessments provided for
 2293 under s. 517.131(1), until the Securities Guaranty Fund has
 2294 satisfied the statutory limits. Such fees are not returnable if
 2295 a notice filing is withdrawn.

2296 ~~(h) Renewal applications for Canadian dealers and~~
 2297 ~~associated persons under this section must be filed before~~
 2298 ~~December 31 each year. Every applicant for registration or~~
 2299 ~~renewal registration under this section shall pay the fee for~~
 2300 ~~dealers and associated persons under this chapter.~~

2301 Section 37. Paragraphs (b) and (e) of subsection (3) of
 2302 section 517.131, Florida Statutes, are amended, and subsection
 2303 (5) is added to that section, to read:

2304 517.131 Securities Guaranty Fund.--

2305 (3) Any person is eligible to seek recovery from the
 2306 Securities Guaranty Fund if:

2307 (b) Such person has made all reasonable searches and
 2308 inquiries to ascertain whether the judgment debtor possesses
 2309 real or personal property or other assets subject to being sold
 2310 or applied in satisfaction of the judgment, and by her or his
 2311 search the person has discovered no property or assets; or she
 2312 or he has discovered property and assets and has taken all
 2313 necessary action and proceedings for the application thereof to
 2314 the judgment, but the amount thereby realized was insufficient
 2315 to satisfy the judgment. To verify compliance with such
 2316 condition, the office may require such person to have a writ of
 2317 execution be issued upon such judgment, and may further require
 2318 a showing that no personal or real property of the judgment
 2319 debtor liable to be levied upon in complete satisfaction of the
 2320 judgment can be found, or may require an affidavit from the
 2321 claimant setting forth the reasonable searches and inquiries
 2322 undertaken and the result of those searches and inquiries.

2323 (e) The office waives compliance with the requirements of

2324 paragraph (a) or paragraph (b). The office may waive such
 2325 compliance if the dealer, investment adviser, or associated
 2326 person which is the subject of the claim filed with the office
 2327 is the subject of any proceeding in which a receiver has been
 2328 appointed by a court of competent jurisdiction. If the office
 2329 waives such compliance, the office may, upon petition by the
 2330 debtor or the court-appointed trustee, examiner, or receiver,
 2331 distribute funds from the Securities Guaranty Fund up to the
 2332 amount allowed under s. 517.141. Any waiver granted pursuant to
 2333 this section shall be considered a judgment for purposes of
 2334 complying with the requirements of this section and of s.
 2335 517.141.

2336 (5) The commission may adopt rules pursuant to ss.
 2337 120.536(1) and 120.54 specifying the procedures for complying
 2338 with subsections (2), (3), and (4), including rules for the form
 2339 of submission and guidelines for the sufficiency and content of
 2340 submissions of notices and claims.

2341 Section 38. Subsections (2) and (5) of section 517.141,
 2342 Florida Statutes, are amended, and subsection (11) is added to
 2343 that section, to read:

2344 517.141 Payment from the fund.--

2345 (2) Regardless of the number of claims or claimants
 2346 involved, payments for claims shall be limited in the aggregate
 2347 to \$100,000 against any one dealer, investment adviser, or
 2348 associated person. If the total claims exceed the aggregate
 2349 limit of \$100,000, the office shall prorate the payment based
 2350 upon the ratio that the person's claim bears to the total claims
 2351 filed.

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2352 (5) If the final judgment that ~~which~~ gave rise to the
 2353 claim is overturned in any appeal or in any collateral
 2354 proceeding, the claimant shall reimburse the fund all amounts
 2355 paid from the fund to the claimant on the claim. If the claimant
 2356 satisfies the judgment specified in s. 517.131(3)(a), the
 2357 claimant shall reimburse the fund all amounts paid from the fund
 2358 to the claimant on the claim. Such reimbursement shall be paid
 2359 to the office within 60 days after the final resolution of the
 2360 appellate or collateral proceedings or the satisfaction of
 2361 judgment, with the 60-day period commencing on the date the
 2362 final order or decision is entered in such proceedings.

2363 (11) The commission may adopt rules pursuant to ss.
 2364 120.536(1) and 120.54 specifying procedures for complying with
 2365 this section, including rules for the form of submission and
 2366 guidelines for the sufficiency and content of submissions of
 2367 notices and claims.

2368 Section 39. Subsection (1) of section 517.161, Florida
 2369 Statutes, is amended to read:

2370 517.161 Revocation, denial, or suspension of registration
 2371 of dealer, investment adviser, associated person, or branch
 2372 office.--

2373 (1) Registration under s. 517.12 may be denied or any
 2374 registration granted may be revoked, restricted, or suspended by
 2375 the office if the office determines that such applicant or
 2376 registrant:

2377 (a) Has violated any provision of this chapter or any rule
 2378 or order made under this chapter;

2379 (b) Has made a material false statement in the application

2380 for registration;

2381 (c) Has been guilty of a fraudulent act in connection with
 2382 rendering investment advice or in connection with any sale of
 2383 securities, has been or is engaged or is about to engage in
 2384 making fictitious or pretended sales or purchases of any such
 2385 securities or in any practice involving the rendering of
 2386 investment advice or the sale of securities which is fraudulent
 2387 or in violation of the law;

2388 (d) Has made a misrepresentation or false statement to, or
 2389 concealed any essential or material fact from, any person in the
 2390 rendering of investment advice or the sale of a security to such
 2391 person;

2392 (e) Has failed to account to persons interested for all
 2393 money and property received;

2394 (f) Has not delivered, after a reasonable time, to persons
 2395 entitled thereto securities held or agreed to be delivered by
 2396 the dealer, broker, or investment adviser, as and when paid for,
 2397 and due to be delivered;

2398 (g) Is rendering investment advice or selling or offering
 2399 for sale securities through any associated person not registered
 2400 in compliance with the provisions of this chapter;

2401 (h) Has demonstrated unworthiness to transact the business
 2402 of dealer, investment adviser, or associated person;

2403 (i) Has exercised management or policy control over or
 2404 owned 10 percent or more of the securities of any dealer or
 2405 investment adviser that has been declared bankrupt, or had a
 2406 trustee appointed under the Securities Investor Protection Act;
 2407 or is, in the case of a dealer or investment adviser, insolvent;

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2408 (j) Has been convicted of, or has entered a plea of guilty
 2409 or nolo contendere to, a crime against the laws of this state or
 2410 any other state or of the United States or of any other country
 2411 or government which relates to registration as a dealer,
 2412 investment adviser, issuer of securities, associated person, or
 2413 branch office; which relates to the application for such
 2414 registration; or which involves moral turpitude or fraudulent or
 2415 dishonest dealing;

2416 (k) Has had a final judgment entered against her or him in
 2417 a civil action upon grounds of fraud, embezzlement,
 2418 misrepresentation, or deceit;

2419 (l) Is of bad business repute; ~~or~~

2420 (m) Has been the subject of any decision, finding,
 2421 injunction, suspension, prohibition, revocation, denial,
 2422 judgment, or administrative order by any court of competent
 2423 jurisdiction, administrative law judge, or by any state or
 2424 federal agency, national securities, commodities, or option
 2425 exchange, or national securities, commodities, or option
 2426 association, involving a violation of any federal or state
 2427 securities or commodities law or any rule or regulation
 2428 promulgated thereunder, or any rule or regulation of any
 2429 national securities, commodities, or options exchange or
 2430 national securities, commodities, or options association, or has
 2431 been the subject of any injunction or adverse administrative
 2432 order by a state or federal agency regulating banking,
 2433 insurance, finance or small loan companies, real estate,
 2434 mortgage brokers or lenders, money transmitters, or other
 2435 related or similar industries. For purposes of this subsection,

2436 the office may not deny registration to any applicant who has
 2437 been continuously registered with the office for 5 years from
 2438 the entry of such decision, finding, injunction, suspension,
 2439 prohibition, revocation, denial, judgment, or administrative
 2440 order provided such decision, finding, injunction, suspension,
 2441 prohibition, revocation, denial, judgment, or administrative
 2442 order has been timely reported to the office pursuant to the
 2443 commission's rules; or-

2444 (n) Made payment to the office for a registration or
 2445 notice filing with a check or electronic transmission of funds
 2446 that is dishonored by the applicant's, registrant's, or notice
 2447 filer's financial institution.

2448 Section 40. Section 520.02, Florida Statutes, is amended
 2449 to read:

2450 520.02 Definitions.--In this act, unless the context or
 2451 subject matter otherwise requires:

2452 (1) "Branch" means any location, other than a licensee's
 2453 principal place of business, at which a licensee operates or
 2454 conducts business under this act or which a licensee owns or
 2455 controls for the purpose of conducting business under this act.

2456 (2) "Cash price" means the price at which a seller, in the
 2457 ordinary course of business, offers to sell for cash the
 2458 property or service that is the subject of the transaction. At
 2459 the seller's option, the term "cash price" may include the price
 2460 of accessories, services related to the sale, service contracts,
 2461 and taxes and fees for license, title, and registration of the
 2462 motor vehicle. The term "cash price" does not include any
 2463 finance charge.

2464 (3) "Commission" means the Financial Services Commission.

2465 (4) "Control person" means an individual, partnership,
 2466 corporation, trust, or other organization that possesses the
 2467 power, directly or indirectly, to direct the management or
 2468 policies of a company, whether through ownership of securities,
 2469 by contract, or otherwise. A person is presumed to control a
 2470 company if, with respect to a particular company, that person:

2471 (a) Is a director, general partner, or officer exercising
 2472 executive responsibility or having similar status or functions;

2473 (b) Directly or indirectly may vote 10 percent or more of
 2474 a class of a voting security or sell or direct the sale of 10
 2475 percent or more of a class of voting securities; or

2476 (c) In the case of a partnership, may receive upon
 2477 dissolution or has contributed 10 percent or more of the
 2478 capital.

2479 (5) "Down payment" means the amount, including the value
 2480 of any property used as a trade-in, paid to a seller to reduce
 2481 the cash price of goods or services purchased in a credit sale
 2482 transaction. A deferred portion of a down payment may be treated
 2483 as part of the down payment if it is payable not later than the
 2484 due date of the second otherwise regularly scheduled payment and
 2485 is not subject to a finance charge.

2486 (6) "Finance charge" means the cost of consumer credit as
 2487 a dollar amount. The term "finance charge" includes any charge
 2488 payable directly or indirectly by the buyer and imposed directly
 2489 or indirectly by the seller as an incident to or a condition of
 2490 the extension of credit. The term "finance charge" does not

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2491 include any charge of a type payable in a comparable cash
 2492 transaction.

2493 (7) "Holder" of a retail installment contract means the
 2494 retail seller of a motor vehicle retail installment contract or
 2495 an assignee of such contract.

2496 (8) "Mobile home" means a structure, transportable in one
 2497 or more sections, which is 8 body feet or more in width and is
 2498 32 body feet or more in length, designed to be used as a
 2499 dwelling with or without a permanent foundation when connected
 2500 to the required utilities, and includes the plumbing, heating,
 2501 air-conditioning, and electrical systems contained therein.

2502 (9) "Motor vehicle" means any device or vehicle, including
 2503 automobiles, motorcycles, motor trucks, trailers, mobile homes,
 2504 and all other vehicles operated over the public highways and
 2505 streets of this state and propelled by power other than muscular
 2506 power, but excluding traction engines, road rollers, implements
 2507 of husbandry and other agricultural equipment, and vehicles
 2508 which run only upon a track.

2509 (10)~~(15)~~ "Motor vehicle retail installment seller" or
 2510 "seller" means a person engaged in the business of selling motor
 2511 vehicles to retail buyers in retail installment transactions.

2512 (11)~~(4)~~ "Office" means the Office of Financial Regulation
 2513 of the commission.

2514 (12)~~(10)~~ "Official fees" means fees and charges prescribed
 2515 by law which actually are or will be paid to public officials
 2516 for determining the existence of, or for perfecting, releasing,
 2517 or satisfying, any security related to the credit transaction,
 2518 or the premium payable for any insurance in lieu of perfecting

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2519 any security interest otherwise required by the creditor in
2520 connection with the transaction, if the premium does not exceed
2521 the fees and charges which would otherwise be payable to public
2522 officials.

2523 (13)~~(11)~~ "Person" means an individual, partnership,
2524 corporation, association, and any other group however organized.

2525 (14)~~(12)~~ "Principal place of business" means the physical
2526 location designated on the licensee's application for licensure,
2527 unless otherwise designated as required by this chapter.

2528 (15)~~(13)~~ "Retail buyer" or "buyer" means a person who buys
2529 a motor vehicle from a seller not principally for the purpose of
2530 resale, and who executes a retail installment contract in
2531 connection therewith or a person who succeeds to the rights and
2532 obligations of such person.

2533 (16)~~(14)~~ "Retail installment contract" or "contract" means
2534 an agreement, entered into in this state, pursuant to which the
2535 title to, or a lien upon the motor vehicle, which is the subject
2536 matter of a retail installment transaction, is retained or taken
2537 by a seller from a retail buyer as security, in whole or in
2538 part, for the buyer's obligation. The term includes a
2539 conditional sales contract and a contract for the bailment or
2540 leasing of a motor vehicle by which the bailee or lessee
2541 contracts to pay as compensation for its use a sum substantially
2542 equivalent to or in excess of its value and by which it is
2543 agreed that the bailee or lessee is bound to become, or for no
2544 further or a merely nominal consideration, has the option of
2545 becoming, the owner of the motor vehicle upon full compliance
2546 with the provisions of the contract.

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2547 ~~(17)(16)~~ "Retail installment transaction" means any
 2548 transaction evidenced by a retail installment contract entered
 2549 into between a retail buyer and a seller wherein the retail
 2550 buyer buys a motor vehicle from the seller at a deferred payment
 2551 price payable in one or more deferred installments.

2552 ~~(18)(17)~~ "Sales finance company" means a person engaged in
 2553 the business of purchasing retail installment contracts from one
 2554 or more sellers. The term includes, but is not limited to, a
 2555 bank or trust company, if so engaged. The term does not include
 2556 the pledge of an aggregate number of such contracts to secure a
 2557 bona fide loan thereon.

2558 ~~(19)(18)~~ Words in the singular include the plural and vice
 2559 versa.

2560 Section 41. Subsections (2) through (5) of section 520.03,
 2561 Florida Statutes, are amended to read:

2562 520.03 Licenses.--

2563 (2) An application for a license under this part must be
 2564 submitted to the office in such form as the commission may
 2565 prescribe by rule. The commission may require each applicant to
 2566 provide any information reasonably necessary to determine the
 2567 applicant's eligibility for licensure. The applicant shall also
 2568 provide information that the office requires concerning any
 2569 officer, director, control person, member, partner, or joint
 2570 venturer of the applicant or any person having the same or
 2571 substantially similar status or performing substantially similar
 2572 functions or any individual who is the ultimate equitable owner
 2573 of a 10-percent or greater interest in the applicant. The office
 2574 may require information concerning any such applicant or person,

2575 including, but not limited to, his or her full name and any
 2576 other names by which he or she may have been known, age, social
 2577 security number, residential history, qualifications,
 2578 educational and business history, and disciplinary and criminal
 2579 history. If the office determines that an application should be
 2580 granted, it shall issue the license for a period not to exceed 2
 2581 years. A nonrefundable application fee of \$175 shall accompany
 2582 an initial application for the principal place of business and
 2583 each application for a branch location of a retail installment
 2584 seller who is required to be licensed under this chapter. An
 2585 application is considered received for purposes of s. 120.60
 2586 upon receipt of a completed application form as prescribed by
 2587 commission rule, a nonrefundable application fee of \$175, and
 2588 any other fee prescribed by law.

2589 (3) The nonrefundable renewal fee for a motor vehicle
 2590 retail installment seller license shall be \$175. The commission
 2591 shall establish by rule biennial licensure periods and
 2592 procedures for renewal of licenses. A license that is not
 2593 renewed by the end of the biennium established by the commission
 2594 shall revert from active to inactive status. An inactive license
 2595 may be reactivated within 6 months after becoming inactive upon
 2596 filing a completed reactivation form, payment of the
 2597 nonrefundable renewal fee, and payment of a reactivation fee
 2598 equal to the nonrefundable renewal fee. A license that is not
 2599 reactivated within 6 months after becoming inactive
 2600 automatically expires.

2601 (4) ~~Each license shall specify the location for which it~~
 2602 ~~is issued and must be conspicuously displayed at that location.~~

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2603 ~~Prior to relocating a principal place of business or any branch~~
 2604 ~~location, the licensee must provide to the office notice of the~~
 2605 ~~relocation in a form prescribed by commission rule.~~ A licensee
 2606 may not transact business as a motor vehicle retail installment
 2607 seller except under the name by which it is licensed. Licenses
 2608 issued under this part are not transferable or assignable.

2609 (5) The office may deny an initial application for a
 2610 license under this part if the applicant or any officer,
 2611 director, control person, member, partner, or joint venturer
 2612 ~~person with power to direct the management or policies~~ of the
 2613 applicant is the subject of a pending criminal prosecution or
 2614 governmental enforcement action, in any jurisdiction, until
 2615 conclusion of such criminal prosecution or enforcement action.

2616 Section 42. Subsections (10) through (18) of section
 2617 520.31, Florida Statutes, are renumbered as subsections (11)
 2618 through (19), respectively, subsection (4) of that section is
 2619 renumbered as subsection (10), and a new subsection (4) is added
 2620 to that section, to read:

2621 520.31 Definitions.--Unless otherwise clearly indicated by
 2622 the context, the following words when used in this act, for the
 2623 purposes of this act, shall have the meanings respectively
 2624 ascribed to them in this section:

2625 (4) "Control person" means an individual, partnership,
 2626 corporation, trust, or other organization that possesses the
 2627 power, directly or indirectly, to direct the management or
 2628 policies of a company, whether through ownership of securities,
 2629 by contract, or otherwise. A person is presumed to control a
 2630 company if, with respect to a particular company, that person:

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- 2631 (a) Is a director, general partner, or officer exercising
 2632 executive responsibility or having similar status or functions;
 2633 (b) Directly or indirectly has the right to vote 10
 2634 percent or more of a class of a voting security or has the power
 2635 to sell or direct the sale of 10 percent or more of a class of
 2636 voting securities; or
 2637 (c) In the case of a partnership, has the right to receive
 2638 upon dissolution or has contributed 10 percent or more of the
 2639 capital.

2640 Section 43. Subsections (2) through (5) of section 520.32,
 2641 Florida Statutes, are amended to read:

2642 520.32 Licenses.--

2643 (2) An application for a license under this part must be
 2644 submitted to the office in such form as the commission may
 2645 prescribe by rule. The commission may require each applicant to
 2646 provide any information reasonably necessary to determine the
 2647 applicant's eligibility for licensure. The applicant shall also
 2648 provide information that the office requires concerning any
 2649 officer, director, control person, member, partner, or joint
 2650 venturer of the applicant or any person having the same or
 2651 substantially similar status or performing substantially similar
 2652 functions or any individual who is the ultimate equitable owner
 2653 of a 10-percent or greater interest in the applicant. The office
 2654 may require information concerning any such applicant or person,
 2655 including his or her full name and any other names by which he
 2656 or she may have been known, age, social security number,
 2657 residential history, qualifications, educational and business
 2658 history, and disciplinary and criminal history. If the office

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2659 determines that an application should be granted, it shall issue
2660 the license for a period not to exceed 2 years. A nonrefundable
2661 application fee of \$175 shall accompany an initial application
2662 for the principal place of business and each application for a
2663 branch location of a retail installment seller. An application
2664 is considered received for purposes of s. 120.60 upon receipt of
2665 a completed application form as prescribed by commission rule, a
2666 nonrefundable application fee of \$175, and any other fee
2667 prescribed by law.

2668 (3) The nonrefundable renewal fee for a retail seller
2669 license shall be \$175. Biennial licensure periods and procedures
2670 for renewal of licenses may also be established by the
2671 commission by rule. A license that is not renewed at the end of
2672 the biennium established by the commission shall revert from
2673 active to inactive status. An inactive license may be
2674 reactivated within 6 months after becoming inactive upon filing
2675 a completed reactivation form, payment of the nonrefundable
2676 renewal fee, and payment of a reactivation fee equal to the
2677 nonrefundable renewal fee. A license that is not reactivated
2678 within 6 months after becoming inactive automatically expires.

2679 ~~(4) Each license must specify the location for which it is~~
2680 ~~issued and must be conspicuously displayed at that location. If~~
2681 ~~a licensee's principal place of business or branch location~~
2682 ~~changes, the licensee shall notify the office and the office~~
2683 ~~shall endorse the change of location without charge. A licensee~~
2684 may not transact business as a retail installment seller except
2685 under the name by which it is licensed. A license issued under
2686 this part is not transferable or assignable.

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2687 (5) The office may deny an initial application for a
 2688 license under this part if the applicant or any officer,
 2689 director, control person, member, partner, or joint venturer
 2690 ~~person with power to direct the management or policies~~ of the
 2691 applicant is the subject of a pending criminal prosecution or
 2692 governmental enforcement action, in any jurisdiction, until
 2693 conclusion of such criminal prosecution or enforcement action.

2694 Section 44. Subsections (2) through (5) of section 520.52,
 2695 Florida Statutes, are amended to read:

2696 520.52 Licensees.--

2697 (2) An application for a license under this part must be
 2698 submitted to the office in such form as the commission may
 2699 prescribe by rule. The commission may require each applicant to
 2700 provide any information reasonably necessary to determine the
 2701 applicant's eligibility for licensure. The applicant shall also
 2702 provide information that the office requires concerning any
 2703 officer, director, control person, member, partner, or joint
 2704 venturer of the applicant or any person having the same or
 2705 substantially similar status or performing substantially similar
 2706 functions or any individual who is the ultimate equitable owner
 2707 of a 10-percent or greater interest in the applicant. The office
 2708 may require information concerning any such applicant or person,
 2709 including his or her full name and any other names by which he
 2710 or she may have been known, age, social security number,
 2711 residential history, qualifications, educational and business
 2712 history, and disciplinary and criminal history. If the office
 2713 determines that an application should be granted, it shall issue
 2714 the license for a period not to exceed 2 years. A nonrefundable

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2715 application fee of \$175 shall accompany an initial application
2716 for the principal place of business and each branch location of
2717 a sales finance company. An application is considered received
2718 for purposes of s. 120.60 upon receipt of a completed
2719 application form as prescribed by commission rule, a
2720 nonrefundable application fee of \$175, and any other fee
2721 prescribed by law.

2722 (3) The nonrefundable renewal fee for a sales finance
2723 company license shall be \$175. Biennial licensure periods and
2724 procedures for renewal of licenses may also be established by
2725 the commission by rule. A license that is not renewed at the end
2726 of the biennium established by the commission shall revert from
2727 active to inactive status. An inactive license may be
2728 reactivated within 6 months after becoming inactive upon filing
2729 a completed reactivation form, payment of the nonrefundable
2730 renewal fee, and payment of a reactivation fee equal to the
2731 nonrefundable renewal fee. A license that is not reactivated
2732 within 6 months after becoming inactive automatically expires.

2733 ~~(4) Each license must specify the location for which it is~~
2734 ~~issued and must be conspicuously displayed at that location. If~~
2735 ~~a licensee's principal place of business or branch location~~
2736 ~~changes, the licensee shall notify the office and the office~~
2737 ~~shall endorse the change of location without charge. A licensee~~
2738 may not transact business as a sales finance company except
2739 under the name by which it is licensed. A license issued under
2740 this part is not transferable or assignable.

2741 (5) The office may deny an initial application for a
2742 license under this part if the applicant or any officer,

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2743 director, control person, member, partner, or joint venturer
 2744 ~~person with power to direct the management or policies~~ of the
 2745 applicant is the subject of a pending criminal prosecution or
 2746 governmental enforcement action, in any jurisdiction, until
 2747 conclusion of such criminal prosecution or enforcement action.

2748 Section 45. Subsections (5), (6), (7), (15), (16), and
 2749 (22) of section 520.61, Florida Statutes, are renumbered as
 2750 subsections (7), (5), (16), (22), (15), and (23), respectively,
 2751 and a new subsection (6) is added to that section to read:

2752 520.61 Definitions.--As used in this act:

2753 (6) "Control person" means an individual, partnership,
 2754 corporation, trust, or other organization that possesses the
 2755 power, directly or indirectly, to direct the management or
 2756 policies of a company, whether through ownership of securities,
 2757 by contract, or otherwise. A person is presumed to control a
 2758 company if, with respect to a particular company, that person:

2759 (a) Is a director, general partner, or officer exercising
 2760 executive responsibility or having similar status or functions;

2761 (b) Directly or indirectly may vote 10 percent or more of
 2762 a class of a voting security or sell or direct the sale of 10
 2763 percent or more of a class of voting securities; or

2764 (c) In the case of a partnership, may receive upon
 2765 dissolution or has contributed 10 percent or more of the
 2766 capital.

2767 Section 46. Subsections (2) through (5) of section 520.63,
 2768 Florida Statutes, are amended to read:

2769 520.63 Licensees.--

2770 (2) An application for a license under this part must be

2771 submitted to the office in such form as the commission may
 2772 prescribe by rule. The commission may require each applicant to
 2773 provide any information reasonably necessary to determine the
 2774 applicant's eligibility for licensure. The applicant shall also
 2775 provide information that the office requires concerning any
 2776 officer, director, control person, member, partner, or joint
 2777 venturer of the applicant or any person having the same or
 2778 substantially similar status or performing substantially similar
 2779 functions or any individual who is the ultimate equitable owner
 2780 of a 10-percent or greater interest in the applicant. The office
 2781 may require information concerning any such applicant or person,
 2782 including, but not limited to, his or her full name and any
 2783 other names by which he or she may have been known, age, social
 2784 security number, residential history, qualifications,
 2785 educational and business history, and disciplinary and criminal
 2786 history. If the office determines that an application should be
 2787 granted, it shall issue the license for a period not to exceed 2
 2788 years. A nonrefundable application fee of \$175 shall accompany
 2789 an initial application for the principal place of business and
 2790 each application for a branch location of a home improvement
 2791 finance seller. An application is considered received for
 2792 purposes of s. 120.60 upon receipt of a completed application
 2793 form as prescribed by commission rule, a nonrefundable
 2794 application fee of \$175, and any other fee prescribed by law.

2795 (3) The nonrefundable renewal fee for a home improvement
 2796 finance license shall be \$175. Biennial licensure periods and
 2797 procedures for renewal of licenses may also be established by
 2798 the commission by rule. A license that is not renewed at the end

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2799 of the biennium established by the commission shall
2800 automatically revert from active to inactive status. An inactive
2801 license may be reactivated within 6 months after becoming
2802 inactive upon filing a completed reactivation form, payment of
2803 the nonrefundable renewal fee, and payment of a reactivation fee
2804 equal to the nonrefundable renewal fee. A license that is not
2805 reactivated within 6 months after becoming inactive
2806 automatically expires.

2807 ~~(4) Each license must specify the location for which it is~~
2808 ~~issued and must be conspicuously displayed at that location. If~~
2809 ~~a home improvement finance seller's principal place of business~~
2810 ~~or any branch location changes, the licensee shall notify the~~
2811 ~~office and the office shall endorse the change of location~~
2812 ~~without charge.~~ A licensee may not transact business as a home
2813 improvement finance seller except under the name by which it is
2814 licensed. A license issued under this part is not transferable
2815 or assignable.

2816 (5) The office may deny an initial application for a
2817 license under this part if the applicant or any officer,
2818 director, control person, member, partner, or joint venturer
2819 ~~person with power to direct the management or policies~~ of the
2820 applicant is the subject of a pending criminal prosecution or
2821 governmental enforcement action, in any jurisdiction, until
2822 conclusion of such criminal prosecution or enforcement action.

2823 Section 47. Subsection (5) of section 520.994, Florida
2824 Statutes, is amended to read:

2825 520.994 Powers of office.--

2826 (5) The office shall administer and enforce this chapter.

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2827 The commission has authority to adopt rules pursuant to ss.
 2828 120.536(1) and 120.54 to implement the provisions of this
 2829 chapter. The commission may adopt rules requiring ~~to allow~~
 2830 electronic submission of any form, document, or fee required by
 2831 this chapter if such rules reasonably accommodate technological
 2832 or financial hardship. The commission may prescribe by rule
 2833 requirements and procedures for obtaining an exemption due to a
 2834 technological or financial hardship.

2835 Section 48. Subsections (1) and (4) of section 520.995,
 2836 Florida Statutes, are amended to read:

2837 520.995 Grounds for disciplinary action.--

2838 (1) The following acts are violations of this chapter and
 2839 constitute grounds for the disciplinary actions specified in
 2840 subsection (2):

2841 (a) Failure to comply with any provision of this chapter,
 2842 any rule or order adopted pursuant to this chapter, or any
 2843 written agreement entered into with the office.†

2844 (b) Fraud, misrepresentation, deceit, or gross negligence
 2845 in any home improvement finance transaction or retail
 2846 installment transaction, regardless of reliance by or damage to
 2847 the buyer or owner.†

2848 (c) Fraudulent misrepresentation, circumvention, or
 2849 concealment of any matter required to be stated or furnished to
 2850 a retail buyer or owner pursuant to this chapter, regardless of
 2851 reliance by or damage to the buyer or owner.†

2852 (d) Willful imposition of illegal or excessive charges in
 2853 any retail installment transaction or home improvement finance
 2854 transaction.†

2855 (e) False, deceptive, or misleading advertising by a
 2856 seller or home improvement finance seller.~~†~~

2857 (f) Failure to maintain, preserve, and keep available for
 2858 examination, all books, accounts, or other documents required by
 2859 this chapter, by any rule or order adopted pursuant to this
 2860 chapter, or by any agreement entered into with the office.~~†~~

2861 (g) Refusal to permit inspection of books and records in
 2862 an investigation or examination by the office or refusal to
 2863 comply with a subpoena issued by the office.~~†~~

2864 (h) Criminal conduct in the course of a person's business
 2865 as a seller, as a home improvement finance seller, or as a sales
 2866 finance company.~~†~~~~or~~

2867 (i) Failure to timely pay any fee, charge, or fine imposed
 2868 or assessed pursuant to this chapter or any rule adopted under
 2869 this chapter.

2870 (j) Using the name or logo of a financial institution, as
 2871 defined in s. 655.005(1), or its affiliates or subsidiaries when
 2872 marketing or soliciting existing or prospective customers if
 2873 such marketing materials are used without the written consent of
 2874 the financial institution and in a manner that would lead a
 2875 reasonable person to believe that the material or solicitation
 2876 originated from, was endorsed by, or is related to or the
 2877 responsibility of the financial institution or its affiliates or
 2878 subsidiaries.

2879 (k) Payment to the office for a license or permit with a
 2880 check or electronic transmission of funds that is dishonored by
 2881 the applicant's or licensee's financial institution.

2882 (4) It is sufficient cause for the office to take any of

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2883 the actions specified in subsection (2) as to any partnership,
 2884 corporation, or association, if the office finds grounds for
 2885 such action as to any member of the partnership, as to any
 2886 officer or director of the corporation or association, or as to
 2887 any control person, partner, or joint venturer ~~person with power~~
 2888 ~~to direct the management or policies~~ of the partnership,
 2889 corporation, or association.

2890 Section 49. Subsection (4) of section 520.997, Florida
 2891 Statutes, is amended to read:

2892 520.997 Books, accounts, and records.--

2893 (4) The commission may prescribe by rule the minimum
 2894 information to be shown in the books, accounts, documents, and
 2895 records of licensees so that such records will enable the office
 2896 to determine compliance with ~~the provisions of~~ this chapter. In
 2897 addition, the commission may prescribe by rule requirements for
 2898 the destruction of books, accounts, records, and documents
 2899 retained by the licensee after completion of the time period
 2900 specified in subsection (3).

2901 Section 50. Section 520.999, Florida Statutes, is created
 2902 to read:

2903 520.999 Requirements of licensees.--

2904 (1) Each licensee under this chapter shall report, on a
 2905 form prescribed by rule of the commission, any change in the
 2906 information contained in any initial application form or any
 2907 amendment to such application not later than 30 days after the
 2908 change is effective.

2909 (2) Each licensee under this chapter shall report any
 2910 changes in the partners, officers, members, joint venturers,

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2911 directors, or control persons of any licensee or changes in the
2912 form of business organization by written amendment in such form
2913 and at such time as the commission specifies by rule.

2914 (a) In any case in which a person or a group of persons,
2915 directly or indirectly or acting by or through one or more
2916 persons, proposes to purchase or acquire a controlling interest
2917 in a licensee, such person or group must submit an initial
2918 application for licensure before such purchase or acquisition at
2919 such time and in such form as the commission prescribes by rule.

2920 (b) As used in subsection, the term "controlling interest"
2921 means possession of the power to direct or cause the direction
2922 of the management or policies of a company whether through
2923 ownership of securities, by contract, or otherwise. Any person
2924 who directly or indirectly has the right to vote 25 percent or
2925 more of the voting securities of a company or is entitled to 25
2926 percent or more of its profits is presumed to possess a
2927 controlling interest.

2928 (c) Any addition of a partner, officer, member, joint
2929 venturer, director, or control person of the applicant who does
2930 not have a controlling interest and who has not previously
2931 complied with the provisions of ss. 520.03(2), 520.32(2),
2932 520.52(2), and 520.63(2) shall be subject to such provisions
2933 unless required to file an initial application in accordance
2934 with paragraph (a). If the office determines that the licensee
2935 does not continue to meet licensure requirements, the office may
2936 bring administrative action in accordance with s. 520.995 to
2937 enforce the provisions of this chapter.

2938 (d) The commission shall adopt rules pursuant to ss.

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2939 120.536(1) and 120.54 providing for the waiver of the
 2940 application required by this subsection if the person or group
 2941 of persons proposing to purchase or acquire a controlling
 2942 interest in a licensee has previously complied with the
 2943 provisions of ss. 520.03(2), 520.32(2), 520.52(2), and 520.63(2)
 2944 with the same legal entity or is currently licensed with the
 2945 office under this chapter.

2946 Section 51. Subsection (5) of section 537.009, Florida
 2947 Statutes, is amended to read:

2948 537.009 Recordkeeping; reporting; safekeeping of
 2949 property.--

2950 (5) The commission may prescribe by rule the books,
 2951 accounts, documents, and records, and the minimum information to
 2952 be shown in the books, accounts, documents, and records, of
 2953 licensees so that such records will enable the office to
 2954 determine compliance with the provisions of this act. In
 2955 addition, the commission may prescribe by rule requirements for
 2956 the destruction of books, accounts, records, and documents
 2957 retained by the licensee after completion of the time period
 2958 specified in subsection (3).

2959 Section 52. Paragraph (e) of subsection (2) of section
 2960 559.9232, Florida Statutes, is amended to read:

2961 559.9232 Definitions; exclusion of rental-purchase
 2962 agreements from certain regulations.--

2963 (2) A rental-purchase agreement that complies with this
 2964 act shall not be construed to be, nor be governed by, any of the
 2965 following:

2966 (e) A lease or agreement which constitutes a "retail

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2967 installment contract" or "retail installment transaction" as
 2968 those terms are defined in s. 520.31~~(13)~~ and ~~(14)~~; or
 2969 Section 53. Subsection (3) is added to section 560.105,
 2970 Florida Statutes, to read:
 2971 560.105 Supervisory powers; rulemaking.--
 2972 (3) The commission may adopt rules pursuant to ss.
 2973 120.536(1) and 120.54 requiring electronic submission of any
 2974 forms, documents, or fees required by this code if such rules
 2975 reasonably accommodate technological or financial hardship. The
 2976 commission may prescribe by rule requirements and procedures for
 2977 obtaining an exemption due to a technological or financial
 2978 hardship.
 2979 Section 54. Paragraph (y) is added to subsection (1) of
 2980 section 560.114, Florida Statutes, to read:
 2981 560.114 Disciplinary actions.--
 2982 (1) The following actions by a money transmitter or money
 2983 transmitter-affiliated party are violations of the code and
 2984 constitute grounds for the issuance of a cease and desist order,
 2985 the issuance of a removal order, the denial of a registration
 2986 application or the suspension or revocation of any registration
 2987 previously issued pursuant to the code, or the taking of any
 2988 other action within the authority of the office pursuant to the
 2989 code:
 2990 (y) Payment to the office for a license or permit with a
 2991 check or electronic transmission of funds that is dishonored by
 2992 the applicant's or licensee's financial institution.
 2993 Section 55. Subsection (2) of section 560.121, Florida
 2994 Statutes, is amended to read:

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2995 560.121 Records; limited restrictions upon public
 2996 access.--

2997 (2) The commission may prescribe by rule the minimum
 2998 information that must be shown in the books, accounts, records,
 2999 and documents of licensees for purposes of enabling the office
 3000 to determine the licensee's compliance with this chapter. In
 3001 addition, the commission may prescribe by rule requirements for
 3002 the destruction of books, accounts, records, and documents
 3003 retained by the licensee after completion of the time period
 3004 specified in this subsection. Examination reports, investigatory
 3005 records, applications, and related information compiled by the
 3006 office, or photographic copies thereof, shall be retained by the
 3007 office for a period of at least 3 years following the date that
 3008 the examination or investigation ceases to be active.
 3009 Application records, and related information compiled by the
 3010 office, or photographic copies thereof, shall be retained by the
 3011 office for a period of at least 2 years following the date that
 3012 the registration ceases to be active.

3013 Section 56. Section 560.126, Florida Statutes, is amended
 3014 to read:

3015 560.126 Significant events; notice required.--

3016 (1) Unless exempted by the office, every money transmitter
 3017 must provide the office with a written notice within 30 ~~15~~ days
 3018 after the occurrence or knowledge of, whichever period of time
 3019 is greater, any of the following events:

3020 (a) ~~(1)~~ The filing of a petition under the United States
 3021 Bankruptcy Code for bankruptcy or reorganization by the money
 3022 transmitter.

3023 (b)~~(2)~~ The commencement of any registration suspension or
 3024 revocation proceeding, either administrative or judicial, or the
 3025 denial of any original registration request or a registration
 3026 renewal, by any state, the District of Columbia, any United
 3027 States territory, or any foreign country, in which the money
 3028 transmitter operates or plans to operate or has registered to
 3029 operate.

3030 (c)~~(3)~~ A felony indictment relating to the money
 3031 transmission business involving the money transmitter or a money
 3032 transmitter-affiliated party of the money transmitter.

3033 (d)~~(4)~~ The felony conviction, guilty plea, or plea of nolo
 3034 contendere, if the court adjudicates the nolo contendere pleader
 3035 guilty, or the adjudication of guilt of a money transmitter or
 3036 money transmitter-affiliated party.

3037 (e)~~(5)~~ The interruption of any corporate surety bond
 3038 required by the code.

3039 (f)~~(6)~~ Any suspected criminal act, as defined by the
 3040 commission by rule, perpetrated in this state against a money
 3041 transmitter or authorized vendor.

3042
 3043 However, a person does not incur liability ~~no liability shall be~~
 3044 ~~incurred by any person~~ as a result of making a good-faith ~~good~~
 3045 ~~faith~~ effort to fulfill this disclosure requirement.

3046 (2) (a) Each registrant under this code shall report, on a
 3047 form prescribed by rule of the commission, any change in the
 3048 information contained in any initial application form or any
 3049 amendment thereto not later than 30 days after the change is
 3050 effective.

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3051 (b) Each registrant under the code shall report any
3052 changes in the partners, officers, members, joint venturers,
3053 directors, controlling shareholders, or responsible persons of
3054 any registrant or changes in the form of business organization
3055 by written amendment in such form and at such time as the
3056 commission specifies by rule.

3057 1. In any case in which a person or a group of persons,
3058 directly or indirectly or acting by or through one or more
3059 persons, proposes to purchase or acquire a controlling interest
3060 in a licensee, such person or group must submit an initial
3061 application for registration as a money transmitter before such
3062 purchase or acquisition at such time and in such form as the
3063 commission prescribes by rule.

3064 2. As used in this subsection, the term "controlling
3065 interest" means possession of the power to direct or cause the
3066 direction of the management or policies of a company whether
3067 through ownership of securities, by contract, or otherwise. Any
3068 person who directly or indirectly has the right to vote 25
3069 percent or more of the voting securities of a company or is
3070 entitled to 25 percent or more of its profits is presumed to
3071 possess a controlling interest.

3072 3. Any addition of a partner, officer, member, joint
3073 venturer, director, controlling shareholder, or responsible
3074 person of the applicant who does not have a controlling interest
3075 and who has not previously complied with ss. 560.205 and 560.306
3076 shall be subject to such provisions unless required to file an
3077 initial application in accordance with subparagraph 1. If the
3078 office determines that the registrant does not continue to meet

3079 registration requirements, the office may bring administrative
 3080 action in accordance with s. 560.114 to enforce the provisions
 3081 of this code.

3082 4. The commission shall adopt rules pursuant to ss.
 3083 120.536(1) and 120.54 providing for the waiver of the
 3084 application required by this subsection if the person or group
 3085 of persons proposing to purchase or acquire a controlling
 3086 interest in a registrant has previously complied with the
 3087 provisions of ss. 560.205 and 560.306 with the same legal entity
 3088 or is currently registered with the office under this code.

3089 Section 57. Section 560.127, Florida Statutes, is amended
 3090 to read:

3091 560.127 Control of a money transmitter.--

3092 ~~(1)~~ A person has control over a money transmitter if:

3093 (1)(a) The individual, partnership, corporation, trust, or
 3094 other organization possesses the power, directly or indirectly,
 3095 to direct the management or policies of a company, whether
 3096 through ownership of securities, by contract, or otherwise. A
 3097 person is presumed to control a company if, with respect to a
 3098 particular company, that person:

3099 (a) Is a director, general partner, or officer exercising
 3100 executive responsibility or having similar status or functions;

3101 (b) Directly or indirectly may vote 25 percent or more of
 3102 a class of a voting security or sell or direct the sale of 25
 3103 percent or more of a class of voting securities; or

3104 (c) In the case of a partnership, may receive upon
 3105 dissolution or has contributed 25 percent or more of the
 3106 capital. ~~The person directly or indirectly or acting through one~~

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3107 ~~or more other persons owns, controls, or has power to vote 25~~
3108 ~~percent or more of any class of voting securities of the money~~
3109 ~~transmitter; or~~

3110 (2) ~~(b)~~ The office determines, after notice and opportunity
3111 for hearing, that the person directly or indirectly exercises a
3112 controlling influence over the activities of the money
3113 transmitter.

3114 ~~(2) In any case in which a person or a group of persons,~~
3115 ~~directly or indirectly or acting by or through one or more~~
3116 ~~persons, proposes to purchase or acquire a controlling interest~~
3117 ~~in a money transmitter, and thereby to change the control of~~
3118 ~~that money transmitter, each person or group of persons shall~~
3119 ~~provide written notice to the office.~~

3120 ~~(a) A money transmitter whose stock is traded on an~~
3121 ~~organized stock exchange shall provide the office with written~~
3122 ~~notice within 15 days after knowledge of such change in control.~~

3123 ~~(b) A money transmitter whose stock is not publicly traded~~
3124 ~~shall provide the office with not less than 30 days' prior~~
3125 ~~written notice of such proposed change in control.~~

3126 ~~(3) After a review of the written notification, the office~~
3127 ~~may require the money transmitter to provide additional~~
3128 ~~information relating to other and former addresses, and the~~
3129 ~~reputation, character, responsibility, and business~~
3130 ~~affiliations, of the proposed new owner or each of the proposed~~
3131 ~~new owners of the money transmitter.~~

3132 ~~(a) The office may deny the person or group of persons~~
3133 ~~proposing to purchase, or who have acquired control of, a money~~
3134 ~~transmitter if, after investigation, the office determines that~~

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3135 ~~the person or persons are not qualified by reputation,~~
3136 ~~character, experience, or financial responsibility to control or~~
3137 ~~operate the money transmitter in a legal and proper manner and~~
3138 ~~that the interests of the other stockholders, if any, or the~~
3139 ~~interests of the public generally may be jeopardized by the~~
3140 ~~proposed change in ownership, controlling interest, or~~
3141 ~~management.~~

3142 ~~(b) The office may disapprove any person who has been~~
3143 ~~convicted of, or pled guilty or nolo contendere to, a violation~~
3144 ~~of s. 560.123, s. 655.50, chapter 896, or any similar state,~~
3145 ~~federal, or foreign law.~~

3146 Section 58. Section 560.205, Florida Statutes, is amended
3147 to read:

3148 560.205 Qualifications of applicant for registration;
3149 contents.--

3150 (1) To qualify for registration under this part, an
3151 applicant must demonstrate to the office such character and
3152 general fitness as to command the confidence of the public and
3153 warrant the belief that the registered business will be operated
3154 lawfully and fairly. The office may investigate each applicant
3155 to ascertain whether the qualifications and requirements
3156 prescribed by this part have been met. The office's
3157 investigation may include a criminal background investigation of
3158 all controlling shareholders, principals, officers, directors,
3159 members, and responsible persons of a funds transmitter and a
3160 payment instrument seller and all persons designated by a funds
3161 transmitter or payment instrument seller as an authorized
3162 vendor. Each controlling shareholder, principal, officer,

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3163 director, member, and responsible person of a funds transmitter
 3164 or payment instrument seller, unless the applicant is a publicly
 3165 traded corporation as defined by the commission by rule, a
 3166 subsidiary thereof, or a subsidiary of a bank or bank holding
 3167 company organized and regulated under the laws of any state or
 3168 the United States, shall file a complete set of fingerprints. A
 3169 fingerprint card submitted to the office must be taken by an
 3170 authorized law enforcement agency officer. The office shall
 3171 submit the ~~Such~~ fingerprints ~~must be submitted~~ to the Department
 3172 of Law Enforcement for state processing and the Department of
 3173 Law Enforcement shall forward the fingerprints to ~~or~~ the Federal
 3174 Bureau of Investigation for state and federal processing. The
 3175 cost of the fingerprint processing may be borne by the office,
 3176 the employer, or the person subject to the background check. The
 3177 Department of Law Enforcement shall submit an invoice to the
 3178 office for the fingerprints received each month. The office
 3179 shall screen the background results to determine if the
 3180 applicant meets licensure requirements. The commission may waive
 3181 by rule the requirement that applicants file a set of
 3182 fingerprints or the requirement that such fingerprints be
 3183 processed by the Department of Law Enforcement or the Federal
 3184 Bureau of Investigation.

3185 (2) Each application for registration must be submitted
 3186 under oath to the office on such forms as the commission
 3187 prescribes by rule and must be accompanied by a nonrefundable
 3188 application fee. Such fee may not exceed \$500 for each payment
 3189 instrument seller or funds transmitter and \$50 for each
 3190 authorized vendor or location operating within this state. The

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3191 application must contain ~~forms shall set forth~~ such information
 3192 as the commission ~~reasonably~~ requires by rule, including, but
 3193 not limited to:

3194 (a) The name and address of the applicant, including any
 3195 fictitious or trade names used by the applicant in the conduct
 3196 of its business.

3197 (b) The history of the applicant's material litigation,
 3198 criminal convictions, pleas of nolo contendere, and cases of
 3199 adjudication withheld.

3200 (c) A description of the activities conducted by the
 3201 applicant, the applicant's history of operations, and the
 3202 business activities in which the applicant seeks to engage in
 3203 this state.

3204 ~~(d) A list identifying the applicant's proposed authorized~~
 3205 ~~vendors in this state, including the location or locations in~~
 3206 ~~this state at which the applicant and its authorized vendors~~
 3207 ~~propose to conduct registered activities.~~

3208 (d)~~(e)~~ A sample authorized vendor contract, if applicable.

3209 (e)~~(f)~~ A sample form of payment instrument, if applicable.

3210 (f)~~(g)~~ The name and address of the clearing financial
 3211 institution or financial institutions through which the
 3212 applicant's payment instruments will be drawn or through which
 3213 such payment instruments will be payable.

3214 (g)~~(h)~~ Documents revealing that the net worth and bonding
 3215 requirements specified in s. 560.209 have been or will be
 3216 fulfilled.

3217 (3) Each application for registration by an applicant that
 3218 is a corporation shall contain ~~also set forth~~ such information

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3219 as the commission ~~reasonably~~ requires by rule, including, but
 3220 not limited to:

3221 (a) The date of the applicant's incorporation and state of
 3222 incorporation.

3223 (b) A certificate of good standing from the state or
 3224 country in which the applicant was incorporated.

3225 (c) A description of the corporate structure of the
 3226 applicant, including the identity of any parent or subsidiary of
 3227 the applicant, and the disclosure of whether any parent or
 3228 subsidiary is publicly traded on any stock exchange.

3229 (d) The name, social security number, business and
 3230 residence addresses, and employment history for the past 5 years
 3231 for each executive officer, each director, each controlling
 3232 shareholder, and the responsible person who will be in charge of
 3233 all the applicant's business activities in this state.

3234 (e) The history of material litigation and criminal
 3235 convictions, pleas of nolo contendere, and cases of adjudication
 3236 withheld for each ~~executive~~ officer, each director, each
 3237 controlling shareholder, and the responsible person who will be
 3238 in charge of the applicant's registered activities.

3239 (f) Copies of the applicant's audited financial statements
 3240 for the current year and, if available, for the immediately
 3241 preceding 2-year period. In cases where the applicant is a
 3242 wholly owned subsidiary of another corporation, the parent's
 3243 consolidated audited financial statements may be submitted to
 3244 satisfy this requirement. An applicant who is not required to
 3245 file audited financial statements may satisfy this requirement
 3246 by filing unaudited financial statements verified under penalty

3247 of perjury, as provided by the commission by rule.

3248 (g) An applicant who is not required to file audited
 3249 financial statements may file copies of the applicant's
 3250 unconsolidated, unaudited financial statements for the current
 3251 year and, if available, for the immediately preceding 2-year
 3252 period.

3253 (h) If the applicant is a publicly traded company, copies
 3254 of all filings made by the applicant with the United States
 3255 Securities and Exchange Commission, or with a similar regulator
 3256 in a country other than the United States, within the year
 3257 preceding the date of filing of the application.

3258 (4) Each application for registration submitted to the
 3259 office by an applicant that is not a corporation shall contain
 3260 ~~also set forth~~ such information as the commission ~~reasonably~~
 3261 requires by rule, including, but not limited to:

3262 (a) Evidence that the applicant is registered to do
 3263 business in this state.

3264 (b) The name, business and residence addresses, personal
 3265 financial statement and employment history for the past 5 years
 3266 for each individual having a controlling ownership interest in
 3267 the applicant, and each responsible person who will be in charge
 3268 of the applicant's registered activities.

3269 (c) The history of material litigation and criminal
 3270 convictions, pleas of nolo contendere, and cases of adjudication
 3271 withheld for each individual having a controlling ownership
 3272 interest in the applicant and each responsible person who will
 3273 be in charge of the applicant's registered activities.

3274 (d) Copies of the applicant's audited financial statements

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3275 for the current year, and, if available, for the preceding 2
 3276 years. An applicant who is not required to file audited
 3277 financial statements may satisfy this requirement by filing
 3278 unaudited financial statements verified under penalty of
 3279 perjury, as provided by the commission by rule.

3280 (5) Each applicant shall designate and maintain an agent
 3281 in this state for service of process.

3282 Section 59. Section 560.207, Florida Statutes, is amended
 3283 to read:

3284 560.207 Renewal of registration; registration fee.--

3285 (1) Registration may be renewed for a 24-month period or
 3286 the remainder of any such period without proration following the
 3287 date of its expiration by furnishing such information as the
 3288 commission requires by rule, together with the payment of the
 3289 fees required under subsections (2), (3), and (4), ~~upon the~~
 3290 ~~filing with the office of an application and other statements~~
 3291 ~~and documents as may reasonably be required of registrants by~~
 3292 ~~the commission. However, the registrant must remain qualified~~
 3293 ~~for such registration under the provisions of this part.~~

3294 (2) Each renewal of All registration must renewal
 3295 ~~applications shall~~ be accompanied by a nonrefundable renewal fee
 3296 not to exceed \$1,000. A registration expires on April 30 of the
 3297 year in which the existing registration expires, unless the
 3298 registrant has renewed his or her registration on or before that
 3299 date. In no event shall a registration be issued for a period in
 3300 excess of 24 months. The commission may adopt rules pursuant to
 3301 ss. 120.536(1) and 120.54 to implement this section ~~All renewal~~
 3302 ~~applications must be filed on or after January 1 of the year in~~

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3303 ~~which the existing registration expires, but before the~~
3304 ~~expiration date of April 30. If the renewal application is filed~~
3305 ~~prior to the expiration date of an existing registration, no~~
3306 ~~late fee shall be paid in connection with such renewal~~
3307 ~~application. If the renewal application is filed within 60~~
3308 ~~calendar days after the expiration date of an existing~~
3309 ~~registration, then, in addition to the \$1,000 renewal fee, the~~
3310 ~~renewal application shall be accompanied by a nonrefundable late~~
3311 ~~fee of \$500. If the registrant has not filed a renewal~~
3312 ~~application within 60 calendar days after the expiration date of~~
3313 ~~an existing registration, a new application shall be filed with~~
3314 ~~the office pursuant to s. 560.205.~~

3315 (3) In addition to the renewal fee required under
3316 subsection (2), each registrant must pay ~~Every registration~~
3317 ~~renewal application shall also include a 2-year~~ nonrefundable
3318 registration renewal fee of \$50 for each authorized vendor or
3319 location operating within this state or, at the option of the
3320 registrant, a total 2-year nonrefundable renewal fee of \$20,000
3321 may be paid to renew the registration of all such locations
3322 currently registered at the time of renewal.

3323 (4) A registration may be reinstated only if the renewal
3324 fee and a nonrefundable late fee of \$500 are filed within 60
3325 calendar days after the expiration of the existing registration.
3326 The office shall grant a reinstatement of registration if an
3327 application is filed during the 60-day period, and the
3328 reinstatement is effective upon receipt of the required fees and
3329 any information that the commission requires by rule. If a
3330 registrant does not file an application for reinstatement of the

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3331 registration within the 60 calendar days after expiration of an
 3332 existing registration, the registration expires and a new
 3333 application must be filed with the office pursuant to s.
 3334 560.205.

3335 Section 60. Subsection (1) of section 560.210, Florida
 3336 Statutes, is amended to read:

3337 560.210 Permissible investments.--

3338 (1) A registrant shall at all times possess permissible
 3339 investments with an aggregate market value calculated in
 3340 accordance with United States generally accepted accounting
 3341 principles of not less than the aggregate face amount of all
 3342 outstanding funds transmissions ~~transmitted~~ and ~~outstanding~~
 3343 payment instruments issued or sold by the registrant or an
 3344 authorized vendor in the United States.

3345 Section 61. Subsection (2) of section 560.211, Florida
 3346 Statutes, is amended to read:

3347 560.211 Records.--

3348 (2) The records required to be maintained by the code may
 3349 be maintained by the registrant at any location if, ~~provided~~
 3350 ~~that~~ the registrant notifies the office in writing of the
 3351 location of the records in its application or otherwise by
 3352 amendment as prescribed by commission rule. The registrant shall
 3353 make such records available to the office for examination and
 3354 investigation in this state, as permitted by the code, within 7
 3355 days after receipt of a written request.

3356 Section 62. Section 560.305, Florida Statutes, is amended
 3357 to read:

3358 560.305 Application.--Each application for registration

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3359 must ~~shall~~ be in writing and under oath to the office, in such
 3360 form as the commission prescribes. The application must contain
 3361 such information as the commission requires by rule, including,
 3362 but not limited to ~~shall include the following:~~

3363 (1) The legal name, social security number, and residence
 3364 and business addresses of the applicant if the applicant is a
 3365 natural person, or, if the applicant is a partnership,
 3366 association, or corporation, the name of every partner, officer,
 3367 ~~or~~ director, member, controlling shareholder, or responsible
 3368 person thereof.

3369 (2) The location of the principal office of the applicant.

3370 (3) The complete address of any other locations at which
 3371 the applicant proposes to engage in such activities since the
 3372 provisions of registration apply to each and every operating
 3373 location of a registrant.

3374 (4) Such other information as the commission or office
 3375 reasonably requires with respect to the applicant or any money
 3376 transmitter-affiliated party of the applicant; however, the
 3377 commission or office may not require more information than is
 3378 specified in part II.

3379 Section 63. Subsections (1) and (4) of section 560.306,
 3380 Florida Statutes, are amended to read:

3381 560.306 Standards.--

3382 (1) In order to qualify for registration under this part,
 3383 an applicant must demonstrate to the office that he or she has
 3384 such character and general fitness as will command the
 3385 confidence of the public and warrant the belief that the
 3386 registered business will be operated lawfully and fairly. The

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3387 office may investigate each applicant to ascertain whether the
3388 qualifications and requirements prescribed by this part have
3389 been met. The office's investigation may include a criminal
3390 background investigation of all controlling shareholders,
3391 principals, officers, directors, members, and responsible
3392 persons of a check casher and a foreign currency exchanger and
3393 all persons designated by a foreign currency exchanger or check
3394 casher as an authorized vendor. Each controlling shareholder,
3395 principal, officer, director, member, and responsible person of
3396 a check casher or foreign currency exchanger, unless the
3397 applicant is a publicly traded corporation as defined by the
3398 commission by rule, a subsidiary thereof, or a subsidiary of a
3399 bank or bank holding company organized and regulated under the
3400 laws of any state or the United States, shall file a complete
3401 set of fingerprints. A fingerprint card submitted to the office
3402 must be taken by an authorized law enforcement agency officer.
3403 The office shall submit the ~~Such~~ fingerprints ~~must be submitted~~
3404 to the Department of Law Enforcement for state processing and
3405 the Department of Law Enforcement shall forward the fingerprints
3406 to ~~or~~ the Federal Bureau of Investigation for ~~state and~~ federal
3407 processing. The cost for the fingerprint processing may be borne
3408 by the office, the employer, or the person subject to the
3409 background check. The Department of Law Enforcement shall submit
3410 an invoice to the office for the fingerprints received each
3411 month. The office shall screen the background results to
3412 determine if the applicant meets licensure requirements. The
3413 commission may waive by rule the requirement that applicants
3414 file a set of fingerprints or the requirement that such

3415 fingerprints be processed by the Department of Law Enforcement
 3416 or the Federal Bureau of Investigation.

3417 (4) Each registration application and renewal application
 3418 must specify the location at which the applicant proposes to
 3419 establish its principal place of business and any other
 3420 location, including authorized vendors operating in this state.
 3421 The registrant shall notify the office of any changes to any
 3422 such locations. ~~Any registrant may satisfy this requirement by~~
 3423 ~~providing the office with a list of such locations, including~~
 3424 ~~all authorized vendors operating in this state, not less than~~
 3425 ~~annually.~~ A registrant may not transact business as a check
 3426 cashier or a foreign currency exchanger except pursuant to the
 3427 name under which it is registered.

3428 Section 64. Section 560.308, Florida Statutes, is amended
 3429 to read:

3430 560.308 Registration terms; renewal; renewal fees.--

3431 (1) Registration may be renewed for a 24-month period, or
 3432 the remainder of any such period without proration, following
 3433 the date of its expiration by furnishing such information as the
 3434 commission requires by rule, together with the payment of the
 3435 fees required under subsections (2), (3), and (4). Registration
 3436 pursuant to this part shall remain effective through the
 3437 remainder of the second calendar year following its date of
 3438 issuance unless during such calendar year the registration is
 3439 surrendered, suspended, or revoked.

3440 (2) Each application for renewal of registration must be
 3441 accompanied by ~~The office shall renew registration upon receipt~~
 3442 ~~of a completed renewal form and payment of a nonrefundable~~

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3443 renewal fee not to exceed \$500. A registration expires on
3444 December 31 of the year in which the existing registration
3445 expires, unless the registrant has renewed his or her
3446 registration on or before that date ~~The completed renewal form~~
3447 ~~and payment of the renewal fee shall occur on or after June 1 of~~
3448 ~~the year in which the existing registration expires.~~

3449 (3) In addition to the renewal fee required by subsection
3450 (2), each registrant must pay a 2-year nonrefundable
3451 registration renewal fee of \$50 for each authorized vendor or
3452 location operating within this state or, at the option of the
3453 registrant, a total 2-year nonrefundable renewal fee of \$20,000
3454 may be paid to renew the registration of all such locations
3455 currently registered at the time of renewal.

3456 (4) ~~Registration that is not renewed on or before the~~
3457 ~~expiration date of the registration period automatically~~
3458 ~~expires.~~ A renewal ~~application and fee,~~ and a nonrefundable late
3459 fee of \$250~~,~~ must be filed within 60 calendar days after the
3460 expiration of an existing registration in order for the
3461 registration to be reinstated. The office shall grant a
3462 reinstatement of registration if application is filed during the
3463 60-day period, and the reinstatement is effective upon receipt
3464 of the required fees and any information that the commission
3465 requires by rule. If the registrant has not filed ~~an a renewal~~
3466 application within 60 calendar days after the expiration date of
3467 an existing registration, the registration expires and a new
3468 application must be filed with the office pursuant to s.
3469 560.307.

3470 Section 65. Subsection (2) of section 560.310, Florida

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3471 Statutes, is amended to read:

3472 560.310 Records of check cashers and foreign currency
3473 exchangers.--

3474 (2) The records required to be maintained by the code may
3475 be maintained by the registrant at any location if, ~~provided~~
3476 ~~that~~ the registrant notifies the office, in writing, of the
3477 location of the records in its application or otherwise by
3478 amendment as prescribed by commission rule. The registrant shall
3479 make such records available to the office for examination and
3480 investigation in this state, as permitted by the code, within 7
3481 days after receipt of a written request.

3482 Section 66. Subsections (2) and (4) of section 560.403,
3483 Florida Statutes, are amended to read:

3484 560.403 Requirements of registration; declaration of
3485 intent.--

3486 (2) A registrant under this part shall renew his or her
3487 intent to engage in the business of deferred presentment
3488 transactions or to act as a deferred presentment provider upon
3489 renewing his or her registration under part II or part III and
3490 shall do so by indicating his or her intent ~~on the renewal form~~
3491 ~~and~~ by submitting a nonrefundable deferred presentment provider
3492 renewal fee of \$1,000, in addition to any fees required for
3493 renewal of registration under part II or part III.

3494 (4) The notice of intent of a registrant under this part
3495 who fails to timely renew his or her intent to engage in the
3496 business of deferred presentment transactions or to act as a
3497 deferred presentment provider on or before the expiration date
3498 of the registration period automatically expires. A renewal

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3499 ~~declaration of intent and fee,~~ and a nonrefundable late fee of
 3500 \$500~~,~~ must be filed within 60 calendar days after the expiration
 3501 of an existing registration in order for the declaration of
 3502 intent to be reinstated. The office shall grant a reinstatement
 3503 of registration if application is filed during the 60-day
 3504 period, and the reinstatement is effective upon receipt of the
 3505 required fees and any information that the commission requires
 3506 by rule. If the registrant has not filed a reinstatement of a
 3507 renewal declaration of intent within 60 calendar days after the
 3508 expiration date of an existing registration, the notice of
 3509 intent expires and a new declaration of intent must be filed
 3510 with the office.

3511 Section 67. Section 655.935, Florida Statutes, is amended
 3512 to read:

3513 655.935 Search procedure on death of lessee.--If
 3514 satisfactory proof of the death of the lessee is presented, a
 3515 lessor shall permit the person named in a court order for the
 3516 purpose, or if no order has been served upon the lessor, the
 3517 spouse, a parent, an adult descendant, or a person named as a
 3518 personal representative in a copy of a purported will produced
 3519 by such person, to open and examine the contents of a safe-
 3520 deposit box leased or co-leased by a decedent, or any documents
 3521 delivered by a decedent for safekeeping, in the presence of an
 3522 officer of the lessor; and the lessor, if so requested by such
 3523 person, shall deliver:

3524 (1) Any writing purporting to be a will of the decedent,
 3525 to the court having probate jurisdiction in the county in which
 3526 the financial institution is located;

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3527 (2) Any writing purporting to be a deed to a burial plot
 3528 or to give burial instructions, to the person making the request
 3529 for a search; and

3530 (3) Any document purporting to be an insurance policy on
 3531 the life of the decedent, to the beneficiary named therein.

3532
 3533 No other contents may be removed pursuant to this section and
 3534 access granted pursuant to this section shall not be considered
 3535 the initial opening of the safe-deposit box pursuant to s.
 3536 733.6065 by a personal representative appointed by a court in
 3537 this state.

3538 Section 68. Subsections (1) and (2) of section 655.936,
 3539 Florida Statutes, are amended to read:

3540 655.936 Delivery of safe-deposit box contents or property
 3541 held in safekeeping to personal representative.--

3542 (1) Subject to the provisions of subsection (3), the
 3543 lessor shall immediately deliver to a ~~resident~~ personal
 3544 representative appointed by a court in this state, upon
 3545 presentation of a certified copy of his or her letters of
 3546 authority, all property deposited with it by the decedent for
 3547 safekeeping, and shall grant the ~~resident~~ personal
 3548 representative access to any safe-deposit box in the decedent's
 3549 name and permit him or her to remove from such box any part or
 3550 all of the contents thereof.

3551 (2) If a ~~foreign~~ personal representative of a deceased
 3552 lessee has been appointed by a court of any other state, a
 3553 lessor may, at its discretion, after 3 months from the issuance
 3554 to such ~~foreign~~ personal representative of his or her letters of

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3555 authority, deliver to such ~~foreign~~ personal representative all
3556 properties deposited with it for safekeeping and the contents of
3557 any safe-deposit box in the name of the decedent if at such time
3558 the lessor has not received written notice of the appointment of
3559 a personal representative in this state, and such delivery is a
3560 valid discharge of the lessor for all property or contents so
3561 delivered. A ~~Such foreign~~ personal representative appointed by a
3562 court of any other state shall furnish the lessor with an
3563 affidavit setting forth facts showing the domicile of the
3564 deceased lessee to be other than this state and stating that
3565 there are no unpaid creditors of the deceased lessee in this
3566 state, together with a certified copy of his or her letters of
3567 authority. A lessor making delivery pursuant to this subsection
3568 shall maintain in its files a receipt executed by such ~~foreign~~
3569 personal representative which itemizes in detail all property so
3570 delivered.

3571 Section 69. Section 655.937, Florida Statutes, is amended
3572 to read:

3573 655.937 Access to safe-deposit boxes leased in two or more
3574 names.--

3575 (1) Unless ~~When~~ specifically provided in the lease or
3576 rental agreement to the contrary, if covering a safe-deposit box
3577 is heretofore or hereafter rented or leased in the names of two
3578 or more lessees, ~~that~~ access to the safe-deposit box will be
3579 granted to either lessee, or to ~~either or the survivor, access~~
3580 ~~to the safe deposit box shall be granted to:~~

3581 (a) Either or any of such lessees, regardless of whether
3582 or not the other lessee or lessees or any of them are living or

3583 competent. ~~or~~
 3584 (b) Subject to s. 655.933, those persons named in s.
 3585 655.933.
 3586 (c) Subject to s. 655.935, those persons named in s.
 3587 655.935.
 3588 (d) ~~(b)~~ Subject to s. 773.6065, the personal representative
 3589 of the estate of either or any of such lessees who is deceased,
 3590 or the guardian of the property of either or any of such lessees
 3591 who is incapacitated.
 3592 (2) In all cases described in subsection (1), ~~and, in~~
 3593 ~~either such case, the provisions of s. 655.933 apply, and the~~
 3594 signature on the safe-deposit entry or access record, ~~or the~~
 3595 receipt or acquittance, in the case of property or documents
 3596 otherwise held for safekeeping, ~~is~~ is a valid and sufficient
 3597 release and discharge to the lessor for granting access to such
 3598 safe-deposit box or for the delivery of such property or
 3599 documents otherwise held for safekeeping.
 3600 (3) ~~(2)~~ A lessor may not be held liable for damages or
 3601 penalty by reason of any access granted or delivery made
 3602 pursuant to this section.
 3603 (4) The right of access by a co-lessee is separate from
 3604 the rights and responsibilities of other persons who may be
 3605 granted access to a safe-deposit box after the death or
 3606 incapacity of another co-lessee and such right of access is not
 3607 subject to the provisions of s. 655.935 or s. 733.6065 or other
 3608 requirements imposed upon personal representatives, guardians,
 3609 or other fiduciaries.
 3610 (5) After the death of a co-lessee, the surviving co-

3611 lessee or any other person who is granted access to the safe-
 3612 deposit box pursuant to this section may make a written
 3613 inventory of the box, which must be conducted by the person
 3614 making the request in the presence of one other person as
 3615 specified in this section. Each person present shall verify the
 3616 contents of the box by signing a copy of the inventory under
 3617 penalty of perjury.

3618 (a) If the person making the written inventory is the
 3619 surviving co-lessee, the other person may be any other person
 3620 granted access pursuant to this section, an employee of the
 3621 institution where the box is located, or an attorney licensed in
 3622 this state.

3623 (b) If the person making the written inventory is not a
 3624 surviving co-lessee, the other person may be a surviving co-
 3625 lessee, an employee of the institution where the box is located,
 3626 or an attorney licensed in this state.

3627 Section 70. Section 733.6065, Florida Statutes, is amended
 3628 to read:

3629 733.6065 Opening safe-deposit box.--

3630 (1) Subject to the provisions of s. 655.936(2), the
 3631 initial opening of a the decedent's safe-deposit box that is
 3632 leased or co-leased by the decedent shall be conducted in the
 3633 presence of any two of the following persons: an employee of the
 3634 institution where the box is located, the personal
 3635 representative, or the personal representative's attorney of
 3636 record. Each person who is present must verify the contents of
 3637 the box by signing a copy of the inventory under penalties of
 3638 perjury. The personal representative shall file the safe-deposit

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3639 | box inventory, together with a copy of the box entry record from
 3640 | a date which is 6 months prior to the date of death to the date
 3641 | of inventory, with the court within 10 days after the box is
 3642 | opened. Unless otherwise ordered by the court, this inventory
 3643 | and the attached box entry record is subject to inspection only
 3644 | by persons entitled to inspect an inventory under s. 733.604(1).
 3645 | The personal representative may remove the contents of the box.

3646 | (2) The right to open and examine the contents of a safe-
 3647 | deposit box leased by a decedent, or any documents delivered by
 3648 | a decedent for safekeeping, and to receive items as provided for
 3649 | in s. 655.935 are separate from ~~in addition to~~ the rights
 3650 | provided for in subsection (1).

3651 | Section 71. For the 2006-2007 fiscal year, the recurring
 3652 | sum of \$700,515 is appropriated from the Regulatory Trust Fund
 3653 | to the Office of Financial Regulation for the purpose of
 3654 | implementing the provisions of s. 494.0033(2)(b), Florida
 3655 | Statutes, for third-party administration of the mortgage broker
 3656 | test.

3657 | Section 72. This act shall take effect October 1, 2006.