

HB 7153

2006  
CS

## CHAMBER ACTION

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1 The Commerce Council recommends the following:

2  
3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to financial entities and transactions;  
7 amending s. 494.001, F.S.; defining the term "control  
8 person"; amending s. 494.0011, F.S.; authorizing the  
9 Financial Services Commission to require electronic  
10 submission of forms, documents, or fees; providing a  
11 limitation; authorizing the commission to adopt rules  
12 accommodating a technological or financial hardship;  
13 requiring that a grant or denial of a license be in  
14 accordance with ch. 120, F.S.; amending s. 494.0016, F.S.;  
15 authorizing the commission to prescribe requirements for  
16 destroying books, accounts, records, and documents;  
17 amending s. 494.0029, F.S.; requiring that certain  
18 entities who offer or conduct mortgage business training  
19 obtain a permit; providing requirements and procedures for  
20 obtaining a permit; specifying that permits are not  
21 transferable or assignable; providing for expiration and  
22 recertification of permits; authorizing permit fees;  
23 requiring that curriculum, training, and training

Page 1 of 133

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hb7153-01-c1

HB 7153

2006  
CS

24 materials be available for inspection; requiring  
25 electronic notification to the office of persons who have  
26 successfully completed certain education requirements;  
27 requiring the commission to adopt rules; amending s.  
28 494.00295, F.S.; revising professional education  
29 provisions to apply to continuing education; providing  
30 requirements; waiving such requirements for license  
31 renewals for certain persons under certain circumstances;  
32 amending s. 494.003, F.S.; revising the list of entities  
33 exempt from certain mortgage broker licensure  
34 requirements; amending s. 494.0031, F.S.; requiring  
35 licensure of mortgage brokerage businesses; revising  
36 requirements and procedures for issuing licenses;  
37 providing duties and authority of the commission and  
38 office; providing duties of the Department of Law  
39 Enforcement; specifying that certain licenses are not  
40 transferable or assignable; revising the grounds on which  
41 a license may be denied; deleting certain provisions  
42 relating to cancellation and reinstatement of licenses;  
43 amending s. 494.0032, F.S.; requiring renewal of branch  
44 office licenses with renewal of mortgage brokerage  
45 business licenses; amending s. 494.0033, F.S.; revising  
46 mortgage broker licensure requirements and procedures;  
47 authorizing the commission to prescribe additional testing  
48 fees; authorizing the commission to waive certain  
49 examination requirements under specified circumstances;  
50 providing duties and authority of the commission and  
51 office; providing duties of the Department of Law

Page 2 of 133

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hb7153-01-c1

HB 7153

2006  
CS

52 Enforcement; deleting provisions relating to cancellation  
53 and reinstatement of licenses; amending s. 494.0036, F.S.;  
54 revising mortgage brokerage business branch office  
55 licensure requirements and procedures; deleting a  
56 requirement for displaying licenses; amending s. 494.0039,  
57 F.S.; deleting mortgage brokerage business change of  
58 address reporting and license display requirements;  
59 amending s. 494.004, F.S.; revising mortgage broker  
60 licensee requirements; providing requirements for  
61 acquiring a controlling interest in a licensee; providing  
62 a definition; providing duties and authority of the  
63 commission; authorizing the office to bring an  
64 administrative action under certain circumstances;  
65 amending s. 494.0041, F.S.; specifying additional grounds  
66 for taking disciplinary action; amending s. 494.006, F.S.;  
67 revising the list of entities exempt from mortgage lender  
68 licensure requirements; amending s. 494.0061, F.S.;  
69 requiring the licensure of mortgage lenders; revising  
70 mortgage lender license requirements and procedures;  
71 providing duties and authority of the commission and  
72 office; providing duties of the Department of Law  
73 Enforcement; providing for commission rules; revising  
74 provisions governing grounds for imposing discipline;  
75 deleting certain provisions relating to cancellation and  
76 reinstatement of licenses; authorizing the commission to  
77 prescribe additional testing fees; revising provisions  
78 governing principal representatives; amending s. 494.0062,  
79 F.S.; requiring licensure of correspondent mortgage

Page 3 of 133

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hb7153-01-c1

HB 7153

2006  
CS

80 | lenders; revising correspondent mortgage lender license  
81 | requirements and procedures; providing duties and  
82 | authority of the commission and office; providing duties  
83 | of the Department of Law Enforcement; providing  
84 | educational requirements for principal representatives;  
85 | revising grounds for disciplinary action; deleting certain  
86 | provisions relating to cancellation and reinstatement of  
87 | licenses; authorizing the commission to prescribe  
88 | additional testing fees; providing for commission rules;  
89 | amending s. 494.0064, F.S.; revising mortgage lender  
90 | branch office licensee professional continuing education  
91 | requirements; amending s. 494.0065, F.S.; revising saving  
92 | clause requirements and procedures; revising the duties  
93 | and authority of the office and commission; providing  
94 | duties of the Department of Law Enforcement; providing for  
95 | commission rules; providing requirements for education and  
96 | testing for certain principal representatives and for  
97 | transfer applications; authorizing the commission to  
98 | prescribe additional testing fees; revising provisions  
99 | governing the denial of transfers; providing personal  
100 | representative designation requirements; amending s.  
101 | 494.0066, F.S.; revising branch office licensure  
102 | requirements; providing for commission rules; amending s.  
103 | 494.0067, F.S.; deleting a license display requirement;  
104 | providing information reporting requirements; providing  
105 | requirements for acquiring a controlling interest in a  
106 | licensee; providing a definition; providing duties and  
107 | authority of the commission; authorizing the office to

Page 4 of 133

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hb7153-01-c1

HB 7153

2006  
CS

108 bring an administrative action under certain  
109 circumstances; revising professional continuing education  
110 requirements; amending s. 494.0072, F.S.; providing  
111 additional grounds for taking disciplinary action;  
112 amending s. 494.00721, F.S.; conforming cross-references;  
113 amending s. 501.137, F.S.; providing mortgage lender  
114 liability for attorney's fees and costs for certain  
115 violations; amending s. 516.01, F.S.; defining the term  
116 "control person"; amending s. 516.03, F.S.; revising  
117 requirements and procedures for issuing consumer finance  
118 loan licenses; specifying certain fees as nonrefundable;  
119 authorizing the commission to adopt rules; revising  
120 certain fee requirements; providing for technological or  
121 financial hardship exemptions under certain circumstances;  
122 amending s. 516.031, F.S.; increasing a reimbursement  
123 charge for certain investigation costs; amending s.  
124 516.05, F.S.; revising investigation procedures; deleting  
125 provisions relating to certain fees for licenses that have  
126 been denied; providing licensee information reporting  
127 requirements; providing requirements for acquiring a  
128 controlling interest in a licensee; providing a  
129 definition; providing duties and authority of the  
130 commission and office; providing for commission rules;  
131 authorizing the office to bring an administrative action  
132 under certain circumstances; deleting provisions  
133 authorizing the office to grant temporary licenses;  
134 amending s. 516.07, F.S.; providing an additional ground  
135 for taking disciplinary action; repealing s. 516.08, F.S.,

Page 5 of 133

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hb7153-01-c1

HB 7153

2006  
CS

136 relating to requirements for posting a license; amending  
137 s. 516.12, F.S.; authorizing the commission to adopt rules  
138 specifying the minimum information to be shown in a  
139 licensee's books, accounts, records, and documents and the  
140 requirements for destroying a licensee's books, accounts,  
141 records, and documents; amending s. 516.19, F.S.;  
142 correcting cross-references; amending s. 517.021, F.S.;  
143 redefining the term "branch office"; authorizing the  
144 commission to adopt rules; amending s. 517.051, F.S.;  
145 revising required accounting principles; amending s.  
146 517.061, F.S.; revising a provision governing exempt  
147 transactions; amending s. 517.081, F.S.; revising required  
148 accounting principles; amending s. 517.12, F.S.; revising  
149 requirements and procedures for registration of dealers,  
150 associated persons, investment advisers, and branch  
151 offices; revising duties and authority of the commission  
152 and office; providing for commission rules; providing  
153 duties of the Department of Law Enforcement; revising  
154 requirements, procedures, and exemptions relating to  
155 activities of Canadian dealers and associated persons;  
156 providing for certain fees; providing that certain fees  
157 are nonrefundable; providing for the collection of fees;  
158 amending s. 517.131, F.S.; revising criteria under which  
159 recovery can be made from the Securities Guaranty Fund;  
160 authorizing the commission to adopt rules; amending s.  
161 517.141, F.S.; revising requirements for claimant  
162 reimbursements to the fund; authorizing the commission to  
163 adopt rules; amending s. 517.161, F.S.; revising a ground

HB 7153

2006  
CS

164 for a registration adverse action; providing an additional  
165 ground; amending ss. 520.02, 520.31, and 520.61, F.S.;  
166 defining the term "control person"; amending ss. 520.03,  
167 520.32, 520.52, and 520.63, F.S.; revising requirements  
168 and procedures for licensing motor vehicle retail  
169 installment sellers, retail installment transaction retail  
170 sellers, sales finance companies, and home improvement  
171 finance sellers; revising duties and authority of the  
172 commission and office; specifying certain fees as  
173 nonrefundable; amending s. 520.994, F.S.; revising  
174 commission authority to adopt rules to include electronic  
175 submissions; providing for accommodating a technological  
176 or financial hardship; amending s. 520.995, F.S.;  
177 providing an additional ground for taking disciplinary  
178 action; revising a provision applying disciplinary actions  
179 to certain persons; amending s. 520.997, F.S.; revising  
180 commission authority to adopt rules relating to a  
181 licensee's books, accounts, records, and documents;  
182 creating s. 520.999, F.S.; providing additional  
183 requirements of licensees in sales and finance;  
184 authorizing the office to bring an administrative action  
185 under certain circumstances; authorizing the commission to  
186 adopt rules; amending s. 537.009, F.S., relating to the  
187 Florida Title Loan Act; revising provisions relating to a  
188 licensee's books, accounts, records, and documents;  
189 amending s. 559.9232, F.S.; correcting cross-references;  
190 amending s. 560.105, F.S., relating to the Money  
191 Transmitters' Code; authorizing the commission to adopt

Page 7 of 133

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

hb7153-01-c1

HB 7153

2006  
CS

192 rules for electronic submission of money transmitter  
193 licensee forms, documents, or fees; providing for  
194 exemptions due to technological or financial hardship;  
195 amending s. 560.114, F.S.; providing an additional ground  
196 for taking disciplinary action; amending s. 560.121, F.S.;  
197 authorizing the commission to adopt rules relating to a  
198 licensee's books, accounts, records, and documents;  
199 amending s. 560.126, F.S.; revising information reporting  
200 requirements; providing requirements for acquiring a  
201 controlling interest; authorizing the office to bring an  
202 administrative action under certain circumstances;  
203 authorizing the commission to adopt rules; amending s.  
204 560.127, F.S.; revising criteria for determining control  
205 over a money transmitter; deleting provisions regulating  
206 the acquisition or purchase of a money transmitter;  
207 amending s. 560.205, F.S.; revising requirements and  
208 procedures for registering money transmitters; revising  
209 duties of the commission and office; providing duties of  
210 the Department of Law Enforcement; amending s. 560.207,  
211 F.S.; revising requirements and procedures for renewing a  
212 registration; authorizing the commission to adopt rules;  
213 providing that specified fees are nonrefundable; providing  
214 conditions for reinstating a registration; providing an  
215 additional fee; providing for expiration of registration;  
216 amending s. 560.210, F.S.; revising required accounting  
217 principles; amending s. 560.211, F.S.; revising certain  
218 recordkeeping requirements; amending s. 560.305, F.S.,  
219 relating to the Check Cashing and Foreign Currency



HB 7153

2006  
CS

220 Exchange Act; revising requirements and procedures for  
 221 registration; amending s. 560.306, F.S.; revising  
 222 fingerprinting requirements and procedures; providing  
 223 duties of the office and Department of Law Enforcement;  
 224 amending s. 560.308, F.S.; revising requirements for  
 225 renewal of registration; providing for expiration of  
 226 registration; providing that specified fees are  
 227 nonrefundable; providing conditions for reinstatement of a  
 228 registration; amending s. 560.310, F.S.; revising certain  
 229 recordkeeping requirements; amending s. 560.403, F.S.;  
 230 revising requirements for registration renewal notices of  
 231 intent; providing that specified fees are nonrefundable;  
 232 providing conditions for reinstatement of a notice of  
 233 intent; amending s. 655.935, F.S.; authorizing the search  
 234 of a safe-deposit box co-leased by a decedent; providing  
 235 construction; amending s. 655.936, F.S.; providing for the  
 236 delivery of a safe-deposit box to a court-appointed  
 237 personal representative; amending s. 655.937, F.S.;  
 238 revising provisions for access to safe-deposit boxes;  
 239 providing a penalty; amending s. 679.705, F.S.; extending  
 240 the effective date of a financing statement filed under  
 241 previous law; amending s. 733.6065, F.S.; revising  
 242 provisions relating to the initial opening of certain  
 243 safe-deposit boxes; providing an appropriation; providing  
 244 effective dates.

245  
 246 Be It Enacted by the Legislature of the State of Florida:  
 247

HB 7153

2006  
CS

248 Section 1. Present subsections (9) through (30) of section  
249 494.001, Florida Statutes, are redesignated as subsections (10)  
250 through (31), respectively, and a new subsection (9) is added to  
251 that section to read:

252 494.001 Definitions.--As used in ss. 494.001-494.0077, the  
253 term:

254 (9) "Control person" means an individual, partnership,  
255 corporation, trust, or other organization that possesses the  
256 power, directly or indirectly, to direct the management or  
257 policies of a company, whether through ownership of securities,  
258 by contract, or otherwise. A person is presumed to control a  
259 company if, with respect to a particular company, that person:

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

262 (b) Directly or indirectly may vote 10 percent or more of  
263 a class of voting securities or sell or direct the sale of 10  
264 percent or more of a class of voting securities; or

265 (c) In the case of a partnership, may receive upon  
266 dissolution or has contributed 10 percent or more of the  
267 capital.

268 Section 2. Subsection (2) of section 494.0011, Florida  
269 Statutes, is amended, and subsection (6) is added to that  
270 section, to read:

271 494.0011 Powers and duties of the commission and office.--

272 (2) The commission may ~~has authority to~~ adopt rules  
273 pursuant to ss. 120.536(1) and 120.54 to implement ss. 494.001-  
274 494.0077. The commission may adopt rules requiring ~~to allow~~  
275 electronic submission of any forms, documents, or fees required

HB 7153

2006  
CS

276 | by this act if such rules reasonably accommodate technological  
277 | or financial hardship. The commission may prescribe by rule  
278 | requirements and procedures for obtaining an exemption due to a  
279 | technological or financial hardship. The commission may also  
280 | adopt rules to accept certification of compliance with  
281 | requirements of this act in lieu of requiring submission of  
282 | documents.

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

285 |       Section 3. Subsection (4) of section 494.0016, Florida  
286 | Statutes, is amended to read:

287 |       494.0016 Books, accounts, and records; maintenance;  
288 | examinations by the office.--

289 |       (4) The commission may prescribe by rule the minimum  
290 | information to be shown in the books, accounts, records, and  
291 | documents of licensees so that such records will enable the  
292 | office to determine the licensee's compliance with ss. 494.001-  
293 | 494.0077. In addition, the commission may prescribe by rule  
294 | requirements for the destruction of books, accounts, records,  
295 | and documents retained by the licensee after completion of the  
296 | time period specified in subsection (3).

297 |       Section 4. Section 494.0029, Florida Statutes, is amended  
298 | to read:

299 |       494.0029 Mortgage business schools.--

300 |       (1) (a) Each person, school, or institution, except  
301 | accredited colleges, universities, community colleges, and  
302 | career centers in this state, which offers or conducts mortgage  
303 | business training for the purpose of meeting professional

HB 7153

2006  
CS

304 continuing education requirements or as a condition precedent to  
305 licensure as a mortgage broker, mortgage lender, or a  
306 correspondent mortgage lender must shall obtain a permit from  
307 the office to operate as a mortgage business school before  
308 offering or conducting mortgage business training and must abide  
309 by the regulations imposed upon such person, school, or  
310 institution by this chapter and rules adopted pursuant to this  
311 chapter. The commission may require by rule that each applicant  
312 for a mortgage business school permit provide any information  
313 reasonably necessary to determine the applicant's eligibility.  
314 Each person, school, or institution that applies for a permit  
315 under this section must do so on forms adopted by the commission  
316 by rule ~~The commission shall, by rule, recertify the permits~~  
317 ~~annually with initial and renewal permit fees that do not exceed~~  
318 ~~\$500 plus the cost of accreditation.~~

319 (b) An application is considered received for purposes of  
320 s. 120.60 upon receipt of a completed application form as  
321 prescribed by commission rule, a nonrefundable application fee  
322 of \$500, the cost of accreditation as defined by commission  
323 rule, and any other fee prescribed by law.

324 (c) A permit issued under this section is not transferable  
325 or assignable.

326 (d) Each permitted mortgage business school shall report,  
327 on a form prescribed by the commission, any change in the  
328 information contained in the initial application form or any  
329 amendment to such form not later than 30 days after the change  
330 is effective.

HB 7153

2006  
CS

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

337        ~~(2) All such schools shall maintain curriculum and~~  
338        ~~training materials necessary to determine the school's~~  
339        ~~compliance with this chapter and rules adopted pursuant to this~~  
340        ~~chapter. Any school that offers or conducts mortgage business~~  
341        ~~training shall at all times maintain an operation of training,~~  
342        ~~materials, and curriculum which is open to review by the office~~  
343        ~~to determine compliance and competency as a mortgage business~~  
344        ~~school.~~

345        (2)(3)(a) It is unlawful for any such person, school, or  
346        institution to offer or conduct mortgage business courses,  
347        regardless of the number of pupils, without first procuring a  
348        permit or to guarantee that the pupils will pass any mortgage  
349        business examination given on behalf of the office or to  
350        represent that the issuance of a permit is any recommendation or  
351        endorsement of the person, school, or institution to which it is  
352        issued or of any course of instruction given thereunder. Any  
353        person who violates this paragraph commits a misdemeanor of the  
354        second degree, punishable as provided in s. 775.082 or s.  
355        775.083.

356        (b) The location of classes and the frequency of class  
357        meetings shall be in the discretion of the school offering the

HB 7153

2006  
CS

358 | courses, if such courses conform to this chapter and related  
359 | rules adopted by the commission.

360 | (c) A mortgage business school may not use advertising of  
361 | any nature which is false, inaccurate, misleading, or  
362 | exaggerated. Publicity and advertising of a mortgage business  
363 | school, or of its representative, shall be based upon relevant  
364 | facts and supported by evidence establishing their truth.

365 | (d) A representative of a mortgage business school subject  
366 | to the provisions of this chapter may not promise or guarantee  
367 | employment or placement of any pupil or prospective pupil, using  
368 | information, training, or skill purported to be provided or  
369 | otherwise enhanced by a course or school as inducement to enroll  
370 | in the school, unless such person offers the pupil or  
371 | prospective pupil a bona fide contract of employment.

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

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

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

HB 7153

2006  
CS

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

393       Section 5. Section 494.00295, Florida Statutes, is amended  
394 to read:

395       494.00295 Professional continuing education.--

396       (1) Mortgage brokers, and the principal representatives  
397 and loan originators of a mortgage lender, correspondent  
398 mortgage lender, or mortgage lender pursuant to s. 494.0065,  
399 must successfully complete at least 14 hours of professional  
400 continuing education covering primary and subordinate mortgage  
401 financing transactions and the provisions of this chapter during  
402 the 2-year period immediately preceding the renewal deadline for  
403 a mortgage broker, mortgage lender, correspondent mortgage  
404 lender, or mortgage lender pursuant to s. 494.0065. At the time  
405 of license renewal, a licensee must certify to the office that  
406 the professional continuing education requirements of this  
407 section have been met. Licensees shall maintain records  
408 documenting compliance with this subsection for a period of 4  
409 years. The requirements for professional continuing education  
410 are waived for the license renewal of a mortgage broker for the  
411 biennial license period immediately following the period in  
412 which the person became licensed as a mortgage broker. The

Page 15 of 133

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hb7153-01-c1

HB 7153

2006  
CS

413 requirements for professional continuing education for a  
414 principal representative are waived for the license renewal of a  
415 mortgage lender, correspondent mortgage lender, or mortgage  
416 lender pursuant to s. 494.0065 for the biennial license period  
417 immediately following the period in which the principal  
418 representative completed the 24 hours of classroom education and  
419 passed a written test in order to qualify to be a principal  
420 representative ~~Each mortgage broker, mortgage lender, and~~  
421 ~~correspondent mortgage lender must certify to the office at the~~  
422 ~~time of renewal that during the 2 years prior to an application~~  
423 ~~for license renewal, all mortgage brokers and the principal~~  
424 ~~representative, loan originators, and associates of a mortgage~~  
425 ~~lender or correspondent mortgage lender have successfully~~  
426 ~~completed at least 14 hours of professional education programs~~  
427 ~~covering primary and subordinate mortgage financing transactions~~  
428 ~~and the provisions of this chapter. Licensees shall maintain~~  
429 ~~records documenting compliance with this subsection for a period~~  
430 ~~of 4 years.~~

431 (2) Professional continuing education programs must  
432 contribute directly to the professional competency of the  
433 participants, may only be offered by permitted mortgage business  
434 schools or entities specifically exempted from permitting as  
435 mortgage business schools, and may include electronically  
436 transmitted or distance education courses.

437 (3) The commission shall adopt rules necessary to  
438 administer this section, including rules governing qualifying  
439 hours for professional continuing education programs and



HB 7153

2006  
CS

440 standards for electronically transmitted or distance education  
441 courses, including course completion requirements.

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

445 494.003 Exemptions.--

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

448 (b) A state or federal chartered bank, ~~bank holding~~  
449 ~~company~~, trust company, savings and loan association, savings  
450 bank ~~or~~, credit union, bank holding company regulated under the  
451 laws of any state or the United States, or consumer finance  
452 company licensed pursuant to chapter 516.

453 (c) A wholly owned bank holding company subsidiary or a  
454 wholly owned savings and loan association holding company  
455 subsidiary formed and regulated under the laws of any state or  
456 the United States that is approved or certified by the  
457 Department of Housing and Urban Development, the Veterans  
458 Administration, the Government National Mortgage Association,  
459 the Federal National Mortgage Association, or the Federal Home  
460 Loan Mortgage Corporation.

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

463 (e) A wholly owned subsidiary of a state or federal  
464 chartered bank or savings and loan association the sole activity  
465 of which is to distribute the lending programs of such state or  
466 federal chartered bank or savings and loan association to  
467 persons who arrange loans for, or make loans to, borrowers.

Page 17 of 133

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

hb7153-01-c1

HB 7153

2006  
CS

468 Section 7. Section 494.0031, Florida Statutes, is amended  
469 to read:

470 494.0031 Licensure as a mortgage brokerage business.--

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

474 (2)(1) Each initial application for a mortgage brokerage  
475 business license must be in the form prescribed by rule of the  
476 commission. The commission may require each applicant to provide  
477 any information reasonably necessary to determine the  
478 applicant's eligibility for licensure. The office shall issue a  
479 mortgage brokerage business license to each person who:

480 (a) Has submitted a completed application form and a  
481 nonrefundable application fee of \$425. An application is  
482 considered received for purposes of s. 120.60 upon receipt of a  
483 completed application form as prescribed by commission rule, a  
484 nonrefundable application fee of \$425, and any other fee  
485 prescribed by law. ~~and~~

486 (b) Has a qualified principal broker pursuant to s.  
487 494.0035.

488 (c)(2) Has provided a complete set of fingerprints as the  
489 commission may require by rule for that each officer, director,  
490 control person, member, partner, or joint venturer of the  
491 applicant and each ultimate equitable owner of a 10-percent or  
492 greater interest in the mortgage brokerage business. A  
493 fingerprint card submitted to the office must be submit a  
494 ~~complete set of fingerprints~~ taken by an authorized law  
495 enforcement agency officer. The office shall submit the

Page 18 of 133

HB 7153

2006  
CS

496 fingerprints to the Department of Law Enforcement for state  
497 processing and the Department of Law Enforcement shall forward  
498 the fingerprints to the Federal Bureau of Investigation for  
499 federal processing. The cost of the fingerprint processing may  
500 be borne by the office, the employer, or the person subject to  
501 the background check. The Department of Law Enforcement shall  
502 submit an invoice to the office for the fingerprints received  
503 each month. The office shall screen the background results to  
504 determine if the applicant meets licensure requirements.

505 (d) Has provided information that the commission requires  
506 by rule concerning any designated principal mortgage broker; any  
507 officer, director, control person, member, partner, or joint  
508 venturer of the applicant; or any individual who is the ultimate  
509 equitable owner of a 10-percent or greater interest in the  
510 mortgage brokerage business. The commission may require  
511 information about any such applicant or person, including, but  
512 not limited to, his or her full name or other names by which he  
513 or she may have been known, age, social security number,  
514 qualifications, educational and business history, and  
515 disciplinary and criminal history.

516 (3) Notwithstanding the provisions of subsection (2) ~~(1)~~,  
517 it is a ground for denial of licensure if the applicant;  
518 designated principal mortgage broker; any officer, director,  
519 control person, member, partner, or joint venturer of the  
520 applicant; any natural person owning a 10-percent or greater  
521 interest in the mortgage brokerage business; or any individual  
522 natural person who is the ultimate equitable owner of a 10-  
523 percent or greater interest in the mortgage brokerage business

Page 19 of 133

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hb7153-01-c1

HB 7153

2006  
CS

524 | has committed any violation specified in ss. 494.001-494.0077 or  
 525 | has pending against him or her in any jurisdiction any criminal  
 526 | prosecution or administrative enforcement action that,~~in any~~  
 527 | ~~jurisdiction, which~~ involves fraud, dishonest dealing, or any  
 528 | other act of moral turpitude.

529 |       (4) A mortgage brokerage business or branch office license  
 530 | may be canceled if it was issued through mistake or inadvertence  
 531 | of the office. A notice of cancellation must be issued by the  
 532 | office within 90 days after the issuance of the license. A  
 533 | notice of cancellation is ~~shall be~~ effective upon receipt. The  
 534 | notice of cancellation must ~~shall~~ provide the applicant with  
 535 | notification of the right to request a hearing within 21 days  
 536 | after the applicant's receipt of the notice of cancellation. A  
 537 | license must ~~shall~~ be reinstated if the applicant can  
 538 | demonstrate that the requirements for obtaining the license  
 539 | under ~~pursuant to~~ this chapter have been satisfied.

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

548 |       Section 8. Subsection (1) of section 494.0032, Florida  
 549 | Statutes, is amended to read:

550 |       494.0032 Renewal of mortgage brokerage business license or  
 551 | branch office license.--

HB 7153

2006  
CS

552 (1) The office shall renew a mortgage brokerage business  
553 license upon receipt of a completed renewal form and payment of  
554 a nonrefundable renewal fee of \$375. Each licensee shall pay at  
555 the time of renewal a nonrefundable renewal fee of \$225 for the  
556 renewal of each branch office license. The license for a branch  
557 office must be renewed in conjunction with the renewal of the  
558 mortgage brokerage business license.

559 Section 9. Subsections (1), (2), and (7) of section  
560 494.0033, Florida Statutes, are amended to read:

561 494.0033 Mortgage broker's license.--

562 (1) Each natural person who acts as a mortgage broker for  
563 a mortgage brokerage business or acts as an associate for a  
564 mortgage lender or correspondent mortgage lender must be  
565 licensed under ~~pursuant to~~ this section. To act as a mortgage  
566 broker, an individual must be an associate of a mortgage  
567 brokerage business, a mortgage lender, or a correspondent  
568 mortgage lender. A mortgage broker may not be ~~is prohibited from~~  
569 ~~being~~ an associate of more than one mortgage brokerage business,  
570 mortgage lender, or correspondent mortgage lender.

571 (2) Each initial application for a mortgage broker's  
572 license must be in the form prescribed by rule of the  
573 commission. The commission may require each applicant to provide  
574 any information reasonably necessary to make a determination of  
575 the applicant's eligibility for licensure. The office shall  
576 issue an initial license to any natural person who:

577 (a) Is at least 18 years of age.†

578 (b) Has passed a written test adopted and administered by  
579 the office, or has passed an electronic test adopted and

HB 7153

2006  
CS

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

593 (c) Has submitted a completed application and a  
594 nonrefundable application fee of \$200. An application is  
595 considered received for purposes of s. 120.60 upon receipt of a  
596 completed application form as prescribed by commission rule, a  
597 nonrefundable application fee of \$200, and any other fee  
598 prescribed by law. ~~The commission may set by rule an additional~~  
599 fee for a retake of the examination; and

600 (d) Has filed a complete set of fingerprints, ~~taken by an~~  
601 ~~authorized law enforcement officer,~~ for submission by the office  
602 to the Department of Law Enforcement or the Federal Bureau of  
603 Investigation for processing. A fingerprint card submitted to  
604 the office must be taken by an authorized law enforcement  
605 agency. The office shall submit the fingerprints to the  
606 Department of Law Enforcement for state processing and the  
607 Department of Law Enforcement shall forward the fingerprints to

HB 7153

2006  
CS

608 the Federal Bureau of Investigation for federal processing. The  
609 cost of the fingerprint processing may be borne by the office,  
610 the employer, or the person subject to the background check. The  
611 Department of Law Enforcement shall submit an invoice to the  
612 office for the fingerprints received each month. The office  
613 shall screen the background results to determine if the  
614 applicant meets licensure requirements.

615  
616 The commission may require by rule information concerning any  
617 such applicant or person, including, but not limited to, his or  
618 her full name and any other names by which he or she may have  
619 been known, age, social security number, qualifications and  
620 educational and business history, and disciplinary and criminal  
621 history.

622 ~~(7) If an initial mortgage broker license has been issued~~  
623 ~~but the check upon which the license is based is returned due to~~  
624 ~~insufficient funds, the license shall be deemed canceled. A~~  
625 ~~license deemed canceled pursuant to this subsection shall be~~  
626 ~~reinstated if the office receives a certified check for the~~  
627 ~~appropriate amount within 30 days after the date the check was~~  
628 ~~returned due to insufficient funds.~~

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

631 494.0036 Mortgage brokerage business branch offices.--

632 (2) The office shall issue a mortgage brokerage business  
633 branch office license to a mortgage brokerage business licensee  
634 after the office determines that the licensee has submitted upon  
635 receipt of a completed application for a branch office in a form

HB 7153

2006  
CS

636 as prescribed by commission rule and payment of an initial  
637 nonrefundable branch office license fee of \$225. ~~Branch office~~  
638 ~~licenses must be renewed in conjunction with the renewal of the~~  
639 ~~mortgage brokerage business license.~~ The branch office license  
640 shall be issued in the name of the mortgage brokerage business  
641 that maintains the branch office. An application is considered  
642 received for purposes of s. 120.60 upon receipt of a completed  
643 application form as prescribed by commission rule, a  
644 nonrefundable application fee of \$225, and any other fee  
645 prescribed by law.

646 ~~(3) Each branch office must prominently display the~~  
647 ~~license issued for such branch office. Each person licensed as a~~  
648 ~~mortgage broker must prominently display his or her license in~~  
649 ~~the office where such person acts as a mortgage broker.~~

650 Section 11. Section 494.0039, Florida Statutes, is amended  
651 to read:

652 494.0039 Principal place of business requirements.--

653 ~~(1)~~ Each mortgage brokerage business licensee shall  
654 maintain and transact business from a principal place of  
655 business.

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

659 ~~(3) Each mortgage brokerage business must prominently~~  
660 ~~display its license at the principal place of business. Each~~  
661 ~~licensed mortgage broker must prominently display his or her~~  
662 ~~license in the office where such person acts as a mortgage~~  
663 ~~broker.~~



HB 7153

2006  
CS

664 Section 12. Section 494.004, Florida Statutes, is amended  
665 to read:

666 494.004 Requirements of licensees.--

667 (1) Each licensee under ss. 494.003-494.0043 shall report,  
668 in writing, any conviction of, or plea of nolo contendere to,  
669 regardless of adjudication, any crime or administrative  
670 violation that involves fraud, dishonest dealing, or any other  
671 act of moral turpitude, in any jurisdiction, by the licensee or  
672 any natural person named in s. 494.0031(2)(d)~~(3)~~, not later than  
673 30 days after the date of conviction, entry of a plea of nolo  
674 contendere, or final administrative action.

675 (2) Each licensee under ss. 494.003-494.0043 shall report,  
676 in a form prescribed by rule of the commission, any conviction  
677 of, or plea of nolo contendere to, regardless of whether  
678 adjudication is withheld, any felony committed by the licensee  
679 or any natural person named in s. 494.0031(2)(d)~~(3)~~, not later  
680 than 30 days after the date of conviction or the date the plea  
681 of nolo contendere is entered.

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

686 (4) Each licensee under ss. 494.003-494.0043 shall report  
687 on a form prescribed by rule of the commission any change to the  
688 information contained in any initial application form or any  
689 amendment to the application ~~any change in the form of business~~  
690 ~~organization or any change of a person named, pursuant to s.~~

HB 7153

2006  
CS

691 ~~494.0031(3), to the office in writing~~ not later than 30 days  
692 after the change is effective.

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

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

702 (a) In any case in which a person or a group of persons,  
703 directly or indirectly or acting by or through one or more  
704 persons, proposes to purchase or acquire a controlling interest  
705 in a licensee, such person or group shall submit an initial  
706 application for licensure as a mortgage brokerage business  
707 before such purchase or acquisition and at the time and in the  
708 form the commission prescribes by rule.

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

717 (c) Any addition of a partner, officer, member, joint  
718 venturer, director, control person, or ultimate equitable owner

HB 7153

2006  
CS

719 of the applicant who does not have a controlling interest and  
720 who has not previously complied with the provisions of s.  
721 494.0031(2)(c) and (d) is subject to such provisions unless  
722 required to file an initial application in accordance with  
723 paragraph (a). If the office finds that the licensee does not  
724 continue to meet licensure requirements, the office may bring an  
725 administrative action in accordance with s. 494.0041 to enforce  
726 the provisions of this chapter.

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

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

Page 27 of 133

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hb7153-01-c1

HB 7153

2006  
CS

747 mortgage broker license number, date of hire and, if applicable,  
748 the date of termination of each person who became or ceased to  
749 be an associate of the mortgage brokerage business during the  
750 immediate preceding quarter. The commission shall prescribe, by  
751 rule, the procedures for filing reports required by this  
752 subsection.

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

756 494.0041 Administrative penalties and fines; license  
757 violations.--

758 (2) Each of the following acts constitutes a ground for  
759 which the disciplinary actions specified in subsection (1) may  
760 be taken:

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

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

767 (u)1. Having been the subject of any decision, finding,  
768 injunction, suspension, prohibition, revocation, denial,  
769 judgment, or administrative order by any court of competent  
770 jurisdiction, administrative law judge, state or federal agency,  
771 national securities exchange, national commodities exchange,  
772 national option exchange, national securities association,  
773 national commodities association, or national option association  
774 involving a violation of any federal or state securities or

HB 7153

2006  
CS

775 commodities law or rule or regulation adopted under such law or  
776 involving a violation of any rule or regulation of any national  
777 securities, commodities, or options exchange or association.

778 2. Having been the subject of any injunction or adverse  
779 administrative order by a state or federal agency regulating  
780 banking, insurance, finance or small loan companies, real  
781 estate, mortgage brokers or lenders, money transmitters, or  
782 other related or similar industries.

783 (3) A mortgage brokerage business is subject to the  
784 disciplinary actions specified in subsection (1) for a violation  
785 of subsection (2) by any officer, member, director, control  
786 person, joint venturer, partner, ultimate equitable owner of a  
787 10-percent or greater interest in the mortgage brokerage  
788 business, or associate mortgage broker of the licensee.

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

792 494.006 Exemptions.--

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

796 (a) A state or federal chartered bank, ~~bank holding~~  
797 ~~company~~, trust company, savings and loan association, savings  
798 bank or, credit union, bank holding company regulated under the  
799 laws of any state or the United States, or insurance company if  
800 the insurance company is duly licensed in this state.

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

HB 7153

2006  
CS

803 subsidiary that is formed and regulated under the laws of any  
804 state or the United States and that is approved or certified by  
805 the Department of Housing and Urban Development, the Veterans  
806 Administration, the Government National Mortgage Association,  
807 the Federal National Mortgage Association, or the Federal Home  
808 Loan Mortgage Corporation.

809 (2) (a) A natural person employed by a mortgage lender or  
810 correspondent mortgage lender licensed under ss. 494.001-  
811 494.0077 is exempt from the licensure requirements of ss.  
812 494.001-494.0077 when acting within the scope of employment with  
813 the licensee.

814 Section 15. Section 494.0061, Florida Statutes, is amended  
815 to read:

816 494.0061 Mortgage lender's license requirements.--

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

820 (2)(1) Each initial application for a mortgage lender  
821 license must be in the form prescribed by rule of the  
822 commission. The commission or office may require each applicant  
823 for a mortgage lender license to provide any information  
824 reasonably necessary to make a determination of the applicant's  
825 eligibility for licensure. The office shall issue an initial  
826 mortgage lender license to any person that submits:

827 (a) A completed application form +

828 (b) A nonrefundable application fee of \$575. An  
829 application is considered received for purposes of s. 120.60  
830 upon receipt of a completed application form as prescribed by

HB 7153

2006  
CS

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

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

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

842 (e) Documentation that the applicant is duly incorporated,  
843 registered, or otherwise formed as a general partnership,  
844 limited partnership, limited liability company, or other lawful  
845 entity under the laws of this state or another state of the  
846 United States.

847 ~~For applications submitted after October 1, 2001,~~  
848 Proof that the applicant's principal representative has  
849 completed 24 hours of classroom instruction in primary and  
850 subordinate financing transactions and in the provisions of this  
851 chapter and rules adopted under this chapter. This requirement  
852 is satisfied if the principal representative has continuously  
853 served in the capacity of a principal representative for a  
854 licensed entity under this chapter for at least 1 year and has  
855 not had a lapse in designation as a principal representative of  
856 more than 2 years before the date of the submission of the  
857 application or amendment in the case of a change in the  
858 principal representative. This requirement is also satisfied if

HB 7153

2006  
CS

859 the principal representative currently holds an active license  
860 as a mortgage broker in this state.

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

877 (h) Information the commission requires by rule concerning  
878 any designated principal representative; any officer, director,  
879 control person, member, partner, or joint venturer of the  
880 applicant or any person having the same or substantially similar  
881 status or performing substantially similar functions; or any  
882 natural person who is the ultimate equitable owner of a 10-  
883 percent or greater interest in the mortgage lender. The  
884 commission may require information concerning any such applicant  
885 or person, including, but not limited to, his or her full name  
886 and any other names by which he or she may have been known,

Page 32 of 133

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hb7153-01-c1



HB 7153

2006  
CS

887 social security number, age, qualifications and educational and  
888 business history, and disciplinary and criminal history.

889 (3)(2) Notwithstanding the ~~provisions of~~ subsection (2)  
890 ~~(1)~~, it is a ground for denial of licensure if the applicant;  
891 designated principal representative; ~~any principal officer, or~~  
892 director, control person, member, partner, or joint venturer of  
893 the applicant; ~~or any natural person owning a 10-percent or~~  
894 greater interest in the applicant; ~~or any natural person who is~~  
895 the ultimate equitable owner of a 10-percent or greater interest  
896 in the applicant has committed any violation specified in s.  
897 494.0072, or has pending against her or him any criminal  
898 prosecution or administrative enforcement action, in any  
899 jurisdiction, which involves fraud, dishonest dealing, or any  
900 act of moral turpitude.

901 ~~(3) Each initial application for a mortgage lender's~~  
902 ~~license must be in a form prescribed by the commission. The~~  
903 ~~commission or office may require each applicant to provide any~~  
904 ~~information reasonably necessary to make a determination of the~~  
905 ~~applicant's eligibility for licensure. The commission or office~~  
906 ~~may require that each officer, director, and ultimate equitable~~  
907 ~~owner of a 10 percent or greater interest in the applicant~~  
908 ~~submit a complete set of fingerprints taken by an authorized law~~  
909 ~~enforcement officer.~~

910 (4) A person required to be licensed under ss. 494.006-  
911 494.0077, or an agent or employee thereof, is deemed to have  
912 consented to the venue of courts of competent jurisdiction in  
913 this state regarding any matter within the authority of ss.

HB 7153

2006  
CS

914 494.001-494.0077 regardless of where an act or violation was  
915 committed.

916 (5) A license issued in accordance with ss. 494.006-  
917 494.0077 is not transferable or assignable.

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

929 ~~(7) If an initial mortgage lender or branch office license~~  
930 ~~has been issued but the check upon which the license is based is~~  
931 ~~returned due to insufficient funds, the license shall be deemed~~  
932 ~~canceled. A license deemed canceled pursuant to this subsection~~  
933 ~~shall be reinstated if the office receives a certified check for~~  
934 ~~the appropriate amount within 30 days after the date the check~~  
935 ~~was returned due to insufficient funds.~~

936 (7)~~(8)~~ Each lender, regardless of the number of branches  
937 it operates, shall designate a principal representative who  
938 exercises control of the licensee's business and shall maintain  
939 a form prescribed by the commission designating the principal  
940 representative. If the form is not accurately maintained, the  
941 business is considered to be operated by each officer, director,

HB 7153

2006  
CS

942 or equitable owner of a 10-percent or greater interest in the  
943 business.

944 ~~(8)(9)~~ After ~~October 1, 2001,~~ An applicant's principal  
945 representative must pass a written test prescribed by the  
946 commission and administered by the office, or must pass an  
947 electronic test prescribed by the commission and administered by  
948 the office or a third party approved by the office, which covers  
949 primary and subordinate mortgage financing transactions and the  
950 provisions of this chapter and rules adopted under this chapter.  
951 The commission may set a fee by rule, which may not exceed \$100,  
952 for the electronic version of the mortgage broker test. The  
953 commission may waive by rule the examination requirement for any  
954 person who has passed a test approved by the Conference of State  
955 Bank Supervisors, the American Association of Residential  
956 Mortgage Regulators, or the United States Department of Housing  
957 and Urban Development if the test covers primary and subordinate  
958 mortgage financing transactions. This requirement is satisfied  
959 if the principal representative has continuously served in the  
960 capacity of a principal representative for a licensed entity  
961 under this chapter for at least 1 year and has not had a lapse  
962 in designation as a principal representative of more than 2  
963 years before the date of the submission of the application or  
964 amendment in the case of a change in the principal  
965 representative. This requirement is also satisfied if the  
966 principal representative holds an active license as a mortgage  
967 broker in this state.

968 ~~(9)(10)~~ A lender shall notify the office of any change in  
969 the designation of its principal representative within 30 days

HB 7153

2006  
CS

970 after the change is effective. A new principal representative  
 971 shall satisfy the name and address of any new principal  
 972 representative and shall document that the person has completed  
 973 the educational and testing requirements of this section within  
 974 90 days after being designated as upon the designation of a new  
 975 principal representative. This requirement is satisfied if the  
 976 principal representative has continuously served in the capacity  
 977 of a principal representative for a licensed entity under this  
 978 chapter for at least 1 year and has not had a lapse in  
 979 designation as a principal representative of more than 2 years  
 980 before the date of the submission of the application or  
 981 amendment in the case of a change in the principal  
 982 representative. This requirement is also satisfied if the  
 983 principal representative holds an active license as a mortgage  
 984 broker in this state.

985 Section 16. Section 494.0062, Florida Statutes, is amended  
 986 to read:

987 494.0062 Correspondent mortgage lender's license  
 988 requirements.--

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

992 (2)(1) Each initial application for a correspondent  
 993 mortgage lender's license must be in the form prescribed by rule  
 994 of the commission. The office may require each applicant to  
 995 provide any information reasonably necessary to determine the  
 996 applicant's eligibility for licensure. The office shall issue an

HB 7153

2006  
CS

997 initial correspondent mortgage lender license to any person who  
998 submits:

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

1000 (b) A nonrefundable application fee of \$500. An  
1001 application is considered received for purposes of s. 120.60  
1002 upon receipt of a completed application form as prescribed by  
1003 commission rule, a nonrefundable application fee of \$500, and  
1004 any other fee prescribed by law.~~†~~

1005 (c) Audited financial statements that,~~which~~ document that  
1006 the applicant ~~application~~ has a bona fide and verifiable net  
1007 worth pursuant to United States generally accepted accounting  
1008 principles of \$25,000 or more, which must be continuously  
1009 maintained as a condition of licensure.~~†~~

1010 (d) A surety bond in the amount of \$10,000, payable to the  
1011 State of Florida and conditioned upon compliance with ss.  
1012 494.001-494.0077, which inures to the office and which must be  
1013 continuously maintained, thereafter, in full force.~~†~~

1014 (e) Documentation that the applicant is duly incorporated,  
1015 registered, or otherwise formed as a general partnership,  
1016 limited partnership, limited liability company, or other lawful  
1017 entity under the laws of this state or another state of the  
1018 United States.~~†~~ ~~and~~

1019 (f) ~~For applications filed after October 1, 2001,~~ Proof  
1020 that the applicant's principal representative has completed 24  
1021 hours of classroom instruction in primary and subordinate  
1022 financing transactions and in the provisions of this chapter and  
1023 rules enacted under this chapter. This requirement is satisfied  
1024 if the principal representative has continuously served in the

HB 7153

2006  
CS

1025 capacity of a principal representative for a licensed entity  
1026 under this chapter for at least 1 year and has not had a lapse  
1027 in designation as a principal representative of more than 2  
1028 years before the date of the submission of the application or  
1029 amendment in the case of a change in the principal  
1030 representative. This requirement is also satisfied if the  
1031 principal representative holds an active license as a mortgage  
1032 broker in this state.

1033 (g) A complete set of fingerprints as the commission  
1034 requires by rule for the designated principal representative and  
1035 each officer, director, control person, member, partner, or  
1036 joint venturer of the applicant and ultimate equitable owner of  
1037 a 10-percent or greater interest in the applicant. A fingerprint  
1038 card submitted to the office must be taken by an authorized law  
1039 enforcement agency. The office shall submit the fingerprints to  
1040 the Department of Law Enforcement for state processing and the  
1041 Department of Law Enforcement shall forward the fingerprints to  
1042 the Federal Bureau of Investigation for federal processing. The  
1043 cost of the fingerprint processing may be borne by the office,  
1044 the employer, or the person subject to the background check. The  
1045 Department of Law Enforcement shall submit an invoice to the  
1046 office for the fingerprints received each month. The office  
1047 shall screen the background results to determine if the  
1048 applicant meets licensure requirements.

1049 (h) Information the commission requires by rule concerning  
1050 any designated principal representative; any officer, director,  
1051 control person, member, partner, or joint venturer of the  
1052 applicant or any person having the same or substantially similar

HB 7153

2006  
CS

1053 status or performing substantially similar functions; or any  
1054 natural person who is the ultimate equitable owner of a 10-  
1055 percent or greater interest in the correspondent mortgage  
1056 lender. The office may require information concerning any such  
1057 applicant or person, including, but not limited to, his or her  
1058 full name and any other names by which he or she may have been  
1059 known, age, social security number, qualifications and  
1060 educational and business history, and disciplinary and criminal  
1061 history.

1062 ~~(3)(2)~~ Notwithstanding ~~the provisions of subsection (2)~~  
1063 ~~(1)~~, it is a ground for denial of licensure if the applicant;  
1064 any designated principal representative; ~~any principal officer,~~  
1065 ~~or~~ director, control person, member, partner, or joint venturer  
1066 of the applicant; ~~or~~ any natural person who is the ultimate  
1067 equitable owner of a 10-percent or greater interest in the  
1068 applicant has committed any violation specified in s. 494.0072,  
1069 or has pending against her or him any criminal prosecution or  
1070 administrative enforcement action, in any jurisdiction, which  
1071 involves fraud, dishonest dealing, or any act of moral  
1072 turpitude.

1073 ~~(3) Each initial application for a correspondent mortgage~~  
1074 ~~lender's license must be in a form prescribed by the commission.~~  
1075 ~~The commission or office may require each applicant to provide~~  
1076 ~~any information reasonably necessary to make a determination of~~  
1077 ~~the applicant's eligibility for licensure. The commission or~~  
1078 ~~office may require that each officer, director, and ultimate~~  
1079 ~~equitable owner of a 10 percent or greater interest submit a~~

HB 7153

2006  
CS

1080 ~~complete set of fingerprints taken by an authorized law~~  
 1081 ~~enforcement officer.~~

1082 (4) Each license is valid for the remainder of the  
 1083 biennium in which the license is issued.

1084 (5) A person licensed as a correspondent mortgage lender  
 1085 may make mortgage loans, but may not service a mortgage loan for  
 1086 more than 4 months after the date the mortgage loan was made or  
 1087 acquired by the correspondent mortgage lender.

1088 (6) A licensee under ss. 494.006-494.0077, or an agent or  
 1089 employee thereof, is deemed to have consented to the venue of  
 1090 courts of competent jurisdiction in this state regarding any  
 1091 matter within the authority of ss. 494.001-494.0077 regardless  
 1092 of where an act or violation was committed.

1093 (7) A correspondent mortgage lender is subject to the same  
 1094 requirements and restrictions as a licensed mortgage lender  
 1095 unless otherwise provided in this section.

1096 (8) A license issued under this section is not  
 1097 transferable or assignable.

1098 (9) A correspondent mortgage lender or branch office  
 1099 license may be canceled if it was issued through mistake or  
 1100 inadvertence of the office. A notice of cancellation must be  
 1101 issued by the office within 90 days after the issuance of the  
 1102 license. A notice of cancellation shall be effective upon  
 1103 receipt. The notice of cancellation shall provide the applicant  
 1104 with notification of the right to request a hearing within 21  
 1105 days after the applicant's receipt of the notice of  
 1106 cancellation. A license shall be reinstated if the applicant can



HB 7153

2006  
CS

1107 demonstrate that the requirements for obtaining the license  
1108 pursuant to this chapter have been satisfied.

1109 ~~(10) If an initial correspondent mortgage lender or branch~~  
1110 ~~office license has been issued but the check upon which the~~  
1111 ~~license is based is returned due to insufficient funds, the~~  
1112 ~~license shall be deemed canceled. A license deemed canceled~~  
1113 ~~pursuant to this subsection shall be reinstated if the office~~  
1114 ~~receives a certified check for the appropriate amount within 30~~  
1115 ~~days after the date the check was returned due to insufficient~~  
1116 ~~funds.~~

1117 (10) ~~(11)~~ Each correspondent lender shall designate a  
1118 principal representative who exercises control over the business  
1119 and shall maintain a form prescribed by the commission  
1120 designating the principal representative. If the form is not  
1121 accurately maintained, the business is considered to be operated  
1122 by each officer, director, or equitable owner of a 10-percent or  
1123 greater interest in the business.

1124 (11) ~~(12)~~ After October 1, 2001, An applicant's principal  
1125 representative must pass a written test prescribed by the  
1126 commission and administered by the office, or must pass an  
1127 electronic test prescribed by the commission and administered by  
1128 the office or a third party approved by the office, which covers  
1129 primary and subordinate mortgage financing transactions and the  
1130 provisions of this chapter and rules adopted under this chapter.  
1131 The commission may waive by rule the examination requirement for  
1132 any person who has passed a test approved by the Conference of  
1133 State Bank Supervisors, the American Association of Residential  
1134 Mortgage Regulators, or the United States Department of Housing

HB 7153

2006  
CS

1135 and Urban Development if the test covers primary and subordinate  
 1136 mortgage financing transactions. The commission may set by rule  
 1137 a fee not to exceed \$100 for taking the examination. This  
 1138 requirement is satisfied if the principal representative has  
 1139 continuously served in the capacity of a principal  
 1140 representative for a licensed entity under this chapter for at  
 1141 least 1 year and has not had a lapse in designation as a  
 1142 principal representative of more than 2 years before the date of  
 1143 the submission of the application or amendment in the case of a  
 1144 change in the principal representative. This requirement is also  
 1145 satisfied if the principal representative holds an active  
 1146 license as a mortgage broker in this state.

1147 (12)-(13) A correspondent lender shall notify the office of  
 1148 any change in the designation of its principal representative  
 1149 within 30 days after the change is effective. A new principal  
 1150 representative shall satisfy the name and address of any new  
 1151 principal representative and shall document that such person has  
 1152 completed the educational and testing requirements of this  
 1153 section within 90 days after being designated as upon the  
 1154 lender's designation of a new principal representative. This  
 1155 requirement is satisfied if the principal representative has  
 1156 continuously served in the capacity of a principal  
 1157 representative for a licensed entity under this chapter for at  
 1158 least 1 year and has not had a lapse in designation as a  
 1159 principal representative of more than 2 years before the date of  
 1160 the submission of the application or amendment in the case of a  
 1161 change in the principal representative. This requirement is also

HB 7153

2006  
CS

1162 satisfied if the principal representative holds an active  
 1163 license as a mortgage broker in this state.

1164 Section 17. Paragraph (b) of subsection (1) and subsection  
 1165 (2) of section 494.0064, Florida Statutes, are amended to read:

1166 494.0064 Renewal of mortgage lender's license; branch  
 1167 office license renewal.--

1168 (1)

1169 (b) A licensee shall also submit, as part of the renewal  
 1170 form, certification that during the preceding 2 years the  
 1171 licensee's principal representative and, loan originators, ~~and~~  
 1172 ~~associates~~ have completed the professional continuing education  
 1173 requirements of s. 494.00295.

1174 (2) The commission shall adopt rules establishing a  
 1175 procedure for the biennial renewal of mortgage lender's  
 1176 licenses, correspondent lender's licenses, and branch office  
 1177 licenses ~~permits~~. The commission may prescribe the form for  
 1178 renewal and may require an update of all information provided in  
 1179 the licensee's initial application.

1180 Section 18. Section 494.0065, Florida Statutes, is amended  
 1181 to read:

1182 494.0065 Saving clause.--

1183 (1) (a) Any person in good standing who holds an active  
 1184 registration pursuant to former s. 494.039 or license pursuant  
 1185 to former s. 521.205, or any person who acted solely as a  
 1186 mortgage servicer on September 30, 1991, is eligible to apply to  
 1187 the office for a mortgage lender's license and is eligible for  
 1188 licensure if the applicant:

HB 7153

2006  
CS

1189 1. For at least 12 months during the period of October 1,  
1190 1989, through September 30, 1991, has engaged in the business of  
1191 either acting as a seller or assignor of mortgage loans or as a  
1192 servicer of mortgage loans, or both;

1193 2. Has documented a minimum net worth of \$25,000 in  
1194 audited financial statements; and

1195 3. Has applied for licensure pursuant to this section by  
1196 January 1, 1992, and paid an application fee of \$100.

1197 (b) A licensee pursuant to paragraph (a) may operate a  
1198 wholly owned subsidiary or affiliate for the purpose of  
1199 servicing accounts if the subsidiary or affiliate is operational  
1200 as of September 30, 1991. Such subsidiary or affiliate is not  
1201 required to obtain a separate license, but is subject to all the  
1202 requirements of a licensee under ss. 494.006-494.0077.

1203 (2) A licensee issued a license pursuant to subsection (1)  
1204 may renew its mortgage lending license if it documents a minimum  
1205 net worth of \$25,000, according to United States generally  
1206 accepted accounting principles, which must be continuously  
1207 maintained as a condition to licensure. The office shall require  
1208 an audited financial statement which documents such net worth.

1209 (3) The commission may prescribe by rule forms and  
1210 procedures for application for licensure, and amendment and  
1211 withdrawal of application for licensure, or transfer, including  
1212 any existing branch offices, in accordance with subsections (4)  
1213 and (5), and for renewal of licensure of licensees under this  
1214 section. The office may require each applicant to provide any  
1215 information reasonably necessary to determine the applicant's  
1216 eligibility for licensure. An application is considered received

HB 7153

2006  
CS

1217 for purposes of s. 120.60 upon receipt of a completed  
1218 application form as prescribed by commission rule, a  
1219 nonrefundable application fee of \$500, and any other fee  
1220 prescribed by law.

1221 (4) (a) Notwithstanding ss. 494.0061(5) and 494.0067~~(2)~~~~(3)~~,  
1222 the ultimate equitable owner, as of the effective date of this  
1223 act, of a mortgage lender licensed under this section may  
1224 transfer, one time, at least 50 percent of the ownership,  
1225 control, or power to vote any class of equity securities of such  
1226 mortgage lender, except as provided in paragraph (b). For  
1227 purposes of this subsection, satisfaction of the amount of the  
1228 ownership transferred may be met in multiple transactions or in  
1229 a single transaction.

1230 (b) A person who is an ultimate equitable owner on the  
1231 effective date of this act may transfer, at any time, at least  
1232 50 percent of the ownership, control, or power to vote any class  
1233 of equity securities of such person to the person's spouse or  
1234 child, and any such transferee may transfer, at any time, such  
1235 ownership, control, or power to vote to a spouse or child of  
1236 such transferee, in perpetuity.

1237 (c) For any transfer application filed on or after October  
1238 1, 2006:

1239 1. An applicant must provide proof that the applicant's  
1240 principal representative has completed 24 hours of instruction  
1241 in primary and subordinate financing transactions and in the  
1242 provisions of this chapter and rules adopted under this chapter.  
1243 This requirement is satisfied if the principal representative  
1244 has continuously served in the capacity of a principal

HB 7153

2006  
CS

1245 representative for a licensed entity under this chapter for at  
1246 least 1 year and has not had a lapse in designation as a  
1247 principal representative of more than 2 years before the date of  
1248 the submission of the application or amendment in the case of a  
1249 change in the principal representative. This requirement is also  
1250 satisfied if the principal representative holds an active  
1251 license as a mortgage broker in this state.

1252 2. An applicant's principal representative must pass a  
1253 written test prescribed by the commission and administered by  
1254 the office, or must pass an electronic test prescribed by the  
1255 commission and administered by the office or a third party  
1256 approved by the office, which covers primary and subordinate  
1257 mortgage financing transactions and the provisions of this  
1258 chapter and rules adopted under this chapter. The commission may  
1259 set by rule a fee not to exceed \$100 for the electronic version  
1260 of the mortgage broker test. The commission may waive by rule  
1261 the examination requirement for any person who has passed a test  
1262 approved by the Conference of State Bank Supervisors, the  
1263 American Association of Residential Mortgage Regulators, or the  
1264 United States Department of Housing and Urban Development if the  
1265 test covers primary and subordinate mortgage financing  
1266 transactions. This requirement is satisfied if the principal  
1267 representative has continuously served in the capacity of a  
1268 principal representative for a licensed entity under this  
1269 chapter for at least 1 year and has not had a lapse in  
1270 designation as a principal representative of more than 2 years  
1271 before the date of the submission of the application or  
1272 amendment in the case of a change in the principal

Page 46 of 133

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hb7153-01-c1

HB 7153

2006  
CS

1273 representative. This requirement is also satisfied if the  
1274 principal representative holds an active license as a mortgage  
1275 broker in this state.

1276 (5) Each initial application for a transfer must be in the  
1277 form prescribed by rule of the commission. The commission or  
1278 office may require each applicant for any transfer to provide  
1279 any information reasonably necessary to make a determination of  
1280 the applicant's eligibility for licensure. The office shall  
1281 issue the transfer of licensure to any person who submits the  
1282 following documentation at least 90 days prior to the  
1283 anticipated transfer:

1284 (a) A completed application form.

1285 (b) A nonrefundable fee set by rule of the commission in  
1286 the amount of \$500. An application is considered received for  
1287 purposes of s. 120.60 upon receipt of a completed application  
1288 form as prescribed by commission rule, a nonrefundable  
1289 application fee of \$500, and any other fee prescribed by law.

1290 (c) Audited financial statements that substantiate that  
1291 the applicant has a bona fide and verifiable net worth,  
1292 according to United States generally accepted accounting  
1293 principles, of at least \$25,000, which must be continuously  
1294 maintained as a condition of licensure.

1295 (d) Documentation that the applicant is incorporated,  
1296 registered, or otherwise formed as a general partnership,  
1297 limited partnership, limited liability company, or other lawful  
1298 entity under the laws of this state or another state of the  
1299 United States.

HB 7153

2006  
CS

1300        (e) A complete set of fingerprints as the commission  
1301 requires by rule for ~~or office may require that~~ each designated  
1302 principal representative, officer, director, control person,  
1303 member, partner, or joint venturer of the applicant and the  
1304 ultimate equitable owner of a 10-percent or greater interest in  
1305 the applicant. A fingerprint card submitted to the office must  
1306 be ~~submit a complete set of fingerprints~~ taken by an authorized  
1307 law enforcement agency officer. The office shall submit the  
1308 fingerprints to the Department of Law Enforcement for state  
1309 processing and the Department of Law Enforcement shall forward  
1310 the fingerprints to the Federal Bureau of Investigation for  
1311 federal processing. The cost of the fingerprint processing may  
1312 be borne by the office, the employer, or the person subject to  
1313 the background check. The Department of Law Enforcement shall  
1314 submit an invoice to the office for the fingerprints received  
1315 each month. The office shall screen the background results to  
1316 determine if the applicant meets licensure requirements.

1317        (f) Information that the commission requires by rule  
1318 concerning any designated principal representative; any officer,  
1319 director, control person, member, partner, or joint venturer of  
1320 the applicant or any person having the same or substantially  
1321 similar status or performing substantially similar functions; or  
1322 any individual who is the ultimate equitable owner of a 10-  
1323 percent or greater interest in the mortgage lender. The  
1324 commission may require information concerning such applicant or  
1325 person, including, but not limited to, his or her full name and  
1326 any other names by which he or she may have been known, age,



HB 7153

2006  
CS

1327 social security number, qualifications and educational and  
1328 business history, and disciplinary and criminal history.

1329 (6) Notwithstanding subsection (5), a transfer under  
1330 subsection (4) may be denied if the applicant; designated  
1331 principal representative;~~;~~ any principal officer, ~~or~~ director,  
1332 control person, member, partner, or joint venturer of the  
1333 applicant;~~;~~ or any natural person owning a 10-percent or greater  
1334 interest in the applicant has committed any violation specified  
1335 in s. 494.0072, or has entered a plea of nolo contendere,  
1336 regardless of adjudication, or has an action pending against the  
1337 applicant in any criminal prosecution or administrative  
1338 enforcement action, in any jurisdiction, which involves fraud,  
1339 dishonest dealing, or any act of moral turpitude.

1340 (7) A license issued in accordance with this section is  
1341 not transferable or assignable except as provided in subsection  
1342 (4).

1343 (8) Each person applying for a transfer of any branch  
1344 office pursuant to subsection (4) must comply with the  
1345 requirements of s. 494.0066.

1346 (9) Each mortgage lender shall designate a principal  
1347 representative who exercises control over the business and shall  
1348 keep the designation current on a form prescribed by commission  
1349 rule designating the principal representative. If the  
1350 information on the form is not kept current, the business is  
1351 considered to be operated by each officer, director, or  
1352 equitable owner of a 10-percent or greater interest in the  
1353 business.

HB 7153

2006  
CS

1354       (10) A lender shall notify the office of any change in the  
 1355 designation of its principal representative within 30 days after  
 1356 the change is effective. A new principal representative must  
 1357 satisfy the educational and testing requirements of this section  
 1358 within 90 days after being designated as the new principal  
 1359 representative. This requirement is satisfied if the principal  
 1360 representative has continuously served in the capacity of a  
 1361 principal representative for a licensed entity under this  
 1362 chapter for at least 1 year and has not had a lapse in  
 1363 designation as a principal representative of more than 2 years  
 1364 before the date of the submission of the application or  
 1365 amendment in the case of a change in the principal  
 1366 representative. This requirement is also satisfied if the  
 1367 principal representative currently holds an active license as a  
 1368 mortgage broker in this state.

1369       Section 19. Subsection (2) of section 494.0066, Florida  
 1370 Statutes, is amended to read:

1371       494.0066 Branch offices.--

1372       (2) The office shall issue a branch office license to a  
 1373 licensee licensed under ss. 494.006-494.0077 after the office  
 1374 determines that the licensee has submitted ~~upon receipt of a~~  
 1375 completed branch office application form as prescribed by rule  
 1376 by the commission and an initial nonrefundable branch office  
 1377 license fee of \$325. The branch office application must include  
 1378 the name and license number of the licensee under ss. 494.006-  
 1379 494.0077, the name of the licensee's employee in charge of the  
 1380 branch office, and the address of the branch office. The branch  
 1381 office license shall be issued in the name of the licensee under

HB 7153

2006  
CS

1382 ss. 494.006-494.0077 and must be renewed in conjunction with the  
1383 license renewal.

1384 Section 20. Section 494.0067, Florida Statutes, is amended  
1385 to read:

1386 494.0067 Requirements of licensees under ss. 494.006-  
1387 494.0077.--

1388 ~~(1) Each license of a mortgage lender, correspondent~~  
1389 ~~mortgage lender, or branch office shall be prominently displayed~~  
1390 ~~in the office for which it is issued.~~

1391 (1)(2) Each licensee under ss. 494.006-494.0077 which  
1392 makes mortgage loans on real estate in this state shall transact  
1393 business from a principal place of business. Each principal  
1394 place of business and each branch office shall be operated under  
1395 the full charge, control, and supervision of the licensee under  
1396 ss. 494.006-494.0077.

1397 (2)(3) A license issued under ss. 494.006-494.0077 is not  
1398 transferable or assignable.

1399 (3) Each licensee under ss. 494.006-494.0077 shall report,  
1400 on a form prescribed by rule of the commission, any change in  
1401 the information contained in any initial application form, or  
1402 any amendment thereto, not later than 30 days after the change  
1403 is effective.

1404 (4) Each licensee under ss. 494.006-494.0077 shall report  
1405 any changes in the partners, officers, members, joint venturers,  
1406 directors, or control persons of any licensee or changes in the  
1407 form of business organization by written amendment in such form  
1408 and at such time that the commission specifies by rule.

HB 7153

2006  
CS

1409        (a) In any case in which a person or a group of persons,  
1410 directly or indirectly or acting by or through one or more  
1411 persons, proposes to purchase or acquire a controlling interest  
1412 in a licensee, such person or group must submit an initial  
1413 application for licensure as a mortgage lender or correspondent  
1414 mortgage lender before such purchase or acquisition and at the  
1415 time and in the form prescribed by the commission by rule.

1416        (b) As used in this subsection, the term "controlling  
1417 interest" means possession of the power to direct or cause the  
1418 direction of the management or policies of a company whether  
1419 through ownership of securities, by contract, or otherwise. Any  
1420 person who directly or indirectly has the right to vote 25  
1421 percent or more of the voting securities of a company or who is  
1422 entitled to 25 percent or more of the company's profits is  
1423 presumed to possess a controlling interest.

1424        (c) Any addition of a designated principal representative,  
1425 partner, officer, member, joint venturer, director, or control  
1426 person of the applicant who does not have a controlling interest  
1427 and who has not previously complied with the provisions of s.  
1428 494.0061(2)(g) and (h), s. 494.0062(2)(g) and (h), or s.  
1429 494.0065(5)(e) and (f) shall be subject to such provisions  
1430 unless required to file an initial application in accordance  
1431 with paragraph (a). If the office determines that the licensee  
1432 does not continue to meet licensure requirements, the office may  
1433 bring administrative action in accordance with s. 494.0072 to  
1434 enforce the provisions of this section.

1435        (d) The commission shall adopt rules pursuant to ss.  
1436 120.536(1) and 120.54 providing for the waiver of the

HB 7153

2006  
CS

1437 application required by this subsection if the person or group  
1438 of persons proposing to purchase or acquire a controlling  
1439 interest in a licensee has previously complied with the  
1440 provisions of s. 494.0061(2)(g) and (h), s. 494.0062(2)(g) and  
1441 (h), or s. 494.0065(5)(e) and (f) with the same legal entity or  
1442 is currently licensed with the office under this chapter.

1443 ~~(4) The commission or office may require each licensee~~  
1444 ~~under ss. 494.006-494.0077 to report any change of address of~~  
1445 ~~the principal place of business, change of address of any branch~~  
1446 ~~office, or change of principal officer, director, or ultimate~~  
1447 ~~equitable owner of 10 percent or more of the licensed~~  
1448 ~~corporation to the office in a form prescribed by rule of the~~  
1449 ~~commission not later than 30 business days after the change is~~  
1450 ~~effective.~~

1451 (5) Each licensee under ss. 494.006-494.0077 shall report  
1452 in a form prescribed by rule by the commission any indictment,  
1453 information, charge, conviction, plea of nolo contendere, or  
1454 plea of guilty to any crime or administrative violation that  
1455 involves fraud, dishonest dealing, or any other act of moral  
1456 turpitude, in any jurisdiction, by the licensee under ss.  
1457 494.006-494.0077 or any principal officer, director, or ultimate  
1458 equitable owner of 10 percent or more of the licensed  
1459 corporation, not later than 30 business days after the  
1460 indictment, information, charge, conviction, or final  
1461 administrative action.

1462 (6) Each licensee under ss. 494.006-494.0077 shall report  
1463 any action in bankruptcy, voluntary or involuntary, to the

HB 7153

2006  
CS

1464 office, not later than 7 business days after the action is  
1465 instituted.

1466 (7) Each licensee under ss. 494.006-494.0077 shall  
1467 designate a registered agent in this state for service of  
1468 process.

1469 (8) Each licensee under ss. 494.006-494.0077 shall provide  
1470 an applicant for a mortgage loan a good faith estimate of the  
1471 costs the applicant can reasonably expect to pay in obtaining a  
1472 mortgage loan. The good faith estimate of costs shall be mailed  
1473 or delivered to the applicant within a reasonable time after the  
1474 licensee receives a written loan application from the applicant.  
1475 The estimate of costs may be provided to the applicant by a  
1476 person other than the licensee making the loan. The commission  
1477 may adopt rules that set forth the disclosure requirements of  
1478 this section.

1479 (9) On or before April 30, 2000, each mortgage lender or  
1480 correspondent mortgage lender shall file an initial report  
1481 stating the full legal name, residential address, social  
1482 security number, date of birth, mortgage broker license number,  
1483 date of hire, and, if applicable, date of termination for each  
1484 person who acted as a loan originator or an associate of the  
1485 mortgage lender or correspondent mortgage lender during the  
1486 immediate preceding quarter. Thereafter, a mortgage lender or  
1487 correspondent mortgage lender shall file a report only if a  
1488 person became or ceased to be a loan originator or an associate  
1489 of the mortgage lender or correspondent mortgage lender during  
1490 the immediate preceding quarter. Such report shall be filed  
1491 within 30 days after the last day of each calendar quarter and

Page 54 of 133

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hb7153-01-c1

HB 7153

2006  
CS

1492 shall contain the full legal name, residential address, social  
 1493 security number, date of birth, date of hire and, if applicable,  
 1494 the mortgage broker license number and date of termination of  
 1495 each person who became or ceased to be a loan originator or an  
 1496 associate of the mortgage lender or correspondent mortgage  
 1497 lender during the immediate preceding quarter. The commission  
 1498 shall prescribe, by rule, the procedures for filing reports  
 1499 required by this subsection.

1500 (10) (a) Each licensee shall require the principal  
 1501 representative and all loan originators ~~or associates~~ who  
 1502 perform services for the licensee to complete 14 hours of  
 1503 professional continuing education during each biennial license  
 1504 period. The education shall cover primary and subordinate  
 1505 mortgage financing transactions and the provisions of this  
 1506 chapter and the rules adopted under this chapter.

1507 (b) The licensee shall maintain records of such training  
 1508 for a period of 4 years, including records of the content of and  
 1509 hours designated for each program and the date and location of  
 1510 the program.

1511 (c) Evidence of completion of such programs shall be  
 1512 included with the licensee's renewal application.

1513 Section 21. Paragraphs (s), (t), and (u) are added to  
 1514 subsection (2) of section 494.0072, Florida Statutes, and  
 1515 subsection (3) of that section is amended, to read:

1516 494.0072 Administrative penalties and fines; license  
 1517 violations.--

HB 7153

2006  
CS

1518 (2) Each of the following acts constitutes a ground for  
1519 which the disciplinary actions specified in subsection (1) may  
1520 be taken:

1521 (s) Payment to the office for a license or permit with a  
1522 check or electronic transmission of funds that is dishonored by  
1523 the applicant's or licensee's financial institution.

1524 (t) Having a final judgment entered against the applicant  
1525 or licensee in a civil action upon grounds of fraud,  
1526 embezzlement, misrepresentation, or deceit.

1527 (u)1. Having been the subject of any decision, finding,  
1528 injunction, suspension, prohibition, revocation, denial,  
1529 judgment, or administrative order by any court of competent  
1530 jurisdiction, administrative law judge, state or federal agency,  
1531 national securities exchange, national commodities exchange,  
1532 national option exchange, national securities association,  
1533 national commodities association, or national option association  
1534 involving a violation of any federal or state securities or  
1535 commodities law, or any rule or regulation adopted under such  
1536 law, or involving a violation of any rule or regulation of any  
1537 national securities, commodities, or options exchange or  
1538 association.

1539 2. Having been the subject of any injunction or adverse  
1540 administrative order by a state or federal agency regulating  
1541 banking, insurance, finance or small loan companies, real  
1542 estate, mortgage brokers or lenders, money transmitters, or  
1543 other related or similar industries.

1544 (3) A mortgage lender or correspondent mortgage lender is  
1545 subject to the disciplinary actions specified in subsection (1)



HB 7153

2006  
CS

1546 | if any officer, member, director, control person, joint  
 1547 | venturer, or ultimate equitable owner of a 10-percent or greater  
 1548 | interest in the mortgage lender or correspondent mortgage  
 1549 | lender, associate, or employee of the mortgage lender or  
 1550 | correspondent mortgage lender violates any provision of  
 1551 | subsection (2).

1552 |         Section 22. Subsection (2) of section 494.00721, Florida  
 1553 | Statutes, is amended to read:

1554 |             494.00721 Net worth.--

1555 |         (2) If a mortgage lender or correspondent mortgage lender  
 1556 | fails to satisfy the net worth requirements, the mortgage lender  
 1557 | or correspondent mortgage lender shall immediately cease taking  
 1558 | any new mortgage loan applications. Thereafter, the mortgage  
 1559 | lender or correspondent mortgage lender shall have up to 60 days  
 1560 | within which to satisfy the net worth requirements. If the  
 1561 | licensee makes the office aware, prior to an examination, that  
 1562 | the licensee no longer meets the net worth requirements, the  
 1563 | mortgage lender or correspondent mortgage lender shall have 120  
 1564 | days within which to satisfy the net worth requirements. A  
 1565 | mortgage lender or correspondent mortgage lender shall not  
 1566 | resume acting as a mortgage lender or correspondent mortgage  
 1567 | lender without written authorization from the office, which  
 1568 | authorization shall be granted if the mortgage lender or  
 1569 | correspondent mortgage lender provides the office with  
 1570 | documentation which satisfies the requirements of s.  
 1571 | 494.0061(2)~~(1)~~(c), s. 494.0062(2)~~(1)~~(c), or s. 494.0065(2),  
 1572 | whichever is applicable.

HB 7153

2006  
CS

1573 Section 23. Paragraph (c) of subsection (3) of section  
1574 501.137, Florida Statutes, is amended to read:

1575 501.137 Mortgage lenders; tax and insurance payments from  
1576 escrow accounts; duties.--

1577 (3)

1578 (c) If the lender violates paragraph (a) and the premium  
1579 payment is more than 90 days overdue or if the insurer refuses  
1580 to reinstate the insurance policy, the lender shall pay the  
1581 difference between the cost of the previous insurance policy and  
1582 a new, comparable insurance policy for a period of 2 years. If  
1583 the lender refuses, the lender is liable for the reasonable  
1584 attorney's fees and costs of the property owner for a violation  
1585 of this section.

1586 Section 24. Subsection (8) is added to section 516.01,  
1587 Florida Statutes, to read:

1588 516.01 Definitions.--As used in this chapter, the term:

1589 (8) "Control person" means an individual, partnership,  
1590 corporation, trust, or other organization that possesses the  
1591 power, directly or indirectly, to direct the management or  
1592 policies of a company, whether through ownership of securities,  
1593 by contract, or otherwise. A person is presumed to control a  
1594 company if, with respect to a particular company, that person:

1595 (a) Is a director, general partner, or officer exercising  
1596 executive responsibility or having similar status or functions;

1597 (b) Directly or indirectly may vote 10 percent or more of  
1598 a class of a voting security or sell or direct the sale of 10  
1599 percent or more of a class of voting securities; or

HB 7153

2006  
CS

1600        (c) In the case of a partnership, may receive upon  
1601 dissolution or has contributed 10 percent or more of the  
1602 capital.

1603        Section 25. Section 516.03, Florida Statutes, is amended  
1604 to read:

1605        516.03 Application for license; fees; etc.--

1606        (1) APPLICATION.--Application for a license to make loans  
1607 under this chapter shall be in the form prescribed by rule of  
1608 the commission. The commission may require each applicant to  
1609 provide any information reasonably necessary to determine the  
1610 applicant's eligibility for licensure. The applicant shall also  
1611 provide information that the office requires concerning any  
1612 officer, director, control person, member, partner, or joint  
1613 venturer of the applicant or any person having the same or  
1614 substantially similar status or performing substantially similar  
1615 functions or concerning any individual who is the ultimate  
1616 equitable owner of a 10-percent or greater interest in the  
1617 applicant. The office may require information concerning any  
1618 such applicant or person, including, but not limited to, his or  
1619 her full name and any other names by which he or she may have  
1620 been known, age, social security number, residential history,  
1621 qualifications, educational and business history, and  
1622 disciplinary and criminal history. The applicant must provide  
1623 evidence of liquid assets of at least \$25,000, ~~and shall contain~~  
1624 ~~the name, residence and business addresses of the applicant and,~~  
1625 ~~if the applicant is a copartnership or association, of every~~  
1626 ~~member thereof and, if a corporation, of each officer and~~  
1627 ~~director thereof, also the county and municipality with the~~

Page 59 of 133

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hb7153-01-c1

HB 7153

2006  
CS

1628 ~~street and number or approximate location where the business is~~  
1629 ~~to be conducted, and such further relevant information as the~~  
1630 ~~commission or office may require.~~ At the time of making such  
1631 application the applicant shall pay to the office a  
1632 nonrefundable biennial license fee of \$625. Applications, except  
1633 for applications to renew or reactivate a license, must also be  
1634 accompanied by a nonrefundable ~~an~~ investigation fee of \$200. An  
1635 application is considered received for purposes of s. 120.60  
1636 upon receipt of a completed application form as prescribed by  
1637 commission rule, a nonrefundable application fee of \$625, and  
1638 any other fee prescribed by law. The commission may adopt rules  
1639 requiring ~~to allow~~ electronic submission of any form, document,  
1640 or fee required by this act if such rules reasonably accommodate  
1641 technological or financial hardship. The commission may  
1642 prescribe by rule requirements and procedures for obtaining an  
1643 exemption due to a technological or financial hardship.

1644 (2) FEES.--Fees ~~herein~~ provided for in this section shall  
1645 be collected by the office and shall be turned into the State  
1646 Treasury to the credit of the regulatory trust fund under the  
1647 office. The office shall have full power to employ such  
1648 examiners or clerks to assist the office as may from time to  
1649 time be deemed necessary and fix their compensation. The  
1650 commission may adopt rules requiring ~~to allow~~ electronic  
1651 submission of any fee required by this section if such rules  
1652 reasonably accommodate technological or financial hardship. The  
1653 commission may prescribe by rule requirements and procedures for  
1654 obtaining an exemption due to a technological or financial  
1655 hardship.

HB 7153

2006  
CS

1656 Section 26. Paragraph (a) of subsection (3) of section  
1657 516.031, Florida Statutes, is amended to read:

1658 516.031 Finance charge; maximum rates.--

1659 (3) OTHER CHARGES.--

1660 (a) In addition to the interest, delinquency, and  
1661 insurance charges herein provided for, no further or other  
1662 charges or amount whatsoever for any examination, service,  
1663 commission, or other thing or otherwise shall be directly or  
1664 indirectly charged, contracted for, or received as a condition  
1665 to the grant of a loan, except:

1666 1. An amount not to exceed \$25 ~~\$10~~ to reimburse a portion  
1667 of the costs for investigating the character and credit of the  
1668 person applying for the loan;

1669 2. An annual fee of \$25 on the anniversary date of each  
1670 line-of-credit account;

1671 3. Charges paid for brokerage fee on a loan or line of  
1672 credit of more than \$10,000, title insurance, and the appraisal  
1673 of real property offered as security when paid to a third party  
1674 and supported by an actual expenditure;

1675 4. Intangible personal property tax on the loan note or  
1676 obligation when secured by a lien on real property;

1677 5. The documentary excise tax and lawful fees, if any,  
1678 actually and necessarily paid out by the licensee to any public  
1679 officer for filing, recording, or releasing in any public office  
1680 any instrument securing the loan, which fees may be collected  
1681 when the loan is made or at any time thereafter;

1682 6. The premium payable for any insurance in lieu of  
1683 perfecting any security interest otherwise required by the

HB 7153

2006  
CS

1684 licensee in connection with the loan, if the premium does not  
 1685 exceed the fees which would otherwise be payable, which premium  
 1686 may be collected when the loan is made or at any time  
 1687 thereafter;

1688 7. Actual and reasonable attorney's fees and court costs  
 1689 as determined by the court in which suit is filed;

1690 8. Actual and commercially reasonable expenses of  
 1691 repossession, storing, repairing and placing in condition for  
 1692 sale, and selling of any property pledged as security; or

1693 9. A delinquency charge not to exceed \$10 for each payment  
 1694 in default for a period of not less than 10 days, if the charge  
 1695 is agreed upon, in writing, between the parties before imposing  
 1696 the charge.

1697  
 1698 Any charges, including interest, in excess of the combined total  
 1699 of all charges authorized and permitted by this chapter  
 1700 constitute a violation of chapter 687 governing interest and  
 1701 usury, and the penalties of that chapter apply. In the event of  
 1702 a bona fide error, the licensee shall refund or credit the  
 1703 borrower with the amount of the overcharge immediately but  
 1704 within 20 days from the discovery of such error.

1705 Section 27. Section 516.05, Florida Statutes, is amended  
 1706 to read:

1707 516.05 License.--

1708 (1) Upon the filing of an application for a license and  
 1709 payment of all applicable fees, the office shall, unless the  
 1710 application is to renew or reactivate an existing license, make  
 1711 an investigation of the facts concerning the applicant's

HB 7153

2006  
CS

1712 background ~~proposed activities~~. If the office determines that a  
1713 license should be granted, it shall issue the license for a  
1714 period not to exceed 2 years. Biennial licensure periods and  
1715 procedures for renewal of licenses shall be established by the  
1716 rule of the commission. If the office determines that grounds  
1717 exist under this chapter for denial of an application other than  
1718 an application to renew a license, it shall deny such  
1719 application, ~~return to the applicant the sum paid as a license~~  
1720 ~~fee, and retain the investigation fee.~~

1721 (2) A license that is not renewed at the end of the  
1722 biennium established by the commission shall automatically  
1723 revert to inactive status. An inactive license may be  
1724 reactivated upon submission of a completed reactivation  
1725 application, payment of the biennial license fee, and payment of  
1726 a reactivation fee which shall equal the biennial license fee. A  
1727 license expires on the date at which it has been inactive for 6  
1728 months.

1729 (3) Only one place of business for the purpose of making  
1730 loans under this chapter may be maintained under one license,  
1731 but the office may issue additional licenses to a licensee upon  
1732 compliance with all the provisions of this chapter governing  
1733 issuance of a single license.

1734 (4) Each licensee shall report, on a form prescribed by  
1735 rule of the commission, any change to the information contained  
1736 in any initial application form or any amendment to such  
1737 application not later than 30 days after the change is  
1738 effective.

HB 7153

2006  
CS

1739        (5) Each licensee shall report any changes in the  
1740 partners, officers, members, joint venturers, directors, or  
1741 control persons of any licensee, or changes in the form of  
1742 business organization, by written amendment in such form and at  
1743 such time as the commission specifies by rule.

1744        (a) In any case in which a person or a group of persons,  
1745 directly or indirectly or acting by or through one or more  
1746 persons, proposes to purchase or acquire a controlling interest  
1747 in a licensee, such person or group must submit an initial  
1748 application for licensure before such purchase or acquisition at  
1749 such time and in such form as the commission prescribes by rule.

1750        (b) As used in this subsection, the term "controlling  
1751 interest" means possession of the power to direct or cause the  
1752 direction of the management or policies of a company whether  
1753 through ownership of securities, by contract, or otherwise. Any  
1754 person who directly or indirectly has the right to vote 25  
1755 percent or more of the voting securities of a company or is  
1756 entitled to 25 percent or more of the company's profits is  
1757 presumed to possess a controlling interest.

1758        (c) Any addition of a partner, officer, member, joint  
1759 venturer, director, or control person of the applicant who does  
1760 not have a controlling interest and who has not previously  
1761 complied with the provisions of s. 516.03(1) shall be subject to  
1762 such provisions unless required to file an initial application  
1763 in accordance with paragraph (a). If the office determines that  
1764 the licensee does not continue to meet licensure requirements,  
1765 the office may bring administrative action in accordance with s.  
1766 516.07 to enforce the provisions of this chapter.

Page 64 of 133

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hb7153-01-c1



HB 7153

2006  
CS

1767        (d) The commission shall adopt rules pursuant to ss.  
1768        120.536(1) and 120.54 providing for the waiver of the  
1769        application required by this subsection if the person or group  
1770        of persons proposing to purchase or acquire a controlling  
1771        interest in a licensee has previously complied with the  
1772        provisions of s. 516.03(1) with the same legal entity or is  
1773        currently licensed with the office under this chapter.

1774        ~~(4) Prior to relocating his or her place of business, a~~  
1775        ~~licensee must file with the office, in the manner prescribed by~~  
1776        ~~commission rule, notice of the relocation.~~

1777        (6)~~(5)~~ A licensee may conduct the business of making loans  
1778        under this chapter within a place of business in which other  
1779        business is solicited or engaged in, unless the office shall  
1780        find that the conduct of such other business by the licensee  
1781        results in an evasion of this chapter. Upon such finding, the  
1782        office shall order the licensee to desist from such evasion;  
1783        provided, however, that no license shall be granted to or  
1784        renewed for any person or organization engaged in the pawnbroker  
1785        business.

1786        ~~(6) If any person purchases substantially all of the~~  
1787        ~~assets of any existing licensed place of business, the purchaser~~  
1788        ~~shall give immediate notice thereof to the office and shall be~~  
1789        ~~granted a 90 day temporary license for the place of business~~  
1790        ~~within 10 days after the office's receipt of an application for~~  
1791        ~~a permanent license. Issuance of a temporary license for a place~~  
1792        ~~of business nullifies the existing license for the place of~~  
1793        ~~business, and the temporary licensee is subject to any~~  
1794        ~~disciplinary action provided for by this chapter.~~

Page 65 of 133

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hb7153-01-c1

HB 7153

2006  
CS

1795 (7) Licenses are not transferable or assignable. A  
 1796 licensee may invalidate any license by delivering it to the  
 1797 office with a written notice of the delivery, but such delivery  
 1798 does not affect any civil or criminal liability or the authority  
 1799 to enforce this chapter for acts committed in violation thereof.

1800 (8) The office may refuse to process an initial  
 1801 application for a license if the applicant or any person with  
 1802 power to direct the management or policies of the applicant's  
 1803 business is the subject of a pending criminal prosecution in any  
 1804 jurisdiction until conclusion of such criminal prosecution.

1805 (9) A licensee that is the subject of a voluntary or  
 1806 involuntary bankruptcy filing must report such filing to the  
 1807 office within 7 business days after the filing date.

1808 Section 28. Subsection (1) of section 516.07, Florida  
 1809 Statutes, is amended to read:

1810 516.07 Grounds for denial of license or for disciplinary  
 1811 action.--

1812 (1) The following acts are violations of this chapter and  
 1813 constitute grounds for denial of an application for a license to  
 1814 make consumer finance loans and grounds for any of the  
 1815 disciplinary actions specified in subsection (2):

1816 (a) A material misstatement of fact in an application for  
 1817 a license.†

1818 (b) Failure to maintain liquid assets of at least \$25,000  
 1819 at all times for the operation of business at a licensed  
 1820 location or proposed location.†

1821 (c) Failure to demonstrate financial responsibility,  
 1822 experience, character, or general fitness, such as to command

HB 7153

2006  
CS

1823 | the confidence of the public and to warrant the belief that the  
 1824 | business operated at the licensed or proposed location is  
 1825 | lawful, honest, fair, efficient, and within the purposes of this  
 1826 | chapter.†

1827 |       (d) The violation, either knowingly or without the  
 1828 | exercise of due care, of any provision of this chapter, any rule  
 1829 | or order adopted under this chapter, or any written agreement  
 1830 | entered into with the office.†

1831 |       (e) Any act of fraud, misrepresentation, or deceit,  
 1832 | regardless of reliance by or damage to a borrower, or any  
 1833 | illegal activity, where such acts are in connection with a loan  
 1834 | under this chapter. Such acts include, but are not limited to:

- 1835 |           1. Willful imposition of illegal or excessive charges; or
- 1836 |           2. Misrepresentation, circumvention, or concealment of any
- 1837 | matter required to be stated or furnished to a borrower.†

1838 |       (f) The use of unreasonable collection practices or of  
 1839 | false, deceptive, or misleading advertising, where such acts are  
 1840 | in connection with the operation of a business to make consumer  
 1841 | finance loans.†

1842 |       (g) Any violation of part III of chapter 817 or part II of  
 1843 | chapter 559 or of any rule adopted under part II of chapter  
 1844 | 559.†

1845 |       (h) Failure to maintain, preserve, and keep available for  
 1846 | examination, all books, accounts, or other documents required by  
 1847 | this chapter, by any rule or order adopted under this chapter,  
 1848 | or by any agreement entered into with the office.†

HB 7153

2006  
CS

1849 (i) Refusal to permit inspection of books and records in  
1850 an investigation or examination by the office or refusal to  
1851 comply with a subpoena issued by the office.†

1852 (j) Pleading nolo contendere to, or having been convicted  
1853 or found guilty of, a crime involving fraud, dishonest dealing,  
1854 or any act of moral turpitude, regardless of whether  
1855 adjudication is withheld.†

1856 (k) Paying money or anything else of value, directly or  
1857 indirectly, to any person as compensation, inducement, or reward  
1858 for referring loan applicants to a licensee.†

1859 (l) Allowing any person other than the licensee to use the  
1860 licensee's business name, address, or telephone number in an  
1861 advertisement.†

1862 (m) Accepting or advertising that the licensee accepts  
1863 money on deposit or as consideration for the issuance or  
1864 delivery of certificates of deposit, savings certificates, or  
1865 similar instruments, except to the extent permitted under  
1866 chapter 517.†~~or~~

1867 (n) Failure to pay any fee, charge, or fine imposed or  
1868 assessed pursuant to this chapter or any rule adopted under this  
1869 chapter.

1870 (o) Using the name or logo of a financial institution, as  
1871 defined in s. 655.005(1), or its affiliates or subsidiaries when  
1872 marketing or soliciting existing or prospective customers if  
1873 such marketing materials are used without the written consent of  
1874 the financial institution and in a manner that would lead a  
1875 reasonable person to believe that the material or solicitation  
1876 originated from, was endorsed by, or is related to or the

HB 7153

2006  
CS

1877 responsibility of the financial institution or its affiliates or  
1878 subsidiaries.

1879 (p) Payment to the office for a license or permit with a  
1880 check or electronic transmission of funds that is dishonored by  
1881 the applicant's or licensee's financial institution.

1882 Section 29. Section 516.08, Florida Statutes, is repealed.

1883 Section 30. Subsection (3) is added to section 516.12,  
1884 Florida Statutes, to read:

1885 516.12 Records to be kept by licensee.--

1886 (3) The commission may prescribe by rule the minimum  
1887 information to be shown in the books, accounts, records, and  
1888 documents of licensees for purposes of enabling the office to  
1889 determine the licensee's compliance with ss. 516.001-516.36. In  
1890 addition, the commission may prescribe by rule the requirements  
1891 for the destruction of books, accounts, records, and documents  
1892 retained by the licensee after completion of the time period  
1893 specified in subsection (1).

1894 Section 31. Section 516.19, Florida Statutes, is amended  
1895 to read:

1896 516.19 Penalties.--Any person who violates any of the  
1897 provisions of s. 516.02, s. 516.031, s. 516.05(3), ~~s. 516.05(4)~~,  
1898 s. 516.05(6)~~(5)~~, or s. 516.07(1)(e) is guilty of a misdemeanor  
1899 of the first degree, punishable as provided in s. 775.082 or s.  
1900 775.083.

1901 Section 32. Subsection (4) of section 517.021, Florida  
1902 Statutes, is amended to read:

HB 7153

2006  
CS

1903           517.021 Definitions.--When used in this chapter, unless  
1904 the context otherwise indicates, the following terms have the  
1905 following respective meanings:

1906           (4) "Branch office" means any location in this state of a  
1907 dealer or investment adviser at which one or more associated  
1908 persons regularly conduct the business of rendering investment  
1909 advice or effecting any transactions in, or inducing or  
1910 attempting to induce the purchase or sale of, any security or  
1911 any location that is held out as such. The commission may adopt  
1912 by rule exceptions to this definition for dealers in order to  
1913 maintain consistency with the definition of a branch office used  
1914 by self-regulatory organizations authorized by the Securities  
1915 and Exchange Commission, including, but not limited to, the  
1916 National Association of Securities Dealers or the New York Stock  
1917 Exchange. The commission may adopt by rule exceptions to this  
1918 definition for investment advisers ~~office of a dealer or~~  
1919 ~~investment adviser located in this state, other than the~~  
1920 ~~principal office of the dealer or investment adviser, which~~  
1921 ~~nonprincipal office is owned or controlled by the dealer or~~  
1922 ~~investment adviser for the purpose of conducting a securities~~  
1923 ~~business.~~

1924           Section 33. Subsection (9) of section 517.051, Florida  
1925 Statutes, is amended to read:

1926           517.051 Exempt securities.--The exemptions provided herein  
1927 from the registration requirements of s. 517.07 are self-  
1928 executing and do not require any filing with the office prior to  
1929 claiming such exemption. Any person who claims entitlement to  
1930 any of these exemptions bears the burden of proving such

HB 7153

2006  
CS

1931 entitlement in any proceeding brought under this chapter. The  
1932 registration provisions of s. 517.07 do not apply to any of the  
1933 following securities:

1934 (9) A security issued by a corporation organized and  
1935 operated exclusively for religious, educational, benevolent,  
1936 fraternal, charitable, or reformatory purposes and not for  
1937 pecuniary profit, no part of the net earnings of which  
1938 corporation inures to the benefit of any private stockholder or  
1939 individual, or any security of a fund that is excluded from the  
1940 definition of an investment company under s. 3(c)(10)(B) of the  
1941 Investment Company Act of 1940; provided that no person shall  
1942 directly or indirectly offer or sell securities under this  
1943 subsection except by an offering circular containing full and  
1944 fair disclosure, as prescribed by the rules of the commission,  
1945 of all material information, including, but not limited to, a  
1946 description of the securities offered and terms of the offering,  
1947 a description of the nature of the issuer's business, a  
1948 statement of the purpose of the offering and the intended  
1949 application by the issuer of the proceeds thereof, and financial  
1950 statements of the issuer prepared in conformance with United  
1951 States generally accepted accounting principles. Section 6(c) of  
1952 the Philanthropy Protection Act of 1995, Pub. L. No. 104-62,  
1953 shall not preempt any provision of this chapter.

1954 Section 34. Subsection (18) of section 517.061, Florida  
1955 Statutes, is amended to read:

1956 517.061 Exempt transactions.--The exemption for each  
1957 transaction listed below is self-executing and does not require  
1958 any filing with the office prior to claiming such exemption. Any

HB 7153

2006  
CS

1959 | person who claims entitlement to any of the exemptions bears the  
 1960 | burden of proving such entitlement in any proceeding brought  
 1961 | under this chapter. The registration provisions of s. 517.07 do  
 1962 | not apply to any of the following transactions; however, such  
 1963 | transactions are subject to the provisions of ss. 517.301,  
 1964 | 517.311, and 517.312:

1965 |         (18) The offer or sale of any security effected by or  
 1966 | through a person in compliance with ~~registered pursuant to~~ s.  
 1967 | 517.12(17).

1968 |         Section 35. Paragraph (g) of subsection (3) of section  
 1969 | 517.081, Florida Statutes, is amended to read:

1970 |             517.081 Registration procedure.--

1971 |         (3) The office may require the applicant to submit to the  
 1972 | office the following information concerning the issuer and such  
 1973 | other relevant information as the office may in its judgment  
 1974 | deem necessary to enable it to ascertain whether such securities  
 1975 | shall be registered pursuant to the provisions of this section:

1976 |             (g)1. A specimen copy of the security and a copy of any  
 1977 | circular, prospectus, advertisement, or other description of  
 1978 | such securities.

1979 |             2. The commission shall adopt a form for a simplified  
 1980 | offering circular to be used solely by corporations to register,  
 1981 | under this section, securities of the corporation that are sold  
 1982 | in offerings in which the aggregate offering price in any  
 1983 | consecutive 12-month period does not exceed the amount provided  
 1984 | in s. 3(b) of the Securities Act of 1933. The following issuers  
 1985 | shall not be eligible to submit a simplified offering circular  
 1986 | adopted pursuant to this subparagraph:



HB 7153

2006  
CS

1987 | a. An issuer seeking to register securities for resale by  
1988 | persons other than the issuer.

1989 | b. An issuer who is subject to any of the  
1990 | disqualifications described in 17 C.F.R. s. 230.262, adopted  
1991 | pursuant to the Securities Act of 1933, or who has been or is  
1992 | engaged or is about to engage in an activity that would be  
1993 | grounds for denial, revocation, or suspension under s. 517.111.  
1994 | For purposes of this subparagraph, an issuer includes an  
1995 | issuer's director, officer, shareholder who owns at least 10  
1996 | percent of the shares of the issuer, promoter, or selling agent  
1997 | of the securities to be offered or any officer, director, or  
1998 | partner of such selling agent.

1999 | c. An issuer who is a development-stage company that  
2000 | either has no specific business plan or purpose or has indicated  
2001 | that its business plan is to merge with an unidentified company  
2002 | or companies.

2003 | d. An issuer of offerings in which the specific business  
2004 | or properties cannot be described.

2005 | e. Any issuer the office determines is ineligible if the  
2006 | form would not provide full and fair disclosure of material  
2007 | information for the type of offering to be registered by the  
2008 | issuer.

2009 | f. Any corporation which has failed to provide the office  
2010 | the reports required for a previous offering registered pursuant  
2011 | to this subparagraph.

2012 |  
2013 | As a condition precedent to qualifying for use of the simplified  
2014 | offering circular, a corporation shall agree to provide the

HB 7153

2006  
CS

2015 office with an annual financial report containing a balance  
2016 sheet as of the end of the issuer's fiscal year and a statement  
2017 of income for such year, prepared in accordance with United  
2018 States generally accepted accounting principles and accompanied  
2019 by an independent accountant's report. If the issuer has more  
2020 than 100 security holders at the end of a fiscal year, the  
2021 financial statements must be audited. Annual financial reports  
2022 must be filed with the office within 90 days after the close of  
2023 the issuer's fiscal year for each of the first 5 years following  
2024 the effective date of the registration.

2025 Section 36. Subsections (6), (7), (10), (11), (15), and  
2026 (17) of section 517.12, Florida Statutes, are amended to read:

2027 517.12 Registration of dealers, associated persons,  
2028 investment advisers, and branch offices.--

2029 (6) A dealer, associated person, investment adviser, or  
2030 branch office, in order to obtain registration, must file with  
2031 the office a written application, on a form which the commission  
2032 may by rule prescribe, ~~verified under oath~~. The commission may  
2033 establish, by rule, procedures for depositing fees and filing  
2034 documents by electronic means provided such procedures provide  
2035 the office with the information and data required by this  
2036 section. Each dealer or investment adviser must also file an  
2037 irrevocable written consent to service of civil process similar  
2038 to that provided for in s. 517.101. The application shall  
2039 contain such information as the commission or office may require  
2040 concerning such matters as:

2041 (a) The name of the applicant and the address of its  
2042 principal office and each office in this state.

Page 74 of 133

HB 7153

2006  
CS

2043 (b) The applicant's form and place of organization; and,  
2044 if the applicant is a corporation, a copy of its articles of  
2045 incorporation and amendments to the articles of incorporation  
2046 or, if a partnership, a copy of the partnership agreement.

2047 (c) The applicant's proposed method of doing business and  
2048 financial condition and history, including a certified financial  
2049 statement showing all assets and all liabilities, including  
2050 contingent liabilities of the applicant as of a date not more  
2051 than 90 days prior to the filing of the application.

2052 (d) The names and addresses of all associated persons of  
2053 the applicant to be employed in this state and the offices to  
2054 which they will be assigned.

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

HB 7153

2006  
CS

2071 | Enforcement shall submit an invoice to the office for the  
 2072 | fingerprints received each month. The office shall screen the  
 2073 | background results to determine if the applicant meets licensure  
 2074 | requirements. The commission may waive, by rule, the requirement  
 2075 | that applicants must file a set of fingerprints or the  
 2076 | requirement that such fingerprints must be processed by the  
 2077 | Department of Law Enforcement or the Federal Bureau of  
 2078 | Investigation. The commission or office may require information  
 2079 | about any such applicant or person concerning such matters as:

2080 |       (a) His or her full name, and any other names by which he  
 2081 | or she may have been known, and his or her age, social security  
 2082 | number, photograph, qualifications, and educational and business  
 2083 | history.

2084 |       (b) Any injunction or administrative order by a state or  
 2085 | federal agency, national securities exchange, or national  
 2086 | securities association involving a security or any aspect of the  
 2087 | securities business and any injunction or administrative order  
 2088 | by a state or federal agency regulating banking, insurance,  
 2089 | finance, or small loan companies, real estate, mortgage brokers,  
 2090 | or other related or similar industries, which injunctions or  
 2091 | administrative orders relate to such person.

2092 |       (c) His or her conviction of, or plea of nolo contendere  
 2093 | to, a criminal offense or his or her commission of any acts  
 2094 | which would be grounds for refusal of an application under s.  
 2095 | 517.161.

2096 |       (d) The names and addresses of other persons of whom the  
 2097 | office may inquire as to his or her character, reputation, and  
 2098 | financial responsibility.

HB 7153

2006  
CS

2099 (10) An applicant for registration shall pay an assessment  
 2100 fee of \$200, in the case of a dealer or investment adviser, or  
 2101 \$40, in the case of an associated person. The assessment fee of  
 2102 an associated person shall be reduced to \$30, but only after the  
 2103 office determines, by final order, that sufficient funds have  
 2104 been allocated to the Securities Guaranty Fund pursuant to s.  
 2105 517.1203 to satisfy all valid claims filed in accordance with s.  
 2106 517.1203(2) and after all amounts payable under any service  
 2107 contract entered into by the office pursuant to s. 517.1204, and  
 2108 all notes, bonds, certificates of indebtedness, other  
 2109 obligations, or evidences of indebtedness secured by such notes,  
 2110 bonds, certificates of indebtedness, or other obligations, have  
 2111 been paid or provision has been made for the payment of such  
 2112 amounts, notes, bonds, certificates of indebtedness, other  
 2113 obligations, or evidences of indebtedness. An associated person  
 2114 ~~may not having current fingerprint cards filed with the National~~  
 2115 ~~Association of Securities Dealers or a national securities~~  
 2116 ~~exchange registered with the Securities and Exchange Commission~~  
 2117 ~~shall~~ be assessed an additional fee to cover the cost for the  
 2118 ~~said~~ fingerprint cards to be processed by the office. Such fee  
 2119 shall be determined by rule of the commission. Each dealer and  
 2120 each investment adviser shall pay an assessment fee of \$100 for  
 2121 each office in this state, ~~except its designated principal~~  
 2122 ~~office~~. Such fees become the revenue of the state, except for  
 2123 those assessments provided for under s. 517.131(1) until such  
 2124 time as the Securities Guaranty Fund satisfies the statutory  
 2125 limits, and are not returnable in the event that registration is  
 2126 withdrawn or not granted.

HB 7153

2006  
CS

2127 (11) If the office finds that the applicant is of good  
 2128 repute and character and has complied with the provisions of  
 2129 this chapter and the rules made pursuant hereto, it shall  
 2130 register the applicant. The registration of each dealer,  
 2131 investment adviser, branch office, and associated person expires  
 2132 ~~will expire~~ on December 31 of the year the registration became  
 2133 effective unless the registrant has renewed his or her  
 2134 registration on or before that date. The commission may  
 2135 establish by rule procedures for renewing the registration of a  
 2136 branch office through the Central Registration Depository, and  
 2137 ~~the registration of each branch office will expire on March 31,~~  
 2138 ~~of the year in which it became effective unless the registrant~~  
 2139 ~~has renewed its registration on or before that date.~~  
 2140 Registration may be renewed by furnishing such information as  
 2141 the commission may require, together with payment of the fee  
 2142 required in subsection (10) for dealers, investment advisers,  
 2143 associated persons, or branch offices and the payment of any  
 2144 amount lawfully due and owing to the office pursuant to any  
 2145 order of the office or pursuant to any agreement with the  
 2146 office. Any dealer, investment adviser, or associated person  
 2147 registrant who has not renewed a registration by the time the  
 2148 current registration expires may request reinstatement of such  
 2149 registration by filing with the office, on or before January 31  
 2150 of the year following the year of expiration, such information  
 2151 as may be required by the commission, together with payment of  
 2152 the fee required in subsection (10) for dealers, investment  
 2153 advisers, or associated persons and a late fee equal to the  
 2154 amount of such fee. Any reinstatement of registration granted by

HB 7153

2006  
CS

2155 the office during the month of January shall be deemed effective  
2156 retroactive to January 1 of that year.

2157 (15)(a) In order to facilitate uniformity and streamline  
2158 procedures for persons who are subject to registration in  
2159 multiple jurisdictions, the commission may adopt by rule uniform  
2160 forms that have been approved by the Securities and Exchange  
2161 Commission, and any subsequent amendments to such forms, if the  
2162 forms are substantially consistent with the provisions of this  
2163 chapter. Uniform forms that the commission may adopt to  
2164 administer this section include, but are not limited to:

2165 1. Form BR, Uniform Branch Office Registration Form,  
2166 adopted October 2005.

2167 2. Form U4, Uniform Application for Securities Industry  
2168 Registration or Transfer, adopted October 2005.

2169 3. Form U5, Uniform Termination Notice for Securities  
2170 Industry Registration, adopted October 2005.

2171 4. Form ADV, Uniform Application for Investment Adviser  
2172 Registration, adopted October 2003.

2173 5. Form ADV-W, Notice of Withdrawal from Registration as  
2174 an Investment Adviser, adopted October 2003.

2175 6. Form BD, Uniform Application for Broker-Dealer  
2176 Registration, adopted July 1999.

2177 7. Form BDW, Uniform Request for Broker-Dealer Withdrawal,  
2178 adopted August 1999.

2179 (b) In lieu of filing with the office the applications  
2180 specified in subsection (6), the fees required by subsection  
2181 (10), the renewals required by subsection (11), and the  
2182 termination notices required by subsection (12), the commission

HB 7153

2006  
CS

2183 | may by rule establish procedures for the deposit of such fees  
 2184 | and documents with the Central Registration Depository or the  
 2185 | Investment Adviser Registration Depository of the National  
 2186 | Association of Securities Dealers, Inc., as developed under  
 2187 | contract with the North American Securities Administrators  
 2188 | Association, Inc., ~~provided, however, that such procedures shall~~  
 2189 | ~~provide the office with the information and data as required by~~  
 2190 | ~~this section.~~

2191 |         (17) (a) A dealer that is located in Canada, does not have  
 2192 | an ~~and has no~~ office or other physical presence in this state,  
 2193 | and has made a notice filing in accordance with this subsection  
 2194 | is exempt from the registration requirements of this section and  
 2195 | ~~may, provided the dealer is registered in accordance with this~~  
 2196 | ~~section,~~ effect transactions in securities with or for, or  
 2197 | induce or attempt to induce the purchase or sale of any security  
 2198 | by:

2199 |         1. A person from Canada who is present ~~temporarily resides~~  
 2200 | in this state and with whom the Canadian dealer had a bona fide  
 2201 | dealer-client relationship before the person entered the United  
 2202 | States; or

2203 |         2. A person from Canada who is present in a ~~resident of~~  
 2204 | ~~this state,~~ and whose transactions are in a self-directed, tax-  
 2205 | advantaged ~~tax advantage~~ retirement plan in Canada of which the  
 2206 | person is the holder or contributor.

2207 |         (b) A notice filing under this subsection must consist of  
 2208 | documents the commission by rule requires to be filed, together  
 2209 | with a consent to service of process and a nonrefundable filing  
 2210 | fee of \$200. The commission may establish by rule procedures for



HB 7153

2006  
CS

2211 the deposit of fees and the filing of documents to be made by  
2212 electronic means, if such procedures provide the office with the  
2213 information and data required by this section ~~An associated~~  
2214 ~~person who represents a Canadian dealer registered under this~~  
2215 ~~section may, provided the agent is registered in accordance with~~  
2216 ~~this section, effect transactions in securities in this state as~~  
2217 ~~permitted for a dealer, under subsection (a).~~

2218 (c) A Canadian dealer may make a notice filing register  
2219 under this subsection if the section provided that such dealer  
2220 provides to the office:

2221 1. A notice filing ~~Files an application~~ in the form the  
2222 commission requires by rule ~~required by the jurisdiction in~~  
2223 ~~which the dealer has a head office.~~

2224 2. ~~Files~~ A consent to service of process.

2225 3. Evidence that the Canadian dealer is registered as a  
2226 ~~dealer in good standing~~ in the jurisdiction in which the  
2227 dealer's main office is located ~~from which it is effecting~~  
2228 ~~transactions into this state and files evidence of such~~  
2229 ~~registration with the office.~~

2230 4. Evidence that the Canadian dealer is a member of a  
2231 self-regulatory organization or stock exchange in Canada.

2232 (d) The office may issue a permit to evidence the  
2233 effectiveness of a notice filing for a Canadian dealer.

2234 (e) A notice filing is effective upon receipt by the  
2235 office. A notice filing expires on December 31 of the year in  
2236 which the filing becomes effective unless the Canadian dealer  
2237 has renewed the filing on or before that date. A Canadian dealer  
2238 may annually renew a notice filing by furnishing to the office

HB 7153

2006  
CS

2239 such information as the office requires together with a renewal  
 2240 fee of \$200 and the payment of any amount due and owing the  
 2241 office pursuant to any agreement with the office. Any Canadian  
 2242 dealer who has not renewed a notice filing by the time a current  
 2243 notice filing expires may request reinstatement of such notice  
 2244 filing by filing with the office, on or before January 31 of the  
 2245 year following the year the notice filing expires, such  
 2246 information as the commission requires by rule, together with  
 2247 the payment of \$200 and a late fee of \$200. A reinstatement of a  
 2248 notice filing granted by the office during the month of January  
 2249 is effective retroactively to January 1 of that year.

2250 (f)~~(d)~~ An associated person who represents a Canadian  
 2251 dealer who has made a notice filing registered under this  
 2252 subsection is exempt from the registration requirements of this  
 2253 section and may effect section in effecting transactions in  
 2254 securities in this state as permitted for a dealer under  
 2255 paragraph (a) if such person may register under this section  
 2256 provided that such person:

2257 1. Files an application in the form required by the  
 2258 jurisdiction in which the dealer has its head office.

2259 2. is registered in good standing in the jurisdiction from  
 2260 which he or she is effecting transactions into this state and  
 2261 files evidence of such registration with the office.

2262 ~~(e) If the office finds that the applicant is of good~~  
 2263 ~~repute and character and has complied with the provisions of~~  
 2264 ~~this chapter, the office shall register the applicant.~~

2265 (g)~~(f)~~ A Canadian dealer who has made a notice filing  
 2266 registered under this subsection section shall:

HB 7153

2006  
CS

2267 1. Maintain its provincial or territorial registration and  
2268 its membership in a self-regulatory organization or stock  
2269 exchange in good standing.

2270 2. Provide the office upon request with its books and  
2271 records relating to its business in this state as a dealer.

2272 3. Provide the office upon request notice of each civil,  
2273 criminal, or administrative action initiated against the dealer.

2274 4. Disclose to its clients in this state that the dealer  
2275 and its associated persons ~~agents~~ are not subject to the full  
2276 regulatory requirements under this chapter.

2277 5. Correct any inaccurate information within 30 days  
2278 ~~after, if~~ the information contained in the notice filing  
2279 ~~application form~~ becomes inaccurate for any reason ~~before or~~  
2280 ~~after the dealer becomes registered.~~

2281 ~~(h) (g)~~ An associated person representing ~~of~~ a Canadian  
2282 dealer who has made a notice filing ~~registered~~ under this  
2283 subsection ~~section~~ shall:

2284 1. Maintain provincial or territorial registration in good  
2285 standing.

2286 2. Provide the office upon request with notice of each  
2287 civil, criminal, or administrative action initiated against such  
2288 person.

2289 ~~3. Through the dealer, correct any inaccurate information~~  
2290 ~~within 30 days, if the information contained in the application~~  
2291 ~~form becomes inaccurate for any reason before or after the~~  
2292 ~~associated person becomes registered.~~

2293 (i) A notice filing may be terminated by filing notice of  
2294 such termination with the office. Unless another date is

HB 7153

2006  
CS

2295 specified by the Canadian dealer, such notice is effective upon  
2296 receipt of the notice by the office.

2297 (j) All fees collected under this subsection become the  
2298 revenue of the state, except those assessments provided for  
2299 under s. 517.131(1), until the Securities Guaranty Fund has  
2300 satisfied the statutory limits. Such fees are not returnable if  
2301 a notice filing is withdrawn.

2302 ~~(h) Renewal applications for Canadian dealers and~~  
2303 ~~associated persons under this section must be filed before~~  
2304 ~~December 31 each year. Every applicant for registration or~~  
2305 ~~renewal registration under this section shall pay the fee for~~  
2306 ~~dealers and associated persons under this chapter.~~

2307 Section 37. Paragraphs (b) and (e) of subsection (3) of  
2308 section 517.131, Florida Statutes, are amended, and subsection  
2309 (5) is added to that section, to read:

2310 517.131 Securities Guaranty Fund.--

2311 (3) Any person is eligible to seek recovery from the  
2312 Securities Guaranty Fund if:

2313 (b) Such person has made all reasonable searches and  
2314 inquiries to ascertain whether the judgment debtor possesses  
2315 real or personal property or other assets subject to being sold  
2316 or applied in satisfaction of the judgment, and by her or his  
2317 search the person has discovered no property or assets; or she  
2318 or he has discovered property and assets and has taken all  
2319 necessary action and proceedings for the application thereof to  
2320 the judgment, but the amount thereby realized was insufficient  
2321 to satisfy the judgment. To verify compliance with such  
2322 condition, the office may require such person to have a writ of

HB 7153

2006  
CS

2323 execution be issued upon such judgment, ~~and~~ may ~~further~~ require  
2324 a showing that no personal or real property of the judgment  
2325 debtor liable to be levied upon in complete satisfaction of the  
2326 judgment can be found, or may require an affidavit from the  
2327 claimant setting forth the reasonable searches and inquiries  
2328 undertaken and the result of those searches and inquiries.

2329 (e) The office waives compliance with the requirements of  
2330 paragraph (a) or paragraph (b). The office may waive such  
2331 compliance if the dealer, investment adviser, or associated  
2332 person which is the subject of the claim filed with the office  
2333 is the subject of any proceeding in which a receiver has been  
2334 appointed by a court of competent jurisdiction. If the office  
2335 waives such compliance, the office may, upon petition by the  
2336 debtor or the court-appointed trustee, examiner, or receiver,  
2337 distribute funds from the Securities Guaranty Fund up to the  
2338 amount allowed under s. 517.141. Any waiver granted pursuant to  
2339 this section shall be considered a judgment for purposes of  
2340 complying with the requirements of this section and of s.  
2341 517.141.

2342 (5) The commission may adopt rules pursuant to ss.  
2343 120.536(1) and 120.54 specifying the procedures for complying  
2344 with subsections (2), (3), and (4), including rules for the form  
2345 of submission and guidelines for the sufficiency and content of  
2346 submissions of notices and claims.

2347 Section 38. Subsections (2) and (5) of section 517.141,  
2348 Florida Statutes, are amended, and subsection (11) is added to  
2349 that section, to read:

2350 517.141 Payment from the fund.--

HB 7153

2006  
CS

2351 (2) Regardless of the number of claims or claimants  
 2352 involved, payments for claims shall be limited in the aggregate  
 2353 to \$100,000 against any one dealer, investment adviser, or  
 2354 associated person. If the total claims exceed the aggregate  
 2355 limit of \$100,000, the office shall prorate the payment based  
 2356 upon the ratio that the person's claim bears to the total claims  
 2357 filed.

2358 (5) If the final judgment that ~~which~~ gave rise to the  
 2359 claim is overturned in any appeal or in any collateral  
 2360 proceeding, the claimant shall reimburse the fund all amounts  
 2361 paid from the fund to the claimant on the claim. If the claimant  
 2362 satisfies the judgment specified in s. 517.131(3)(a), the  
 2363 claimant shall reimburse the fund all amounts paid from the fund  
 2364 to the claimant on the claim. Such reimbursement shall be paid  
 2365 to the office within 60 days after the final resolution of the  
 2366 appellate or collateral proceedings or the satisfaction of  
 2367 judgment, with the 60-day period commencing on the date the  
 2368 final order or decision is entered in such proceedings.

2369 (11) The commission may adopt rules pursuant to ss.  
 2370 120.536(1) and 120.54 specifying procedures for complying with  
 2371 this section, including rules for the form of submission and  
 2372 guidelines for the sufficiency and content of submissions of  
 2373 notices and claims.

2374 Section 39. Subsection (1) of section 517.161, Florida  
 2375 Statutes, is amended to read:

2376 517.161 Revocation, denial, or suspension of registration  
 2377 of dealer, investment adviser, associated person, or branch  
 2378 office.--

HB 7153

2006  
CS

2379 (1) Registration under s. 517.12 may be denied or any  
 2380 registration granted may be revoked, restricted, or suspended by  
 2381 the office if the office determines that such applicant or  
 2382 registrant:

2383 (a) Has violated any provision of this chapter or any rule  
 2384 or order made under this chapter;

2385 (b) Has made a material false statement in the application  
 2386 for registration;

2387 (c) Has been guilty of a fraudulent act in connection with  
 2388 rendering investment advice or in connection with any sale of  
 2389 securities, has been or is engaged or is about to engage in  
 2390 making fictitious or pretended sales or purchases of any such  
 2391 securities or in any practice involving the rendering of  
 2392 investment advice or the sale of securities which is fraudulent  
 2393 or in violation of the law;

2394 (d) Has made a misrepresentation or false statement to, or  
 2395 concealed any essential or material fact from, any person in the  
 2396 rendering of investment advice or the sale of a security to such  
 2397 person;

2398 (e) Has failed to account to persons interested for all  
 2399 money and property received;

2400 (f) Has not delivered, after a reasonable time, to persons  
 2401 entitled thereto securities held or agreed to be delivered by  
 2402 the dealer, broker, or investment adviser, as and when paid for,  
 2403 and due to be delivered;

2404 (g) Is rendering investment advice or selling or offering  
 2405 for sale securities through any associated person not registered  
 2406 in compliance with the provisions of this chapter;

HB 7153

2006  
CS

2407 (h) Has demonstrated unworthiness to transact the business  
2408 of dealer, investment adviser, or associated person;

2409 (i) Has exercised management or policy control over or  
2410 owned 10 percent or more of the securities of any dealer or  
2411 investment adviser that has been declared bankrupt, or had a  
2412 trustee appointed under the Securities Investor Protection Act;  
2413 or is, in the case of a dealer or investment adviser, insolvent;

2414 (j) Has been convicted of, or has entered a plea of guilty  
2415 or nolo contendere to, a crime against the laws of this state or  
2416 any other state or of the United States or of any other country  
2417 or government which relates to registration as a dealer,  
2418 investment adviser, issuer of securities, associated person, or  
2419 branch office; which relates to the application for such  
2420 registration; or which involves moral turpitude or fraudulent or  
2421 dishonest dealing;

2422 (k) Has had a final judgment entered against her or him in  
2423 a civil action upon grounds of fraud, embezzlement,  
2424 misrepresentation, or deceit;

2425 (l) Is of bad business repute; ~~or~~

2426 (m) Has been the subject of any decision, finding,  
2427 injunction, suspension, prohibition, revocation, denial,  
2428 judgment, or administrative order by any court of competent  
2429 jurisdiction, administrative law judge, or by any state or  
2430 federal agency, national securities, commodities, or option  
2431 exchange, or national securities, commodities, or option  
2432 association, involving a violation of any federal or state  
2433 securities or commodities law or any rule or regulation  
2434 promulgated thereunder, or any rule or regulation of any



HB 7153

2006  
CS

2435 national securities, commodities, or options exchange or  
 2436 national securities, commodities, or options association, or has  
 2437 been the subject of any injunction or adverse administrative  
 2438 order by a state or federal agency regulating banking,  
 2439 insurance, finance or small loan companies, real estate,  
 2440 mortgage brokers or lenders, money transmitters, or other  
 2441 related or similar industries. For purposes of this subsection,  
 2442 the office may not deny registration to any applicant who has  
 2443 been continuously registered with the office for 5 years from  
 2444 the entry of such decision, finding, injunction, suspension,  
 2445 prohibition, revocation, denial, judgment, or administrative  
 2446 order provided such decision, finding, injunction, suspension,  
 2447 prohibition, revocation, denial, judgment, or administrative  
 2448 order has been timely reported to the office pursuant to the  
 2449 commission's rules; ~~or-~~

2450 (n) Made payment to the office for a registration or  
 2451 notice filing with a check or electronic transmission of funds  
 2452 that is dishonored by the applicant's, registrant's, or notice  
 2453 filer's financial institution.

2454 Section 40. Section 520.02, Florida Statutes, is amended  
 2455 to read:

2456 520.02 Definitions.--In this act, unless the context or  
 2457 subject matter otherwise requires:

2458 (1) "Branch" means any location, other than a licensee's  
 2459 principal place of business, at which a licensee operates or  
 2460 conducts business under this act or which a licensee owns or  
 2461 controls for the purpose of conducting business under this act.

HB 7153

2006  
CS

2462 (2) "Cash price" means the price at which a seller, in the  
2463 ordinary course of business, offers to sell for cash the  
2464 property or service that is the subject of the transaction. At  
2465 the seller's option, the term "cash price" may include the price  
2466 of accessories, services related to the sale, service contracts,  
2467 and taxes and fees for license, title, and registration of the  
2468 motor vehicle. The term "cash price" does not include any  
2469 finance charge.

2470 (3) "Commission" means the Financial Services Commission.

2471 (4) "Control person" means an individual, partnership,  
2472 corporation, trust, or other organization that possesses the  
2473 power, directly or indirectly, to direct the management or  
2474 policies of a company, whether through ownership of securities,  
2475 by contract, or otherwise. A person is presumed to control a  
2476 company if, with respect to a particular company, that person:

2477 (a) Is a director, general partner, or officer exercising  
2478 executive responsibility or having similar status or functions;

2479 (b) Directly or indirectly may vote 10 percent or more of  
2480 a class of a voting security or sell or direct the sale of 10  
2481 percent or more of a class of voting securities; or

2482 (c) In the case of a partnership, may receive upon  
2483 dissolution or has contributed 10 percent or more of the  
2484 capital.

2485 (5) "Down payment" means the amount, including the value  
2486 of any property used as a trade-in, paid to a seller to reduce  
2487 the cash price of goods or services purchased in a credit sale  
2488 transaction. A deferred portion of a down payment may be treated  
2489 as part of the down payment if it is payable not later than the

HB 7153

2006  
CS

2490 | due date of the second otherwise regularly scheduled payment and  
2491 | is not subject to a finance charge.

2492 |         (6) "Finance charge" means the cost of consumer credit as  
2493 | a dollar amount. The term "finance charge" includes any charge  
2494 | payable directly or indirectly by the buyer and imposed directly  
2495 | or indirectly by the seller as an incident to or a condition of  
2496 | the extension of credit. The term "finance charge" does not  
2497 | include any charge of a type payable in a comparable cash  
2498 | transaction.

2499 |         (7) "Holder" of a retail installment contract means the  
2500 | retail seller of a motor vehicle retail installment contract or  
2501 | an assignee of such contract.

2502 |         (8) "Mobile home" means a structure, transportable in one  
2503 | or more sections, which is 8 body feet or more in width and is  
2504 | 32 body feet or more in length, designed to be used as a  
2505 | dwelling with or without a permanent foundation when connected  
2506 | to the required utilities, and includes the plumbing, heating,  
2507 | air-conditioning, and electrical systems contained therein.

2508 |         (9) "Motor vehicle" means any device or vehicle, including  
2509 | automobiles, motorcycles, motor trucks, trailers, mobile homes,  
2510 | and all other vehicles operated over the public highways and  
2511 | streets of this state and propelled by power other than muscular  
2512 | power, but excluding traction engines, road rollers, implements  
2513 | of husbandry and other agricultural equipment, and vehicles  
2514 | which run only upon a track.

2515 |         (10)~~(15)~~ "Motor vehicle retail installment seller" or  
2516 | "seller" means a person engaged in the business of selling motor  
2517 | vehicles to retail buyers in retail installment transactions.

HB 7153

2006  
CS

2518        (11)~~(4)~~ "Office" means the Office of Financial Regulation  
2519 of the commission.

2520        (12)~~(10)~~ "Official fees" means fees and charges prescribed  
2521 by law which actually are or will be paid to public officials  
2522 for determining the existence of, or for perfecting, releasing,  
2523 or satisfying, any security related to the credit transaction,  
2524 or the premium payable for any insurance in lieu of perfecting  
2525 any security interest otherwise required by the creditor in  
2526 connection with the transaction, if the premium does not exceed  
2527 the fees and charges which would otherwise be payable to public  
2528 officials.

2529        (13)~~(11)~~ "Person" means an individual, partnership,  
2530 corporation, association, and any other group however organized.

2531        (14)~~(12)~~ "Principal place of business" means the physical  
2532 location designated on the licensee's application for licensure,  
2533 unless otherwise designated as required by this chapter.

2534        (15)~~(13)~~ "Retail buyer" or "buyer" means a person who buys  
2535 a motor vehicle from a seller not principally for the purpose of  
2536 resale, and who executes a retail installment contract in  
2537 connection therewith or a person who succeeds to the rights and  
2538 obligations of such person.

2539        (16)~~(14)~~ "Retail installment contract" or "contract" means  
2540 an agreement, entered into in this state, pursuant to which the  
2541 title to, or a lien upon the motor vehicle, which is the subject  
2542 matter of a retail installment transaction, is retained or taken  
2543 by a seller from a retail buyer as security, in whole or in  
2544 part, for the buyer's obligation. The term includes a  
2545 conditional sales contract and a contract for the bailment or

HB 7153

2006  
CS

2546 | leasing of a motor vehicle by which the bailee or lessee  
 2547 | contracts to pay as compensation for its use a sum substantially  
 2548 | equivalent to or in excess of its value and by which it is  
 2549 | agreed that the bailee or lessee is bound to become, or for no  
 2550 | further or a merely nominal consideration, has the option of  
 2551 | becoming, the owner of the motor vehicle upon full compliance  
 2552 | with the provisions of the contract.

2553 |        ~~(17)~~~~(16)~~ "Retail installment transaction" means any  
 2554 | transaction evidenced by a retail installment contract entered  
 2555 | into between a retail buyer and a seller wherein the retail  
 2556 | buyer buys a motor vehicle from the seller at a deferred payment  
 2557 | price payable in one or more deferred installments.

2558 |        ~~(18)~~~~(17)~~ "Sales finance company" means a person engaged in  
 2559 | the business of purchasing retail installment contracts from one  
 2560 | or more sellers. The term includes, but is not limited to, a  
 2561 | bank or trust company, if so engaged. The term does not include  
 2562 | the pledge of an aggregate number of such contracts to secure a  
 2563 | bona fide loan thereon.

2564 |        ~~(19)~~~~(18)~~ Words in the singular include the plural and vice  
 2565 | versa.

2566 |        Section 41. Subsections (2) through (5) of section 520.03,  
 2567 | Florida Statutes, are amended to read:

2568 |        520.03 Licenses.--

2569 |        (2) An application for a license under this part must be  
 2570 | submitted to the office in such form as the commission may  
 2571 | prescribe by rule. The commission may require each applicant to  
 2572 | provide any information reasonably necessary to determine the  
 2573 | applicant's eligibility for licensure. The applicant shall also

HB 7153

2006  
CS

2574 provide information that the office requires concerning any  
2575 officer, director, control person, member, partner, or joint  
2576 venturer of the applicant or any person having the same or  
2577 substantially similar status or performing substantially similar  
2578 functions or any individual who is the ultimate equitable owner  
2579 of a 10-percent or greater interest in the applicant. The office  
2580 may require information concerning any such applicant or person,  
2581 including, but not limited to, his or her full name and any  
2582 other names by which he or she may have been known, age, social  
2583 security number, residential history, qualifications,  
2584 educational and business history, and disciplinary and criminal  
2585 history. If the office determines that an application should be  
2586 granted, it shall issue the license for a period not to exceed 2  
2587 years. A nonrefundable application fee of \$175 shall accompany  
2588 an initial application for the principal place of business and  
2589 each application for a branch location of a retail installment  
2590 seller who is required to be licensed under this chapter. An  
2591 application is considered received for purposes of s. 120.60  
2592 upon receipt of a completed application form as prescribed by  
2593 commission rule, a nonrefundable application fee of \$175, and  
2594 any other fee prescribed by law.

2595 (3) The nonrefundable renewal fee for a motor vehicle  
2596 retail installment seller license shall be \$175. The commission  
2597 shall establish by rule biennial licensure periods and  
2598 procedures for renewal of licenses. A license that is not  
2599 renewed by the end of the biennium established by the commission  
2600 shall revert from active to inactive status. An inactive license  
2601 may be reactivated within 6 months after becoming inactive upon

Page 94 of 133

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hb7153-01-c1

HB 7153

2006  
CS

2602 filing a completed reactivation form, payment of the  
2603 nonrefundable renewal fee, and payment of a reactivation fee  
2604 equal to the nonrefundable renewal fee. A license that is not  
2605 reactivated within 6 months after becoming inactive  
2606 automatically expires.

2607 (4) ~~Each license shall specify the location for which it~~  
2608 ~~is issued and must be conspicuously displayed at that location.~~  
2609 ~~Prior to relocating a principal place of business or any branch~~  
2610 ~~location, the licensee must provide to the office notice of the~~  
2611 ~~relocation in a form prescribed by commission rule.~~ A licensee  
2612 may not transact business as a motor vehicle retail installment  
2613 seller except under the name by which it is licensed. Licenses  
2614 issued under this part are not transferable or assignable.

2615 (5) The office may deny an initial application for a  
2616 license under this part if the applicant or any officer,  
2617 director, control person, member, partner, or joint venturer  
2618 ~~person with power to direct the management or policies~~ of the  
2619 applicant is the subject of a pending criminal prosecution or  
2620 governmental enforcement action, in any jurisdiction, until  
2621 conclusion of such criminal prosecution or enforcement action.

2622 Section 42. Subsections (10) through (18) of section  
2623 520.31, Florida Statutes, are renumbered as subsections (11)  
2624 through (19), respectively, subsection (4) of that section is  
2625 renumbered as subsection (10), and a new subsection (4) is added  
2626 to that section, to read:

2627 520.31 Definitions.--Unless otherwise clearly indicated by  
2628 the context, the following words when used in this act, for the

HB 7153

2006  
CS

2629 purposes of this act, shall have the meanings respectively  
2630 ascribed to them in this section:

2631 (4) "Control person" means an individual, partnership,  
2632 corporation, trust, or other organization that possesses the  
2633 power, directly or indirectly, to direct the management or  
2634 policies of a company, whether through ownership of securities,  
2635 by contract, or otherwise. A person is presumed to control a  
2636 company if, with respect to a particular company, that person:

2637 (a) Is a director, general partner, or officer exercising  
2638 executive responsibility or having similar status or functions;

2639 (b) Directly or indirectly has the right to vote 10  
2640 percent or more of a class of a voting security or has the power  
2641 to sell or direct the sale of 10 percent or more of a class of  
2642 voting securities; or

2643 (c) In the case of a partnership, has the right to receive  
2644 upon dissolution or has contributed 10 percent or more of the  
2645 capital.

2646 Section 43. Subsections (2) through (5) of section 520.32,  
2647 Florida Statutes, are amended to read:

2648 520.32 Licenses.--

2649 (2) An application for a license under this part must be  
2650 submitted to the office in such form as the commission may  
2651 prescribe by rule. The commission may require each applicant to  
2652 provide any information reasonably necessary to determine the  
2653 applicant's eligibility for licensure. The applicant shall also  
2654 provide information that the office requires concerning any  
2655 officer, director, control person, member, partner, or joint  
2656 venturer of the applicant or any person having the same or



HB 7153

2006  
CS

2657 substantially similar status or performing substantially similar  
2658 functions or any individual who is the ultimate equitable owner  
2659 of a 10-percent or greater interest in the applicant. The office  
2660 may require information concerning any such applicant or person,  
2661 including his or her full name and any other names by which he  
2662 or she may have been known, age, social security number,  
2663 residential history, qualifications, educational and business  
2664 history, and disciplinary and criminal history. If the office  
2665 determines that an application should be granted, it shall issue  
2666 the license for a period not to exceed 2 years. A nonrefundable  
2667 application fee of \$175 shall accompany an initial application  
2668 for the principal place of business and each application for a  
2669 branch location of a retail installment seller. An application  
2670 is considered received for purposes of s. 120.60 upon receipt of  
2671 a completed application form as prescribed by commission rule, a  
2672 nonrefundable application fee of \$175, and any other fee  
2673 prescribed by law.

2674 (3) The nonrefundable renewal fee for a retail seller  
2675 license shall be \$175. Biennial licensure periods and procedures  
2676 for renewal of licenses may also be established by the  
2677 commission by rule. A license that is not renewed at the end of  
2678 the biennium established by the commission shall revert from  
2679 active to inactive status. An inactive license may be  
2680 reactivated within 6 months after becoming inactive upon filing  
2681 a completed reactivation form, payment of the nonrefundable  
2682 renewal fee, and payment of a reactivation fee equal to the  
2683 nonrefundable renewal fee. A license that is not reactivated  
2684 within 6 months after becoming inactive automatically expires.

Page 97 of 133

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hb7153-01-c1

HB 7153

2006  
CS

2685           (4) ~~Each license must specify the location for which it is~~  
 2686 ~~issued and must be conspicuously displayed at that location. If~~  
 2687 ~~a licensee's principal place of business or branch location~~  
 2688 ~~changes, the licensee shall notify the office and the office~~  
 2689 ~~shall endorse the change of location without charge. A licensee~~  
 2690 may not transact business as a retail installment seller except  
 2691 under the name by which it is licensed. A license issued under  
 2692 this part is not transferable or assignable.

2693           (5) The office may deny an initial application for a  
 2694 license under this part if the applicant or any officer,  
 2695 director, control person, member, partner, or joint venturer  
 2696 ~~person with power to direct the management or policies~~ of the  
 2697 applicant is the subject of a pending criminal prosecution or  
 2698 governmental enforcement action, in any jurisdiction, until  
 2699 conclusion of such criminal prosecution or enforcement action.

2700           Section 44. Subsections (2) through (5) of section 520.52,  
 2701 Florida Statutes, are amended to read:

2702           520.52 Licensees.--

2703           (2) An application for a license under this part must be  
 2704 submitted to the office in such form as the commission may  
 2705 prescribe by rule. The commission may require each applicant to  
 2706 provide any information reasonably necessary to determine the  
 2707 applicant's eligibility for licensure. The applicant shall also  
 2708 provide information that the office requires concerning any  
 2709 officer, director, control person, member, partner, or joint  
 2710 venturer of the applicant or any person having the same or  
 2711 substantially similar status or performing substantially similar  
 2712 functions or any individual who is the ultimate equitable owner

HB 7153

2006  
CS

2713 of a 10-percent or greater interest in the applicant. The office  
2714 may require information concerning any such applicant or person,  
2715 including his or her full name and any other names by which he  
2716 or she may have been known, age, social security number,  
2717 residential history, qualifications, educational and business  
2718 history, and disciplinary and criminal history. If the office  
2719 determines that an application should be granted, it shall issue  
2720 the license for a period not to exceed 2 years. A nonrefundable  
2721 application fee of \$175 shall accompany an initial application  
2722 for the principal place of business and each branch location of  
2723 a sales finance company. An application is considered received  
2724 for purposes of s. 120.60 upon receipt of a completed  
2725 application form as prescribed by commission rule, a  
2726 nonrefundable application fee of \$175, and any other fee  
2727 prescribed by law.

2728 (3) The nonrefundable renewal fee for a sales finance  
2729 company license shall be \$175. Biennial licensure periods and  
2730 procedures for renewal of licenses may also be established by  
2731 the commission by rule. A license that is not renewed at the end  
2732 of the biennium established by the commission shall revert from  
2733 active to inactive status. An inactive license may be  
2734 reactivated within 6 months after becoming inactive upon filing  
2735 a completed reactivation form, payment of the nonrefundable  
2736 renewal fee, and payment of a reactivation fee equal to the  
2737 nonrefundable renewal fee. A license that is not reactivated  
2738 within 6 months after becoming inactive automatically expires.

2739 ~~(4) Each license must specify the location for which it is~~  
2740 ~~issued and must be conspicuously displayed at that location. If~~

HB 7153

2006  
CS

2741 ~~a licensee's principal place of business or branch location~~  
 2742 ~~changes, the licensee shall notify the office and the office~~  
 2743 ~~shall endorse the change of location without charge.~~ A licensee  
 2744 may not transact business as a sales finance company except  
 2745 under the name by which it is licensed. A license issued under  
 2746 this part is not transferable or assignable.

2747 (5) The office may deny an initial application for a  
 2748 license under this part if the applicant or any officer,  
 2749 director, control person, member, partner, or joint venturer  
 2750 ~~person with power to direct the management or policies~~ of the  
 2751 applicant is the subject of a pending criminal prosecution or  
 2752 governmental enforcement action, in any jurisdiction, until  
 2753 conclusion of such criminal prosecution or enforcement action.

2754 Section 45. Subsections (5), (6), (7), (15), (16), and  
 2755 (22) of section 520.61, Florida Statutes, are renumbered as  
 2756 subsections (7), (5), (16), (22), (15), and (23), respectively,  
 2757 and a new subsection (6) is added to that section to read:

2758 520.61 Definitions.--As used in this act:

2759 (6) "Control person" means an individual, partnership,  
 2760 corporation, trust, or other organization that possesses the  
 2761 power, directly or indirectly, to direct the management or  
 2762 policies of a company, whether through ownership of securities,  
 2763 by contract, or otherwise. A person is presumed to control a  
 2764 company if, with respect to a particular company, that person:

2765 (a) Is a director, general partner, or officer exercising  
 2766 executive responsibility or having similar status or functions;

HB 7153

2006  
CS

2767 (b) Directly or indirectly may vote 10 percent or more of  
 2768 a class of a voting security or sell or direct the sale of 10  
 2769 percent or more of a class of voting securities; or

2770 (c) In the case of a partnership, may receive upon  
 2771 dissolution or has contributed 10 percent or more of the  
 2772 capital.

2773 Section 46. Subsections (2) through (5) of section 520.63,  
 2774 Florida Statutes, are amended to read:

2775 520.63 Licensees.--

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

HB 7153

2006  
CS

2795 an initial application for the principal place of business and  
2796 each application for a branch location of a home improvement  
2797 finance seller. An application is considered received for  
2798 purposes of s. 120.60 upon receipt of a completed application  
2799 form as prescribed by commission rule, a nonrefundable  
2800 application fee of \$175, and any other fee prescribed by law.

2801 (3) The nonrefundable renewal fee for a home improvement  
2802 finance license shall be \$175. Biennial licensure periods and  
2803 procedures for renewal of licenses may also be established by  
2804 the commission by rule. A license that is not renewed at the end  
2805 of the biennium established by the commission shall  
2806 automatically revert from active to inactive status. An inactive  
2807 license may be reactivated within 6 months after becoming  
2808 inactive upon filing a completed reactivation form, payment of  
2809 the nonrefundable renewal fee, and payment of a reactivation fee  
2810 equal to the nonrefundable renewal fee. A license that is not  
2811 reactivated within 6 months after becoming inactive  
2812 automatically expires.

2813 (4) ~~Each license must specify the location for which it is~~  
2814 ~~issued and must be conspicuously displayed at that location. If~~  
2815 ~~a home improvement finance seller's principal place of business~~  
2816 ~~or any branch location changes, the licensee shall notify the~~  
2817 ~~office and the office shall endorse the change of location~~  
2818 ~~without charge.~~ A licensee may not transact business as a home  
2819 improvement finance seller except under the name by which it is  
2820 licensed. A license issued under this part is not transferable  
2821 or assignable.

HB 7153

2006  
CS

2822 (5) The office may deny an initial application for a  
 2823 license under this part if the applicant or any officer,  
 2824 director, control person, member, partner, or joint venturer  
 2825 ~~person with power to direct the management or policies~~ of the  
 2826 applicant is the subject of a pending criminal prosecution or  
 2827 governmental enforcement action, in any jurisdiction, until  
 2828 conclusion of such criminal prosecution or enforcement action.

2829 Section 47. Subsection (5) of section 520.994, Florida  
 2830 Statutes, is amended to read:

2831 520.994 Powers of office.--

2832 (5) The office shall administer and enforce this chapter.  
 2833 The commission has authority to adopt rules pursuant to ss.  
 2834 120.536(1) and 120.54 to implement the provisions of this  
 2835 chapter. The commission may adopt rules requiring ~~to allow~~  
 2836 electronic submission of any form, document, or fee required by  
 2837 this chapter if such rules reasonably accommodate technological  
 2838 or financial hardship. The commission may prescribe by rule  
 2839 requirements and procedures for obtaining an exemption due to a  
 2840 technological or financial hardship.

2841 Section 48. Subsections (1) and (4) of section 520.995,  
 2842 Florida Statutes, are amended to read:

2843 520.995 Grounds for disciplinary action.--

2844 (1) The following acts are violations of this chapter and  
 2845 constitute grounds for the disciplinary actions specified in  
 2846 subsection (2):

2847 (a) Failure to comply with any provision of this chapter,  
 2848 any rule or order adopted pursuant to this chapter, or any  
 2849 written agreement entered into with the office.†

HB 7153

2006  
CS

2850 (b) Fraud, misrepresentation, deceit, or gross negligence  
 2851 in any home improvement finance transaction or retail  
 2852 installment transaction, regardless of reliance by or damage to  
 2853 the buyer or owner.†

2854 (c) Fraudulent misrepresentation, circumvention, or  
 2855 concealment of any matter required to be stated or furnished to  
 2856 a retail buyer or owner pursuant to this chapter, regardless of  
 2857 reliance by or damage to the buyer or owner.†

2858 (d) Willful imposition of illegal or excessive charges in  
 2859 any retail installment transaction or home improvement finance  
 2860 transaction.†

2861 (e) False, deceptive, or misleading advertising by a  
 2862 seller or home improvement finance seller.†

2863 (f) Failure to maintain, preserve, and keep available for  
 2864 examination, all books, accounts, or other documents required by  
 2865 this chapter, by any rule or order adopted pursuant to this  
 2866 chapter, or by any agreement entered into with the office.†

2867 (g) Refusal to permit inspection of books and records in  
 2868 an investigation or examination by the office or refusal to  
 2869 comply with a subpoena issued by the office.†

2870 (h) Criminal conduct in the course of a person's business  
 2871 as a seller, as a home improvement finance seller, or as a sales  
 2872 finance company.†~~or~~

2873 (i) Failure to timely pay any fee, charge, or fine imposed  
 2874 or assessed pursuant to this chapter or any rule adopted under  
 2875 this chapter.

2876 (j) Using the name or logo of a financial institution, as  
 2877 defined in s. 655.005(1), or its affiliates or subsidiaries when



HB 7153

2006  
CS

2878 marketing or soliciting existing or prospective customers if  
 2879 such marketing materials are used without the written consent of  
 2880 the financial institution and in a manner that would lead a  
 2881 reasonable person to believe that the material or solicitation  
 2882 originated from, was endorsed by, or is related to or the  
 2883 responsibility of the financial institution or its affiliates or  
 2884 subsidiaries.

2885 (k) Payment to the office for a license or permit with a  
 2886 check or electronic transmission of funds that is dishonored by  
 2887 the applicant's or licensee's financial institution.

2888 (4) It is sufficient cause for the office to take any of  
 2889 the actions specified in subsection (2) as to any partnership,  
 2890 corporation, or association, if the office finds grounds for  
 2891 such action as to any member of the partnership, as to any  
 2892 officer or director of the corporation or association, or as to  
 2893 any control person, partner, or joint venturer ~~person with power~~  
 2894 ~~to direct the management or policies~~ of the partnership,  
 2895 corporation, or association.

2896 Section 49. Subsection (4) of section 520.997, Florida  
 2897 Statutes, is amended to read:

2898 520.997 Books, accounts, and records.--

2899 (4) The commission may prescribe by rule the minimum  
 2900 information to be shown in the books, accounts, documents, and  
 2901 records of licensees so that such records will enable the office  
 2902 to determine compliance with ~~the provisions of~~ this chapter. In  
 2903 addition, the commission may prescribe by rule requirements for  
 2904 the destruction of books, accounts, records, and documents

HB 7153

2006  
CS

2905 retained by the licensee after completion of the time period  
 2906 specified in subsection (3).

2907 Section 50. Section 520.999, Florida Statutes, is created  
 2908 to read:

2909 520.999 Requirements of licensees.--

2910 (1) Each licensee under this chapter shall report, on a  
 2911 form prescribed by rule of the commission, any change in the  
 2912 information contained in any initial application form or any  
 2913 amendment to such application not later than 30 days after the  
 2914 change is effective.

2915 (2) Each licensee under this chapter shall report any  
 2916 changes in the partners, officers, members, joint venturers,  
 2917 directors, or control persons of any licensee or changes in the  
 2918 form of business organization by written amendment in such form  
 2919 and at such time as the commission specifies by rule.

2920 (a) In any case in which a person or a group of persons,  
 2921 directly or indirectly or acting by or through one or more  
 2922 persons, proposes to purchase or acquire a controlling interest  
 2923 in a licensee, such person or group must submit an initial  
 2924 application for licensure before such purchase or acquisition at  
 2925 such time and in such form as the commission prescribes by rule.

2926 (b) As used in subsection, the term "controlling interest"  
 2927 means possession of the power to direct or cause the direction  
 2928 of the management or policies of a company whether through  
 2929 ownership of securities, by contract, or otherwise. Any person  
 2930 who directly or indirectly has the right to vote 25 percent or  
 2931 more of the voting securities of a company or is entitled to 25

HB 7153

2006  
CS

2932 percent or more of its profits is presumed to possess a  
2933 controlling interest.

2934 (c) Any addition of a partner, officer, member, joint  
2935 venturer, director, or control person of the applicant who does  
2936 not have a controlling interest and who has not previously  
2937 complied with the provisions of ss. 520.03(2), 520.32(2),  
2938 520.52(2), and 520.63(2) shall be subject to such provisions  
2939 unless required to file an initial application in accordance  
2940 with paragraph (a). If the office determines that the licensee  
2941 does not continue to meet licensure requirements, the office may  
2942 bring administrative action in accordance with s. 520.995 to  
2943 enforce the provisions of this chapter.

2944 (d) The commission shall adopt rules pursuant to ss.  
2945 120.536(1) and 120.54 providing for the waiver of the  
2946 application required by this subsection if the person or group  
2947 of persons proposing to purchase or acquire a controlling  
2948 interest in a licensee has previously complied with the  
2949 provisions of ss. 520.03(2), 520.32(2), 520.52(2), and 520.63(2)  
2950 with the same legal entity or is currently licensed with the  
2951 office under this chapter.

2952 Section 51. Subsection (5) of section 537.009, Florida  
2953 Statutes, is amended to read:

2954 537.009 Recordkeeping; reporting; safekeeping of  
2955 property.--

2956 (5) The commission may prescribe by rule the books,  
2957 accounts, documents, and records, and the minimum information to  
2958 be shown in the books, accounts, documents, and records, of  
2959 licensees so that such records will enable the office to

HB 7153

2006  
CS

2960 determine compliance with the provisions of this act. In  
 2961 addition, the commission may prescribe by rule requirements for  
 2962 the destruction of books, accounts, records, and documents  
 2963 retained by the licensee after completion of the time period  
 2964 specified in subsection (3).

2965 Section 52. Paragraph (e) of subsection (2) of section  
 2966 559.9232, Florida Statutes, is amended to read:

2967 559.9232 Definitions; exclusion of rental-purchase  
 2968 agreements from certain regulations.--

2969 (2) A rental-purchase agreement that complies with this  
 2970 act shall not be construed to be, nor be governed by, any of the  
 2971 following:

2972 (e) A lease or agreement which constitutes a "retail  
 2973 installment contract" or "retail installment transaction" as  
 2974 those terms are defined in s. 520.31~~(13)~~ and ~~(14)~~; or

2975 Section 53. Subsection (3) is added to section 560.105,  
 2976 Florida Statutes, to read:

2977 560.105 Supervisory powers; rulemaking.--

2978 (3) The commission may adopt rules pursuant to ss.  
 2979 120.536(1) and 120.54 requiring electronic submission of any  
 2980 forms, documents, or fees required by this code if such rules  
 2981 reasonably accommodate technological or financial hardship. The  
 2982 commission may prescribe by rule requirements and procedures for  
 2983 obtaining an exemption due to a technological or financial  
 2984 hardship.

2985 Section 54. Paragraph (y) is added to subsection (1) of  
 2986 section 560.114, Florida Statutes, to read:

2987 560.114 Disciplinary actions.--

HB 7153

2006  
CS

2988 (1) The following actions by a money transmitter or money  
 2989 transmitter-affiliated party are violations of the code and  
 2990 constitute grounds for the issuance of a cease and desist order,  
 2991 the issuance of a removal order, the denial of a registration  
 2992 application or the suspension or revocation of any registration  
 2993 previously issued pursuant to the code, or the taking of any  
 2994 other action within the authority of the office pursuant to the  
 2995 code:

2996 (y) Payment to the office for a license or permit with a  
 2997 check or electronic transmission of funds that is dishonored by  
 2998 the applicant's or licensee's financial institution.

2999 Section 55. Subsection (2) of section 560.121, Florida  
 3000 Statutes, is amended to read:

3001 560.121 Records; limited restrictions upon public  
 3002 access.--

3003 (2) The commission may prescribe by rule the minimum  
 3004 information that must be shown in the books, accounts, records,  
 3005 and documents of licensees for purposes of enabling the office  
 3006 to determine the licensee's compliance with this chapter. In  
 3007 addition, the commission may prescribe by rule requirements for  
 3008 the destruction of books, accounts, records, and documents  
 3009 retained by the licensee after completion of the time period  
 3010 specified in this subsection. Examination reports, investigatory  
 3011 records, applications, and related information compiled by the  
 3012 office, or photographic copies thereof, shall be retained by the  
 3013 office for a period of at least 3 years following the date that  
 3014 the examination or investigation ceases to be active.  
 3015 Application records, and related information compiled by the

HB 7153

2006  
CS

3016 office, or photographic copies thereof, shall be retained by the  
3017 office for a period of at least 2 years following the date that  
3018 the registration ceases to be active.

3019 Section 56. Section 560.126, Florida Statutes, is amended  
3020 to read:

3021 560.126 Significant events; notice required.--

3022 (1) Unless exempted by the office, every money transmitter  
3023 must provide the office with a written notice within 30 ~~15~~ days  
3024 after the occurrence or knowledge of, whichever period of time  
3025 is greater, any of the following events:

3026 (a) ~~(1)~~ The filing of a petition under the United States  
3027 Bankruptcy Code for bankruptcy or reorganization by the money  
3028 transmitter.

3029 (b) ~~(2)~~ The commencement of any registration suspension or  
3030 revocation proceeding, either administrative or judicial, or the  
3031 denial of any original registration request or a registration  
3032 renewal, by any state, the District of Columbia, any United  
3033 States territory, or any foreign country, in which the money  
3034 transmitter operates or plans to operate or has registered to  
3035 operate.

3036 (c) ~~(3)~~ A felony indictment relating to the money  
3037 transmission business involving the money transmitter or a money  
3038 transmitter-affiliated party of the money transmitter.

3039 (d) ~~(4)~~ The felony conviction, guilty plea, or plea of nolo  
3040 contendere, if the court adjudicates the nolo contendere pleader  
3041 guilty, or the adjudication of guilt of a money transmitter or  
3042 money transmitter-affiliated party.

HB 7153

2006  
CS

3043 (e)~~(5)~~ The interruption of any corporate surety bond  
3044 required by the code.

3045 (f)~~(6)~~ Any suspected criminal act, as defined by the  
3046 commission by rule, perpetrated in this state against a money  
3047 transmitter or authorized vendor.

3048  
3049 However, a person does not incur liability ~~no liability shall be~~  
3050 ~~incurred by any person~~ as a result of making a good-faith ~~good~~  
3051 ~~faith~~ effort to fulfill this disclosure requirement.

3052 (2) (a) Each registrant under this code shall report, on a  
3053 form prescribed by rule of the commission, any change in the  
3054 information contained in any initial application form or any  
3055 amendment thereto not later than 30 days after the change is  
3056 effective.

3057 (b) Each registrant under the code shall report any  
3058 changes in the partners, officers, members, joint venturers,  
3059 directors, controlling shareholders, or responsible persons of  
3060 any registrant or changes in the form of business organization  
3061 by written amendment in such form and at such time as the  
3062 commission specifies by rule.

3063 1. In any case in which a person or a group of persons,  
3064 directly or indirectly or acting by or through one or more  
3065 persons, proposes to purchase or acquire a controlling interest  
3066 in a licensee, such person or group must submit an initial  
3067 application for registration as a money transmitter before such  
3068 purchase or acquisition at such time and in such form as the  
3069 commission prescribes by rule.

HB 7153

2006  
CS

3070           2. As used in this subsection, the term "controlling  
3071 interest" means possession of the power to direct or cause the  
3072 direction of the management or policies of a company whether  
3073 through ownership of securities, by contract, or otherwise. Any  
3074 person who directly or indirectly has the right to vote 25  
3075 percent or more of the voting securities of a company or is  
3076 entitled to 25 percent or more of its profits is presumed to  
3077 possess a controlling interest.

3078           3. Any addition of a partner, officer, member, joint  
3079 venturer, director, controlling shareholder, or responsible  
3080 person of the applicant who does not have a controlling interest  
3081 and who has not previously complied with ss. 560.205 and 560.306  
3082 shall be subject to such provisions unless required to file an  
3083 initial application in accordance with subparagraph 1. If the  
3084 office determines that the registrant does not continue to meet  
3085 registration requirements, the office may bring administrative  
3086 action in accordance with s. 560.114 to enforce the provisions  
3087 of this code.

3088           4. The commission shall adopt rules pursuant to ss.  
3089 120.536(1) and 120.54 providing for the waiver of the  
3090 application required by this subsection if the person or group  
3091 of persons proposing to purchase or acquire a controlling  
3092 interest in a registrant has previously complied with the  
3093 provisions of ss. 560.205 and 560.306 with the same legal entity  
3094 or is currently registered with the office under this code.

3095           Section 57. Section 560.127, Florida Statutes, is amended  
3096 to read:

3097           560.127 Control of a money transmitter.--



HB 7153

2006  
CS

3098        ~~(1)~~ A person has control over a money transmitter if:

3099        (1)(a) The individual, partnership, corporation, trust, or

3100 other organization possesses the power, directly or indirectly,

3101 to direct the management or policies of a company, whether

3102 through ownership of securities, by contract, or otherwise. A

3103 person is presumed to control a company if, with respect to a

3104 particular company, that person:

3105        (a) Is a director, general partner, or officer exercising

3106 executive responsibility or having similar status or functions;

3107        (b) Directly or indirectly may vote 25 percent or more of

3108 a class of a voting security or sell or direct the sale of 25

3109 percent or more of a class of voting securities; or

3110        (c) In the case of a partnership, may receive upon

3111 dissolution or has contributed 25 percent or more of the

3112 capital. The person directly or indirectly or acting through one

3113 ~~or more other persons owns, controls, or has power to vote 25~~

3114 ~~percent or more of any class of voting securities of the money~~

3115 ~~transmitter; or~~

3116        (2)(b) The office determines, after notice and opportunity

3117 for hearing, that the person directly or indirectly exercises a

3118 controlling influence over the activities of the money

3119 transmitter.

3120        ~~(2) In any case in which a person or a group of persons,~~

3121 ~~directly or indirectly or acting by or through one or more~~

3122 ~~persons, proposes to purchase or acquire a controlling interest~~

3123 ~~in a money transmitter, and thereby to change the control of~~

3124 ~~that money transmitter, each person or group of persons shall~~

3125 ~~provide written notice to the office.~~

Page 113 of 133

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hb7153-01-c1

HB 7153

2006  
CS

3126 ~~(a) A money transmitter whose stock is traded on an~~  
3127 ~~organized stock exchange shall provide the office with written~~  
3128 ~~notice within 15 days after knowledge of such change in control.~~

3129 ~~(b) A money transmitter whose stock is not publicly traded~~  
3130 ~~shall provide the office with not less than 30 days' prior~~  
3131 ~~written notice of such proposed change in control.~~

3132 ~~(3) After a review of the written notification, the office~~  
3133 ~~may require the money transmitter to provide additional~~  
3134 ~~information relating to other and former addresses, and the~~  
3135 ~~reputation, character, responsibility, and business~~  
3136 ~~affiliations, of the proposed new owner or each of the proposed~~  
3137 ~~new owners of the money transmitter.~~

3138 ~~(a) The office may deny the person or group of persons~~  
3139 ~~proposing to purchase, or who have acquired control of, a money~~  
3140 ~~transmitter if, after investigation, the office determines that~~  
3141 ~~the person or persons are not qualified by reputation,~~  
3142 ~~character, experience, or financial responsibility to control or~~  
3143 ~~operate the money transmitter in a legal and proper manner and~~  
3144 ~~that the interests of the other stockholders, if any, or the~~  
3145 ~~interests of the public generally may be jeopardized by the~~  
3146 ~~proposed change in ownership, controlling interest, or~~  
3147 ~~management.~~

3148 ~~(b) The office may disapprove any person who has been~~  
3149 ~~convicted of, or pled guilty or nolo contendere to, a violation~~  
3150 ~~of s. 560.123, s. 655.50, chapter 896, or any similar state,~~  
3151 ~~federal, or foreign law.~~

3152 Section 58. Section 560.205, Florida Statutes, is amended  
3153 to read:

Page 114 of 133

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hb7153-01-c1

HB 7153

2006  
CS

3154           560.205 Qualifications of applicant for registration;  
 3155 contents.--  
 3156           (1) To qualify for registration under this part, an  
 3157 applicant must demonstrate to the office such character and  
 3158 general fitness as to command the confidence of the public and  
 3159 warrant the belief that the registered business will be operated  
 3160 lawfully and fairly. The office may investigate each applicant  
 3161 to ascertain whether the qualifications and requirements  
 3162 prescribed by this part have been met. The office's  
 3163 investigation may include a criminal background investigation of  
 3164 all controlling shareholders, principals, officers, directors,  
 3165 members, and responsible persons of a funds transmitter and a  
 3166 payment instrument seller and all persons designated by a funds  
 3167 transmitter or payment instrument seller as an authorized  
 3168 vendor. Each controlling shareholder, principal, officer,  
 3169 director, member, and responsible person of a funds transmitter  
 3170 or payment instrument seller, unless the applicant is a publicly  
 3171 traded corporation as defined by the commission by rule, a  
 3172 subsidiary thereof, or a subsidiary of a bank or bank holding  
 3173 company organized and regulated under the laws of any state or  
 3174 the United States, shall file a complete set of fingerprints. A  
 3175 fingerprint card submitted to the office must be taken by an  
 3176 authorized law enforcement agency officer. The office shall  
 3177 submit the ~~Such~~ ~~fingerprints must be submitted~~ to the Department  
 3178 of Law Enforcement for state processing and the Department of  
 3179 Law Enforcement shall forward the fingerprints to ~~or~~ the Federal  
 3180 Bureau of Investigation for state and federal processing. The  
 3181 cost of the fingerprint processing may be borne by the office,

HB 7153

2006  
CS

3182 | the employer, or the person subject to the background check. The  
3183 | Department of Law Enforcement shall submit an invoice to the  
3184 | office for the fingerprints received each month. The office  
3185 | shall screen the background results to determine if the  
3186 | applicant meets licensure requirements. The commission may waive  
3187 | by rule the requirement that applicants file a set of  
3188 | fingerprints or the requirement that such fingerprints be  
3189 | processed by the Department of Law Enforcement or the Federal  
3190 | Bureau of Investigation.

3191 |       (2) Each application for registration must be submitted  
3192 | under oath to the office on such forms as the commission  
3193 | prescribes by rule and must be accompanied by a nonrefundable  
3194 | application fee. Such fee may not exceed \$500 for each payment  
3195 | instrument seller or funds transmitter and \$50 for each  
3196 | authorized vendor or location operating within this state. The  
3197 | application must contain forms ~~shall set forth~~ such information  
3198 | as the commission ~~reasonably~~ requires by rule, including, but  
3199 | not limited to:

3200 |       (a) The name and address of the applicant, including any  
3201 | fictitious or trade names used by the applicant in the conduct  
3202 | of its business.

3203 |       (b) The history of the applicant's material litigation,  
3204 | criminal convictions, pleas of nolo contendere, and cases of  
3205 | adjudication withheld.

3206 |       (c) A description of the activities conducted by the  
3207 | applicant, the applicant's history of operations, and the  
3208 | business activities in which the applicant seeks to engage in  
3209 | this state.

HB 7153

2006  
CS

3210 ~~(d) A list identifying the applicant's proposed authorized~~  
3211 ~~vendors in this state, including the location or locations in~~  
3212 ~~this state at which the applicant and its authorized vendors~~  
3213 ~~propose to conduct registered activities.~~

3214 (d)~~(e)~~ A sample authorized vendor contract, if applicable.

3215 (e)~~(f)~~ A sample form of payment instrument, if applicable.

3216 (f)~~(g)~~ The name and address of the clearing financial  
3217 institution or financial institutions through which the  
3218 applicant's payment instruments will be drawn or through which  
3219 such payment instruments will be payable.

3220 (g)~~(h)~~ Documents revealing that the net worth and bonding  
3221 requirements specified in s. 560.209 have been or will be  
3222 fulfilled.

3223 (3) Each application for registration by an applicant that  
3224 is a corporation shall contain ~~also set forth~~ such information  
3225 as the commission ~~reasonably~~ requires by rule, including, but  
3226 not limited to:

3227 (a) The date of the applicant's incorporation and state of  
3228 incorporation.

3229 (b) A certificate of good standing from the state or  
3230 country in which the applicant was incorporated.

3231 (c) A description of the corporate structure of the  
3232 applicant, including the identity of any parent or subsidiary of  
3233 the applicant, and the disclosure of whether any parent or  
3234 subsidiary is publicly traded on any stock exchange.

3235 (d) The name, social security number, business and  
3236 residence addresses, and employment history for the past 5 years  
3237 for each executive officer, each director, each controlling

HB 7153

2006  
CS

3238 shareholder, and the responsible person who will be in charge of  
3239 all the applicant's business activities in this state.

3240 (e) The history of material litigation and criminal  
3241 convictions, pleas of nolo contendere, and cases of adjudication  
3242 withheld for each ~~executive~~ officer, each director, each  
3243 controlling shareholder, and the responsible person who will be  
3244 in charge of the applicant's registered activities.

3245 (f) Copies of the applicant's audited financial statements  
3246 for the current year and, if available, for the immediately  
3247 preceding 2-year period. In cases where the applicant is a  
3248 wholly owned subsidiary of another corporation, the parent's  
3249 consolidated audited financial statements may be submitted to  
3250 satisfy this requirement. An applicant who is not required to  
3251 file audited financial statements may satisfy this requirement  
3252 by filing unaudited financial statements verified under penalty  
3253 of perjury, as provided by the commission by rule.

3254 (g) An applicant who is not required to file audited  
3255 financial statements may file copies of the applicant's  
3256 unconsolidated, unaudited financial statements for the current  
3257 year and, if available, for the immediately preceding 2-year  
3258 period.

3259 (h) If the applicant is a publicly traded company, copies  
3260 of all filings made by the applicant with the United States  
3261 Securities and Exchange Commission, or with a similar regulator  
3262 in a country other than the United States, within the year  
3263 preceding the date of filing of the application.

3264 (4) Each application for registration submitted to the  
3265 office by an applicant that is not a corporation shall contain

HB 7153

2006  
CS

3266 | ~~also set forth~~ such information as the commission ~~reasonably~~  
3267 | requires by rule, including, but not limited to:

3268 | (a) Evidence that the applicant is registered to do  
3269 | business in this state.

3270 | (b) The name, business and residence addresses, personal  
3271 | financial statement and employment history for the past 5 years  
3272 | for each individual having a controlling ownership interest in  
3273 | the applicant, and each responsible person who will be in charge  
3274 | of the applicant's registered activities.

3275 | (c) The history of material litigation and criminal  
3276 | convictions, pleas of nolo contendere, and cases of adjudication  
3277 | withheld for each individual having a controlling ownership  
3278 | interest in the applicant and each responsible person who will  
3279 | be in charge of the applicant's registered activities.

3280 | (d) Copies of the applicant's audited financial statements  
3281 | for the current year, and, if available, for the preceding 2  
3282 | years. An applicant who is not required to file audited  
3283 | financial statements may satisfy this requirement by filing  
3284 | unaudited financial statements verified under penalty of  
3285 | perjury, as provided by the commission by rule.

3286 | (5) Each applicant shall designate and maintain an agent  
3287 | in this state for service of process.

3288 | Section 59. Section 560.207, Florida Statutes, is amended  
3289 | to read:

3290 | 560.207 Renewal of registration; registration fee.--

3291 | (1) Registration may be renewed for a 24-month period or  
3292 | the remainder of any such period without proration following the  
3293 | date of its expiration by furnishing such information as the

HB 7153

2006  
CS

3294 commission requires by rule, together with the payment of the  
3295 fees required under subsections (2), (3), and (4), upon the  
3296 filing with the office of an application and other statements  
3297 and documents as may reasonably be required of registrants by  
3298 the commission. However, the registrant must remain qualified  
3299 for such registration under the provisions of this part.

3300 (2) Each renewal of All registration must renewal  
3301 applications shall be accompanied by a nonrefundable renewal fee  
3302 not to exceed \$1,000. A registration expires on April 30 of the  
3303 year in which the existing registration expires, unless the  
3304 registrant has renewed his or her registration on or before that  
3305 date. In no event shall a registration be issued for a period in  
3306 excess of 24 months. The commission may adopt rules pursuant to  
3307 ss. 120.536(1) and 120.54 to implement this section All renewal  
3308 applications must be filed on or after January 1 of the year in  
3309 which the existing registration expires, but before the  
3310 expiration date of April 30. If the renewal application is filed  
3311 prior to the expiration date of an existing registration, no  
3312 late fee shall be paid in connection with such renewal  
3313 application. If the renewal application is filed within 60  
3314 calendar days after the expiration date of an existing  
3315 registration, then, in addition to the \$1,000 renewal fee, the  
3316 renewal application shall be accompanied by a nonrefundable late  
3317 fee of \$500. If the registrant has not filed a renewal  
3318 application within 60 calendar days after the expiration date of  
3319 an existing registration, a new application shall be filed with  
3320 the office pursuant to s. 560.205.



HB 7153

2006  
CS

3321           (3) In addition to the renewal fee required under  
3322 subsection (2), each registrant must pay ~~Every registration~~  
3323 ~~renewal application shall also include~~ a 2-year nonrefundable  
3324 registration renewal fee of \$50 for each authorized vendor or  
3325 location operating within this state or, at the option of the  
3326 registrant, a total 2-year nonrefundable renewal fee of \$20,000  
3327 may be paid to renew the registration of all such locations  
3328 currently registered at the time of renewal.

3329           (4) A registration may be reinstated only if the renewal  
3330 fee and a nonrefundable late fee of \$500 are filed within 60  
3331 calendar days after the expiration of the existing registration.  
3332 The office shall grant a reinstatement of registration if an  
3333 application is filed during the 60-day period, and the  
3334 reinstatement is effective upon receipt of the required fees and  
3335 any information that the commission requires by rule. If a  
3336 registrant does not file an application for reinstatement of the  
3337 registration within the 60 calendar days after expiration of an  
3338 existing registration, the registration expires and a new  
3339 application must be filed with the office pursuant to s.  
3340 560.205.

3341           Section 60. Subsection (1) of section 560.210, Florida  
3342 Statutes, is amended to read:

3343           560.210 Permissible investments.--

3344           (1) A registrant shall at all times possess permissible  
3345 investments with an aggregate market value calculated in  
3346 accordance with United States generally accepted accounting  
3347 principles of not less than the aggregate face amount of all  
3348 outstanding funds transmissions ~~transmitted~~ and ~~outstanding~~

HB 7153

2006  
CS

3349 | payment instruments issued or sold by the registrant or an  
3350 | authorized vendor in the United States.

3351 | Section 61. Subsection (2) of section 560.211, Florida  
3352 | Statutes, is amended to read:

3353 | 560.211 Records.--

3354 | (2) The records required to be maintained by the code may  
3355 | be maintained by the registrant at any location if, ~~provided~~  
3356 | ~~that~~ the registrant notifies the office in writing of the  
3357 | location of the records in its application or otherwise by  
3358 | amendment as prescribed by commission rule. The registrant shall  
3359 | make such records available to the office for examination and  
3360 | investigation in this state, as permitted by the code, within 7  
3361 | days after receipt of a written request.

3362 | Section 62. Section 560.305, Florida Statutes, is amended  
3363 | to read:

3364 | 560.305 Application.--Each application for registration  
3365 | must ~~shall~~ be in writing and under oath to the office, in such  
3366 | form as the commission prescribes. The application must contain  
3367 | such information as the commission requires by rule, including,  
3368 | but not limited to ~~shall include the following:~~

3369 | (1) The legal name, social security number, and residence  
3370 | and business addresses of the applicant if the applicant is a  
3371 | natural person, or, if the applicant is a partnership,  
3372 | association, or corporation, the name of every partner, officer,  
3373 | ~~or~~ director, member, controlling shareholder, or responsible  
3374 | person thereof.

3375 | (2) The location of the principal office of the applicant.

HB 7153

2006  
CS

3376 (3) The complete address of any other locations at which  
3377 the applicant proposes to engage in such activities since the  
3378 provisions of registration apply to each and every operating  
3379 location of a registrant.

3380 (4) Such other information as the commission or office  
3381 reasonably requires with respect to the applicant or any money  
3382 transmitter-affiliated party of the applicant; however, the  
3383 commission or office may not require more information than is  
3384 specified in part II.

3385 Section 63. Subsections (1) and (4) of section 560.306,  
3386 Florida Statutes, are amended to read:

3387 560.306 Standards.--

3388 (1) In order to qualify for registration under this part,  
3389 an applicant must demonstrate to the office that he or she has  
3390 such character and general fitness as will command the  
3391 confidence of the public and warrant the belief that the  
3392 registered business will be operated lawfully and fairly. The  
3393 office may investigate each applicant to ascertain whether the  
3394 qualifications and requirements prescribed by this part have  
3395 been met. The office's investigation may include a criminal  
3396 background investigation of all controlling shareholders,  
3397 principals, officers, directors, members, and responsible  
3398 persons of a check casher and a foreign currency exchanger and  
3399 all persons designated by a foreign currency exchanger or check  
3400 casher as an authorized vendor. Each controlling shareholder,  
3401 principal, officer, director, member, and responsible person of  
3402 a check casher or foreign currency exchanger, unless the  
3403 applicant is a publicly traded corporation as defined by the

HB 7153

2006  
CS

3404 commission by rule, a subsidiary thereof, or a subsidiary of a  
3405 bank or bank holding company organized and regulated under the  
3406 laws of any state or the United States, shall file a complete  
3407 set of fingerprints. A fingerprint card submitted to the office  
3408 must be taken by an authorized law enforcement agency officer.  
3409 The office shall submit the ~~Such~~ fingerprints ~~must be submitted~~  
3410 to the Department of Law Enforcement for state processing and  
3411 the Department of Law Enforcement shall forward the fingerprints  
3412 to ~~or~~ the Federal Bureau of Investigation for ~~state and~~ federal  
3413 processing. The cost for the fingerprint processing may be borne  
3414 by the office, the employer, or the person subject to the  
3415 background check. The Department of Law Enforcement shall submit  
3416 an invoice to the office for the fingerprints received each  
3417 month. The office shall screen the background results to  
3418 determine if the applicant meets licensure requirements. The  
3419 commission may waive by rule the requirement that applicants  
3420 file a set of fingerprints or the requirement that such  
3421 fingerprints be processed by the Department of Law Enforcement  
3422 or the Federal Bureau of Investigation.

3423 (4) Each registration application and renewal application  
3424 must specify the location at which the applicant proposes to  
3425 establish its principal place of business and any other  
3426 location, including authorized vendors operating in this state.  
3427 The registrant shall notify the office of any changes to any  
3428 such locations. ~~Any registrant may satisfy this requirement by~~  
3429 ~~providing the office with a list of such locations, including~~  
3430 ~~all authorized vendors operating in this state, not less than~~  
3431 ~~annually.~~ A registrant may not transact business as a check

HB 7153

2006  
CS

3432 | cashier or a foreign currency exchanger except pursuant to the  
3433 | name under which it is registered.

3434 |       Section 64. Section 560.308, Florida Statutes, is amended  
3435 | to read:

3436 |       560.308 Registration terms; renewal; renewal fees.--

3437 |       (1) Registration may be renewed for a 24-month period, or  
3438 | the remainder of any such period without proration, following  
3439 | the date of its expiration by furnishing such information as the  
3440 | commission requires by rule, together with the payment of the  
3441 | fees required under subsections (2), (3), and (4). Registration  
3442 | pursuant to this part shall remain effective through the  
3443 | remainder of the second calendar year following its date of  
3444 | issuance unless during such calendar year the registration is  
3445 | surrendered, suspended, or revoked.

3446 |       (2) Each application for renewal of registration must be  
3447 | accompanied by ~~The office shall renew registration upon receipt~~  
3448 | ~~of a completed renewal form and payment of a nonrefundable~~  
3449 | ~~renewal fee not to exceed \$500.~~ A registration expires on  
3450 | December 31 of the year in which the existing registration  
3451 | expires, unless the registrant has renewed his or her  
3452 | registration on or before that date ~~The completed renewal form~~  
3453 | ~~and payment of the renewal fee shall occur on or after June 1 of~~  
3454 | ~~the year in which the existing registration expires.~~

3455 |       (3) In addition to the renewal fee required by subsection  
3456 | (2), each registrant must pay a 2-year nonrefundable  
3457 | registration renewal fee of \$50 for each authorized vendor or  
3458 | location operating within this state or, at the option of the  
3459 | registrant, a total 2-year nonrefundable renewal fee of \$20,000

HB 7153

2006  
CS

3460 may be paid to renew the registration of all such locations  
3461 currently registered at the time of renewal.

3462 (4) ~~Registration that is not renewed on or before the~~  
3463 ~~expiration date of the registration period automatically~~  
3464 ~~expires.~~ A renewal application and fee, and a nonrefundable late  
3465 fee of \$250~~7~~ must be filed within 60 calendar days after the  
3466 expiration of an existing registration in order for the  
3467 registration to be reinstated. The office shall grant a  
3468 reinstatement of registration if application is filed during the  
3469 60-day period, and the reinstatement is effective upon receipt  
3470 of the required fees and any information that the commission  
3471 requires by rule. If the registrant has not filed an a renewal  
3472 application within 60 calendar days after the expiration date of  
3473 an existing registration, the registration expires and a new  
3474 application must be filed with the office pursuant to s.  
3475 560.307.

3476 Section 65. Subsection (2) of section 560.310, Florida  
3477 Statutes, is amended to read:

3478 560.310 Records of check cashers and foreign currency  
3479 exchangers.--

3480 (2) The records required to be maintained by the code may  
3481 be maintained by the registrant at any location if, provided  
3482 ~~that~~ the registrant notifies the office, in writing, of the  
3483 location of the records in its application or otherwise by  
3484 amendment as prescribed by commission rule. The registrant shall  
3485 make such records available to the office for examination and  
3486 investigation in this state, as permitted by the code, within 7  
3487 days after receipt of a written request.

HB 7153

2006  
CS

3488 Section 66. Subsections (2) and (4) of section 560.403,  
3489 Florida Statutes, are amended to read:

3490 560.403 Requirements of registration; declaration of  
3491 intent.--

3492 (2) A registrant under this part shall renew his or her  
3493 intent to engage in the business of deferred presentment  
3494 transactions or to act as a deferred presentment provider upon  
3495 renewing his or her registration under part II or part III and  
3496 shall do so by indicating his or her intent ~~on the renewal form~~  
3497 ~~and~~ by submitting a nonrefundable deferred presentment provider  
3498 renewal fee of \$1,000, in addition to any fees required for  
3499 renewal of registration under part II or part III.

3500 (4) The notice of intent of a registrant under this part  
3501 who fails to timely renew his or her intent to engage in the  
3502 business of deferred presentment transactions or to act as a  
3503 deferred presentment provider on or before the expiration date  
3504 of the registration period automatically expires. A renewal  
3505 ~~declaration of intent and fee,~~ and a nonrefundable late fee of  
3506 \$500~~7~~ must be filed within 60 calendar days after the expiration  
3507 of an existing registration in order for the declaration of  
3508 intent to be reinstated. The office shall grant a reinstatement  
3509 of registration if application is filed during the 60-day  
3510 period, and the reinstatement is effective upon receipt of the  
3511 required fees and any information that the commission requires  
3512 by rule. If the registrant has not filed a reinstatement of a  
3513 renewal declaration of intent within 60 calendar days after the  
3514 expiration date of an existing registration, the notice of

HB 7153

2006  
CS

3515 | intent expires and a new declaration of intent must be filed  
3516 | with the office.

3517 | Section 67. Section 655.935, Florida Statutes, is amended  
3518 | to read:

3519 | 655.935 Search procedure on death of lessee.--If  
3520 | satisfactory proof of the death of the lessee is presented, a  
3521 | lessor shall permit the person named in a court order for the  
3522 | purpose, or if no order has been served upon the lessor, the  
3523 | spouse, a parent, an adult descendant, or a person named as a  
3524 | personal representative in a copy of a purported will produced  
3525 | by such person, to open and examine the contents of a safe-  
3526 | deposit box leased or co-leased by a decedent, or any documents  
3527 | delivered by a decedent for safekeeping, in the presence of an  
3528 | officer of the lessor; and the lessor, if so requested by such  
3529 | person, shall deliver:

3530 | (1) Any writing purporting to be a will of the decedent,  
3531 | to the court having probate jurisdiction in the county in which  
3532 | the financial institution is located;

3533 | (2) Any writing purporting to be a deed to a burial plot  
3534 | or to give burial instructions, to the person making the request  
3535 | for a search; and

3536 | (3) Any document purporting to be an insurance policy on  
3537 | the life of the decedent, to the beneficiary named therein.

3538 |  
3539 | No other contents may be removed pursuant to this section and  
3540 | access granted pursuant to this section shall not be considered  
3541 | the initial opening of the safe-deposit box pursuant to s.



HB 7153

2006  
CS

3542 | 733.6065 by a personal representative appointed by a court in  
 3543 | this state.

3544 | Section 68. Subsections (1) and (2) of section 655.936,  
 3545 | Florida Statutes, are amended to read:

3546 | 655.936 Delivery of safe-deposit box contents or property  
 3547 | held in safekeeping to personal representative.--

3548 | (1) Subject to the provisions of subsection (3), the  
 3549 | lessor shall immediately deliver to a ~~resident~~ personal  
 3550 | representative appointed by a court in this state, upon  
 3551 | presentation of a certified copy of his or her letters of  
 3552 | authority, all property deposited with it by the decedent for  
 3553 | safekeeping, and shall grant the ~~resident~~ personal  
 3554 | representative access to any safe-deposit box in the decedent's  
 3555 | name and permit him or her to remove from such box any part or  
 3556 | all of the contents thereof.

3557 | (2) If a ~~foreign~~ personal representative of a deceased  
 3558 | lessee has been appointed by a court of any other state, a  
 3559 | lessor may, at its discretion, after 3 months from the issuance  
 3560 | to such ~~foreign~~ personal representative of his or her letters of  
 3561 | authority, deliver to such ~~foreign~~ personal representative all  
 3562 | properties deposited with it for safekeeping and the contents of  
 3563 | any safe-deposit box in the name of the decedent if at such time  
 3564 | the lessor has not received written notice of the appointment of  
 3565 | a personal representative in this state, and such delivery is a  
 3566 | valid discharge of the lessor for all property or contents so  
 3567 | delivered. A ~~Such foreign~~ personal representative appointed by a  
 3568 | court of any other state shall furnish the lessor with an  
 3569 | affidavit setting forth facts showing the domicile of the

HB 7153

2006  
CS

3570 | deceased lessee to be other than this state and stating that  
 3571 | there are no unpaid creditors of the deceased lessee in this  
 3572 | state, together with a certified copy of his or her letters of  
 3573 | authority. A lessor making delivery pursuant to this subsection  
 3574 | shall maintain in its files a receipt executed by such ~~foreign~~  
 3575 | personal representative which itemizes in detail all property so  
 3576 | delivered.

3577 |         Section 69. Section 655.937, Florida Statutes, is amended  
 3578 | to read:

3579 |             655.937 Access to safe-deposit boxes leased in two or more  
 3580 | names.--

3581 |         (1) Unless ~~When~~ specifically provided in the lease or  
 3582 | rental agreement to the contrary, if covering a safe-deposit box  
 3583 | is heretofore or hereafter rented or leased in the names of two  
 3584 | or more lessees, ~~that~~ access to the safe-deposit box will be  
 3585 | granted to either lessee, or to ~~either or the survivor, access~~  
 3586 | ~~to the safe-deposit box shall be granted to:~~

3587 |             (a) Either or any of such lessees, regardless of whether  
 3588 | or not the other lessee or lessees or any of them are living or  
 3589 | competent. ~~;~~ ~~or~~

3590 |             (b) Subject to s. 655.933, those persons named in s.  
 3591 | 655.933.

3592 |             (c) Subject to s. 655.935, those persons named in s.  
 3593 | 655.935.

3594 |             (d) ~~(b)~~ Subject to s. 773.6065, the personal representative  
 3595 | of the estate of either or any of such lessees who is deceased,  
 3596 | or the guardian of the property of either or any of such lessees  
 3597 | who is incapacitated.

HB 7153

2006  
CS

3598           (2) In all cases described in subsection (1), ~~and, in~~  
3599 ~~either such case, the provisions of s. 655.933 apply, and the~~  
3600 ~~signature on the safe-deposit entry or access record,~~ or the  
3601 ~~receipt or acquittance, in the case of property or documents~~  
3602 ~~otherwise held for safekeeping,~~ is a valid and sufficient  
3603 ~~release and discharge to the lessor for granting access to such~~  
3604 ~~safe-deposit box or for the delivery of such property or~~  
3605 ~~documents otherwise held for safekeeping.~~

3606           (3) ~~(2)~~ A lessor may not be held liable for damages or  
3607 penalty by reason of any access granted or delivery made  
3608 pursuant to this section.

3609           (4) The right of access by a co-lessee is separate from  
3610 the rights and responsibilities of other persons who may be  
3611 granted access to a safe-deposit box after the death or  
3612 incapacity of another co-lessee and such right of access is not  
3613 subject to the provisions of s. 655.935 or s. 733.6065 or other  
3614 requirements imposed upon personal representatives, guardians,  
3615 or other fiduciaries.

3616           (5) After the death of a co-lessee, the surviving co-  
3617 lessee or any other person who is granted access to the safe-  
3618 deposit box pursuant to this section may make a written  
3619 inventory of the box, which must be conducted by the person  
3620 making the request in the presence of one other person as  
3621 specified in this section. Each person present shall verify the  
3622 contents of the box by signing a copy of the inventory under  
3623 penalty of perjury.

3624           (a) If the person making the written inventory is the  
3625 surviving co-lessee, the other person may be any other person

HB 7153

2006  
CS

3626 granted access pursuant to this section, an employee of the  
3627 institution where the box is located, or an attorney licensed in  
3628 this state.

3629 (b) If the person making the written inventory is not a  
3630 surviving co-lessee, the other person may be a surviving co-  
3631 lessee, an employee of the institution where the box is located,  
3632 or an attorney licensed in this state.

3633 Section 70. Effective upon this act becoming a law,  
3634 subsection (3) of section 679.705, Florida Statutes, is amended  
3635 to read:

3636 679.705 Effectiveness of action taken before effective  
3637 date.--

3638 (3) This act does not render ineffective an effective  
3639 financing statement that, before this act takes effect, is filed  
3640 and satisfies the applicable requirements for perfection under  
3641 the law of the jurisdiction governing perfection as provided in  
3642 s. 679.103, Florida Statutes 2000. However, except as otherwise  
3643 provided in subsections (4) and (5) and s. 679.706, the  
3644 financing statement ceases to be effective at the earlier of:

3645 (a) The time the financing statement would have ceased to  
3646 be effective under the law of the jurisdiction in which it is  
3647 filed; or

3648 (b) December 31 ~~June 30~~, 2006.

3649 Section 71. Section 733.6065, Florida Statutes, is amended  
3650 to read:

3651 733.6065 Opening safe-deposit box.--

3652 (1) Subject to the provisions of s. 655.936(2), the  
3653 initial opening of a ~~the decedent's~~ safe-deposit box that is

HB 7153

2006  
CS

3654 | leased or co-leased by the decedent shall be conducted in the  
 3655 | presence of any two of the following persons: an employee of the  
 3656 | institution where the box is located, the personal  
 3657 | representative, or the personal representative's attorney of  
 3658 | record. Each person who is present must verify the contents of  
 3659 | the box by signing a copy of the inventory under penalties of  
 3660 | perjury. The personal representative shall file the safe-deposit  
 3661 | box inventory, together with a copy of the box entry record from  
 3662 | a date which is 6 months prior to the date of death to the date  
 3663 | of inventory, with the court within 10 days after the box is  
 3664 | opened. Unless otherwise ordered by the court, this inventory  
 3665 | and the attached box entry record is subject to inspection only  
 3666 | by persons entitled to inspect an inventory under s. 733.604(1).  
 3667 | The personal representative may remove the contents of the box.

3668 |         (2) The right to open and examine the contents of a safe-  
 3669 | deposit box leased by a decedent, or any documents delivered by  
 3670 | a decedent for safekeeping, and to receive items as provided for  
 3671 | in s. 655.935 are separate from ~~in addition to~~ the rights  
 3672 | provided for in subsection (1).

3673 |         Section 72. For the 2006-2007 fiscal year, the recurring  
 3674 | sum of \$700,515 is appropriated from the Regulatory Trust Fund  
 3675 | to the Office of Financial Regulation for the purpose of  
 3676 | implementing the provisions of s. 494.0033(2)(b), Florida  
 3677 | Statutes, for third-party administration of the mortgage broker  
 3678 | test.

3679 |         Section 73. Except as otherwise expressly provided in this  
 3680 | act, this act shall take effect October 1, 2006.