

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

28 | amending s. 494.003, F.S.; revising the list of entities
29 | exempt from certain mortgage broker licensure
30 | requirements; amending s. 494.0031, F.S.; requiring
31 | licensure of mortgage brokerage businesses; revising
32 | requirements and procedures for issuing licenses;
33 | providing duties and authority of the commission and
34 | office; providing duties of the Department of Law
35 | Enforcement; specifying that certain licenses are not
36 | transferable or assignable; revising the grounds on which
37 | a license may be denied; deleting certain provisions
38 | relating to cancellation and reinstatement of licenses;
39 | amending s. 494.0032, F.S.; requiring renewal of branch
40 | office licenses with renewal of mortgage brokerage
41 | business licenses; amending s. 494.0033, F.S.; revising
42 | mortgage broker licensure requirements and procedures;
43 | authorizing the commission to prescribe additional testing
44 | fees; authorizing the commission to waive certain
45 | examination requirements under specified circumstances;
46 | providing duties and authority of the commission and
47 | office; providing duties of the Department of Law
48 | Enforcement; deleting provisions relating to cancellation
49 | and reinstatement of licenses; amending s. 494.0036, F.S.;
50 | revising mortgage brokerage business branch office
51 | licensure requirements and procedures; deleting a
52 | requirement for displaying licenses; amending s. 494.0039,
53 | F.S.; deleting mortgage brokerage business change of
54 | address reporting and license display requirements;

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

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

109 | amending s. 501.137, F.S.; providing mortgage lender
110 | liability for attorney's fees and costs for certain
111 | violations; amending s. 516.01, F.S.; defining the term
112 | "control person"; amending s. 516.03, F.S.; revising
113 | requirements and procedures for issuing consumer finance
114 | loan licenses; specifying certain fees as nonrefundable;
115 | authorizing the commission to adopt rules; revising
116 | certain fee requirements; providing for technological or
117 | financial hardship exemptions under certain circumstances;
118 | amending s. 516.031, F.S.; increasing a reimbursement
119 | charge for certain investigation costs; amending s.
120 | 516.05, F.S.; revising investigation procedures; deleting
121 | provisions relating to certain fees for licenses that have
122 | been denied; providing licensee information reporting
123 | requirements; providing requirements for acquiring a
124 | controlling interest in a licensee; providing a
125 | definition; providing duties and authority of the
126 | commission and office; providing for commission rules;
127 | authorizing the office to bring an administrative action
128 | under certain circumstances; deleting provisions
129 | authorizing the office to grant temporary licenses;
130 | amending s. 516.07, F.S.; providing an additional ground
131 | for taking disciplinary action; repealing s. 516.08, F.S.,
132 | relating to requirements for posting a license; amending
133 | s. 516.12, F.S.; authorizing the commission to adopt rules
134 | specifying the minimum information to be shown in a
135 | licensee's books, accounts, records, and documents and the

136 requirements for destroying a licensee's books, accounts,
137 records, and documents; amending s. 516.19, F.S.;
138 correcting cross-references; amending s. 517.021, F.S.;
139 redefining the term "branch office"; authorizing the
140 commission to adopt rules; amending s. 517.051, F.S.;
141 revising required accounting principles; amending s.
142 517.061, F.S.; revising a provision governing exempt
143 transactions; amending s. 517.081, F.S.; revising required
144 accounting principles; amending s. 517.12, F.S.; revising
145 requirements and procedures for registration of dealers,
146 associated persons, investment advisers, and branch
147 offices; revising duties and authority of the commission
148 and office; providing for commission rules; providing
149 duties of the Department of Law Enforcement; revising
150 requirements, procedures, and exemptions relating to
151 activities of Canadian dealers and associated persons;
152 providing for certain fees; providing that certain fees
153 are nonrefundable; providing for the collection of fees;
154 amending s. 517.131, F.S.; revising criteria under which
155 recovery can be made from the Securities Guaranty Fund;
156 authorizing the commission to adopt rules; amending s.
157 517.141, F.S.; revising requirements for claimant
158 reimbursements to the fund; authorizing the commission to
159 adopt rules; amending s. 517.161, F.S.; revising a ground
160 for a registration adverse action; providing an additional
161 ground; amending ss. 520.02, 520.31, and 520.61, F.S.;
162 defining the term "control person"; amending ss. 520.03,

163 520.32, 520.52, and 520.63, F.S.; revising requirements
164 and procedures for licensing motor vehicle retail
165 installment sellers, retail installment transaction retail
166 sellers, sales finance companies, and home improvement
167 finance sellers; revising duties and authority of the
168 commission and office; specifying certain fees as
169 nonrefundable; amending s. 520.994, F.S.; revising
170 commission authority to adopt rules to include electronic
171 submissions; providing for accommodating a technological
172 or financial hardship; amending s. 520.995, F.S.;
173 providing an additional ground for taking disciplinary
174 action; revising a provision applying disciplinary actions
175 to certain persons; amending s. 520.997, F.S.; revising
176 commission authority to adopt rules relating to a
177 licensee's books, accounts, records, and documents;
178 creating s. 520.999, F.S.; providing additional
179 requirements of licensees in sales and finance;
180 authorizing the office to bring an administrative action
181 under certain circumstances; authorizing the commission to
182 adopt rules; amending s. 537.009, F.S., relating to the
183 Florida Title Loan Act; revising provisions relating to a
184 licensee's books, accounts, records, and documents;
185 amending s. 559.9232, F.S.; correcting cross-references;
186 amending s. 560.105, F.S., relating to the Money
187 Transmitters' Code; authorizing the commission to adopt
188 rules for electronic submission of money transmitter
189 licensee forms, documents, or fees; providing for

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

217 registration; amending s. 560.306, F.S.; revising
218 fingerprinting requirements and procedures; providing
219 duties of the office and Department of Law Enforcement;
220 amending s. 560.308, F.S.; revising requirements for
221 renewal of registration; providing for expiration of
222 registration; providing that specified fees are
223 nonrefundable; providing conditions for reinstatement of a
224 registration; amending s. 560.310, F.S.; revising certain
225 recordkeeping requirements; amending s. 560.403, F.S.;
226 revising requirements for registration renewal notices of
227 intent; providing that specified fees are nonrefundable;
228 providing conditions for reinstatement of a notice of
229 intent; creating s. 655.851, F.S.; providing that credit
230 balances that result from the performance of or
231 participation in check-clearing functions are not subject
232 to certain reporting requirements; amending s. 655.935,
233 F.S.; authorizing the search of a safe-deposit box co-
234 leased by a decedent; providing construction; amending s.
235 655.936, F.S.; providing for the delivery of a safe-
236 deposit box to a court-appointed personal representative;
237 amending s. 655.937, F.S.; revising provisions for access
238 to safe-deposit boxes; providing a penalty; amending s.
239 679.705, F.S.; extending the effective date of a financing
240 statement filed under previous law; amending s. 733.6065,
241 F.S.; revising provisions relating to the initial opening
242 of certain safe-deposit boxes; providing an appropriation;
243 providing effective dates.

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

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

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

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

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

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

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

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

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

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

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

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

286 494.0016 Books, accounts, and records; maintenance;
 287 examinations by the office.--

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

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

298 494.0029 Mortgage business schools.--

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

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

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

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

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

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

344 (2)(3)(a) It is unlawful for any such person, school, or
345 institution to offer or conduct mortgage business courses,
346 regardless of the number of pupils, without first procuring a
347 permit or to guarantee that the pupils will pass any mortgage
348 business examination given on behalf of the office or to
349 represent that the issuance of a permit is any recommendation or
350 endorsement of the person, school, or institution to which it is
351 issued or of any course of instruction given thereunder. Any

352 person who violates this paragraph commits a misdemeanor of the
353 second degree, punishable as provided in s. 775.082 or s.
354 775.083.

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

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

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

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

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

376 (3) Each person, school, or institution that is required
377 to be permitted as a mortgage business school under this section
378 shall maintain and make available for the office's review,

379 inspection, and observation any training, curriculum, and
380 training materials necessary for the office to determine
381 compliance with this chapter and the rules adopted under this
382 chapter. All documents prescribed by commission rule must be
383 submitted with the initial application or recertification.

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

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

394 494.00295 Professional continuing education.--

395 (1) Mortgage brokers, and the principal representatives
396 and loan originators of a mortgage lender, correspondent
397 mortgage lender, or mortgage lender pursuant to s. 494.0065,
398 must successfully complete at least 14 hours of professional
399 continuing education covering primary and subordinate mortgage
400 financing transactions and the provisions of this chapter during
401 the 2-year period immediately preceding the renewal deadline for
402 a mortgage broker, mortgage lender, correspondent mortgage
403 lender, or mortgage lender pursuant to s. 494.0065. At the time
404 of license renewal, a licensee must certify to the office that
405 the professional continuing education requirements of this

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

430 (2) Professional continuing education programs must
431 contribute directly to the professional competency of the
432 participants, may only be offered by permitted mortgage business

433 schools or entities specifically exempted from permitting as
434 mortgage business schools, and may include electronically
435 transmitted or distance education courses.

436 (3) The commission shall adopt rules necessary to
437 administer this section, including rules governing qualifying
438 hours for professional continuing education programs and
439 standards for electronically transmitted or distance education
440 courses, including course completion requirements.

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

444 494.003 Exemptions.--

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

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

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

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

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

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

469 494.0031 Licensure as a mortgage brokerage business.--

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

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

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

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

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

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

513 qualifications, educational and business history, and
514 disciplinary and criminal history.

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

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

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

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

549 494.0032 Renewal of mortgage brokerage business license or
 550 branch office license.--

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

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

560 494.0033 Mortgage broker's license.--

561 (1) Each natural person who acts as a mortgage broker for
 562 a mortgage brokerage business or acts as an associate for a
 563 mortgage lender or correspondent mortgage lender must be
 564 licensed under ~~pursuant to~~ this section. To act as a mortgage
 565 broker, an individual must be an associate of a mortgage

566 brokerage business, a mortgage lender, or a correspondent
567 mortgage lender. A mortgage broker may not be ~~is prohibited from~~
568 ~~being~~ an associate of more than one mortgage brokerage business,
569 mortgage lender, or correspondent mortgage lender.

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

576 (a) Is at least 18 years of age.↗

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

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

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

614
615 The commission may require by rule information concerning any
616 such applicant or person, including, but not limited to, his or
617 her full name and any other names by which he or she may have
618 been known, age, social security number, qualifications and

619 educational and business history, and disciplinary and criminal
620 history.

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

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

630 494.0036 Mortgage brokerage business branch offices.--

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

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

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

651 494.0039 Principal place of business requirements.--

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

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

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

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

665 494.004 Requirements of licensees.--

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

672 30 days after the date of conviction, entry of a plea of nolo
673 contendere, or final administrative action.

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

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

685 (4) Each licensee under ss. 494.003-494.0043 shall report
686 on a form prescribed by rule of the commission any change to the
687 information contained in any initial application form or any
688 amendment to the application ~~any change in the form of business~~
689 ~~organization or any change of a person named, pursuant to s.~~
690 ~~494.0031(3), to the office in writing~~ not later than 30 days
691 after the change is effective.

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

694 (6) Each licensee under ss. 494.003-494.0043 shall report
695 any change in the principal broker, partners, officers, members,
696 joint venturers, directors, control persons of any licensee, or
697 any individual who is the ultimate equitable owner of a 10-
698 percent or greater interest in the licensee, or any change in

699 the form of business organization, by written amendment in the
700 form and at the time the commission specifies by rule.

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

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

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

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

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

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

755 494.0041 Administrative penalties and fines; license
756 violations.--

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

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

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

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

777 2. Having been the subject of any injunction or adverse
778 administrative order by a state or federal agency regulating

779 banking, insurance, finance or small loan companies, real
 780 estate, mortgage brokers or lenders, money transmitters, or
 781 other related or similar industries.

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

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

791 494.006 Exemptions.--

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

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

800 (c) A wholly owned bank holding company subsidiary or a
 801 wholly owned savings and loan association holding company
 802 subsidiary that is formed and regulated under the laws of any
 803 state or the United States and that is approved or certified by
 804 the Department of Housing and Urban Development, the Veterans
 805 Administration, the Government National Mortgage Association,

806 | the Federal National Mortgage Association, or the Federal Home
 807 | Loan Mortgage Corporation.

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

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

815 | 494.0061 Mortgage lender's license requirements.--

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

819 | (2) ~~(1)~~ Each initial application for a mortgage lender
 820 | license must be in the form prescribed by rule of the
 821 | commission. The commission or office may require each applicant
 822 | for a mortgage lender license to provide any information
 823 | reasonably necessary to make a determination of the applicant's
 824 | eligibility for licensure. The office shall issue an initial
 825 | mortgage lender license to any person that submits:

826 | (a) A completed application form.↕

827 | (b) A nonrefundable application fee of \$575. An
 828 | application is considered received for purposes of s. 120.60
 829 | upon receipt of a completed application form as prescribed by
 830 | commission rule, a nonrefundable application fee of \$575, and
 831 | any other fee prescribed by law.↕

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

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

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

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

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

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

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

885 and any other names by which he or she may have been known,
886 social security number, age, qualifications and educational and
887 business history, and disciplinary and criminal history.

888 ~~(3)(2)~~ Notwithstanding ~~the provisions of~~ subsection (2)
889 ~~(1)~~, it is a ground for denial of licensure if the applicant;
890 designated principal representative; ~~any principal officer, or~~
891 director, control person, member, partner, or joint venturer of
892 the applicant; ~~or any natural person owning a 10-percent or~~
893 greater interest in the applicant; ~~or any natural person who is~~
894 the ultimate equitable owner of a 10-percent or greater interest
895 in the applicant has committed any violation specified in s.
896 494.0072, or has pending against her or him any criminal
897 prosecution or administrative enforcement action, in any
898 jurisdiction, which involves fraud, dishonest dealing, or any
899 act of moral turpitude.

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

909 (4) A person required to be licensed under ss. 494.006-
910 494.0077, or an agent or employee thereof, is deemed to have
911 consented to the venue of courts of competent jurisdiction in

912 | this state regarding any matter within the authority of ss.
 913 | 494.001-494.0077 regardless of where an act or violation was
 914 | committed.

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

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

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

935 | (7)~~(8)~~ Each lender, regardless of the number of branches
 936 | it operates, shall designate a principal representative who
 937 | exercises control of the licensee's business and shall maintain
 938 | a form prescribed by the commission designating the principal

939 representative. If the form is not accurately maintained, the
940 business is considered to be operated by each officer, director,
941 or equitable owner of a 10-percent or greater interest in the
942 business.

943 ~~(8)(9) After October 1, 2001,~~ An applicant's principal
944 representative must pass a written test prescribed by the
945 commission and administered by the office, or must pass an
946 electronic test prescribed by the commission and administered by
947 the office or a third party approved by the office, which covers
948 primary and subordinate mortgage financing transactions and the
949 provisions of this chapter and rules adopted under this chapter.
950 The commission may set a fee by rule, which may not exceed \$100,
951 for the electronic version of the mortgage broker test. The
952 commission may waive by rule the examination requirement for any
953 person who has passed a test approved by the Conference of State
954 Bank Supervisors, the American Association of Residential
955 Mortgage Regulators, or the United States Department of Housing
956 and Urban Development if the test covers primary and subordinate
957 mortgage financing transactions. This requirement is satisfied
958 if the principal representative has continuously served in the
959 capacity of a principal representative for a licensed entity
960 under this chapter for at least 1 year and has not had a lapse
961 in designation as a principal representative of more than 2
962 years before the date of the submission of the application or
963 amendment in the case of a change in the principal
964 representative. This requirement is also satisfied if the

965 principal representative holds an active license as a mortgage
 966 broker in this state.

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

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

986 494.0062 Correspondent mortgage lender's license
 987 requirements.--

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

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

998 (a) A completed application form.†

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

1004 (c) Audited financial statements that,~~which~~ document that
 1005 the applicant ~~application~~ has a bona fide and verifiable net
 1006 worth pursuant to United States generally accepted accounting
 1007 principles of \$25,000 or more, which must be continuously
 1008 maintained as a condition of licensure.†

1009 (d) A surety bond in the amount of \$10,000, payable to the
 1010 State of Florida and conditioned upon compliance with ss.
 1011 494.001-494.0077, which inures to the office and which must be
 1012 continuously maintained, thereafter, in full force.†

1013 (e) Documentation that the applicant is duly incorporated,
 1014 registered, or otherwise formed as a general partnership,
 1015 limited partnership, limited liability company, or other lawful
 1016 entity under the laws of this state or another state of the
 1017 United States.†~~and~~

1018 (f) ~~For applications filed after October 1, 2001,~~ Proof
1019 that the applicant's principal representative has completed 24
1020 hours of classroom instruction in primary and subordinate
1021 financing transactions and in the provisions of this chapter and
1022 rules enacted under this chapter. This requirement is satisfied
1023 if the principal representative has continuously served in the
1024 capacity of a principal representative for a licensed entity
1025 under this chapter for at least 1 year and has not had a lapse
1026 in designation as a principal representative of more than 2
1027 years before the date of the submission of the application or
1028 amendment in the case of a change in the principal
1029 representative. This requirement is also satisfied if the
1030 principal representative holds an active license as a mortgage
1031 broker in this state.

1032 (g) A complete set of fingerprints as the commission
1033 requires by rule for the designated principal representative and
1034 each officer, director, control person, member, partner, or
1035 joint venturer of the applicant and ultimate equitable owner of
1036 a 10-percent or greater interest in the applicant. A fingerprint
1037 card submitted to the office must be taken by an authorized law
1038 enforcement agency. The office shall submit the fingerprints to
1039 the Department of Law Enforcement for state processing and the
1040 Department of Law Enforcement shall forward the fingerprints to
1041 the Federal Bureau of Investigation for federal processing. The
1042 cost of the fingerprint processing may be borne by the office,
1043 the employer, or the person subject to the background check. The
1044 Department of Law Enforcement shall submit an invoice to the

1045 office for the fingerprints received each month. The office
 1046 shall screen the background results to determine if the
 1047 applicant meets licensure requirements.

1048 (h) Information the commission requires by rule concerning
 1049 any designated principal representative; any officer, director,
 1050 control person, member, partner, or joint venturer of the
 1051 applicant or any person having the same or substantially similar
 1052 status or performing substantially similar functions; or any
 1053 natural person who is the ultimate equitable owner of a 10-
 1054 percent or greater interest in the correspondent mortgage
 1055 lender. The office may require information concerning any such
 1056 applicant or person, including, but not limited to, his or her
 1057 full name and any other names by which he or she may have been
 1058 known, age, social security number, qualifications and
 1059 educational and business history, and disciplinary and criminal
 1060 history.

1061 (3)~~(2)~~ Notwithstanding the provisions of subsection (2)
 1062 ~~(1)~~, it is a ground for denial of licensure if the applicant;
 1063 any designated principal representative; ~~;~~ any principal officer,
 1064 ~~or~~ director, control person, member, partner, or joint venturer
 1065 of the applicant; ~~;~~ or any natural person who is the ultimate
 1066 equitable owner of a 10-percent or greater interest in the
 1067 applicant has committed any violation specified in s. 494.0072,
 1068 or has pending against her or him any criminal prosecution or
 1069 administrative enforcement action, in any jurisdiction, which
 1070 involves fraud, dishonest dealing, or any act of moral
 1071 turpitude.

1072 ~~(3) Each initial application for a correspondent mortgage~~
1073 ~~lender's license must be in a form prescribed by the commission.~~
1074 ~~The commission or office may require each applicant to provide~~
1075 ~~any information reasonably necessary to make a determination of~~
1076 ~~the applicant's eligibility for licensure. The commission or~~
1077 ~~office may require that each officer, director, and ultimate~~
1078 ~~equitable owner of a 10 percent or greater interest submit a~~
1079 ~~complete set of fingerprints taken by an authorized law~~
1080 ~~enforcement officer.~~

1081 (4) Each license is valid for the remainder of the
1082 biennium in which the license is issued.

1083 (5) A person licensed as a correspondent mortgage lender
1084 may make mortgage loans, but may not service a mortgage loan for
1085 more than 4 months after the date the mortgage loan was made or
1086 acquired by the correspondent mortgage lender.

1087 (6) A licensee under ss. 494.006-494.0077, or an agent or
1088 employee thereof, is deemed to have consented to the venue of
1089 courts of competent jurisdiction in this state regarding any
1090 matter within the authority of ss. 494.001-494.0077 regardless
1091 of where an act or violation was committed.

1092 (7) A correspondent mortgage lender is subject to the same
1093 requirements and restrictions as a licensed mortgage lender
1094 unless otherwise provided in this section.

1095 (8) A license issued under this section is not
1096 transferable or assignable.

1097 (9) A correspondent mortgage lender or branch office
1098 license may be canceled if it was issued through mistake or

1099 | inadvertence of the office. A notice of cancellation must be
1100 | issued by the office within 90 days after the issuance of the
1101 | license. A notice of cancellation shall be effective upon
1102 | receipt. The notice of cancellation shall provide the applicant
1103 | with notification of the right to request a hearing within 21
1104 | days after the applicant's receipt of the notice of
1105 | cancellation. A license shall be reinstated if the applicant can
1106 | demonstrate that the requirements for obtaining the license
1107 | pursuant to this chapter have been satisfied.

1108 | ~~(10) If an initial correspondent mortgage lender or branch~~
1109 | ~~office license has been issued but the check upon which the~~
1110 | ~~license is based is returned due to insufficient funds, the~~
1111 | ~~license shall be deemed canceled. A license deemed canceled~~
1112 | ~~pursuant to this subsection shall be reinstated if the office~~
1113 | ~~receives a certified check for the appropriate amount within 30~~
1114 | ~~days after the date the check was returned due to insufficient~~
1115 | ~~funds.~~

1116 | (10)~~(11)~~ Each correspondent lender shall designate a
1117 | principal representative who exercises control over the business
1118 | and shall maintain a form prescribed by the commission
1119 | designating the principal representative. If the form is not
1120 | accurately maintained, the business is considered to be operated
1121 | by each officer, director, or equitable owner of a 10-percent or
1122 | greater interest in the business.

1123 | (11)~~(12)~~ After ~~October 1, 2001,~~ An applicant's principal
1124 | representative must pass a written test prescribed by the
1125 | commission and administered by the office, or must pass an

1126 electronic test prescribed by the commission and administered by
 1127 the office or a third party approved by the office, which covers
 1128 primary and subordinate mortgage financing transactions and the
 1129 provisions of this chapter and rules adopted under this chapter.
 1130 The commission may waive by rule the examination requirement for
 1131 any person who has passed a test approved by the Conference of
 1132 State Bank Supervisors, the American Association of Residential
 1133 Mortgage Regulators, or the United States Department of Housing
 1134 and Urban Development if the test covers primary and subordinate
 1135 mortgage financing transactions. The commission may set by rule
 1136 a fee not to exceed \$100 for taking the examination. This
 1137 requirement is satisfied if the principal representative has
 1138 continuously served in the capacity of a principal
 1139 representative for a licensed entity under this chapter for at
 1140 least 1 year and has not had a lapse in designation as a
 1141 principal representative of more than 2 years before the date of
 1142 the submission of the application or amendment in the case of a
 1143 change in the principal representative. This requirement is also
 1144 satisfied if the principal representative holds an active
 1145 license as a mortgage broker in this state.

1146 (12)-(13) A correspondent lender shall notify the office of
 1147 any change in the designation of its principal representative
 1148 within 30 days after the change is effective. A new principal
 1149 representative shall satisfy the name and address of any new
 1150 principal representative and shall document that such person has
 1151 completed the educational and testing requirements of this
 1152 section within 90 days after being designated as upon the

1153 ~~lender's designation of a new principal representative. This~~
 1154 requirement is satisfied if the principal representative has
 1155 continuously served in the capacity of a principal
 1156 representative for a licensed entity under this chapter for at
 1157 least 1 year and has not had a lapse in designation as a
 1158 principal representative of more than 2 years before the date of
 1159 the submission of the application or amendment in the case of a
 1160 change in the principal representative. This requirement is also
 1161 satisfied if the principal representative holds an active
 1162 license as a mortgage broker in this state.

1163 Section 17. Paragraph (b) of subsection (1) and subsection
 1164 (2) of section 494.0064, Florida Statutes, are amended to read:

1165 494.0064 Renewal of mortgage lender's license; branch
 1166 office license renewal.--

1167 (1)

1168 (b) A licensee shall also submit, as part of the renewal
 1169 form, certification that during the preceding 2 years the
 1170 licensee's principal representative and, loan originators, ~~and~~
 1171 ~~associates~~ have completed the professional continuing education
 1172 requirements of s. 494.00295.

1173 (2) The commission shall adopt rules establishing a
 1174 procedure for the biennial renewal of mortgage lender's
 1175 licenses, correspondent lender's licenses, and branch office
 1176 licenses ~~permits~~. The commission may prescribe the form for
 1177 renewal and may require an update of all information provided in
 1178 the licensee's initial application.

1179 Section 18. Section 494.0065, Florida Statutes, is amended
 1180 to read:

1181 494.0065 Saving clause.--

1182 (1)(a) Any person in good standing who holds an active
 1183 registration pursuant to former s. 494.039 or license pursuant
 1184 to former s. 521.205, or any person who acted solely as a
 1185 mortgage servicer on September 30, 1991, is eligible to apply to
 1186 the office for a mortgage lender's license and is eligible for
 1187 licensure if the applicant:

1188 1. For at least 12 months during the period of October 1,
 1189 1989, through September 30, 1991, has engaged in the business of
 1190 either acting as a seller or assignor of mortgage loans or as a
 1191 servicer of mortgage loans, or both;

1192 2. Has documented a minimum net worth of \$25,000 in
 1193 audited financial statements; and

1194 3. Has applied for licensure pursuant to this section by
 1195 January 1, 1992, and paid an application fee of \$100.

1196 (b) A licensee pursuant to paragraph (a) may operate a
 1197 wholly owned subsidiary or affiliate for the purpose of
 1198 servicing accounts if the subsidiary or affiliate is operational
 1199 as of September 30, 1991. Such subsidiary or affiliate is not
 1200 required to obtain a separate license, but is subject to all the
 1201 requirements of a licensee under ss. 494.006-494.0077.

1202 (2) A licensee issued a license pursuant to subsection (1)
 1203 may renew its mortgage lending license if it documents a minimum
 1204 net worth of \$25,000, according to United States generally
 1205 accepted accounting principles, which must be continuously

1206 maintained as a condition to licensure. The office shall require
1207 an audited financial statement which documents such net worth.

1208 (3) The commission may prescribe by rule forms and
1209 procedures for application for licensure, and amendment and
1210 withdrawal of application for licensure, or transfer, including
1211 any existing branch offices, in accordance with subsections (4)
1212 and (5), and for renewal of licensure of licensees under this
1213 section. The office may require each applicant to provide any
1214 information reasonably necessary to determine the applicant's
1215 eligibility for licensure. An application is considered received
1216 for purposes of s. 120.60 upon receipt of a completed
1217 application form as prescribed by commission rule, a
1218 nonrefundable application fee of \$500, and any other fee
1219 prescribed by law.

1220 (4) (a) Notwithstanding ss. 494.0061(5) and 494.0067~~(2)(3)~~,
1221 the ultimate equitable owner, as of the effective date of this
1222 act, of a mortgage lender licensed under this section may
1223 transfer, one time, at least 50 percent of the ownership,
1224 control, or power to vote any class of equity securities of such
1225 mortgage lender, except as provided in paragraph (b). For
1226 purposes of this subsection, satisfaction of the amount of the
1227 ownership transferred may be met in multiple transactions or in
1228 a single transaction.

1229 (b) A person who is an ultimate equitable owner on the
1230 effective date of this act may transfer, at any time, at least
1231 50 percent of the ownership, control, or power to vote any class
1232 of equity securities of such person to the person's spouse or

1233 child, and any such transferee may transfer, at any time, such
1234 ownership, control, or power to vote to a spouse or child of
1235 such transferee, in perpetuity.

1236 (c) For any transfer application filed on or after October
1237 1, 2006:

1238 1. An applicant must provide proof that the applicant's
1239 principal representative has completed 24 hours of instruction
1240 in primary and subordinate financing transactions and in the
1241 provisions of this chapter and rules adopted under this chapter.
1242 This requirement is satisfied if the principal representative
1243 has continuously served in the capacity of a principal
1244 representative for a licensed entity under this chapter for at
1245 least 1 year and has not had a lapse in designation as a
1246 principal representative of more than 2 years before the date of
1247 the submission of the application or amendment in the case of a
1248 change in the principal representative. This requirement is also
1249 satisfied if the principal representative holds an active
1250 license as a mortgage broker in this state.

1251 2. An applicant's principal representative must pass a
1252 written test prescribed by the commission and administered by
1253 the office, or must pass an electronic test prescribed by the
1254 commission and administered by the office or a third party
1255 approved by the office, which covers primary and subordinate
1256 mortgage financing transactions and the provisions of this
1257 chapter and rules adopted under this chapter. The commission may
1258 set by rule a fee not to exceed \$100 for the electronic version
1259 of the mortgage broker test. The commission may waive by rule

1260 the examination requirement for any person who has passed a test
1261 approved by the Conference of State Bank Supervisors, the
1262 American Association of Residential Mortgage Regulators, or the
1263 United States Department of Housing and Urban Development if the
1264 test covers primary and subordinate mortgage financing
1265 transactions. This requirement is satisfied if the principal
1266 representative has continuously served in the capacity of a
1267 principal representative for a licensed entity under this
1268 chapter for at least 1 year and has not had a lapse in
1269 designation as a principal representative of more than 2 years
1270 before the date of the submission of the application or
1271 amendment in the case of a change in the principal
1272 representative. This requirement is also satisfied if the
1273 principal representative holds an active license as a mortgage
1274 broker in this state.

1275 (5) Each initial application for a transfer must be in the
1276 form prescribed by rule of the commission. The commission or
1277 office may require each applicant for any transfer to provide
1278 any information reasonably necessary to make a determination of
1279 the applicant's eligibility for licensure. The office shall
1280 issue the transfer of licensure to any person who submits the
1281 following documentation at least 90 days prior to the
1282 anticipated transfer:

1283 (a) A completed application form.

1284 (b) A nonrefundable fee set by rule of the commission in
1285 the amount of \$500. An application is considered received for
1286 purposes of s. 120.60 upon receipt of a completed application

1287 form as prescribed by commission rule, a nonrefundable
1288 application fee of \$500, and any other fee prescribed by law.

1289 (c) Audited financial statements that substantiate that
1290 the applicant has a bona fide and verifiable net worth,
1291 according to United States generally accepted accounting
1292 principles, of at least \$25,000, which must be continuously
1293 maintained as a condition of licensure.

1294 (d) Documentation that the applicant is incorporated,
1295 registered, or otherwise formed as a general partnership,
1296 limited partnership, limited liability company, or other lawful
1297 entity under the laws of this state or another state of the
1298 United States.

1299 (e) A complete set of fingerprints as the commission
1300 requires by rule for ~~or office may require that~~ each designated
1301 principal representative, officer, director, control person,
1302 member, partner, or joint venturer of the applicant and the
1303 ultimate equitable owner of a 10-percent or greater interest in
1304 the applicant. A fingerprint card submitted to the office must
1305 be ~~submit a complete set of fingerprints~~ taken by an authorized
1306 law enforcement agency officer. The office shall submit the
1307 fingerprints to the Department of Law Enforcement for state
1308 processing and the Department of Law Enforcement shall forward
1309 the fingerprints to the Federal Bureau of Investigation for
1310 federal processing. The cost of the fingerprint processing may
1311 be borne by the office, the employer, or the person subject to
1312 the background check. The Department of Law Enforcement shall
1313 submit an invoice to the office for the fingerprints received

1314 each month. The office shall screen the background results to
1315 determine if the applicant meets licensure requirements.

1316 (f) Information that the commission requires by rule
1317 concerning any designated principal representative; any officer,
1318 director, control person, member, partner, or joint venturer of
1319 the applicant or any person having the same or substantially
1320 similar status or performing substantially similar functions; or
1321 any individual who is the ultimate equitable owner of a 10-
1322 percent or greater interest in the mortgage lender. The
1323 commission may require information concerning such applicant or
1324 person, including, but not limited to, his or her full name and
1325 any other names by which he or she may have been known, age,
1326 social security number, qualifications and educational and
1327 business history, and disciplinary and criminal history.

1328 (6) Notwithstanding subsection (5), a transfer under
1329 subsection (4) may be denied if the applicant; designated
1330 principal representative; ~~any principal officer,~~ ~~or~~ director,
1331 control person, member, partner, or joint venturer of the
1332 applicant; ~~or~~ any natural person owning a 10-percent or greater
1333 interest in the applicant has committed any violation specified
1334 in s. 494.0072, or has entered a plea of nolo contendere,
1335 regardless of adjudication, or has an action pending against the
1336 applicant in any criminal prosecution or administrative
1337 enforcement action, in any jurisdiction, which involves fraud,
1338 dishonest dealing, or any act of moral turpitude.

1339 (7) A license issued in accordance with this section is
1340 not transferable or assignable except as provided in subsection
1341 (4).

1342 (8) Each person applying for a transfer of any branch
1343 office pursuant to subsection (4) must comply with the
1344 requirements of s. 494.0066.

1345 (9) Each mortgage lender shall designate a principal
1346 representative who exercises control over the business and shall
1347 keep the designation current on a form prescribed by commission
1348 rule designating the principal representative. If the
1349 information on the form is not kept current, the business is
1350 considered to be operated by each officer, director, or
1351 equitable owner of a 10-percent or greater interest in the
1352 business.

1353 (10) A lender shall notify the office of any change in the
1354 designation of its principal representative within 30 days after
1355 the change is effective. A new principal representative must
1356 satisfy the educational and testing requirements of this section
1357 within 90 days after being designated as the new principal
1358 representative. This requirement is satisfied if the principal
1359 representative has continuously served in the capacity of a
1360 principal representative for a licensed entity under this
1361 chapter for at least 1 year and has not had a lapse in
1362 designation as a principal representative of more than 2 years
1363 before the date of the submission of the application or
1364 amendment in the case of a change in the principal
1365 representative. This requirement is also satisfied if the

1366 principal representative currently holds an active license as a
 1367 mortgage broker in this state.

1368 Section 19. Subsection (2) of section 494.0066, Florida
 1369 Statutes, is amended to read:

1370 494.0066 Branch offices.--

1371 (2) The office shall issue a branch office license to a
 1372 licensee licensed under ss. 494.006-494.0077 after the office
 1373 determines that the licensee has submitted ~~upon receipt of a~~
 1374 ~~completed branch office~~ application form as prescribed by rule
 1375 by the commission and an initial nonrefundable branch office
 1376 license fee of \$325. The branch office application must include
 1377 the name and license number of the licensee under ss. 494.006-
 1378 494.0077, the name of the licensee's employee in charge of the
 1379 branch office, and the address of the branch office. The branch
 1380 office license shall be issued in the name of the licensee under
 1381 ss. 494.006-494.0077 and must be renewed in conjunction with the
 1382 license renewal.

1383 Section 20. Section 494.0067, Florida Statutes, is amended
 1384 to read:

1385 494.0067 Requirements of licensees under ss. 494.006-
 1386 494.0077.--

1387 ~~(1) Each license of a mortgage lender, correspondent~~
 1388 ~~mortgage lender, or branch office shall be prominently displayed~~
 1389 ~~in the office for which it is issued.~~

1390 (1)(2) Each licensee under ss. 494.006-494.0077 which
 1391 makes mortgage loans on real estate in this state shall transact
 1392 business from a principal place of business. Each principal

1393 place of business and each branch office shall be operated under
1394 the full charge, control, and supervision of the licensee under
1395 ss. 494.006-494.0077.

1396 ~~(2)(3)~~ A license issued under ss. 494.006-494.0077 is not
1397 transferable or assignable.

1398 (3) Each licensee under ss. 494.006-494.0077 shall report,
1399 on a form prescribed by rule of the commission, any change in
1400 the information contained in any initial application form, or
1401 any amendment thereto, not later than 30 days after the change
1402 is effective.

1403 (4) Each licensee under ss. 494.006-494.0077 shall report
1404 any changes in the partners, officers, members, joint venturers,
1405 directors, or control persons of any licensee or changes in the
1406 form of business organization by written amendment in such form
1407 and at such time that the commission specifies by rule.

1408 (a) In any case in which a person or a group of persons,
1409 directly or indirectly or acting by or through one or more
1410 persons, proposes to purchase or acquire a controlling interest
1411 in a licensee, such person or group must submit an initial
1412 application for licensure as a mortgage lender or correspondent
1413 mortgage lender before such purchase or acquisition and at the
1414 time and in the form prescribed by the commission by rule.

1415 (b) As used in this subsection, the term "controlling
1416 interest" means possession of the power to direct or cause the
1417 direction of the management or policies of a company whether
1418 through ownership of securities, by contract, or otherwise. Any
1419 person who directly or indirectly has the right to vote 25

1420 percent or more of the voting securities of a company or who is
1421 entitled to 25 percent or more of the company's profits is
1422 presumed to possess a controlling interest.

1423 (c) Any addition of a designated principal representative,
1424 partner, officer, member, joint venturer, director, or control
1425 person of the applicant who does not have a controlling interest
1426 and who has not previously complied with the provisions of s.
1427 494.0061(2)(g) and (h), s. 494.0062(2)(g) and (h), or s.
1428 494.0065(5)(e) and (f) shall be subject to such provisions
1429 unless required to file an initial application in accordance
1430 with paragraph (a). If the office determines that the licensee
1431 does not continue to meet licensure requirements, the office may
1432 bring administrative action in accordance with s. 494.0072 to
1433 enforce the provisions of this section.

1434 (d) The commission shall adopt rules pursuant to ss.
1435 120.536(1) and 120.54 providing for the waiver of the
1436 application required by this subsection if the person or group
1437 of persons proposing to purchase or acquire a controlling
1438 interest in a licensee has previously complied with the
1439 provisions of s. 494.0061(2)(g) and (h), s. 494.0062(2)(g) and
1440 (h), or s. 494.0065(5)(e) and (f) with the same legal entity or
1441 is currently licensed with the office under this chapter.

1442 ~~(4) The commission or office may require each licensee~~
1443 ~~under ss. 494.006-494.0077 to report any change of address of~~
1444 ~~the principal place of business, change of address of any branch~~
1445 ~~office, or change of principal officer, director, or ultimate~~
1446 ~~equitable owner of 10 percent or more of the licensed~~

1447 ~~corporation to the office in a form prescribed by rule of the~~
1448 ~~commission not later than 30 business days after the change is~~
1449 ~~effective.~~

1450 (5) Each licensee under ss. 494.006-494.0077 shall report
1451 in a form prescribed by rule by the commission any indictment,
1452 information, charge, conviction, plea of nolo contendere, or
1453 plea of guilty to any crime or administrative violation that
1454 involves fraud, dishonest dealing, or any other act of moral
1455 turpitude, in any jurisdiction, by the licensee under ss.
1456 494.006-494.0077 or any principal officer, director, or ultimate
1457 equitable owner of 10 percent or more of the licensed
1458 corporation, not later than 30 business days after the
1459 indictment, information, charge, conviction, or final
1460 administrative action.

1461 (6) Each licensee under ss. 494.006-494.0077 shall report
1462 any action in bankruptcy, voluntary or involuntary, to the
1463 office, not later than 7 business days after the action is
1464 instituted.

1465 (7) Each licensee under ss. 494.006-494.0077 shall
1466 designate a registered agent in this state for service of
1467 process.

1468 (8) Each licensee under ss. 494.006-494.0077 shall provide
1469 an applicant for a mortgage loan a good faith estimate of the
1470 costs the applicant can reasonably expect to pay in obtaining a
1471 mortgage loan. The good faith estimate of costs shall be mailed
1472 or delivered to the applicant within a reasonable time after the
1473 licensee receives a written loan application from the applicant.

1474 The estimate of costs may be provided to the applicant by a
1475 person other than the licensee making the loan. The commission
1476 may adopt rules that set forth the disclosure requirements of
1477 this section.

1478 (9) On or before April 30, 2000, each mortgage lender or
1479 correspondent mortgage lender shall file an initial report
1480 stating the full legal name, residential address, social
1481 security number, date of birth, mortgage broker license number,
1482 date of hire, and, if applicable, date of termination for each
1483 person who acted as a loan originator or an associate of the
1484 mortgage lender or correspondent mortgage lender during the
1485 immediate preceding quarter. Thereafter, a mortgage lender or
1486 correspondent mortgage lender shall file a report only if a
1487 person became or ceased to be a loan originator or an associate
1488 of the mortgage lender or correspondent mortgage lender during
1489 the immediate preceding quarter. Such report shall be filed
1490 within 30 days after the last day of each calendar quarter and
1491 shall contain the full legal name, residential address, social
1492 security number, date of birth, date of hire and, if applicable,
1493 the mortgage broker license number and date of termination of
1494 each person who became or ceased to be a loan originator or an
1495 associate of the mortgage lender or correspondent mortgage
1496 lender during the immediate preceding quarter. The commission
1497 shall prescribe, by rule, the procedures for filing reports
1498 required by this subsection.

1499 (10) (a) Each licensee shall require the principal
1500 representative and all loan originators ~~or associates~~ who

1501 perform services for the licensee to complete 14 hours of
 1502 professional continuing education during each biennial license
 1503 period. The education shall cover primary and subordinate
 1504 mortgage financing transactions and the provisions of this
 1505 chapter and the rules adopted under this chapter.

1506 (b) The licensee shall maintain records of such training
 1507 for a period of 4 years, including records of the content of and
 1508 hours designated for each program and the date and location of
 1509 the program.

1510 (c) Evidence of completion of such programs shall be
 1511 included with the licensee's renewal application.

1512 Section 21. Paragraphs (s), (t), and (u) are added to
 1513 subsection (2) of section 494.0072, Florida Statutes, and
 1514 subsection (3) of that section is amended, to read:

1515 494.0072 Administrative penalties and fines; license
 1516 violations.--

1517 (2) Each of the following acts constitutes a ground for
 1518 which the disciplinary actions specified in subsection (1) may
 1519 be taken:

1520 (s) Payment to the office for a license or permit with a
 1521 check or electronic transmission of funds that is dishonored by
 1522 the applicant's or licensee's financial institution.

1523 (t) Having a final judgment entered against the applicant
 1524 or licensee in a civil action upon grounds of fraud,
 1525 embezzlement, misrepresentation, or deceit.

1526 (u)1. Having been the subject of any decision, finding,
 1527 injunction, suspension, prohibition, revocation, denial,

1528 judgment, or administrative order by any court of competent
1529 jurisdiction, administrative law judge, state or federal agency,
1530 national securities exchange, national commodities exchange,
1531 national option exchange, national securities association,
1532 national commodities association, or national option association
1533 involving a violation of any federal or state securities or
1534 commodities law, or any rule or regulation adopted under such
1535 law, or involving a violation of any rule or regulation of any
1536 national securities, commodities, or options exchange or
1537 association.

1538 2. Having been the subject of any injunction or adverse
1539 administrative order by a state or federal agency regulating
1540 banking, insurance, finance or small loan companies, real
1541 estate, mortgage brokers or lenders, money transmitters, or
1542 other related or similar industries.

1543 (3) A mortgage lender or correspondent mortgage lender is
1544 subject to the disciplinary actions specified in subsection (1)
1545 if any officer, member, director, control person, joint
1546 venturer, or ultimate equitable owner of a 10-percent or greater
1547 interest in the mortgage lender or correspondent mortgage
1548 lender, associate, or employee of the mortgage lender or
1549 correspondent mortgage lender violates any provision of
1550 subsection (2).

1551 Section 22. Subsection (2) of section 494.00721, Florida
1552 Statutes, is amended to read:

1553 494.00721 Net worth.--

1554 (2) If a mortgage lender or correspondent mortgage lender
 1555 fails to satisfy the net worth requirements, the mortgage lender
 1556 or correspondent mortgage lender shall immediately cease taking
 1557 any new mortgage loan applications. Thereafter, the mortgage
 1558 lender or correspondent mortgage lender shall have up to 60 days
 1559 within which to satisfy the net worth requirements. If the
 1560 licensee makes the office aware, prior to an examination, that
 1561 the licensee no longer meets the net worth requirements, the
 1562 mortgage lender or correspondent mortgage lender shall have 120
 1563 days within which to satisfy the net worth requirements. A
 1564 mortgage lender or correspondent mortgage lender shall not
 1565 resume acting as a mortgage lender or correspondent mortgage
 1566 lender without written authorization from the office, which
 1567 authorization shall be granted if the mortgage lender or
 1568 correspondent mortgage lender provides the office with
 1569 documentation which satisfies the requirements of s.
 1570 494.0061(2)~~(1)~~(c), s. 494.0062(2)~~(1)~~(c), or s. 494.0065(2),
 1571 whichever is applicable.

1572 Section 23. Paragraph (c) of subsection (3) of section
 1573 501.137, Florida Statutes, is amended to read:

1574 501.137 Mortgage lenders; tax and insurance payments from
 1575 escrow accounts; duties.--

1576 (3)

1577 (c) If the lender violates paragraph (a) and the premium
 1578 payment is more than 90 days overdue or if the insurer refuses
 1579 to reinstate the insurance policy, the lender shall pay the
 1580 difference between the cost of the previous insurance policy and

1581 a new, comparable insurance policy for a period of 2 years. If
 1582 the lender refuses, the lender is liable for the reasonable
 1583 attorney's fees and costs of the property owner for a violation
 1584 of this section.

1585 Section 24. Subsection (8) is added to section 516.01,
 1586 Florida Statutes, to read:

1587 516.01 Definitions.--As used in this chapter, the term:

1588 (8) "Control person" means an individual, partnership,
 1589 corporation, trust, or other organization that possesses the
 1590 power, directly or indirectly, to direct the management or
 1591 policies of a company, whether through ownership of securities,
 1592 by contract, or otherwise. A person is presumed to control a
 1593 company if, with respect to a particular company, that person:

1594 (a) Is a director, general partner, or officer exercising
 1595 executive responsibility or having similar status or functions;

1596 (b) Directly or indirectly may vote 10 percent or more of
 1597 a class of a voting security or sell or direct the sale of 10
 1598 percent or more of a class of voting securities; or

1599 (c) In the case of a partnership, may receive upon
 1600 dissolution or has contributed 10 percent or more of the
 1601 capital.

1602 Section 25. Section 516.03, Florida Statutes, is amended
 1603 to read:

1604 516.03 Application for license; fees; etc.--

1605 (1) APPLICATION.--Application for a license to make loans
 1606 under this chapter shall be in the form prescribed by rule of
 1607 the commission. The commission may require each applicant to

1608 provide any information reasonably necessary to determine the
1609 applicant's eligibility for licensure. The applicant shall also
1610 provide information that the office requires concerning any
1611 officer, director, control person, member, partner, or joint
1612 venturer of the applicant or any person having the same or
1613 substantially similar status or performing substantially similar
1614 functions or concerning any individual who is the ultimate
1615 equitable owner of a 10-percent or greater interest in the
1616 applicant. The office may require information concerning any
1617 such applicant or person, including, but not limited to, his or
1618 her full name and any other names by which he or she may have
1619 been known, age, social security number, residential history,
1620 qualifications, educational and business history, and
1621 disciplinary and criminal history. The applicant must provide
1622 evidence of liquid assets of at least \$25,000, and shall contain
1623 the name, residence and business addresses of the applicant and,
1624 if the applicant is a copartnership or association, of every
1625 member thereof and, if a corporation, of each officer and
1626 director thereof, also the county and municipality with the
1627 street and number or approximate location where the business is
1628 to be conducted, and such further relevant information as the
1629 commission or office may require. At the time of making such
1630 application the applicant shall pay to the office a
1631 nonrefundable biennial license fee of \$625. Applications, except
1632 for applications to renew or reactivate a license, must also be
1633 accompanied by a nonrefundable an investigation fee of \$200. An
1634 application is considered received for purposes of s. 120.60

1635 upon receipt of a completed application form as prescribed by
1636 commission rule, a nonrefundable application fee of \$625, and
1637 any other fee prescribed by law. The commission may adopt rules
1638 requiring ~~to allow~~ electronic submission of any form, document,
1639 or fee required by this act if such rules reasonably accommodate
1640 technological or financial hardship. The commission may
1641 prescribe by rule requirements and procedures for obtaining an
1642 exemption due to a technological or financial hardship.

1643 (2) FEES.--Fees ~~herein~~ provided for in this section shall
1644 be collected by the office and shall be turned into the State
1645 Treasury to the credit of the regulatory trust fund under the
1646 office. The office shall have full power to employ such
1647 examiners or clerks to assist the office as may from time to
1648 time be deemed necessary and fix their compensation. The
1649 commission may adopt rules requiring ~~to allow~~ electronic
1650 submission of any fee required by this section if such rules
1651 reasonably accommodate technological or financial hardship. The
1652 commission may prescribe by rule requirements and procedures for
1653 obtaining an exemption due to a technological or financial
1654 hardship.

1655 Section 26. Paragraph (a) of subsection (3) of section
1656 516.031, Florida Statutes, is amended to read:

1657 516.031 Finance charge; maximum rates.--

1658 (3) OTHER CHARGES.--

1659 (a) In addition to the interest, delinquency, and
1660 insurance charges herein provided for, no further or other
1661 charges or amount whatsoever for any examination, service,

1662 commission, or other thing or otherwise shall be directly or
1663 indirectly charged, contracted for, or received as a condition
1664 to the grant of a loan, except:

1665 1. An amount not to exceed \$25 ~~\$10~~ to reimburse a portion
1666 of the costs for investigating the character and credit of the
1667 person applying for the loan;

1668 2. An annual fee of \$25 on the anniversary date of each
1669 line-of-credit account;

1670 3. Charges paid for brokerage fee on a loan or line of
1671 credit of more than \$10,000, title insurance, and the appraisal
1672 of real property offered as security when paid to a third party
1673 and supported by an actual expenditure;

1674 4. Intangible personal property tax on the loan note or
1675 obligation when secured by a lien on real property;

1676 5. The documentary excise tax and lawful fees, if any,
1677 actually and necessarily paid out by the licensee to any public
1678 officer for filing, recording, or releasing in any public office
1679 any instrument securing the loan, which fees may be collected
1680 when the loan is made or at any time thereafter;

1681 6. The premium payable for any insurance in lieu of
1682 perfecting any security interest otherwise required by the
1683 licensee in connection with the loan, if the premium does not
1684 exceed the fees which would otherwise be payable, which premium
1685 may be collected when the loan is made or at any time
1686 thereafter;

1687 7. Actual and reasonable attorney's fees and court costs
1688 as determined by the court in which suit is filed;

1689 8. Actual and commercially reasonable expenses of
 1690 repossession, storing, repairing and placing in condition for
 1691 sale, and selling of any property pledged as security; or

1692 9. A delinquency charge not to exceed \$10 for each payment
 1693 in default for a period of not less than 10 days, if the charge
 1694 is agreed upon, in writing, between the parties before imposing
 1695 the charge.

1696
 1697 Any charges, including interest, in excess of the combined total
 1698 of all charges authorized and permitted by this chapter
 1699 constitute a violation of chapter 687 governing interest and
 1700 usury, and the penalties of that chapter apply. In the event of
 1701 a bona fide error, the licensee shall refund or credit the
 1702 borrower with the amount of the overcharge immediately but
 1703 within 20 days from the discovery of such error.

1704 Section 27. Section 516.05, Florida Statutes, is amended
 1705 to read:

1706 516.05 License.--

1707 (1) Upon the filing of an application for a license and
 1708 payment of all applicable fees, the office shall, unless the
 1709 application is to renew or reactivate an existing license, make
 1710 an investigation of the facts concerning the applicant's
 1711 background ~~proposed activities~~. If the office determines that a
 1712 license should be granted, it shall issue the license for a
 1713 period not to exceed 2 years. Biennial licensure periods and
 1714 procedures for renewal of licenses shall be established by the
 1715 rule of the commission. If the office determines that grounds

1716 exist under this chapter for denial of an application other than
 1717 an application to renew a license, it shall deny such
 1718 application, ~~return to the applicant the sum paid as a license~~
 1719 ~~fee, and retain the investigation fee.~~

1720 (2) A license that is not renewed at the end of the
 1721 biennium established by the commission shall automatically
 1722 revert to inactive status. An inactive license may be
 1723 reactivated upon submission of a completed reactivation
 1724 application, payment of the biennial license fee, and payment of
 1725 a reactivation fee which shall equal the biennial license fee. A
 1726 license expires on the date at which it has been inactive for 6
 1727 months.

1728 (3) Only one place of business for the purpose of making
 1729 loans under this chapter may be maintained under one license,
 1730 but the office may issue additional licenses to a licensee upon
 1731 compliance with all the provisions of this chapter governing
 1732 issuance of a single license.

1733 (4) Each licensee shall report, on a form prescribed by
 1734 rule of the commission, any change to the information contained
 1735 in any initial application form or any amendment to such
 1736 application not later than 30 days after the change is
 1737 effective.

1738 (5) Each licensee shall report any changes in the
 1739 partners, officers, members, joint venturers, directors, or
 1740 control persons of any licensee, or changes in the form of
 1741 business organization, by written amendment in such form and at
 1742 such time as the commission specifies by rule.

1743 (a) In any case in which a person or a group of persons,
1744 directly or indirectly or acting by or through one or more
1745 persons, proposes to purchase or acquire a controlling interest
1746 in a licensee, such person or group must submit an initial
1747 application for licensure before such purchase or acquisition at
1748 such time and in such form as the commission prescribes by rule.

1749 (b) As used in this subsection, the term "controlling
1750 interest" means possession of the power to direct or cause the
1751 direction of the management or policies of a company whether
1752 through ownership of securities, by contract, or otherwise. Any
1753 person who directly or indirectly has the right to vote 25
1754 percent or more of the voting securities of a company or is
1755 entitled to 25 percent or more of the company's profits is
1756 presumed to possess a controlling interest.

1757 (c) Any addition of a partner, officer, member, joint
1758 venturer, director, or control person of the applicant who does
1759 not have a controlling interest and who has not previously
1760 complied with the provisions of s. 516.03(1) shall be subject to
1761 such provisions unless required to file an initial application
1762 in accordance with paragraph (a). If the office determines that
1763 the licensee does not continue to meet licensure requirements,
1764 the office may bring administrative action in accordance with s.
1765 516.07 to enforce the provisions of this chapter.

1766 (d) The commission shall adopt rules pursuant to ss.
1767 120.536(1) and 120.54 providing for the waiver of the
1768 application required by this subsection if the person or group
1769 of persons proposing to purchase or acquire a controlling

1770 interest in a licensee has previously complied with the
1771 provisions of s. 516.03(1) with the same legal entity or is
1772 currently licensed with the office under this chapter.

1773 ~~(4) Prior to relocating his or her place of business, a~~
1774 ~~licensee must file with the office, in the manner prescribed by~~
1775 ~~commission rule, notice of the relocation.~~

1776 (6)~~(5)~~ A licensee may conduct the business of making loans
1777 under this chapter within a place of business in which other
1778 business is solicited or engaged in, unless the office shall
1779 find that the conduct of such other business by the licensee
1780 results in an evasion of this chapter. Upon such finding, the
1781 office shall order the licensee to desist from such evasion;
1782 provided, however, that no license shall be granted to or
1783 renewed for any person or organization engaged in the pawnbroker
1784 business.

1785 ~~(6) If any person purchases substantially all of the~~
1786 ~~assets of any existing licensed place of business, the purchaser~~
1787 ~~shall give immediate notice thereof to the office and shall be~~
1788 ~~granted a 90 day temporary license for the place of business~~
1789 ~~within 10 days after the office's receipt of an application for~~
1790 ~~a permanent license. Issuance of a temporary license for a place~~
1791 ~~of business nullifies the existing license for the place of~~
1792 ~~business, and the temporary licensee is subject to any~~
1793 ~~disciplinary action provided for by this chapter.~~

1794 (7) Licenses are not transferable or assignable. A
1795 licensee may invalidate any license by delivering it to the
1796 office with a written notice of the delivery, but such delivery

1797 | does not affect any civil or criminal liability or the authority
 1798 | to enforce this chapter for acts committed in violation thereof.

1799 | (8) The office may refuse to process an initial
 1800 | application for a license if the applicant or any person with
 1801 | power to direct the management or policies of the applicant's
 1802 | business is the subject of a pending criminal prosecution in any
 1803 | jurisdiction until conclusion of such criminal prosecution.

1804 | (9) A licensee that is the subject of a voluntary or
 1805 | involuntary bankruptcy filing must report such filing to the
 1806 | office within 7 business days after the filing date.

1807 | Section 28. Subsection (1) of section 516.07, Florida
 1808 | Statutes, is amended to read:

1809 | 516.07 Grounds for denial of license or for disciplinary
 1810 | action.--

1811 | (1) The following acts are violations of this chapter and
 1812 | constitute grounds for denial of an application for a license to
 1813 | make consumer finance loans and grounds for any of the
 1814 | disciplinary actions specified in subsection (2):

1815 | (a) A material misstatement of fact in an application for
 1816 | a license.†

1817 | (b) Failure to maintain liquid assets of at least \$25,000
 1818 | at all times for the operation of business at a licensed
 1819 | location or proposed location.†

1820 | (c) Failure to demonstrate financial responsibility,
 1821 | experience, character, or general fitness, such as to command
 1822 | the confidence of the public and to warrant the belief that the
 1823 | business operated at the licensed or proposed location is

1824 lawful, honest, fair, efficient, and within the purposes of this
 1825 chapter.†

1826 (d) The violation, either knowingly or without the
 1827 exercise of due care, of any provision of this chapter, any rule
 1828 or order adopted under this chapter, or any written agreement
 1829 entered into with the office.†

1830 (e) Any act of fraud, misrepresentation, or deceit,
 1831 regardless of reliance by or damage to a borrower, or any
 1832 illegal activity, where such acts are in connection with a loan
 1833 under this chapter. Such acts include, but are not limited to:

- 1834 1. Willful imposition of illegal or excessive charges; or
- 1835 2. Misrepresentation, circumvention, or concealment of any
 1836 matter required to be stated or furnished to a borrower.†

1837 (f) The use of unreasonable collection practices or of
 1838 false, deceptive, or misleading advertising, where such acts are
 1839 in connection with the operation of a business to make consumer
 1840 finance loans.†

1841 (g) Any violation of part III of chapter 817 or part II of
 1842 chapter 559 or of any rule adopted under part II of chapter
 1843 559.†

1844 (h) Failure to maintain, preserve, and keep available for
 1845 examination, all books, accounts, or other documents required by
 1846 this chapter, by any rule or order adopted under this chapter,
 1847 or by any agreement entered into with the office.†

1848 (i) Refusal to permit inspection of books and records in
 1849 an investigation or examination by the office or refusal to
 1850 comply with a subpoena issued by the office.†

1851 (j) Pleading nolo contendere to, or having been convicted
 1852 or found guilty of, a crime involving fraud, dishonest dealing,
 1853 or any act of moral turpitude, regardless of whether
 1854 adjudication is withheld.†

1855 (k) Paying money or anything else of value, directly or
 1856 indirectly, to any person as compensation, inducement, or reward
 1857 for referring loan applicants to a licensee.†

1858 (l) Allowing any person other than the licensee to use the
 1859 licensee's business name, address, or telephone number in an
 1860 advertisement.†

1861 (m) Accepting or advertising that the licensee accepts
 1862 money on deposit or as consideration for the issuance or
 1863 delivery of certificates of deposit, savings certificates, or
 1864 similar instruments, except to the extent permitted under
 1865 chapter 517.†~~or~~

1866 (n) Failure to pay any fee, charge, or fine imposed or
 1867 assessed pursuant to this chapter or any rule adopted under this
 1868 chapter.

1869 (o) Using the name or logo of a financial institution, as
 1870 defined in s. 655.005(1), or its affiliates or subsidiaries when
 1871 marketing or soliciting existing or prospective customers if
 1872 such marketing materials are used without the written consent of
 1873 the financial institution and in a manner that would lead a
 1874 reasonable person to believe that the material or solicitation
 1875 originated from, was endorsed by, or is related to or the
 1876 responsibility of the financial institution or its affiliates or
 1877 subsidiaries.

1878 (p) Payment to the office for a license or permit with a
 1879 check or electronic transmission of funds that is dishonored by
 1880 the applicant's or licensee's financial institution.

1881 Section 29. Section 516.08, Florida Statutes, is repealed.

1882 Section 30. Subsection (3) is added to section 516.12,
 1883 Florida Statutes, to read:

1884 516.12 Records to be kept by licensee.--

1885 (3) The commission may prescribe by rule the minimum
 1886 information to be shown in the books, accounts, records, and
 1887 documents of licensees for purposes of enabling the office to
 1888 determine the licensee's compliance with ss. 516.001-516.36. In
 1889 addition, the commission may prescribe by rule the requirements
 1890 for the destruction of books, accounts, records, and documents
 1891 retained by the licensee after completion of the time period
 1892 specified in subsection (1).

1893 Section 31. Section 516.19, Florida Statutes, is amended
 1894 to read:

1895 516.19 Penalties.--Any person who violates any of the
 1896 provisions of s. 516.02, s. 516.031, s. 516.05(3), ~~s. 516.05(4)~~,
 1897 s. 516.05(6)~~(5)~~, or s. 516.07(1)(e) is guilty of a misdemeanor
 1898 of the first degree, punishable as provided in s. 775.082 or s.
 1899 775.083.

1900 Section 32. Subsection (4) of section 517.021, Florida
 1901 Statutes, is amended to read:

1902 517.021 Definitions.--When used in this chapter, unless
 1903 the context otherwise indicates, the following terms have the
 1904 following respective meanings:

1905 (4) "Branch office" means any location in this state of a
 1906 dealer or investment adviser at which one or more associated
 1907 persons regularly conduct the business of rendering investment
 1908 advice or effecting any transactions in, or inducing or
 1909 attempting to induce the purchase or sale of, any security or
 1910 any location that is held out as such. The commission may adopt
 1911 by rule exceptions to this definition for dealers in order to
 1912 maintain consistency with the definition of a branch office used
 1913 by self-regulatory organizations authorized by the Securities
 1914 and Exchange Commission, including, but not limited to, the
 1915 National Association of Securities Dealers or the New York Stock
 1916 Exchange. The commission may adopt by rule exceptions to this
 1917 definition for investment advisers ~~office of a dealer or~~
 1918 ~~investment adviser located in this state, other than the~~
 1919 ~~principal office of the dealer or investment adviser, which~~
 1920 ~~nonprincipal office is owned or controlled by the dealer or~~
 1921 ~~investment adviser for the purpose of conducting a securities~~
 1922 ~~business.~~

1923 Section 33. Subsection (9) of section 517.051, Florida
 1924 Statutes, is amended to read:

1925 517.051 Exempt securities.--The exemptions provided herein
 1926 from the registration requirements of s. 517.07 are self-
 1927 executing and do not require any filing with the office prior to
 1928 claiming such exemption. Any person who claims entitlement to
 1929 any of these exemptions bears the burden of proving such
 1930 entitlement in any proceeding brought under this chapter. The

1931 registration provisions of s. 517.07 do not apply to any of the
 1932 following securities:

1933 (9) A security issued by a corporation organized and
 1934 operated exclusively for religious, educational, benevolent,
 1935 fraternal, charitable, or reformatory purposes and not for
 1936 pecuniary profit, no part of the net earnings of which
 1937 corporation inures to the benefit of any private stockholder or
 1938 individual, or any security of a fund that is excluded from the
 1939 definition of an investment company under s. 3(c)(10)(B) of the
 1940 Investment Company Act of 1940; provided that no person shall
 1941 directly or indirectly offer or sell securities under this
 1942 subsection except by an offering circular containing full and
 1943 fair disclosure, as prescribed by the rules of the commission,
 1944 of all material information, including, but not limited to, a
 1945 description of the securities offered and terms of the offering,
 1946 a description of the nature of the issuer's business, a
 1947 statement of the purpose of the offering and the intended
 1948 application by the issuer of the proceeds thereof, and financial
 1949 statements of the issuer prepared in conformance with United
 1950 States generally accepted accounting principles. Section 6(c) of
 1951 the Philanthropy Protection Act of 1995, Pub. L. No. 104-62,
 1952 shall not preempt any provision of this chapter.

1953 Section 34. Subsection (18) of section 517.061, Florida
 1954 Statutes, is amended to read:

1955 517.061 Exempt transactions.--The exemption for each
 1956 transaction listed below is self-executing and does not require
 1957 any filing with the office prior to claiming such exemption. Any

1958 | person who claims entitlement to any of the exemptions bears the
 1959 | burden of proving such entitlement in any proceeding brought
 1960 | under this chapter. The registration provisions of s. 517.07 do
 1961 | not apply to any of the following transactions; however, such
 1962 | transactions are subject to the provisions of ss. 517.301,
 1963 | 517.311, and 517.312:

1964 | (18) The offer or sale of any security effected by or
 1965 | through a person in compliance with ~~registered pursuant to~~ s.
 1966 | 517.12(17).

1967 | Section 35. Paragraph (g) of subsection (3) of section
 1968 | 517.081, Florida Statutes, is amended to read:

1969 | 517.081 Registration procedure.--

1970 | (3) The office may require the applicant to submit to the
 1971 | office the following information concerning the issuer and such
 1972 | other relevant information as the office may in its judgment
 1973 | deem necessary to enable it to ascertain whether such securities
 1974 | shall be registered pursuant to the provisions of this section:

1975 | (g)1. A specimen copy of the security and a copy of any
 1976 | circular, prospectus, advertisement, or other description of
 1977 | such securities.

1978 | 2. The commission shall adopt a form for a simplified
 1979 | offering circular to be used solely by corporations to register,
 1980 | under this section, securities of the corporation that are sold
 1981 | in offerings in which the aggregate offering price in any
 1982 | consecutive 12-month period does not exceed the amount provided
 1983 | in s. 3(b) of the Securities Act of 1933. The following issuers

1984 shall not be eligible to submit a simplified offering circular
 1985 adopted pursuant to this subparagraph:

1986 a. An issuer seeking to register securities for resale by
 1987 persons other than the issuer.

1988 b. An issuer who is subject to any of the
 1989 disqualifications described in 17 C.F.R. s. 230.262, adopted
 1990 pursuant to the Securities Act of 1933, or who has been or is
 1991 engaged or is about to engage in an activity that would be
 1992 grounds for denial, revocation, or suspension under s. 517.111.
 1993 For purposes of this subparagraph, an issuer includes an
 1994 issuer's director, officer, shareholder who owns at least 10
 1995 percent of the shares of the issuer, promoter, or selling agent
 1996 of the securities to be offered or any officer, director, or
 1997 partner of such selling agent.

1998 c. An issuer who is a development-stage company that
 1999 either has no specific business plan or purpose or has indicated
 2000 that its business plan is to merge with an unidentified company
 2001 or companies.

2002 d. An issuer of offerings in which the specific business
 2003 or properties cannot be described.

2004 e. Any issuer the office determines is ineligible if the
 2005 form would not provide full and fair disclosure of material
 2006 information for the type of offering to be registered by the
 2007 issuer.

2008 f. Any corporation which has failed to provide the office
 2009 the reports required for a previous offering registered pursuant
 2010 to this subparagraph.

2011
2012 As a condition precedent to qualifying for use of the simplified
2013 offering circular, a corporation shall agree to provide the
2014 office with an annual financial report containing a balance
2015 sheet as of the end of the issuer's fiscal year and a statement
2016 of income for such year, prepared in accordance with United
2017 States generally accepted accounting principles and accompanied
2018 by an independent accountant's report. If the issuer has more
2019 than 100 security holders at the end of a fiscal year, the
2020 financial statements must be audited. Annual financial reports
2021 must be filed with the office within 90 days after the close of
2022 the issuer's fiscal year for each of the first 5 years following
2023 the effective date of the registration.

2024 Section 36. Subsections (6), (7), (10), (11), (15), and
2025 (17) of section 517.12, Florida Statutes, are amended to read:

2026 517.12 Registration of dealers, associated persons,
2027 investment advisers, and branch offices.--

2028 (6) A dealer, associated person, investment adviser, or
2029 branch office, in order to obtain registration, must file with
2030 the office a written application, on a form which the commission
2031 may by rule prescribe, ~~verified under oath~~. The commission may
2032 establish, by rule, procedures for depositing fees and filing
2033 documents by electronic means provided such procedures provide
2034 the office with the information and data required by this
2035 section. Each dealer or investment adviser must also file an
2036 irrevocable written consent to service of civil process similar
2037 to that provided for in s. 517.101. The application shall

2038 contain such information as the commission or office may require
 2039 concerning such matters as:

2040 (a) The name of the applicant and the address of its
 2041 principal office and each office in this state.

2042 (b) The applicant's form and place of organization; and,
 2043 if the applicant is a corporation, a copy of its articles of
 2044 incorporation and amendments to the articles of incorporation
 2045 or, if a partnership, a copy of the partnership agreement.

2046 (c) The applicant's proposed method of doing business and
 2047 financial condition and history, including a certified financial
 2048 statement showing all assets and all liabilities, including
 2049 contingent liabilities of the applicant as of a date not more
 2050 than 90 days prior to the filing of the application.

2051 (d) The names and addresses of all associated persons of
 2052 the applicant to be employed in this state and the offices to
 2053 which they will be assigned.

2054 (7) The application shall also contain such information as
 2055 the commission or office may require about the applicant; any
 2056 partner, officer, or director of the applicant or any person
 2057 having a similar status or performing similar functions; any
 2058 person directly or indirectly controlling the applicant; or any
 2059 employee of a dealer or of an investment adviser rendering
 2060 investment advisory services. Each applicant shall file a
 2061 complete set of fingerprints. A fingerprint card submitted to
 2062 the office must be taken by an authorized law enforcement agency
 2063 officer. The office shall submit the ~~Such~~ fingerprints shall be
 2064 ~~submitted~~ to the Department of Law Enforcement for state

2065 processing and the Department of Law Enforcement shall forward
2066 the fingerprints to ~~or~~ the Federal Bureau of Investigation for
2067 ~~state and~~ federal processing. The cost of the fingerprint
2068 processing may be borne by the office, the employer, or the
2069 person subject to the background check. The Department of Law
2070 Enforcement shall submit an invoice to the office for the
2071 fingerprints received each month. The office shall screen the
2072 background results to determine if the applicant meets licensure
2073 requirements. The commission may waive, by rule, the requirement
2074 that applicants must file a set of fingerprints or the
2075 requirement that such fingerprints must be processed by the
2076 Department of Law Enforcement or the Federal Bureau of
2077 Investigation. The commission or office may require information
2078 about any such applicant or person concerning such matters as:
2079 (a) His or her full name, and any other names by which he
2080 or she may have been known, and his or her age, social security
2081 number, photograph, qualifications, and educational and business
2082 history.
2083 (b) Any injunction or administrative order by a state or
2084 federal agency, national securities exchange, or national
2085 securities association involving a security or any aspect of the
2086 securities business and any injunction or administrative order
2087 by a state or federal agency regulating banking, insurance,
2088 finance, or small loan companies, real estate, mortgage brokers,
2089 or other related or similar industries, which injunctions or
2090 administrative orders relate to such person.

2091 (c) His or her conviction of, or plea of nolo contendere
 2092 to, a criminal offense or his or her commission of any acts
 2093 which would be grounds for refusal of an application under s.
 2094 517.161.

2095 (d) The names and addresses of other persons of whom the
 2096 office may inquire as to his or her character, reputation, and
 2097 financial responsibility.

2098 (10) An applicant for registration shall pay an assessment
 2099 fee of \$200, in the case of a dealer or investment adviser, or
 2100 \$40, in the case of an associated person. The assessment fee of
 2101 an associated person shall be reduced to \$30, but only after the
 2102 office determines, by final order, that sufficient funds have
 2103 been allocated to the Securities Guaranty Fund pursuant to s.
 2104 517.1203 to satisfy all valid claims filed in accordance with s.
 2105 517.1203(2) and after all amounts payable under any service
 2106 contract entered into by the office pursuant to s. 517.1204, and
 2107 all notes, bonds, certificates of indebtedness, other
 2108 obligations, or evidences of indebtedness secured by such notes,
 2109 bonds, certificates of indebtedness, or other obligations, have
 2110 been paid or provision has been made for the payment of such
 2111 amounts, notes, bonds, certificates of indebtedness, other
 2112 obligations, or evidences of indebtedness. An associated person
 2113 ~~may not having current fingerprint cards filed with the National~~
 2114 ~~Association of Securities Dealers or a national securities~~
 2115 ~~exchange registered with the Securities and Exchange Commission~~
 2116 ~~shall~~ be assessed an additional fee to cover the cost for the
 2117 ~~said~~ fingerprint cards to be processed by the office. Such fee

2118 shall be determined by rule of the commission. Each dealer and
 2119 each investment adviser shall pay an assessment fee of \$100 for
 2120 each office in this state, ~~except its designated principal~~
 2121 ~~office~~. Such fees become the revenue of the state, except for
 2122 those assessments provided for under s. 517.131(1) until such
 2123 time as the Securities Guaranty Fund satisfies the statutory
 2124 limits, and are not returnable in the event that registration is
 2125 withdrawn or not granted.

2126 (11) If the office finds that the applicant is of good
 2127 repute and character and has complied with the provisions of
 2128 this chapter and the rules made pursuant hereto, it shall
 2129 register the applicant. The registration of each dealer,
 2130 investment adviser, branch office, and associated person expires
 2131 ~~will expire~~ on December 31 of the year the registration became
 2132 effective unless the registrant has renewed his or her
 2133 registration on or before that date. The commission may
 2134 establish by rule procedures for renewing the registration of a
 2135 branch office through the Central Registration Depository,~~and~~
 2136 ~~the registration of each branch office will expire on March 31,~~
 2137 ~~of the year in which it became effective unless the registrant~~
 2138 ~~has renewed its registration on or before that date.~~

2139 Registration may be renewed by furnishing such information as
 2140 the commission may require, together with payment of the fee
 2141 required in subsection (10) for dealers, investment advisers,
 2142 associated persons, or branch offices and the payment of any
 2143 amount lawfully due and owing to the office pursuant to any
 2144 order of the office or pursuant to any agreement with the

2145 office. Any dealer, investment adviser, or associated person
2146 registrant who has not renewed a registration by the time the
2147 current registration expires may request reinstatement of such
2148 registration by filing with the office, on or before January 31
2149 of the year following the year of expiration, such information
2150 as may be required by the commission, together with payment of
2151 the fee required in subsection (10) for dealers, investment
2152 advisers, or associated persons and a late fee equal to the
2153 amount of such fee. Any reinstatement of registration granted by
2154 the office during the month of January shall be deemed effective
2155 retroactive to January 1 of that year.

2156 (15) (a) In order to facilitate uniformity and streamline
2157 procedures for persons who are subject to registration in
2158 multiple jurisdictions, the commission may adopt by rule uniform
2159 forms that have been approved by the Securities and Exchange
2160 Commission, and any subsequent amendments to such forms, if the
2161 forms are substantially consistent with the provisions of this
2162 chapter. Uniform forms that the commission may adopt to
2163 administer this section include, but are not limited to:

2164 1. Form BR, Uniform Branch Office Registration Form,
2165 adopted October 2005.

2166 2. Form U4, Uniform Application for Securities Industry
2167 Registration or Transfer, adopted October 2005.

2168 3. Form U5, Uniform Termination Notice for Securities
2169 Industry Registration, adopted October 2005.

2170 4. Form ADV, Uniform Application for Investment Adviser
2171 Registration, adopted October 2003.

2172 5. Form ADV-W, Notice of Withdrawal from Registration as
2173 an Investment Adviser, adopted October 2003.

2174 6. Form BD, Uniform Application for Broker-Dealer
2175 Registration, adopted July 1999.

2176 7. Form BDW, Uniform Request for Broker-Dealer Withdrawal,
2177 adopted August 1999.

2178 (b) In lieu of filing with the office the applications
2179 specified in subsection (6), the fees required by subsection
2180 (10), the renewals required by subsection (11), and the
2181 termination notices required by subsection (12), the commission
2182 may by rule establish procedures for the deposit of such fees
2183 and documents with the Central Registration Depository or the
2184 Investment Adviser Registration Depository of the National
2185 Association of Securities Dealers, Inc., as developed under
2186 contract with the North American Securities Administrators
2187 Association, Inc.; ~~provided, however, that such procedures shall~~
2188 ~~provide the office with the information and data as required by~~
2189 ~~this section.~~

2190 (17) (a) A dealer that is located in Canada, does not have
2191 an and has no office or other physical presence in this state,
2192 and has made a notice filing in accordance with this subsection
2193 is exempt from the registration requirements of this section and
2194 ~~may, provided the dealer is registered in accordance with this~~
2195 ~~section,~~ effect transactions in securities with or for, or
2196 induce or attempt to induce the purchase or sale of any security
2197 by:

2198 1. A person from Canada who is present ~~temporarily resides~~
 2199 in this state and with whom the Canadian dealer had a bona fide
 2200 dealer-client relationship before the person entered the United
 2201 States; or

2202 2. A person from Canada who is present in a ~~resident of~~
 2203 this state, and whose transactions are in a self-directed, tax-
 2204 advantaged ~~tax advantage~~ retirement plan in Canada of which the
 2205 person is the holder or contributor.

2206 (b) A notice filing under this subsection must consist of
 2207 documents the commission by rule requires to be filed, together
 2208 with a consent to service of process and a nonrefundable filing
 2209 fee of \$200. The commission may establish by rule procedures for
 2210 the deposit of fees and the filing of documents to be made by
 2211 electronic means, if such procedures provide the office with the
 2212 information and data required by this section ~~An associated~~
 2213 ~~person who represents a Canadian dealer registered under this~~
 2214 ~~section may, provided the agent is registered in accordance with~~
 2215 ~~this section, effect transactions in securities in this state as~~
 2216 ~~permitted for a dealer, under subsection (a).~~

2217 (c) A Canadian dealer may make a notice filing ~~register~~
 2218 under this subsection if the ~~section provided that such dealer~~
 2219 provides to the office:

2220 1. A notice filing ~~Files an application~~ in the form the
 2221 commission requires by rule ~~required by the jurisdiction in~~
 2222 ~~which the dealer has a head office.~~

2223 2. ~~Files~~ A consent to service of process.

2224 3. Evidence that the Canadian dealer is registered as a
2225 dealer in good standing in the jurisdiction in which the
2226 dealer's main office is located ~~from which it is effecting~~
2227 ~~transactions into this state and files evidence of such~~
2228 ~~registration with the office.~~

2229 4. Evidence that the Canadian dealer is a member of a
2230 self-regulatory organization or stock exchange in Canada.

2231 (d) The office may issue a permit to evidence the
2232 effectiveness of a notice filing for a Canadian dealer.

2233 (e) A notice filing is effective upon receipt by the
2234 office. A notice filing expires on December 31 of the year in
2235 which the filing becomes effective unless the Canadian dealer
2236 has renewed the filing on or before that date. A Canadian dealer
2237 may annually renew a notice filing by furnishing to the office
2238 such information as the office requires together with a renewal
2239 fee of \$200 and the payment of any amount due and owing the
2240 office pursuant to any agreement with the office. Any Canadian
2241 dealer who has not renewed a notice filing by the time a current
2242 notice filing expires may request reinstatement of such notice
2243 filing by filing with the office, on or before January 31 of the
2244 year following the year the notice filing expires, such
2245 information as the commission requires by rule, together with
2246 the payment of \$200 and a late fee of \$200. A reinstatement of a
2247 notice filing granted by the office during the month of January
2248 is effective retroactively to January 1 of that year.

2249 (f)-(d) An associated person who represents a Canadian
2250 dealer who has made a notice filing ~~registered~~ under this

2251 subsection is exempt from the registration requirements of this
 2252 section and may effect ~~section in effecting~~ transactions in
 2253 securities in this state as permitted for a dealer under
 2254 paragraph (a) if such person may register under this section
 2255 ~~provided that such person:~~

2256 ~~1. Files an application in the form required by the~~
 2257 ~~jurisdiction in which the dealer has its head office.~~

2258 ~~2. is registered in good standing~~ in the jurisdiction from
 2259 which he or she is effecting transactions into this state ~~and~~
 2260 ~~files evidence of such registration with the office.~~

2261 ~~(c) If the office finds that the applicant is of good~~
 2262 ~~repute and character and has complied with the provisions of~~
 2263 ~~this chapter, the office shall register the applicant.~~

2264 ~~(g) (f)~~ A Canadian dealer who has made a notice filing
 2265 ~~registered under this subsection~~ section shall:

2266 1. Maintain its provincial or territorial registration and
 2267 its membership in a self-regulatory organization or stock
 2268 exchange in good standing.

2269 2. Provide the office upon request with its books and
 2270 records relating to its business in this state as a dealer.

2271 3. Provide the office upon request notice of each civil,
 2272 criminal, or administrative action initiated against the dealer.

2273 4. Disclose to its clients in this state that the dealer
 2274 and its associated persons ~~agents~~ are not subject to the full
 2275 regulatory requirements under this chapter.

2276 5. Correct any inaccurate information within 30 days
 2277 after, ~~if~~ the information contained in the notice filing

2278 ~~application form becomes inaccurate for any reason before or~~
2279 ~~after the dealer becomes registered.~~

2280 (h) (g) An associated person representing ~~of~~ a Canadian
2281 dealer who has made a notice filing ~~registered~~ under this
2282 subsection ~~section~~ shall:

2283 1. Maintain provincial or territorial registration in good
2284 standing.

2285 2. Provide the office upon request with notice of each
2286 civil, criminal, or administrative action initiated against such
2287 person.

2288 ~~3. Through the dealer, correct any inaccurate information~~
2289 ~~within 30 days, if the information contained in the application~~
2290 ~~form becomes inaccurate for any reason before or after the~~
2291 ~~associated person becomes registered.~~

2292 (i) A notice filing may be terminated by filing notice of
2293 such termination with the office. Unless another date is
2294 specified by the Canadian dealer, such notice is effective upon
2295 receipt of the notice by the office.

2296 (j) All fees collected under this subsection become the
2297 revenue of the state, except those assessments provided for
2298 under s. 517.131(1), until the Securities Guaranty Fund has
2299 satisfied the statutory limits. Such fees are not returnable if
2300 a notice filing is withdrawn.

2301 ~~(h) Renewal applications for Canadian dealers and~~
2302 ~~associated persons under this section must be filed before~~
2303 ~~December 31 each year. Every applicant for registration or~~

2304 ~~renewal registration under this section shall pay the fee for~~
 2305 ~~dealers and associated persons under this chapter.~~

2306 Section 37. Paragraphs (b) and (e) of subsection (3) of
 2307 section 517.131, Florida Statutes, are amended, and subsection
 2308 (5) is added to that section, to read:

2309 517.131 Securities Guaranty Fund.--

2310 (3) Any person is eligible to seek recovery from the
 2311 Securities Guaranty Fund if:

2312 (b) Such person has made all reasonable searches and
 2313 inquiries to ascertain whether the judgment debtor possesses
 2314 real or personal property or other assets subject to being sold
 2315 or applied in satisfaction of the judgment, and by her or his
 2316 search the person has discovered no property or assets; or she
 2317 or he has discovered property and assets and has taken all
 2318 necessary action and proceedings for the application thereof to
 2319 the judgment, but the amount thereby realized was insufficient
 2320 to satisfy the judgment. To verify compliance with such
 2321 condition, the office may require such person to have a writ of
 2322 execution be issued upon such judgment, and may further require
 2323 a showing that no personal or real property of the judgment
 2324 debtor liable to be levied upon in complete satisfaction of the
 2325 judgment can be found, or may require an affidavit from the
 2326 claimant setting forth the reasonable searches and inquiries
 2327 undertaken and the result of those searches and inquiries.

2328 (e) The office waives compliance with the requirements of
 2329 paragraph (a) or paragraph (b). The office may waive such
 2330 compliance if the dealer, investment adviser, or associated

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

2341 (5) The commission may adopt rules pursuant to ss.
2342 120.536(1) and 120.54 specifying the procedures for complying
2343 with subsections (2), (3), and (4), including rules for the form
2344 of submission and guidelines for the sufficiency and content of
2345 submissions of notices and claims.

2346 Section 38. Subsections (2) and (5) of section 517.141,
2347 Florida Statutes, are amended, and subsection (11) is added to
2348 that section, to read:

2349 517.141 Payment from the fund.--

2350 (2) Regardless of the number of claims or claimants
2351 involved, payments for claims shall be limited in the aggregate
2352 to \$100,000 against any one dealer, investment adviser, or
2353 associated person. If the total claims exceed the aggregate
2354 limit of \$100,000, the office shall prorate the payment based
2355 upon the ratio that the person's claim bears to the total claims
2356 filed.

2357 (5) If the final judgment that ~~which~~ gave rise to the
2358 claim is overturned in any appeal or in any collateral
2359 proceeding, the claimant shall reimburse the fund all amounts
2360 paid from the fund to the claimant on the claim. If the claimant
2361 satisfies the judgment specified in s. 517.131(3)(a), the
2362 claimant shall reimburse the fund all amounts paid from the fund
2363 to the claimant on the claim. Such reimbursement shall be paid
2364 to the office within 60 days after the final resolution of the
2365 appellate or collateral proceedings or the satisfaction of
2366 judgment, with the 60-day period commencing on the date the
2367 final order or decision is entered in such proceedings.

2368 (11) The commission may adopt rules pursuant to ss.
2369 120.536(1) and 120.54 specifying procedures for complying with
2370 this section, including rules for the form of submission and
2371 guidelines for the sufficiency and content of submissions of
2372 notices and claims.

2373 Section 39. Subsection (1) of section 517.161, Florida
2374 Statutes, is amended to read:

2375 517.161 Revocation, denial, or suspension of registration
2376 of dealer, investment adviser, associated person, or branch
2377 office.--

2378 (1) Registration under s. 517.12 may be denied or any
2379 registration granted may be revoked, restricted, or suspended by
2380 the office if the office determines that such applicant or
2381 registrant:

2382 (a) Has violated any provision of this chapter or any rule
2383 or order made under this chapter;

2384 (b) Has made a material false statement in the application
 2385 for registration;

2386 (c) Has been guilty of a fraudulent act in connection with
 2387 rendering investment advice or in connection with any sale of
 2388 securities, has been or is engaged or is about to engage in
 2389 making fictitious or pretended sales or purchases of any such
 2390 securities or in any practice involving the rendering of
 2391 investment advice or the sale of securities which is fraudulent
 2392 or in violation of the law;

2393 (d) Has made a misrepresentation or false statement to, or
 2394 concealed any essential or material fact from, any person in the
 2395 rendering of investment advice or the sale of a security to such
 2396 person;

2397 (e) Has failed to account to persons interested for all
 2398 money and property received;

2399 (f) Has not delivered, after a reasonable time, to persons
 2400 entitled thereto securities held or agreed to be delivered by
 2401 the dealer, broker, or investment adviser, as and when paid for,
 2402 and due to be delivered;

2403 (g) Is rendering investment advice or selling or offering
 2404 for sale securities through any associated person not registered
 2405 in compliance with the provisions of this chapter;

2406 (h) Has demonstrated unworthiness to transact the business
 2407 of dealer, investment adviser, or associated person;

2408 (i) Has exercised management or policy control over or
 2409 owned 10 percent or more of the securities of any dealer or
 2410 investment adviser that has been declared bankrupt, or had a

2411 trustee appointed under the Securities Investor Protection Act;
 2412 or is, in the case of a dealer or investment adviser, insolvent;
 2413 (j) Has been convicted of, or has entered a plea of guilty
 2414 or nolo contendere to, a crime against the laws of this state or
 2415 any other state or of the United States or of any other country
 2416 or government which relates to registration as a dealer,
 2417 investment adviser, issuer of securities, associated person, or
 2418 branch office; which relates to the application for such
 2419 registration; or which involves moral turpitude or fraudulent or
 2420 dishonest dealing;
 2421 (k) Has had a final judgment entered against her or him in
 2422 a civil action upon grounds of fraud, embezzlement,
 2423 misrepresentation, or deceit;
 2424 (l) Is of bad business repute; ~~or~~
 2425 (m) Has been the subject of any decision, finding,
 2426 injunction, suspension, prohibition, revocation, denial,
 2427 judgment, or administrative order by any court of competent
 2428 jurisdiction, administrative law judge, or by any state or
 2429 federal agency, national securities, commodities, or option
 2430 exchange, or national securities, commodities, or option
 2431 association, involving a violation of any federal or state
 2432 securities or commodities law or any rule or regulation
 2433 promulgated thereunder, or any rule or regulation of any
 2434 national securities, commodities, or options exchange or
 2435 national securities, commodities, or options association, or has
 2436 been the subject of any injunction or adverse administrative
 2437 order by a state or federal agency regulating banking,

2438 insurance, finance or small loan companies, real estate,
 2439 mortgage brokers or lenders, money transmitters, or other
 2440 related or similar industries. For purposes of this subsection,
 2441 the office may not deny registration to any applicant who has
 2442 been continuously registered with the office for 5 years from
 2443 the entry of such decision, finding, injunction, suspension,
 2444 prohibition, revocation, denial, judgment, or administrative
 2445 order provided such decision, finding, injunction, suspension,
 2446 prohibition, revocation, denial, judgment, or administrative
 2447 order has been timely reported to the office pursuant to the
 2448 commission's rules; or-

2449 (n) Made payment to the office for a registration or
 2450 notice filing with a check or electronic transmission of funds
 2451 that is dishonored by the applicant's, registrant's, or notice
 2452 filer's financial institution.

2453 Section 40. Section 520.02, Florida Statutes, is amended
 2454 to read:

2455 520.02 Definitions.--In this act, unless the context or
 2456 subject matter otherwise requires:

2457 (1) "Branch" means any location, other than a licensee's
 2458 principal place of business, at which a licensee operates or
 2459 conducts business under this act or which a licensee owns or
 2460 controls for the purpose of conducting business under this act.

2461 (2) "Cash price" means the price at which a seller, in the
 2462 ordinary course of business, offers to sell for cash the
 2463 property or service that is the subject of the transaction. At
 2464 the seller's option, the term "cash price" may include the price

2465 of accessories, services related to the sale, service contracts,
2466 and taxes and fees for license, title, and registration of the
2467 motor vehicle. The term "cash price" does not include any
2468 finance charge.

2469 (3) "Commission" means the Financial Services Commission.

2470 (4) "Control person" means an individual, partnership,
2471 corporation, trust, or other organization that possesses the
2472 power, directly or indirectly, to direct the management or
2473 policies of a company, whether through ownership of securities,
2474 by contract, or otherwise. A person is presumed to control a
2475 company if, with respect to a particular company, that person:

2476 (a) Is a director, general partner, or officer exercising
2477 executive responsibility or having similar status or functions;

2478 (b) Directly or indirectly may vote 10 percent or more of
2479 a class of a voting security or sell or direct the sale of 10
2480 percent or more of a class of voting securities; or

2481 (c) In the case of a partnership, may receive upon
2482 dissolution or has contributed 10 percent or more of the
2483 capital.

2484 (5) "Down payment" means the amount, including the value
2485 of any property used as a trade-in, paid to a seller to reduce
2486 the cash price of goods or services purchased in a credit sale
2487 transaction. A deferred portion of a down payment may be treated
2488 as part of the down payment if it is payable not later than the
2489 due date of the second otherwise regularly scheduled payment and
2490 is not subject to a finance charge.

2491 (6) "Finance charge" means the cost of consumer credit as
2492 a dollar amount. The term "finance charge" includes any charge
2493 payable directly or indirectly by the buyer and imposed directly
2494 or indirectly by the seller as an incident to or a condition of
2495 the extension of credit. The term "finance charge" does not
2496 include any charge of a type payable in a comparable cash
2497 transaction.

2498 (7) "Holder" of a retail installment contract means the
2499 retail seller of a motor vehicle retail installment contract or
2500 an assignee of such contract.

2501 (8) "Mobile home" means a structure, transportable in one
2502 or more sections, which is 8 body feet or more in width and is
2503 32 body feet or more in length, designed to be used as a
2504 dwelling with or without a permanent foundation when connected
2505 to the required utilities, and includes the plumbing, heating,
2506 air-conditioning, and electrical systems contained therein.

2507 (9) "Motor vehicle" means any device or vehicle, including
2508 automobiles, motorcycles, motor trucks, trailers, mobile homes,
2509 and all other vehicles operated over the public highways and
2510 streets of this state and propelled by power other than muscular
2511 power, but excluding traction engines, road rollers, implements
2512 of husbandry and other agricultural equipment, and vehicles
2513 which run only upon a track.

2514 (10)~~(15)~~ "Motor vehicle retail installment seller" or
2515 "seller" means a person engaged in the business of selling motor
2516 vehicles to retail buyers in retail installment transactions.

2517 (11)~~(4)~~ "Office" means the Office of Financial Regulation
 2518 of the commission.

2519 (12)~~(10)~~ "Official fees" means fees and charges prescribed
 2520 by law which actually are or will be paid to public officials
 2521 for determining the existence of, or for perfecting, releasing,
 2522 or satisfying, any security related to the credit transaction,
 2523 or the premium payable for any insurance in lieu of perfecting
 2524 any security interest otherwise required by the creditor in
 2525 connection with the transaction, if the premium does not exceed
 2526 the fees and charges which would otherwise be payable to public
 2527 officials.

2528 (13)~~(11)~~ "Person" means an individual, partnership,
 2529 corporation, association, and any other group however organized.

2530 (14)~~(12)~~ "Principal place of business" means the physical
 2531 location designated on the licensee's application for licensure,
 2532 unless otherwise designated as required by this chapter.

2533 (15)~~(13)~~ "Retail buyer" or "buyer" means a person who buys
 2534 a motor vehicle from a seller not principally for the purpose of
 2535 resale, and who executes a retail installment contract in
 2536 connection therewith or a person who succeeds to the rights and
 2537 obligations of such person.

2538 (16)~~(14)~~ "Retail installment contract" or "contract" means
 2539 an agreement, entered into in this state, pursuant to which the
 2540 title to, or a lien upon the motor vehicle, which is the subject
 2541 matter of a retail installment transaction, is retained or taken
 2542 by a seller from a retail buyer as security, in whole or in
 2543 part, for the buyer's obligation. The term includes a

2544 conditional sales contract and a contract for the bailment or
 2545 leasing of a motor vehicle by which the bailee or lessee
 2546 contracts to pay as compensation for its use a sum substantially
 2547 equivalent to or in excess of its value and by which it is
 2548 agreed that the bailee or lessee is bound to become, or for no
 2549 further or a merely nominal consideration, has the option of
 2550 becoming, the owner of the motor vehicle upon full compliance
 2551 with the provisions of the contract.

2552 (17)~~(16)~~ "Retail installment transaction" means any
 2553 transaction evidenced by a retail installment contract entered
 2554 into between a retail buyer and a seller wherein the retail
 2555 buyer buys a motor vehicle from the seller at a deferred payment
 2556 price payable in one or more deferred installments.

2557 (18)~~(17)~~ "Sales finance company" means a person engaged in
 2558 the business of purchasing retail installment contracts from one
 2559 or more sellers. The term includes, but is not limited to, a
 2560 bank or trust company, if so engaged. The term does not include
 2561 the pledge of an aggregate number of such contracts to secure a
 2562 bona fide loan thereon.

2563 (19)~~(18)~~ Words in the singular include the plural and vice
 2564 versa.

2565 Section 41. Subsections (2) through (5) of section 520.03,
 2566 Florida Statutes, are amended to read:

2567 520.03 Licenses.--

2568 (2) An application for a license under this part must be
 2569 submitted to the office in such form as the commission may
 2570 prescribe by rule. The commission may require each applicant to

2571 provide any information reasonably necessary to determine the
2572 applicant's eligibility for licensure. The applicant shall also
2573 provide information that the office requires concerning any
2574 officer, director, control person, member, partner, or joint
2575 venturer of the applicant or any person having the same or
2576 substantially similar status or performing substantially similar
2577 functions or any individual who is the ultimate equitable owner
2578 of a 10-percent or greater interest in the applicant. The office
2579 may require information concerning any such applicant or person,
2580 including, but not limited to, his or her full name and any
2581 other names by which he or she may have been known, age, social
2582 security number, residential history, qualifications,
2583 educational and business history, and disciplinary and criminal
2584 history. If the office determines that an application should be
2585 granted, it shall issue the license for a period not to exceed 2
2586 years. A nonrefundable application fee of \$175 shall accompany
2587 an initial application for the principal place of business and
2588 each application for a branch location of a retail installment
2589 seller who is required to be licensed under this chapter. An
2590 application is considered received for purposes of s. 120.60
2591 upon receipt of a completed application form as prescribed by
2592 commission rule, a nonrefundable application fee of \$175, and
2593 any other fee prescribed by law.

2594 (3) The nonrefundable renewal fee for a motor vehicle
2595 retail installment seller license shall be \$175. The commission
2596 shall establish by rule biennial licensure periods and
2597 procedures for renewal of licenses. A license that is not

2598 renewed by the end of the biennium established by the commission
2599 shall revert from active to inactive status. An inactive license
2600 may be reactivated within 6 months after becoming inactive upon
2601 filing a completed reactivation form, payment of the
2602 nonrefundable renewal fee, and payment of a reactivation fee
2603 equal to the nonrefundable renewal fee. A license that is not
2604 reactivated within 6 months after becoming inactive
2605 automatically expires.

2606 (4) ~~Each license shall specify the location for which it~~
2607 ~~is issued and must be conspicuously displayed at that location.~~
2608 ~~Prior to relocating a principal place of business or any branch~~
2609 ~~location, the licensee must provide to the office notice of the~~
2610 ~~relocation in a form prescribed by commission rule.~~ A licensee
2611 may not transact business as a motor vehicle retail installment
2612 seller except under the name by which it is licensed. Licenses
2613 issued under this part are not transferable or assignable.

2614 (5) The office may deny an initial application for a
2615 license under this part if the applicant or any officer,
2616 director, control person, member, partner, or joint venturer
2617 ~~person with power to direct the management or policies~~ of the
2618 applicant is the subject of a pending criminal prosecution or
2619 governmental enforcement action, in any jurisdiction, until
2620 conclusion of such criminal prosecution or enforcement action.

2621 Section 42. Subsections (10) through (18) of section
2622 520.31, Florida Statutes, are renumbered as subsections (11)
2623 through (19), respectively, subsection (4) of that section is

2624 renumbered as subsection (10), and a new subsection (4) is added
 2625 to that section, to read:

2626 520.31 Definitions.--Unless otherwise clearly indicated by
 2627 the context, the following words when used in this act, for the
 2628 purposes of this act, shall have the meanings respectively
 2629 ascribed to them in this section:

2630 (4) "Control person" means an individual, partnership,
 2631 corporation, trust, or other organization that possesses the
 2632 power, directly or indirectly, to direct the management or
 2633 policies of a company, whether through ownership of securities,
 2634 by contract, or otherwise. A person is presumed to control a
 2635 company if, with respect to a particular company, that person:

2636 (a) Is a director, general partner, or officer exercising
 2637 executive responsibility or having similar status or functions;

2638 (b) Directly or indirectly has the right to vote 10
 2639 percent or more of a class of a voting security or has the power
 2640 to sell or direct the sale of 10 percent or more of a class of
 2641 voting securities; or

2642 (c) In the case of a partnership, has the right to receive
 2643 upon dissolution or has contributed 10 percent or more of the
 2644 capital.

2645 Section 43. Subsections (2) through (5) of section 520.32,
 2646 Florida Statutes, are amended to read:

2647 520.32 Licenses.--

2648 (2) An application for a license under this part must be
 2649 submitted to the office in such form as the commission may
 2650 prescribe by rule. The commission may require each applicant to

2651 provide any information reasonably necessary to determine the
2652 applicant's eligibility for licensure. The applicant shall also
2653 provide information that the office requires concerning any
2654 officer, director, control person, member, partner, or joint
2655 venturer of the applicant or any person having the same or
2656 substantially similar status or performing substantially similar
2657 functions or any individual who is the ultimate equitable owner
2658 of a 10-percent or greater interest in the applicant. The office
2659 may require information concerning any such applicant or person,
2660 including his or her full name and any other names by which he
2661 or she may have been known, age, social security number,
2662 residential history, qualifications, educational and business
2663 history, and disciplinary and criminal history. If the office
2664 determines that an application should be granted, it shall issue
2665 the license for a period not to exceed 2 years. A nonrefundable
2666 application fee of \$175 shall accompany an initial application
2667 for the principal place of business and each application for a
2668 branch location of a retail installment seller. An application
2669 is considered received for purposes of s. 120.60 upon receipt of
2670 a completed application form as prescribed by commission rule, a
2671 nonrefundable application fee of \$175, and any other fee
2672 prescribed by law.

2673 (3) The nonrefundable renewal fee for a retail seller
2674 license shall be \$175. Biennial licensure periods and procedures
2675 for renewal of licenses may also be established by the
2676 commission by rule. A license that is not renewed at the end of
2677 the biennium established by the commission shall revert from

2678 active to inactive status. An inactive license may be
2679 reactivated within 6 months after becoming inactive upon filing
2680 a completed reactivation form, payment of the nonrefundable
2681 renewal fee, and payment of a reactivation fee equal to the
2682 nonrefundable renewal fee. A license that is not reactivated
2683 within 6 months after becoming inactive automatically expires.

2684 ~~(4) Each license must specify the location for which it is~~
2685 ~~issued and must be conspicuously displayed at that location. If~~
2686 ~~a licensee's principal place of business or branch location~~
2687 ~~changes, the licensee shall notify the office and the office~~
2688 ~~shall endorse the change of location without charge. A licensee~~
2689 may not transact business as a retail installment seller except
2690 under the name by which it is licensed. A license issued under
2691 this part is not transferable or assignable.

2692 (5) The office may deny an initial application for a
2693 license under this part if the applicant or any officer,
2694 director, control person, member, partner, or joint venturer
2695 ~~person with power to direct the management or policies~~ of the
2696 applicant is the subject of a pending criminal prosecution or
2697 governmental enforcement action, in any jurisdiction, until
2698 conclusion of such criminal prosecution or enforcement action.

2699 Section 44. Subsections (2) through (5) of section 520.52,
2700 Florida Statutes, are amended to read:

2701 520.52 Licensees.--

2702 (2) An application for a license under this part must be
2703 submitted to the office in such form as the commission may
2704 prescribe by rule. The commission may require each applicant to

2705 provide any information reasonably necessary to determine the
2706 applicant's eligibility for licensure. The applicant shall also
2707 provide information that the office requires concerning any
2708 officer, director, control person, member, partner, or joint
2709 venturer of the applicant or any person having the same or
2710 substantially similar status or performing substantially similar
2711 functions or any individual who is the ultimate equitable owner
2712 of a 10-percent or greater interest in the applicant. The office
2713 may require information concerning any such applicant or person,
2714 including his or her full name and any other names by which he
2715 or she may have been known, age, social security number,
2716 residential history, qualifications, educational and business
2717 history, and disciplinary and criminal history. If the office
2718 determines that an application should be granted, it shall issue
2719 the license for a period not to exceed 2 years. A nonrefundable
2720 application fee of \$175 shall accompany an initial application
2721 for the principal place of business and each branch location of
2722 a sales finance company. An application is considered received
2723 for purposes of s. 120.60 upon receipt of a completed
2724 application form as prescribed by commission rule, a
2725 nonrefundable application fee of \$175, and any other fee
2726 prescribed by law.

2727 (3) The nonrefundable renewal fee for a sales finance
2728 company license shall be \$175. Biennial licensure periods and
2729 procedures for renewal of licenses may also be established by
2730 the commission by rule. A license that is not renewed at the end
2731 of the biennium established by the commission shall revert from

2732 active to inactive status. An inactive license may be
2733 reactivated within 6 months after becoming inactive upon filing
2734 a completed reactivation form, payment of the nonrefundable
2735 renewal fee, and payment of a reactivation fee equal to the
2736 nonrefundable renewal fee. A license that is not reactivated
2737 within 6 months after becoming inactive automatically expires.

2738 ~~(4) Each license must specify the location for which it is~~
2739 ~~issued and must be conspicuously displayed at that location. If~~
2740 ~~a licensee's principal place of business or branch location~~
2741 ~~changes, the licensee shall notify the office and the office~~
2742 ~~shall endorse the change of location without charge. A licensee~~
2743 may not transact business as a sales finance company except
2744 under the name by which it is licensed. A license issued under
2745 this part is not transferable or assignable.

2746 (5) The office may deny an initial application for a
2747 license under this part if the applicant or any officer,
2748 director, control person, member, partner, or joint venturer
2749 ~~person with power to direct the management or policies~~ of the
2750 applicant is the subject of a pending criminal prosecution or
2751 governmental enforcement action, in any jurisdiction, until
2752 conclusion of such criminal prosecution or enforcement action.

2753 Section 45. Subsections (5), (6), (7), (15), (16), and
2754 (22) of section 520.61, Florida Statutes, are renumbered as
2755 subsections (7), (5), (16), (22), (15), and (23), respectively,
2756 and a new subsection (6) is added to that section to read:

2757 520.61 Definitions.--As used in this act:

2758 (6) "Control person" means an individual, partnership,
2759 corporation, trust, or other organization that possesses the
2760 power, directly or indirectly, to direct the management or
2761 policies of a company, whether through ownership of securities,
2762 by contract, or otherwise. A person is presumed to control a
2763 company if, with respect to a particular company, that person:

2764 (a) Is a director, general partner, or officer exercising
2765 executive responsibility or having similar status or functions;

2766 (b) Directly or indirectly may vote 10 percent or more of
2767 a class of a voting security or sell or direct the sale of 10
2768 percent or more of a class of voting securities; or

2769 (c) In the case of a partnership, may receive upon
2770 dissolution or has contributed 10 percent or more of the
2771 capital.

2772 Section 46. Subsections (2) through (5) of section 520.63,
2773 Florida Statutes, are amended to read:

2774 520.63 Licensees.--

2775 (2) An application for a license under this part must be
2776 submitted to the office in such form as the commission may
2777 prescribe by rule. The commission may require each applicant to
2778 provide any information reasonably necessary to determine the
2779 applicant's eligibility for licensure. The applicant shall also
2780 provide information that the office requires concerning any
2781 officer, director, control person, member, partner, or joint
2782 venturer of the applicant or any person having the same or
2783 substantially similar status or performing substantially similar
2784 functions or any individual who is the ultimate equitable owner

2785 of a 10-percent or greater interest in the applicant. The office
2786 may require information concerning any such applicant or person,
2787 including, but not limited to, his or her full name and any
2788 other names by which he or she may have been known, age, social
2789 security number, residential history, qualifications,
2790 educational and business history, and disciplinary and criminal
2791 history. If the office determines that an application should be
2792 granted, it shall issue the license for a period not to exceed 2
2793 years. A nonrefundable application fee of \$175 shall accompany
2794 an initial application for the principal place of business and
2795 each application for a branch location of a home improvement
2796 finance seller. An application is considered received for
2797 purposes of s. 120.60 upon receipt of a completed application
2798 form as prescribed by commission rule, a nonrefundable
2799 application fee of \$175, and any other fee prescribed by law.

2800 (3) The nonrefundable renewal fee for a home improvement
2801 finance license shall be \$175. Biennial licensure periods and
2802 procedures for renewal of licenses may also be established by
2803 the commission by rule. A license that is not renewed at the end
2804 of the biennium established by the commission shall
2805 automatically revert from active to inactive status. An inactive
2806 license may be reactivated within 6 months after becoming
2807 inactive upon filing a completed reactivation form, payment of
2808 the nonrefundable renewal fee, and payment of a reactivation fee
2809 equal to the nonrefundable renewal fee. A license that is not
2810 reactivated within 6 months after becoming inactive
2811 automatically expires.

2812 (4) ~~Each license must specify the location for which it is~~
2813 ~~issued and must be conspicuously displayed at that location. If~~
2814 ~~a home improvement finance seller's principal place of business~~
2815 ~~or any branch location changes, the licensee shall notify the~~
2816 ~~office and the office shall endorse the change of location~~
2817 ~~without charge.~~ A licensee may not transact business as a home
2818 improvement finance seller except under the name by which it is
2819 licensed. A license issued under this part is not transferable
2820 or assignable.

2821 (5) The office may deny an initial application for a
2822 license under this part if the applicant or any officer,
2823 director, control person, member, partner, or joint venturer
2824 ~~person with power to direct the management or policies~~ of the
2825 applicant is the subject of a pending criminal prosecution or
2826 governmental enforcement action, in any jurisdiction, until
2827 conclusion of such criminal prosecution or enforcement action.

2828 Section 47. Subsection (5) of section 520.994, Florida
2829 Statutes, is amended to read:

2830 520.994 Powers of office.--

2831 (5) The office shall administer and enforce this chapter.
2832 The commission has authority to adopt rules pursuant to ss.
2833 120.536(1) and 120.54 to implement the provisions of this
2834 chapter. The commission may adopt rules requiring ~~to allow~~
2835 electronic submission of any form, document, or fee required by
2836 this chapter if such rules reasonably accommodate technological
2837 or financial hardship. The commission may prescribe by rule

2838 requirements and procedures for obtaining an exemption due to a
 2839 technological or financial hardship.

2840 Section 48. Subsections (1) and (4) of section 520.995,
 2841 Florida Statutes, are amended to read:

2842 520.995 Grounds for disciplinary action.--

2843 (1) The following acts are violations of this chapter and
 2844 constitute grounds for the disciplinary actions specified in
 2845 subsection (2):

2846 (a) Failure to comply with any provision of this chapter,
 2847 any rule or order adopted pursuant to this chapter, or any
 2848 written agreement entered into with the office.†

2849 (b) Fraud, misrepresentation, deceit, or gross negligence
 2850 in any home improvement finance transaction or retail
 2851 installment transaction, regardless of reliance by or damage to
 2852 the buyer or owner.†

2853 (c) Fraudulent misrepresentation, circumvention, or
 2854 concealment of any matter required to be stated or furnished to
 2855 a retail buyer or owner pursuant to this chapter, regardless of
 2856 reliance by or damage to the buyer or owner.†

2857 (d) Willful imposition of illegal or excessive charges in
 2858 any retail installment transaction or home improvement finance
 2859 transaction.†

2860 (e) False, deceptive, or misleading advertising by a
 2861 seller or home improvement finance seller.†

2862 (f) Failure to maintain, preserve, and keep available for
 2863 examination, all books, accounts, or other documents required by

2864 | this chapter, by any rule or order adopted pursuant to this
 2865 | chapter, or by any agreement entered into with the office.~~†~~

2866 | (g) Refusal to permit inspection of books and records in
 2867 | an investigation or examination by the office or refusal to
 2868 | comply with a subpoena issued by the office.~~†~~

2869 | (h) Criminal conduct in the course of a person's business
 2870 | as a seller, as a home improvement finance seller, or as a sales
 2871 | finance company.~~†~~~~or~~

2872 | (i) Failure to timely pay any fee, charge, or fine imposed
 2873 | or assessed pursuant to this chapter or any rule adopted under
 2874 | this chapter.

2875 | (j) Using the name or logo of a financial institution, as
 2876 | defined in s. 655.005(1), or its affiliates or subsidiaries when
 2877 | marketing or soliciting existing or prospective customers if
 2878 | such marketing materials are used without the written consent of
 2879 | the financial institution and in a manner that would lead a
 2880 | reasonable person to believe that the material or solicitation
 2881 | originated from, was endorsed by, or is related to or the
 2882 | responsibility of the financial institution or its affiliates or
 2883 | subsidiaries.

2884 | (k) Payment to the office for a license or permit with a
 2885 | check or electronic transmission of funds that is dishonored by
 2886 | the applicant's or licensee's financial institution.

2887 | (4) It is sufficient cause for the office to take any of
 2888 | the actions specified in subsection (2) as to any partnership,
 2889 | corporation, or association, if the office finds grounds for
 2890 | such action as to any member of the partnership, as to any

2891 officer or director of the corporation or association, or as to
 2892 any control person, partner, or joint venturer ~~person with power~~
 2893 ~~to direct the management or policies~~ of the partnership,
 2894 corporation, or association.

2895 Section 49. Subsection (4) of section 520.997, Florida
 2896 Statutes, is amended to read:

2897 520.997 Books, accounts, and records.--

2898 (4) The commission may prescribe by rule the minimum
 2899 information to be shown in the books, accounts, documents, and
 2900 records of licensees so that such records will enable the office
 2901 to determine compliance with ~~the provisions of~~ this chapter. In
 2902 addition, the commission may prescribe by rule requirements for
 2903 the destruction of books, accounts, records, and documents
 2904 retained by the licensee after completion of the time period
 2905 specified in subsection (3).

2906 Section 50. Section 520.999, Florida Statutes, is created
 2907 to read:

2908 520.999 Requirements of licensees.--

2909 (1) Each licensee under this chapter shall report, on a
 2910 form prescribed by rule of the commission, any change in the
 2911 information contained in any initial application form or any
 2912 amendment to such application not later than 30 days after the
 2913 change is effective.

2914 (2) Each licensee under this chapter shall report any
 2915 changes in the partners, officers, members, joint venturers,
 2916 directors, or control persons of any licensee or changes in the

2917 form of business organization by written amendment in such form
2918 and at such time as the commission specifies by rule.

2919 (a) In any case in which a person or a group of persons,
2920 directly or indirectly or acting by or through one or more
2921 persons, proposes to purchase or acquire a controlling interest
2922 in a licensee, such person or group must submit an initial
2923 application for licensure before such purchase or acquisition at
2924 such time and in such form as the commission prescribes by rule.

2925 (b) As used in subsection, the term "controlling interest"
2926 means possession of the power to direct or cause the direction
2927 of the management or policies of a company whether through
2928 ownership of securities, by contract, or otherwise. Any person
2929 who directly or indirectly has the right to vote 25 percent or
2930 more of the voting securities of a company or is entitled to 25
2931 percent or more of its profits is presumed to possess a
2932 controlling interest.

2933 (c) Any addition of a partner, officer, member, joint
2934 venturer, director, or control person of the applicant who does
2935 not have a controlling interest and who has not previously
2936 complied with the provisions of ss. 520.03(2), 520.32(2),
2937 520.52(2), and 520.63(2) shall be subject to such provisions
2938 unless required to file an initial application in accordance
2939 with paragraph (a). If the office determines that the licensee
2940 does not continue to meet licensure requirements, the office may
2941 bring administrative action in accordance with s. 520.995 to
2942 enforce the provisions of this chapter.

2943 (d) The commission shall adopt rules pursuant to ss.
2944 120.536(1) and 120.54 providing for the waiver of the
2945 application required by this subsection if the person or group
2946 of persons proposing to purchase or acquire a controlling
2947 interest in a licensee has previously complied with the
2948 provisions of ss. 520.03(2), 520.32(2), 520.52(2), and 520.63(2)
2949 with the same legal entity or is currently licensed with the
2950 office under this chapter.

2951 Section 51. Subsection (5) of section 537.009, Florida
2952 Statutes, is amended to read:

2953 537.009 Recordkeeping; reporting; safekeeping of
2954 property.--

2955 (5) The commission may prescribe by rule the books,
2956 accounts, documents, and records, and the minimum information to
2957 be shown in the books, accounts, documents, and records, of
2958 licensees so that such records will enable the office to
2959 determine compliance with the provisions of this act. In
2960 addition, the commission may prescribe by rule requirements for
2961 the destruction of books, accounts, records, and documents
2962 retained by the licensee after completion of the time period
2963 specified in subsection (3).

2964 Section 52. Paragraph (e) of subsection (2) of section
2965 559.9232, Florida Statutes, is amended to read:

2966 559.9232 Definitions; exclusion of rental-purchase
2967 agreements from certain regulations.--

2968 (2) A rental-purchase agreement that complies with this
 2969 act shall not be construed to be, nor be governed by, any of the
 2970 following:

2971 (e) A lease or agreement which constitutes a "retail
 2972 installment contract" or "retail installment transaction" as
 2973 those terms are defined in s. 520.31~~(13)~~ and ~~(14)~~; or

2974 Section 53. Subsection (3) is added to section 560.105,
 2975 Florida Statutes, to read:

2976 560.105 Supervisory powers; rulemaking.--

2977 (3) The commission may adopt rules pursuant to ss.
 2978 120.536(1) and 120.54 requiring electronic submission of any
 2979 forms, documents, or fees required by this code if such rules
 2980 reasonably accommodate technological or financial hardship. The
 2981 commission may prescribe by rule requirements and procedures for
 2982 obtaining an exemption due to a technological or financial
 2983 hardship.

2984 Section 54. Paragraph (y) is added to subsection (1) of
 2985 section 560.114, Florida Statutes, to read:

2986 560.114 Disciplinary actions.--

2987 (1) The following actions by a money transmitter or money
 2988 transmitter-affiliated party are violations of the code and
 2989 constitute grounds for the issuance of a cease and desist order,
 2990 the issuance of a removal order, the denial of a registration
 2991 application or the suspension or revocation of any registration
 2992 previously issued pursuant to the code, or the taking of any
 2993 other action within the authority of the office pursuant to the
 2994 code:

2995 (y) Payment to the office for a license or permit with a
 2996 check or electronic transmission of funds that is dishonored by
 2997 the applicant's or licensee's financial institution.

2998 Section 55. Subsection (2) of section 560.121, Florida
 2999 Statutes, is amended to read:

3000 560.121 Records; limited restrictions upon public
 3001 access.--

3002 (2) The commission may prescribe by rule the minimum
 3003 information that must be shown in the books, accounts, records,
 3004 and documents of licensees for purposes of enabling the office
 3005 to determine the licensee's compliance with this chapter. In
 3006 addition, the commission may prescribe by rule requirements for
 3007 the destruction of books, accounts, records, and documents
 3008 retained by the licensee after completion of the time period
 3009 specified in this subsection. Examination reports, investigatory
 3010 records, applications, and related information compiled by the
 3011 office, or photographic copies thereof, shall be retained by the
 3012 office for a period of at least 3 years following the date that
 3013 the examination or investigation ceases to be active.

3014 Application records, and related information compiled by the
 3015 office, or photographic copies thereof, shall be retained by the
 3016 office for a period of at least 2 years following the date that
 3017 the registration ceases to be active.

3018 Section 56. Section 560.126, Florida Statutes, is amended
 3019 to read:

3020 560.126 Significant events; notice required.--

3021 (1) Unless exempted by the office, every money transmitter
 3022 must provide the office with a written notice within 30 ~~15~~ days
 3023 after the occurrence or knowledge of, whichever period of time
 3024 is greater, any of the following events:

3025 (a)~~(1)~~ The filing of a petition under the United States
 3026 Bankruptcy Code for bankruptcy or reorganization by the money
 3027 transmitter.

3028 (b)~~(2)~~ The commencement of any registration suspension or
 3029 revocation proceeding, either administrative or judicial, or the
 3030 denial of any original registration request or a registration
 3031 renewal, by any state, the District of Columbia, any United
 3032 States territory, or any foreign country, in which the money
 3033 transmitter operates or plans to operate or has registered to
 3034 operate.

3035 (c)~~(3)~~ A felony indictment relating to the money
 3036 transmission business involving the money transmitter or a money
 3037 transmitter-affiliated party of the money transmitter.

3038 (d)~~(4)~~ The felony conviction, guilty plea, or plea of nolo
 3039 contendere, if the court adjudicates the nolo contendere pleader
 3040 guilty, or the adjudication of guilt of a money transmitter or
 3041 money transmitter-affiliated party.

3042 (e)~~(5)~~ The interruption of any corporate surety bond
 3043 required by the code.

3044 (f)~~(6)~~ Any suspected criminal act, as defined by the
 3045 commission by rule, perpetrated in this state against a money
 3046 transmitter or authorized vendor.

3047

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

3051 | (2) (a) Each registrant under this code shall report, on a
 3052 | form prescribed by rule of the commission, any change in the
 3053 | information contained in any initial application form or any
 3054 | amendment thereto not later than 30 days after the change is
 3055 | effective.

3056 | (b) Each registrant under the code shall report any
 3057 | changes in the partners, officers, members, joint venturers,
 3058 | directors, controlling shareholders, or responsible persons of
 3059 | any registrant or changes in the form of business organization
 3060 | by written amendment in such form and at such time as the
 3061 | commission specifies by rule.

3062 | 1. In any case in which a person or a group of persons,
 3063 | directly or indirectly or acting by or through one or more
 3064 | persons, proposes to purchase or acquire a controlling interest
 3065 | in a licensee, such person or group must submit an initial
 3066 | application for registration as a money transmitter before such
 3067 | purchase or acquisition at such time and in such form as the
 3068 | commission prescribes by rule.

3069 | 2. As used in this subsection, the term "controlling
 3070 | interest" means possession of the power to direct or cause the
 3071 | direction of the management or policies of a company whether
 3072 | through ownership of securities, by contract, or otherwise. Any
 3073 | person who directly or indirectly has the right to vote 25
 3074 | percent or more of the voting securities of a company or is

3075 entitled to 25 percent or more of its profits is presumed to
3076 possess a controlling interest.

3077 3. Any addition of a partner, officer, member, joint
3078 venturer, director, controlling shareholder, or responsible
3079 person of the applicant who does not have a controlling interest
3080 and who has not previously complied with ss. 560.205 and 560.306
3081 shall be subject to such provisions unless required to file an
3082 initial application in accordance with subparagraph 1. If the
3083 office determines that the registrant does not continue to meet
3084 registration requirements, the office may bring administrative
3085 action in accordance with s. 560.114 to enforce the provisions
3086 of this code.

3087 4. The commission shall adopt rules pursuant to ss.
3088 120.536(1) and 120.54 providing for the waiver of the
3089 application required by this subsection if the person or group
3090 of persons proposing to purchase or acquire a controlling
3091 interest in a registrant has previously complied with the
3092 provisions of ss. 560.205 and 560.306 with the same legal entity
3093 or is currently registered with the office under this code.

3094 Section 57. Section 560.127, Florida Statutes, is amended
3095 to read:

3096 560.127 Control of a money transmitter.--

3097 ~~(1)~~ A person has control over a money transmitter if:

3098 (1)(a) The individual, partnership, corporation, trust, or
3099 other organization possesses the power, directly or indirectly,
3100 to direct the management or policies of a company, whether
3101 through ownership of securities, by contract, or otherwise. A

3102 person is presumed to control a company if, with respect to a
3103 particular company, that person:

3104 (a) Is a director, general partner, or officer exercising
3105 executive responsibility or having similar status or functions;

3106 (b) Directly or indirectly may vote 25 percent or more of
3107 a class of a voting security or sell or direct the sale of 25
3108 percent or more of a class of voting securities; or

3109 (c) In the case of a partnership, may receive upon
3110 dissolution or has contributed 25 percent or more of the
3111 capital. The person directly or indirectly or acting through one
3112 or more other persons owns, controls, or has power to vote 25
3113 percent or more of any class of voting securities of the money
3114 transmitter; or

3115 (2) (b) The office determines, after notice and opportunity
3116 for hearing, that the person directly or indirectly exercises a
3117 controlling influence over the activities of the money
3118 transmitter.

3119 ~~(2) In any case in which a person or a group of persons,~~
3120 ~~directly or indirectly or acting by or through one or more~~
3121 ~~persons, proposes to purchase or acquire a controlling interest~~
3122 ~~in a money transmitter, and thereby to change the control of~~
3123 ~~that money transmitter, each person or group of persons shall~~
3124 ~~provide written notice to the office.~~

3125 ~~(a) A money transmitter whose stock is traded on an~~
3126 ~~organized stock exchange shall provide the office with written~~
3127 ~~notice within 15 days after knowledge of such change in control.~~

3128 ~~(b) A money transmitter whose stock is not publicly traded~~
 3129 ~~shall provide the office with not less than 30 days' prior~~
 3130 ~~written notice of such proposed change in control.~~

3131 ~~(3) After a review of the written notification, the office~~
 3132 ~~may require the money transmitter to provide additional~~
 3133 ~~information relating to other and former addresses, and the~~
 3134 ~~reputation, character, responsibility, and business~~
 3135 ~~affiliations, of the proposed new owner or each of the proposed~~
 3136 ~~new owners of the money transmitter.~~

3137 ~~(a) The office may deny the person or group of persons~~
 3138 ~~proposing to purchase, or who have acquired control of, a money~~
 3139 ~~transmitter if, after investigation, the office determines that~~
 3140 ~~the person or persons are not qualified by reputation,~~
 3141 ~~character, experience, or financial responsibility to control or~~
 3142 ~~operate the money transmitter in a legal and proper manner and~~
 3143 ~~that the interests of the other stockholders, if any, or the~~
 3144 ~~interests of the public generally may be jeopardized by the~~
 3145 ~~proposed change in ownership, controlling interest, or~~
 3146 ~~management.~~

3147 ~~(b) The office may disapprove any person who has been~~
 3148 ~~convicted of, or pled guilty or nolo contendere to, a violation~~
 3149 ~~of s. 560.123, s. 655.50, chapter 896, or any similar state,~~
 3150 ~~federal, or foreign law.~~

3151 Section 58. Section 560.205, Florida Statutes, is amended
 3152 to read:

3153 560.205 Qualifications of applicant for registration;
 3154 contents.--

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

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

3190 (2) Each application for registration must be submitted
3191 under oath to the office on such forms as the commission
3192 prescribes by rule and must be accompanied by a nonrefundable
3193 application fee. Such fee may not exceed \$500 for each payment
3194 instrument seller or funds transmitter and \$50 for each
3195 authorized vendor or location operating within this state. The
3196 application must contain forms ~~shall set forth~~ such information
3197 as the commission ~~reasonably~~ requires by rule, including, but
3198 not limited to:

3199 (a) The name and address of the applicant, including any
3200 fictitious or trade names used by the applicant in the conduct
3201 of its business.

3202 (b) The history of the applicant's material litigation,
3203 criminal convictions, pleas of nolo contendere, and cases of
3204 adjudication withheld.

3205 (c) A description of the activities conducted by the
3206 applicant, the applicant's history of operations, and the
3207 business activities in which the applicant seeks to engage in
3208 this state.

3209 ~~(d) A list identifying the applicant's proposed authorized~~
 3210 ~~vendors in this state, including the location or locations in~~
 3211 ~~this state at which the applicant and its authorized vendors~~
 3212 ~~propose to conduct registered activities.~~

3213 (d)~~(e)~~ A sample authorized vendor contract, if applicable.

3214 (e)~~(f)~~ A sample form of payment instrument, if applicable.

3215 (f)~~(g)~~ The name and address of the clearing financial
 3216 institution or financial institutions through which the
 3217 applicant's payment instruments will be drawn or through which
 3218 such payment instruments will be payable.

3219 (g)~~(h)~~ Documents revealing that the net worth and bonding
 3220 requirements specified in s. 560.209 have been or will be
 3221 fulfilled.

3222 (3) Each application for registration by an applicant that
 3223 is a corporation shall contain ~~also set forth~~ such information
 3224 as the commission ~~reasonably~~ requires by rule, including, but
 3225 not limited to:

3226 (a) The date of the applicant's incorporation and state of
 3227 incorporation.

3228 (b) A certificate of good standing from the state or
 3229 country in which the applicant was incorporated.

3230 (c) A description of the corporate structure of the
 3231 applicant, including the identity of any parent or subsidiary of
 3232 the applicant, and the disclosure of whether any parent or
 3233 subsidiary is publicly traded on any stock exchange.

3234 (d) The name, social security number, business and
 3235 residence addresses, and employment history for the past 5 years

3236 | for each executive officer, each director, each controlling
 3237 | shareholder, and the responsible person who will be in charge of
 3238 | all the applicant's business activities in this state.

3239 | (e) The history of material litigation and criminal
 3240 | convictions, pleas of nolo contendere, and cases of adjudication
 3241 | withheld for each ~~executive~~ officer, each director, each
 3242 | controlling shareholder, and the responsible person who will be
 3243 | in charge of the applicant's registered activities.

3244 | (f) Copies of the applicant's audited financial statements
 3245 | for the current year and, if available, for the immediately
 3246 | preceding 2-year period. In cases where the applicant is a
 3247 | wholly owned subsidiary of another corporation, the parent's
 3248 | consolidated audited financial statements may be submitted to
 3249 | satisfy this requirement. An applicant who is not required to
 3250 | file audited financial statements may satisfy this requirement
 3251 | by filing unaudited financial statements verified under penalty
 3252 | of perjury, as provided by the commission by rule.

3253 | (g) An applicant who is not required to file audited
 3254 | financial statements may file copies of the applicant's
 3255 | unconsolidated, unaudited financial statements for the current
 3256 | year and, if available, for the immediately preceding 2-year
 3257 | period.

3258 | (h) If the applicant is a publicly traded company, copies
 3259 | of all filings made by the applicant with the United States
 3260 | Securities and Exchange Commission, or with a similar regulator
 3261 | in a country other than the United States, within the year
 3262 | preceding the date of filing of the application.

3263 (4) Each application for registration submitted to the
 3264 office by an applicant that is not a corporation shall contain
 3265 ~~also set forth~~ such information as the commission ~~reasonably~~
 3266 requires by rule, including, but not limited to:

3267 (a) Evidence that the applicant is registered to do
 3268 business in this state.

3269 (b) The name, business and residence addresses, personal
 3270 financial statement and employment history for the past 5 years
 3271 for each individual having a controlling ownership interest in
 3272 the applicant, and each responsible person who will be in charge
 3273 of the applicant's registered activities.

3274 (c) The history of material litigation and criminal
 3275 convictions, pleas of nolo contendere, and cases of adjudication
 3276 withheld for each individual having a controlling ownership
 3277 interest in the applicant and each responsible person who will
 3278 be in charge of the applicant's registered activities.

3279 (d) Copies of the applicant's audited financial statements
 3280 for the current year, and, if available, for the preceding 2
 3281 years. An applicant who is not required to file audited
 3282 financial statements may satisfy this requirement by filing
 3283 unaudited financial statements verified under penalty of
 3284 perjury, as provided by the commission by rule.

3285 (5) Each applicant shall designate and maintain an agent
 3286 in this state for service of process.

3287 Section 59. Section 560.207, Florida Statutes, is amended
 3288 to read:

3289 560.207 Renewal of registration; registration fee.--

3290 (1) Registration may be renewed for a 24-month period or
3291 the remainder of any such period without proration following the
3292 date of its expiration by furnishing such information as the
3293 commission requires by rule, together with the payment of the
3294 fees required under subsections (2), (3), and (4), ~~upon the~~
3295 ~~filing with the office of an application and other statements~~
3296 ~~and documents as may reasonably be required of registrants by~~
3297 ~~the commission. However, the registrant must remain qualified~~
3298 ~~for such registration under the provisions of this part.~~

3299 (2) Each renewal of All registration must renewal
3300 ~~applications shall~~ be accompanied by a nonrefundable renewal fee
3301 not to exceed \$1,000. A registration expires on April 30 of the
3302 year in which the existing registration expires, unless the
3303 registrant has renewed his or her registration on or before that
3304 date. In no event shall a registration be issued for a period in
3305 excess of 24 months. The commission may adopt rules pursuant to
3306 ss. 120.536(1) and 120.54 to implement this section ~~All renewal~~
3307 ~~applications must be filed on or after January 1 of the year in~~
3308 ~~which the existing registration expires, but before the~~
3309 ~~expiration date of April 30. If the renewal application is filed~~
3310 ~~prior to the expiration date of an existing registration, no~~
3311 ~~late fee shall be paid in connection with such renewal~~
3312 ~~application. If the renewal application is filed within 60~~
3313 ~~calendar days after the expiration date of an existing~~
3314 ~~registration, then, in addition to the \$1,000 renewal fee, the~~
3315 ~~renewal application shall be accompanied by a nonrefundable late~~
3316 ~~fee of \$500. If the registrant has not filed a renewal~~

3317 ~~application within 60 calendar days after the expiration date of~~
3318 ~~an existing registration, a new application shall be filed with~~
3319 ~~the office pursuant to s. 560.205.~~

3320 (3) In addition to the renewal fee required under
3321 subsection (2), each registrant must pay ~~Every registration~~
3322 ~~renewal application shall also include~~ a 2-year nonrefundable
3323 registration renewal fee of \$50 for each authorized vendor or
3324 location operating within this state or, at the option of the
3325 registrant, a total 2-year nonrefundable renewal fee of \$20,000
3326 may be paid to renew the registration of all such locations
3327 currently registered at the time of renewal.

3328 (4) A registration may be reinstated only if the renewal
3329 fee and a nonrefundable late fee of \$500 are filed within 60
3330 calendar days after the expiration of the existing registration.
3331 The office shall grant a reinstatement of registration if an
3332 application is filed during the 60-day period, and the
3333 reinstatement is effective upon receipt of the required fees and
3334 any information that the commission requires by rule. If a
3335 registrant does not file an application for reinstatement of the
3336 registration within the 60 calendar days after expiration of an
3337 existing registration, the registration expires and a new
3338 application must be filed with the office pursuant to s.
3339 560.205.

3340 Section 60. Subsection (1) of section 560.210, Florida
3341 Statutes, is amended to read:

3342 560.210 Permissible investments.--

3343 (1) A registrant shall at all times possess permissible
 3344 investments with an aggregate market value calculated in
 3345 accordance with United States generally accepted accounting
 3346 principles of not less than the aggregate face amount of all
 3347 outstanding funds transmissions ~~transmitted~~ and ~~outstanding~~
 3348 payment instruments issued or sold by the registrant or an
 3349 authorized vendor in the United States.

3350 Section 61. Subsection (2) of section 560.211, Florida
 3351 Statutes, is amended to read:

3352 560.211 Records.--

3353 (2) The records required to be maintained by the code may
 3354 be maintained by the registrant at any location if, ~~provided~~
 3355 ~~that~~ the registrant notifies the office in writing of the
 3356 location of the records in its application or otherwise by
 3357 amendment as prescribed by commission rule. The registrant shall
 3358 make such records available to the office for examination and
 3359 investigation in this state, as permitted by the code, within 7
 3360 days after receipt of a written request.

3361 Section 62. Section 560.305, Florida Statutes, is amended
 3362 to read:

3363 560.305 Application.--Each application for registration
 3364 must ~~shall~~ be in writing and under oath to the office, in such
 3365 form as the commission prescribes. The application must contain
 3366 such information as the commission requires by rule, including,
 3367 but not limited to ~~shall include the following:~~

3368 (1) The legal name, social security number, and residence
 3369 and business addresses of the applicant if the applicant is a

3370 natural person, or, if the applicant is a partnership,
 3371 association, or corporation, the name of every partner, officer,
 3372 ~~or~~ director, member, controlling shareholder, or responsible
 3373 person thereof.

3374 (2) The location of the principal office of the applicant.

3375 (3) The complete address of any other locations at which
 3376 the applicant proposes to engage in such activities since the
 3377 provisions of registration apply to each and every operating
 3378 location of a registrant.

3379 (4) Such other information as the commission or office
 3380 reasonably requires with respect to the applicant or any money
 3381 transmitter-affiliated party of the applicant; however, the
 3382 commission or office may not require more information than is
 3383 specified in part II.

3384 Section 63. Subsections (1) and (4) of section 560.306,
 3385 Florida Statutes, are amended to read:

3386 560.306 Standards.--

3387 (1) In order to qualify for registration under this part,
 3388 an applicant must demonstrate to the office that he or she has
 3389 such character and general fitness as will command the
 3390 confidence of the public and warrant the belief that the
 3391 registered business will be operated lawfully and fairly. The
 3392 office may investigate each applicant to ascertain whether the
 3393 qualifications and requirements prescribed by this part have
 3394 been met. The office's investigation may include a criminal
 3395 background investigation of all controlling shareholders,
 3396 principals, officers, directors, members, and responsible

3397 persons of a check casher and a foreign currency exchanger and
3398 all persons designated by a foreign currency exchanger or check
3399 casher as an authorized vendor. Each controlling shareholder,
3400 principal, officer, director, member, and responsible person of
3401 a check casher or foreign currency exchanger, unless the
3402 applicant is a publicly traded corporation as defined by the
3403 commission by rule, a subsidiary thereof, or a subsidiary of a
3404 bank or bank holding company organized and regulated under the
3405 laws of any state or the United States, shall file a complete
3406 set of fingerprints. A fingerprint card submitted to the office
3407 must be taken by an authorized law enforcement agency officer.
3408 The office shall submit the ~~Such~~ fingerprints ~~must be submitted~~
3409 to the Department of Law Enforcement for state processing and
3410 the Department of Law Enforcement shall forward the fingerprints
3411 to ~~or~~ the Federal Bureau of Investigation for ~~state and~~ federal
3412 processing. The cost for the fingerprint processing may be borne
3413 by the office, the employer, or the person subject to the
3414 background check. The Department of Law Enforcement shall submit
3415 an invoice to the office for the fingerprints received each
3416 month. The office shall screen the background results to
3417 determine if the applicant meets licensure requirements. The
3418 commission may waive by rule the requirement that applicants
3419 file a set of fingerprints or the requirement that such
3420 fingerprints be processed by the Department of Law Enforcement
3421 or the Federal Bureau of Investigation.

3422 (4) Each registration application and renewal application
3423 must specify the location at which the applicant proposes to

3424 establish its principal place of business and any other
3425 location, including authorized vendors operating in this state.
3426 The registrant shall notify the office of any changes to any
3427 such locations. ~~Any registrant may satisfy this requirement by~~
3428 ~~providing the office with a list of such locations, including~~
3429 ~~all authorized vendors operating in this state, not less than~~
3430 ~~annually.~~ A registrant may not transact business as a check
3431 cashier or a foreign currency exchanger except pursuant to the
3432 name under which it is registered.

3433 Section 64. Section 560.308, Florida Statutes, is amended
3434 to read:

3435 560.308 Registration terms; renewal; renewal fees.--

3436 (1) Registration may be renewed for a 24-month period, or
3437 the remainder of any such period without proration, following
3438 the date of its expiration by furnishing such information as the
3439 commission requires by rule, together with the payment of the
3440 fees required under subsections (2), (3), and (4). Registration
3441 pursuant to this part shall remain effective through the
3442 remainder of the second calendar year following its date of
3443 issuance unless during such calendar year the registration is
3444 surrendered, suspended, or revoked.

3445 (2) Each application for renewal of registration must be
3446 accompanied by ~~The office shall renew registration upon receipt~~
3447 ~~of a completed renewal form and payment of a nonrefundable~~
3448 ~~renewal fee not to exceed \$500.~~ A registration expires on
3449 December 31 of the year in which the existing registration
3450 expires, unless the registrant has renewed his or her

3451 registration on or before that date ~~The completed renewal form~~
3452 ~~and payment of the renewal fee shall occur on or after June 1 of~~
3453 ~~the year in which the existing registration expires.~~

3454 (3) In addition to the renewal fee required by subsection
3455 (2), each registrant must pay a 2-year nonrefundable
3456 registration renewal fee of \$50 for each authorized vendor or
3457 location operating within this state or, at the option of the
3458 registrant, a total 2-year nonrefundable renewal fee of \$20,000
3459 may be paid to renew the registration of all such locations
3460 currently registered at the time of renewal.

3461 (4) ~~Registration that is not renewed on or before the~~
3462 ~~expiration date of the registration period automatically~~
3463 ~~expires.~~ A renewal ~~application and fee,~~ and a nonrefundable late
3464 fee of \$250~~,~~ must be filed within 60 calendar days after the
3465 expiration of an existing registration in order for the
3466 registration to be reinstated. The office shall grant a
3467 reinstatement of registration if application is filed during the
3468 60-day period, and the reinstatement is effective upon receipt
3469 of the required fees and any information that the commission
3470 requires by rule. If the registrant has not filed an a renewal
3471 application within 60 calendar days after the expiration date of
3472 an existing registration, the registration expires and a new
3473 application must be filed with the office pursuant to s.
3474 560.307.

3475 Section 65. Subsection (2) of section 560.310, Florida
3476 Statutes, is amended to read:

3477 560.310 Records of check cashers and foreign currency
 3478 exchangers.--

3479 (2) The records required to be maintained by the code may
 3480 be maintained by the registrant at any location if, ~~provided~~
 3481 ~~that~~ the registrant notifies the office, in writing, of the
 3482 location of the records in its application or otherwise by
 3483 amendment as prescribed by commission rule. The registrant shall
 3484 make such records available to the office for examination and
 3485 investigation in this state, as permitted by the code, within 7
 3486 days after receipt of a written request.

3487 Section 66. Subsections (2) and (4) of section 560.403,
 3488 Florida Statutes, are amended to read:

3489 560.403 Requirements of registration; declaration of
 3490 intent.--

3491 (2) A registrant under this part shall renew his or her
 3492 intent to engage in the business of deferred presentment
 3493 transactions or to act as a deferred presentment provider upon
 3494 renewing his or her registration under part II or part III and
 3495 shall do so by indicating his or her intent ~~on the renewal form~~
 3496 ~~and~~ by submitting a nonrefundable deferred presentment provider
 3497 renewal fee of \$1,000, in addition to any fees required for
 3498 renewal of registration under part II or part III.

3499 (4) The notice of intent of a registrant under this part
 3500 who fails to timely renew his or her intent to engage in the
 3501 business of deferred presentment transactions or to act as a
 3502 deferred presentment provider on or before the expiration date
 3503 of the registration period automatically expires. A renewal

3504 ~~declaration of intent and fee,~~ and a nonrefundable late fee of
3505 \$500~~,~~ must be filed within 60 calendar days after the expiration
3506 of an existing registration in order for the declaration of
3507 intent to be reinstated. The office shall grant a reinstatement
3508 of registration if application is filed during the 60-day
3509 period, and the reinstatement is effective upon receipt of the
3510 required fees and any information that the commission requires
3511 by rule. If the registrant has not filed a reinstatement of a
3512 renewal declaration of intent within 60 calendar days after the
3513 expiration date of an existing registration, the notice of
3514 intent expires and a new declaration of intent must be filed
3515 with the office.

3516 Section 67. Section 655.851, Florida Statutes, is created
3517 to read:

3518 655.851 Unclaimed credit balances.--Credit balances of
3519 suspense accounts and credit balances only and exactly held by a
3520 financial institution, credit union, or participant as defined
3521 by 12 U.S.C. s. 4001(19), which result from the performance of
3522 or participation in check-clearing functions, whether pursuant
3523 to a contractual relationship between financial institutions,
3524 credit unions, or participants, through a clearinghouse as
3525 defined by s. 674.104, or through a clearinghouse association as
3526 defined by 12 U.S.C. s. 4001(8), are not subject to s. 717.117.
3527 This section is intended to be remedial in nature, is intended
3528 to clarify existing law, and shall apply to credit balances held
3529 before, on, or after July 1, 2006.

3530 Section 68. Section 655.935, Florida Statutes, is amended
 3531 to read:

3532 655.935 Search procedure on death of lessee.--If
 3533 satisfactory proof of the death of the lessee is presented, a
 3534 lessor shall permit the person named in a court order for the
 3535 purpose, or if no order has been served upon the lessor, the
 3536 spouse, a parent, an adult descendant, or a person named as a
 3537 personal representative in a copy of a purported will produced
 3538 by such person, to open and examine the contents of a safe-
 3539 deposit box leased or co-leased by a decedent, or any documents
 3540 delivered by a decedent for safekeeping, in the presence of an
 3541 officer of the lessor; and the lessor, if so requested by such
 3542 person, shall deliver:

3543 (1) Any writing purporting to be a will of the decedent,
 3544 to the court having probate jurisdiction in the county in which
 3545 the financial institution is located;

3546 (2) Any writing purporting to be a deed to a burial plot
 3547 or to give burial instructions, to the person making the request
 3548 for a search; and

3549 (3) Any document purporting to be an insurance policy on
 3550 the life of the decedent, to the beneficiary named therein.

3551
 3552 No other contents may be removed pursuant to this section and
 3553 access granted pursuant to this section shall not be considered
 3554 the initial opening of the safe-deposit box pursuant to s.
 3555 733.6065 by a personal representative appointed by a court in
 3556 this state.

3557 Section 69. Subsections (1) and (2) of section 655.936,
3558 Florida Statutes, are amended to read:

3559 655.936 Delivery of safe-deposit box contents or property
3560 held in safekeeping to personal representative.--

3561 (1) Subject to the provisions of subsection (3), the
3562 lessor shall immediately deliver to a ~~resident~~ personal
3563 representative appointed by a court in this state, upon
3564 presentation of a certified copy of his or her letters of
3565 authority, all property deposited with it by the decedent for
3566 safekeeping, and shall grant the ~~resident~~ personal
3567 representative access to any safe-deposit box in the decedent's
3568 name and permit him or her to remove from such box any part or
3569 all of the contents thereof.

3570 (2) If a ~~foreign~~ personal representative of a deceased
3571 lessee has been appointed by a court of any other state, a
3572 lessor may, at its discretion, after 3 months from the issuance
3573 to such ~~foreign~~ personal representative of his or her letters of
3574 authority, deliver to such ~~foreign~~ personal representative all
3575 properties deposited with it for safekeeping and the contents of
3576 any safe-deposit box in the name of the decedent if at such time
3577 the lessor has not received written notice of the appointment of
3578 a personal representative in this state, and such delivery is a
3579 valid discharge of the lessor for all property or contents so
3580 delivered. A ~~Such foreign~~ personal representative appointed by a
3581 court of any other state shall furnish the lessor with an
3582 affidavit setting forth facts showing the domicile of the
3583 deceased lessee to be other than this state and stating that

3584 | there are no unpaid creditors of the deceased lessee in this
 3585 | state, together with a certified copy of his or her letters of
 3586 | authority. A lessor making delivery pursuant to this subsection
 3587 | shall maintain in its files a receipt executed by such ~~foreign~~
 3588 | personal representative which itemizes in detail all property so
 3589 | delivered.

3590 | Section 70. Section 655.937, Florida Statutes, is amended
 3591 | to read:

3592 | 655.937 Access to safe-deposit boxes leased in two or more
 3593 | names.--

3594 | (1) Unless ~~When~~ specifically provided in the lease or
 3595 | rental agreement to the contrary, if covering a safe-deposit box
 3596 | is heretofore or hereafter rented or leased in the names of two
 3597 | or more lessees, ~~that~~ access to the safe-deposit box will be
 3598 | granted to either lessee, ~~or to either or the survivor,~~ access
 3599 | ~~to the safe deposit box shall be granted to:~~

3600 | (a) Either or any of such lessees, regardless of whether
 3601 | or not the other lessee or lessees or any of them are living or
 3602 | competent. ~~;~~ ~~or~~

3603 | (b) Subject to s. 655.933, those persons named in s.
 3604 | 655.933.

3605 | (c) Subject to s. 655.935, those persons named in s.
 3606 | 655.935.

3607 | (d) ~~(b)~~ Subject to s. 773.6065, the personal representative
 3608 | of the estate of either or any of such lessees who is deceased,
 3609 | or the guardian of the property of either or any of such lessees
 3610 | who is incapacitated.

3611 (2) In all cases described in subsection (1), ~~and, in~~
3612 ~~either such case, the provisions of s. 655.933 apply, and the~~
3613 ~~signature on the safe-deposit entry or access record,~~ or the
3614 ~~receipt or acquittance, in the case of property or documents~~
3615 ~~otherwise held for safekeeping,~~ is a valid and sufficient
3616 ~~release and discharge to the lessor for granting access to such~~
3617 ~~safe-deposit box or for the delivery of such property or~~
3618 ~~documents otherwise held for safekeeping.~~

3619 (3) ~~(2)~~ A lessor may not be held liable for damages or
3620 penalty by reason of any access granted or delivery made
3621 pursuant to this section.

3622 (4) The right of access by a co-lessee is separate from
3623 the rights and responsibilities of other persons who may be
3624 granted access to a safe-deposit box after the death or
3625 incapacity of another co-lessee and such right of access is not
3626 subject to the provisions of s. 655.935 or s. 733.6065 or other
3627 requirements imposed upon personal representatives, guardians,
3628 or other fiduciaries.

3629 (5) After the death of a co-lessee, the surviving co-
3630 lessee or any other person who is granted access to the safe-
3631 deposit box pursuant to this section may make a written
3632 inventory of the box, which must be conducted by the person
3633 making the request in the presence of one other person as
3634 specified in this section. Each person present shall verify the
3635 contents of the box by signing a copy of the inventory under
3636 penalty of perjury.

3637 (a) If the person making the written inventory is the
 3638 surviving co-lessee, the other person may be any other person
 3639 granted access pursuant to this section, an employee of the
 3640 institution where the box is located, or an attorney licensed in
 3641 this state.

3642 (b) If the person making the written inventory is not a
 3643 surviving co-lessee, the other person may be a surviving co-
 3644 lessee, an employee of the institution where the box is located,
 3645 or an attorney licensed in this state.

3646 Section 71. Effective upon this act becoming a law,
 3647 subsection (3) of section 679.705, Florida Statutes, is amended
 3648 to read:

3649 679.705 Effectiveness of action taken before effective
 3650 date.--

3651 (3) This act does not render ineffective an effective
 3652 financing statement that, before this act takes effect, is filed
 3653 and satisfies the applicable requirements for perfection under
 3654 the law of the jurisdiction governing perfection as provided in
 3655 s. 679.103, Florida Statutes 2000. However, except as otherwise
 3656 provided in subsections (4) and (5) and s. 679.706, the
 3657 financing statement ceases to be effective at the earlier of:

3658 (a) The time the financing statement would have ceased to
 3659 be effective under the law of the jurisdiction in which it is
 3660 filed; or

3661 (b) December 31 ~~June 30~~, 2006.

3662 Section 72. Section 733.6065, Florida Statutes, is amended
 3663 to read:

3664 733.6065 Opening safe-deposit box.--

3665 (1) Subject to the provisions of s. 655.936(2), the
3666 initial opening of a ~~the decedent's~~ safe-deposit box that is
3667 leased or co-leased by the decedent shall be conducted in the
3668 presence of any two of the following persons: an employee of the
3669 institution where the box is located, the personal
3670 representative, or the personal representative's attorney of
3671 record. Each person who is present must verify the contents of
3672 the box by signing a copy of the inventory under penalties of
3673 perjury. The personal representative shall file the safe-deposit
3674 box inventory, together with a copy of the box entry record from
3675 a date which is 6 months prior to the date of death to the date
3676 of inventory, with the court within 10 days after the box is
3677 opened. Unless otherwise ordered by the court, this inventory
3678 and the attached box entry record is subject to inspection only
3679 by persons entitled to inspect an inventory under s. 733.604(1).
3680 The personal representative may remove the contents of the box.

3681 (2) The right to open and examine the contents of a safe-
3682 deposit box leased by a decedent, or any documents delivered by
3683 a decedent for safekeeping, and to receive items as provided for
3684 in s. 655.935 are separate from ~~in addition to~~ the rights
3685 provided for in subsection (1).

3686 Section 73. For the 2006-2007 fiscal year, the recurring
3687 sum of \$700,515 is appropriated from the Regulatory Trust Fund
3688 to the Office of Financial Regulation for the purpose of
3689 implementing the provisions of s. 494.0033(2)(b), Florida

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3690 | Statutes, for third-party administration of the mortgage broker
3691 | test.

3692 | Section 74. Except as otherwise expressly provided in this
3693 | act, this act shall take effect October 1, 2006.