

By the Committee on Banking and Insurance; and Senator Richter

597-02194-14

20141012c1

1                   A bill to be entitled  
2       An act relating to financial institutions; amending s.  
3       655.005, F.S.; revising the definition of "related  
4       interest"; amending s. 655.0322, F.S.; revising  
5       provisions relating to prohibited acts and practices  
6       by a financial institution; applying certain  
7       provisions to affiliates; amending s. 655.034, F.S.;  
8       authorizing the circuit court to issue an injunction  
9       in order to protect the interests of the depositors,  
10      members, creditors, or stockholders of a financial  
11      institution and the public's interest in the safety  
12      and soundness of the financial institution system;  
13      defining "formal enforcement action"; amending s.  
14      655.037, F.S.; conforming a cross-reference; amending  
15      s. 655.0385, F.S.; prohibiting a director or executive  
16      officer from concurrently serving as a director or  
17      officer in a financial institution or affiliate in the  
18      same geographical area or the same major business  
19      market area unless waived by the Office of Financial  
20      Regulation; amending s. 655.041, F.S.; revising  
21      provisions relating to administrative fines;  
22      clarifying that the office may initiate administrative  
23      proceedings for violations of rules; providing that  
24      fines for violations begin accruing immediately upon  
25      the service of a complaint; applying certain  
26      provisions to affiliates; revising the applications  
27      for imposing a fine; amending s. 655.045, F.S.;  
28      requiring the office to conduct an examination of a  
29      financial institution within a specified period;

597-02194-14

20141012c1

30 amending s. 655.057, F.S.; conforming a cross-  
31 reference; providing that specified records are not  
32 considered a waiver of privileges or legal rights in  
33 certain proceedings; clarifying who has a right to  
34 copy member or shareholder records; creating s.  
35 655.0591, F.S.; providing notice requirements and  
36 procedures that allow a financial institution to  
37 protect trade secrets included in documents submitted  
38 to the office; amending s. 655.50, F.S.; amending  
39 provisions relating to the control of money laundering  
40 to also include terrorist financing; adding and  
41 revising definitions; requiring a financial  
42 institution to have a BSA/AML compliance officer;  
43 updating cross-references; amending s. 655.85, F.S.;  
44 clarifying that an institution may impose a fee for  
45 the settlement of a check under certain circumstances;  
46 providing legislative intent; amending s. 655.921,  
47 F.S.; revising provisions relating to business  
48 transactions by an out-of-state financial institution;  
49 providing that such institution may file suit to  
50 collect a security interest in collateral; amending s.  
51 655.922, F.S.; revising provisions relating to the  
52 name of a financial institution; prohibiting certain  
53 financial institutions from using a name that may  
54 mislead consumers; authorizing the office to seek  
55 court orders to annul or dissolve a business entity  
56 for certain violations and to issue emergency cease  
57 and desist orders; amending s. 657.008, F.S.;  
58 requiring certain credit unions seeking to establish a

597-02194-14

20141012c1

59 branch office to submit an application to the office  
60 for examination and approval; providing the criteria  
61 for the examination; amending s. 657.028, F.S.;  
62 revising provisions relating to prohibited activities  
63 of directors, officers, committee members, employees,  
64 and agents of credit unions; requiring the name and  
65 address of the credit manager to be submitted to the  
66 office; amending s. 657.041, F.S.; authorizing a  
67 credit union to pay health and accident insurance  
68 premiums and to fund employee benefit plans under  
69 certain circumstances; amending s. 658.12, F.S.;  
70 revising the definition of "trust business"; amending  
71 ss. 658.21 and 658.235, F.S.; conforming cross-  
72 references; repealing s. 658.49, F.S., relating to  
73 requirements for bank loans up to \$50,000; amending  
74 ss. 663.02 and 663.09, F.S.; conforming provisions to  
75 changes made by the act; amending s. 663.12, F.S.;  
76 deleting an annual assessment imposed on certain  
77 international offices; amending s. 663.306, F.S.;  
78 conforming provisions to changes made by the act;  
79 amending ss. 665.013, 665.033, 665.034, 667.003,  
80 667.006, and 667.008, F.S.; conforming cross-  
81 references; providing an effective date.

82

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

84

85 Section 1. Paragraph (t) of subsection (1) of section  
86 655.005, Florida Statutes, is amended to read:

87 655.005 Definitions.—

597-02194-14

20141012c1

88 (1) As used in the financial institutions codes, unless the  
89 context otherwise requires, the term:

90 (t) "Related interest" means, with respect to a any  
91 person:

92 1. The person's spouse, partner, sibling, parent, child, or  
93 other dependent individual residing in the same household as the  
94 person; ~~With respect to any person, the term means~~

95 2. A company, partnership, corporation, or other business  
96 organization controlled by the person. A person has control if  
97 the person:

98 a.1. Owns, controls, or has the power to vote 25 percent or  
99 more of any class of voting securities of the organization;

100 b.2. Controls in any manner the election of a majority of  
101 the directors of the organization; or

102 c.3. Has the power to exercise a controlling influence over  
103 the management or policies of the organization; or

104 3. An individual, company, partnership, corporation, or  
105 other business organization that engages in a common business  
106 enterprise with that person. A common business enterprise exists  
107 if:

108 a. The expected source for repayment of a loan or extension  
109 of credit is the same for each borrower and neither borrower has  
110 another source of income from which the loan, together with the  
111 borrower's other obligations, may be fully repaid. An employer  
112 will not be treated as a source of repayment under this  
113 paragraph because of wages and salaries paid to an employee,  
114 unless the standards of sub-subparagraph b. are met;

115 b. Loans or extensions of credit are made:

116 (I) To borrowers who are directly or indirectly related

597-02194-14

20141012c1

117 through common control, including where one borrower is directly  
118 or indirectly controlled by another borrower; and

119 (II) Substantial financial interdependence exists between  
120 or among the borrowers. Substantial financial interdependence  
121 exists if 50 percent or more of one borrower's gross receipts or  
122 gross expenditures on an annual basis are derived from  
123 transactions with the other borrower. Gross receipts and  
124 expenditures include gross revenues and expenses, intercompany  
125 loans, dividends, capital contributions, and similar receipts or  
126 payments;

127 c. Separate persons borrow from a financial institution to  
128 acquire a business enterprise such that those borrowers will own  
129 more than 50 percent of the voting securities or voting  
130 interests of the enterprise, in which case a common enterprise  
131 is deemed to exist between the borrowers for purposes of  
132 combining the acquisition loans; or

133 d. The office determines, based upon an evaluation of the  
134 facts and circumstances of particular transactions, that a  
135 common enterprise exists.

136 Section 2. Section 655.0322, Florida Statutes, is amended  
137 to read:

138 655.0322 Prohibited acts and practices; criminal  
139 penalties.—

140 (1) As used in this section, the term "financial  
141 institution" means a financial institution as defined in s.  
142 655.005 ~~s. 655.50 which includes a state trust company, state or~~  
143 ~~national bank, state or federal association, state or federal~~  
144 ~~savings bank, state or federal credit union, Edge Act or~~  
145 ~~agreement corporation, international bank agency, international~~

597-02194-14

20141012c1

146 ~~branch, representative office or administrative office~~ or other  
147 business entity as defined by the commission by rule, whether  
148 organized under the laws of this state, the laws of another  
149 state, or the laws of the United States, which ~~institution~~ is  
150 located in this state.

151 (2) ~~A It is unlawful for any~~ financial institution-  
152 affiliated party may not ~~to~~ ask for, or willfully and knowingly  
153 receive or consent to receive for himself or herself or any  
154 related interest, a ~~any~~ commission, emolument, gratuity, money,  
155 property, or thing of value for:

156 (a) Procuring, or endeavoring to procure, for any person a  
157 loan or extension of credit from such financial institution,  
158 affiliate, subsidiary, or service corporation; or

159 (b) Procuring, or endeavoring to procure, the purchase or  
160 discount of any note, draft, check, bill of exchange, or other  
161 obligation by such financial institution, affiliate, subsidiary,  
162 or service corporation.

163  
164 Any person who violates this subsection commits ~~is guilty of~~ a  
165 felony of the third degree, punishable as provided in s.  
166 775.082, s. 775.083, or s. 775.084.

167 (3) ~~A It is unlawful for any~~ financial institution-  
168 affiliated party may not ~~to~~:

169 (a) Knowingly receive or possess ~~himself or herself of~~ any  
170 of such financial institution's ~~its~~ property other ~~otherwise~~  
171 than in payment of a just demand, or ~~and~~, with intent to deceive  
172 or defraud, to omit to make or cause to be made a full and true  
173 entry thereof in the financial institution's ~~its~~ books and  
174 accounts, or concur in omitting to make any material entry

597-02194-14

20141012c1

175 thereof;

176 (b) Embezzle, abstract, or misapply any money, property, or  
177 thing of value of such ~~the~~ financial institution, affiliate,  
178 subsidiary, or service corporation with intent to deceive or  
179 defraud the ~~such~~ financial institution, affiliate, subsidiary,  
180 or service corporation;

181 (c) Knowingly make, draw, issue, put forth, or assign any  
182 certificate of deposit, draft, order, bill of exchange,  
183 acceptance, note, debenture, bond or other obligation, mortgage,  
184 judgment, or decree without authority from the board of  
185 directors of such financial institution;

186 (d) Make a ~~any~~ false entry in any book, report, or  
187 statement of such financial institution, affiliate, subsidiary,  
188 or service corporation with intent to deceive or defraud the  
189 ~~such~~ financial institution, affiliate, subsidiary, or service  
190 corporation, or another person, firm, or corporation, or with  
191 intent to deceive the office, any other appropriate federal or  
192 state regulatory agency, or an ~~any~~ authorized representative  
193 appointed to examine the affairs of the ~~such~~ financial  
194 institution, affiliate, subsidiary, or service corporation; or

195 (e) Deliver or disclose to the office or ~~any~~ ~~of~~ its  
196 employees an application, ~~any~~ examination report, report of  
197 condition, report of income and dividends, internal audit,  
198 account, statement, or other document known by him or her to be  
199 fraudulent or false as to any material matter.

200  
201 Any person who violates this subsection commits ~~is guilty of~~ a  
202 felony of the third degree, punishable as provided in s.  
203 775.082, s. 775.083, or s. 775.084.

597-02194-14

20141012c1

204           (4) ~~A~~ ~~It is unlawful for any~~ financial institution-  
205 affiliated party may not ~~to~~ knowingly place among the assets of  
206 such financial institution, affiliate, subsidiary, or service  
207 corporation any note, obligation, or security that ~~which~~ the  
208 financial institution, affiliate, subsidiary, or service  
209 corporation does not own or that, ~~which~~ to the party's  
210 ~~individual's~~ knowledge, is fraudulent or otherwise worthless or  
211 for the financial institution-affiliated party ~~any such~~  
212 ~~individual~~ to represent to the office that any note, obligation,  
213 or security carried as an asset of such financial institution,  
214 affiliate, subsidiary, or service corporation is the property of  
215 the financial institution, affiliate, subsidiary, or service  
216 corporation and is genuine if it is known to such party  
217 ~~individual~~ that such representation is false or that the ~~such~~  
218 note, obligation, or security is fraudulent or otherwise  
219 worthless. Any person who violates this subsection commits ~~is~~  
220 ~~guilty of~~ a felony of the third degree, punishable as provided  
221 in s. 775.082, s. 775.083, or s. 775.084.

222           (5) Any person who willfully makes a ~~any~~ false statement or  
223 report, or willfully overvalues any land, property, or security,  
224 for the purposes of influencing in any way the action of a ~~any~~  
225 financial institution, affiliate, subsidiary, or service  
226 corporation or any other entity authorized by law to extend  
227 credit, upon an ~~any~~ application, advance, discount, purchase,  
228 purchase agreement, repurchase agreement, commitment, or loan,  
229 or any change or extension of ~~any of~~ the same, by renewal,  
230 deferment of action or otherwise, or the acceptance, release, or  
231 substitution of security therefor, commits ~~is guilty of~~ a felony  
232 of the second degree, punishable as provided in s. 775.082, s.



597-02194-14

20141012c1

233 775.083, or s. 775.084.

234 (6) Any person who knowingly executes, or attempts to  
235 execute, a scheme or artifice to defraud a financial  
236 institution, affiliate, subsidiary, or service corporation or  
237 any other entity authorized by law to extend credit, or to  
238 obtain ~~any of~~ the moneys, funds, credits, assets, securities, or  
239 other property owned by, or under the custody or control of, a  
240 financial institution, affiliate, subsidiary, service  
241 corporation, or ~~any~~ other entity authorized by law to extend  
242 credit, by means of false or fraudulent pretenses,  
243 representations, or promises, commits ~~is guilty of~~ a felony of  
244 the second degree, punishable as provided in s. 775.082, s.  
245 775.083, or s. 775.084.

246 Section 3. Section 655.034, Florida Statutes, is amended to  
247 read:

248 655.034 Injunctions.—

249 (1) If the office determines that ~~Whenever~~ a violation of  
250 the financial institutions codes or a violation of a formal  
251 enforcement action has occurred or is threatened or impending  
252 ~~and such violation will cause substantial injury to a state~~  
253 ~~financial institution or to the depositors, members, creditors,~~  
254 ~~or stockholders thereof~~, the circuit court has jurisdiction to  
255 hear a ~~any~~ complaint filed by the office and, upon proper  
256 showing, to issue an injunction restraining such violation or  
257 granting other ~~such~~ appropriate relief. Upon proper showing, the  
258 circuit court may also issue an injunction restraining any  
259 conduct or other act in order to protect the interests of  
260 depositors, members, creditors, or stockholders of a financial  
261 institution or the interests of the public in the safety and

597-02194-14

20141012c1

262 soundness of the financial institution system in this state and  
263 the proper conduct of fiduciary functions.

264 (2) As used in this section, the term "formal enforcement  
265 action" means:

266 (a) With respect to a financial institution, a supervisory  
267 action subject to enforcement pursuant to s. 655.033, s.  
268 655.037, or s. 655.041 which directs the financial institution  
269 to take corrective action to address violations of law or safety  
270 and soundness deficiencies.

271 (b) With respect to a person or entity that is not a  
272 financial institution, an order issued by the office pursuant  
273 the financial institutions codes which is directed to such  
274 person or entity.

275 Section 4. Subsection (1) of section 655.037, Florida  
276 Statutes, is amended to read:

277 655.037 Removal of a financial institution-affiliated party  
278 by the office.-

279 (1) The office may issue and serve upon any financial  
280 institution-affiliated party and upon the ~~state~~ financial  
281 institution, subsidiary, or service corporation involved, a  
282 complaint stating charges if ~~whenever~~ the office has reason to  
283 believe that the financial institution-affiliated party is  
284 engaging or has engaged in conduct that is:

285 (a) An unsafe or unsound practice;

286 (b) A prohibited act or practice;

287 (c) A willful violation of any law relating to financial  
288 institutions;

289 (d) A violation of any other law involving fraud or moral  
290 turpitude which constitutes a felony;

597-02194-14

20141012c1

291 (e) A violation of s. 655.50, relating to the ~~Florida~~  
292 control of money laundering and terrorist financing ~~in Financial~~  
293 ~~Institutions Act~~; chapter 896, relating to offenses related to  
294 financial transactions; or ~~any~~ similar state or federal law;

295 (f) A willful violation of any rule of the commission;

296 (g) A willful violation of any order of the office;

297 (h) A willful breach of any written agreement with the  
298 office; or

299 (i) An act of commission or omission or a practice which is  
300 a breach of trust or a breach of fiduciary duty.

301 Section 5. Present subsections (4) and (5) of section  
302 655.0385, Florida Statutes, are redesignated as subsections (5)  
303 and (6), respectively, and a new subsection (4) is added to that  
304 section, to read:

305 655.0385 Disapproval of directors and executive officers.-

306 (4) A director or executive officer of a state financial  
307 institution or affiliate may not concurrently serve as a  
308 director, or be employed as an officer, of a nonaffiliated  
309 financial institution or affiliate whose principal place of  
310 business is located in the same metropolitan statistical area in  
311 this state. A person affected by this prohibition may provide  
312 written notice to the office of the proposed appointment or  
313 employment. Such notice may provide information that such  
314 concurrent service does not present a conflict of interest and  
315 that neither institution is competitively disadvantaged in the  
316 common market area. The office may waive this prohibition if the  
317 information provided demonstrates that the individual's proposed  
318 concurrent service does not present a conflict of interest and  
319 neither institution is competitively disadvantaged in the common

597-02194-14

20141012c1

320 market area. A person who violates this subsection is subject to  
321 suspension, removal, or prohibition under s. 655.037.

322 Section 6. Section 655.041, Florida Statutes, is amended to  
323 read:

324 655.041 Administrative fines; enforcement.—

325 (1) The office may, by complaint, initiate a proceeding  
326 pursuant to chapter 120 to impose an administrative fine against  
327 any person found to have violated a any provision of the  
328 financial institutions codes or the rules adopted thereunder, an  
329 ~~or a cease and desist~~ order of the office, or a any written  
330 agreement with the office. Such ~~No such~~ proceeding may not shall  
331 be initiated ~~and no fine shall accrue pursuant to this section~~  
332 until after such person has been notified in writing of the  
333 nature of the violation and ~~has been~~ afforded a reasonable  
334 period of time, as set forth in the notice, to correct the  
335 violation and has failed to do so. If the office provided such  
336 notice, a fine for a violation of an office order or written  
337 agreement begins to accrue immediately upon service of the  
338 complaint and continues to accrue until the violation is  
339 corrected.

340 (2) ~~Any~~ Such fine may not exceed \$2,500 per ~~a~~ day for each  
341 violation except as provided in this section.

342 (a) If the office determines that ~~any~~ such person has  
343 recklessly violated a any provision of the financial  
344 institutions codes, an ~~or a cease and desist~~ order of the  
345 office, or a any written agreement with the office, which  
346 violation results in more than a minimal loss to a financial  
347 institution, affiliate, subsidiary, or service corporation, or  
348 in a pecuniary benefit to such person, the office may impose a

597-02194-14

20141012c1

349 fine of up to ~~not exceeding~~ \$10,000 per a day for each day the  
350 violation continues.

351 (b) If the office determines that ~~any~~ such person has  
352 knowingly violated a ~~any~~ provision of the financial institutions  
353 codes, an ~~or a~~ cease and desist order of the office, or a ~~any~~  
354 written agreement with the office, which violation results in  
355 more than a minimal loss to a financial institution, affiliate,  
356 subsidiary, or service corporation, or in a pecuniary benefit to  
357 such a person, the office may impose a fine of up to ~~not~~  
358 ~~exceeding~~ the lesser of \$500,000 per day or 1 percent of the  
359 total assets in the case of a financial institution, or \$50,000  
360 per day in any other case for each day the violation continues.

361 (c) The office may by complaint impose an administrative  
362 fine of up to, ~~not exceeding~~ \$10,000 per a day on a, ~~upon any~~  
363 financial institution-affiliated party, on ~~and upon~~ a state  
364 financial institution, subsidiary, service corporation, or  
365 affiliate, or on a person subject to supervision by the office  
366 pursuant to s. 655.0391 which ~~who~~ refuses to permit an examiner  
367 to examine a state financial institution, subsidiary, or service  
368 corporation; ~~who~~ ~~refuses~~ to permit an examiner to review the  
369 books and records of an affiliate or a contracting service  
370 entity subject to supervision by the office pursuant to s.  
371 655.0391; ~~or who~~ ~~refuses~~ to give an examiner any information  
372 required in the course of an ~~any~~ examination or review of the  
373 books and records.

374 (3) An ~~Any~~ administrative fine levied by the office may be  
375 enforced by the office ~~by appropriate proceedings~~ in the circuit  
376 court of the county in which such person resides or in which the  
377 principal office of a state financial institution, affiliate,

597-02194-14

20141012c1

378 subsidiary, service corporation, or contracting service entity  
379 is located or does business in the state. In any administrative  
380 or judicial proceeding arising under this section, a party may  
381 elect to correct the violation asserted by the office and, upon  
382 doing so, any fine ceases to accrue; however, an election to  
383 correct the violation does not render an ~~any~~ administrative or  
384 judicial proceeding moot.

385 Section 7. Section 655.045, Florida Statutes, is amended to  
386 read:

387 655.045 Examinations, reports, and internal audits;  
388 penalty.—

389 (1) The office shall conduct an examination of the  
390 condition of each state financial institution at least every 18  
391 months ~~during each 18-month period~~. The office may conduct more  
392 frequent examinations based upon the risk profile of the  
393 financial institution, prior examination results, or significant  
394 changes in the institution or its operations. The office may use  
395 continuous, phase, or other flexible scheduling examination  
396 methods for very large or complex state financial institutions  
397 and financial institutions owned or controlled by a multi-  
398 financial institution holding company. The office shall consider  
399 examination guidelines from federal regulatory agencies in order  
400 to facilitate, coordinate, and standardize examination  
401 processes.

402 (a) ~~With respect to, and examination of, the condition of a~~  
403 ~~state institution,~~ The office may accept an examination of a  
404 state financial institution made by an appropriate federal  
405 regulatory agency, ~~or may~~ conduct ~~make~~ a joint or concurrent  
406 examination of the institution with the federal agency. However,

597-02194-14

20141012c1

407 at least once during each 36-month period beginning July 1,  
408 2014, the office shall conduct an examination of each state  
409 financial institution in a manner that allows the preparation of  
410 a complete examination report not subject to the right of a  
411 federal or other non-Florida entity to limit access to the  
412 information contained therein. The office may furnish a copy of  
413 all examinations or reviews made of financial institutions or  
414 their affiliates to the state or federal agencies participating  
415 in the examination, investigation, or review, or as otherwise  
416 authorized under ~~by~~ s. 655.057.

417 (b) If, as a part of an examination or investigation of a  
418 state financial institution, subsidiary, or service corporation,  
419 the office has reason to believe that the conduct or business  
420 operations of an affiliate may have a negative impact on the  
421 state financial institution, subsidiary, or service corporation,  
422 the office may conduct such examination or investigation of the  
423 affiliate as the office deems necessary.

424 (c) The office may recover the costs of examination and  
425 supervision of a state financial institution, subsidiary, or  
426 service corporation that is determined by the office to be  
427 engaged in an unsafe or unsound practice. The office may also  
428 recover the costs of a ~~any~~ review conducted pursuant to  
429 paragraph (b) of an ~~any~~ affiliate of a state financial  
430 institution determined by the office to have contributed to an  
431 unsafe or unsound practice at a state financial institution,  
432 subsidiary, or service corporation.

433 (d) As used in ~~For the purposes of~~ this section, the term  
434 "costs" means the salary and travel expenses directly  
435 attributable to the field staff examining the state financial

597-02194-14

20141012c1

436 institution, subsidiary, or service corporation, and the travel  
437 expenses of any supervisory staff required as a result of  
438 examination findings. The mailing of any costs incurred under  
439 this subsection must be postmarked within 30 days after the date  
440 of receipt of a notice stating that such costs are due. The  
441 office may levy a late payment of up to \$100 per day or part  
442 thereof that a payment is overdue, unless excused for good  
443 cause. However, for intentional late payment of costs, the  
444 office may levy an administrative fine of up to \$1,000 per day  
445 for each day the payment is overdue.

446 (e) The office may require an audit of a state financial  
447 institution, subsidiary, or service corporation by an  
448 independent certified public accountant, or other person  
449 approved by the office, if the office, after conducting an  
450 examination of the state financial institution, subsidiary, or  
451 service corporation, or after accepting an examination of the  
452 ~~such~~ state financial institution by an appropriate state or  
453 federal regulatory agency, determines that an audit is necessary  
454 in order to ascertain the condition of the financial  
455 institution, subsidiary, or service corporation. The cost of  
456 such audit shall be paid by the state financial institution,  
457 subsidiary, or state service corporation audited.

458 (2) ~~(a)~~ Each state financial institution, subsidiary, or  
459 service corporation shall submit a report, at least four times  
460 each calendar year, as of such dates as the commission or office  
461 determines. The ~~Such~~ report must include such information as the  
462 commission by rule requires for that type of institution.

463 (a) ~~(b)~~ The office shall levy an administrative fine of up  
464 to \$100 per day for each day the report is past due, unless it



597-02194-14

20141012c1

465 is excused for good cause. ~~However,~~

466 (b) For an intentional late filing of the report ~~required~~  
467 ~~under paragraph (a)~~, the office shall levy an administrative  
468 fine of up to \$1,000 per day for each day the report is past  
469 due.

470 ~~(3)(a)~~ The board of directors of each state financial  
471 institution or, in the case of a credit union, the supervisory  
472 committee or audit committee shall perform or cause to be  
473 performed, within each calendar year, an internal audit of each  
474 state financial institution, subsidiary, or service corporation  
475 and ~~to~~ file a copy of the report and findings of such audit with  
476 the office on a timely basis. The ~~Such~~ internal audit must  
477 include such information as the commission by rule requires for  
478 that type of institution.

479 (a) ~~(b)~~ With the approval of the office, the board of  
480 directors or, in the case of a credit union, the supervisory  
481 committee may elect, in lieu of such periodic audits, to adopt  
482 and implement an adequate continuous audit system and procedure  
483 that includes ~~which must include~~ full, adequate, and continuous  
484 written reports to, and review by, the board of directors or, in  
485 the case of a credit union, the supervisory committee, together  
486 with written statements of the actions taken thereon and reasons  
487 for omissions to take actions, all of which shall be noted in  
488 the minutes and filed among the records of the board of  
489 directors or, in the case of a credit union, the supervisory  
490 committee. If at any time such continuous audit system and  
491 procedure, including the reports and statements, becomes  
492 inadequate, in the judgment of the office, the state financial  
493 institution shall promptly make such changes as may be required

597-02194-14

20141012c1

494 by the office to cause the same to accomplish the purpose of  
495 this section.

496 (b)~~(e)~~ A Any de novo state financial institution open less  
497 than 4 months is exempt from the audit requirements of this  
498 section.

499 (4) A copy of the report of each examination must be  
500 furnished to the entity examined and. ~~Such report shall be~~  
501 presented to the board of directors at its next regular or  
502 special meeting.

503 Section 8. Paragraph (a) of subsection (3) and subsections  
504 (4) through (6) of section 655.057, Florida Statutes, are  
505 amended to read:

506 655.057 Records; limited restrictions upon public access.-

507 (3) The provisions of this section do not prevent or  
508 restrict:

509 (a) Publishing reports that are required to be submitted to  
510 the office pursuant to s. 655.045(2)~~(a)~~ or required by  
511 applicable federal statutes or regulations to be published.

512  
513 Any confidential information or records obtained from the office  
514 pursuant to this subsection shall be maintained as confidential  
515 and exempt from the provisions of s. 119.07(1).

516 (4) (a) Orders of courts or of administrative law judges for  
517 the production of confidential records or information must ~~shall~~  
518 provide for inspection in camera by the court or the  
519 administrative law judge. and, After the court or administrative  
520 law judge determines ~~has made a determination~~ that the documents  
521 requested are relevant or would likely lead to the discovery of  
522 admissible evidence and that the information sought is not

597-02194-14

20141012c1

523 otherwise reasonably available from other sources, the said  
524 documents shall be subject to further orders by the court or the  
525 administrative law judge to protect the confidentiality thereof.  
526 Any order directing the release of information is ~~shall be~~  
527 immediately reviewable, and a petition by the office for review  
528 of such order ~~shall~~ automatically stays ~~stay~~ further proceedings  
529 in the trial court or the administrative hearing until the  
530 disposition of such petition by the reviewing court. If any  
531 other party files such a petition for review, it will operate as  
532 a stay of such proceedings only upon order of the reviewing  
533 court.

534 (b) Confidential records and information furnished pursuant  
535 to a legislative subpoena shall be kept confidential by the  
536 legislative body or committee that ~~which~~ received the records or  
537 information. However, except in a case involving investigation  
538 of charges against a public official subject to impeachment or  
539 removal, ~~and then~~ disclosure of such information shall be only  
540 to the extent necessary as determined by the legislative body or  
541 committee ~~to be necessary~~.

542 (c) Documents, statements, books, records, and any other  
543 information provided to the office by any person pursuant to an  
544 investigation, examination, or other supervisory activity by the  
545 office are not considered a waiver of any privilege or other  
546 legal right in an administrative or legal proceeding in which  
547 the office is not a party.

548 (5) Every credit union and mutual association shall  
549 maintain, ~~in the principal office where its business is~~  
550 ~~transacted,~~ full and correct records of the names and residences  
551 of all the members of the credit union or mutual association in

597-02194-14

20141012c1

552 the principal office where its business is transacted. Such  
553 records are ~~shall be~~ subject to the inspection by ~~of~~ all the  
554 members of the credit union or mutual association, and the  
555 officers authorized to assess taxes under state authority,  
556 during normal business hours ~~of each business day.~~ No member or  
557 any other person has the right to copy the membership records  
558 for any purpose other than in the course of business of the  
559 credit union or mutual association, as authorized by the office  
560 or the board of directors of the credit union or mutual  
561 association. A current list of members shall be made available  
562 to the office's examiners for their inspection and, upon the  
563 request of the office, shall be submitted to the office. Except  
564 as otherwise provided in this subsection, the list of the  
565 members of the credit union or mutual association is  
566 confidential and exempt from ~~the provisions of~~ s. 119.07(1).

567 (6) Every bank, trust company, and stock association shall  
568 maintain, in the principal office where its business is  
569 transacted, full and complete records of the names and  
570 residences of all the shareholders of the bank, trust company,  
571 or stock association and the number of shares held by each. Such  
572 records are ~~shall be~~ subject to the inspection of all the  
573 shareholders of the bank, trust company, or stock association,  
574 and the officers authorized to assess taxes under state  
575 authority, during normal business hours ~~of each banking day.~~ No  
576 shareholder or any other person has the right to copy the  
577 shareholder records for any purpose other than in the course of  
578 business of the bank, the trust company, or the stock  
579 association, as authorized by the office or the board of  
580 directors of the bank, the trust company, or the stock

597-02194-14

20141012c1

581 association. A current list of shareholders shall be made  
582 available to the office's examiners for their inspection and,  
583 upon the request of the office, shall be submitted to the  
584 office. Except as otherwise provided in this subsection, any  
585 portion of this list which reveals the identities of the  
586 shareholders is confidential and exempt from ~~the provisions of~~  
587 s. 119.07(1).

588 Section 9. Section 655.0591, Florida Statutes, is created  
589 to read:

590 655.0591 Trade secret documents.-

591 (1) If any person who is required to submit documents or  
592 other information to the office pursuant to the financial  
593 institutions codes, or by rule or order of the office or  
594 commission, claims that such submission contains a trade secret,  
595 such person may file with the office a notice of trade secret  
596 when the information is submitted to the office as provided in  
597 this section. Failure to file such notice constitutes a waiver  
598 of any claim by such person that the document or information is  
599 a trade secret. The notice must provide the contact information  
600 of the person claiming ownership of the trade secret. The person  
601 claiming the trade secret is responsible for updating the  
602 contact information with the office.

603 (a) Each page of such document or specific portion of a  
604 document claimed to be a trade secret must be clearly marked  
605 with the words "trade secret."

606 (b) All material identified as a trade secret shall be  
607 segregated from all other material, such as by being sealed in  
608 an envelope clearly marked with the words "trade secret."

609 (c) In submitting a notice of trade secret to the office or

597-02194-14

20141012c1

610 the Department of Financial Services, the submitting party shall  
611 include an affidavit certifying under oath to the truth of the  
612 following statements concerning all documents or information  
613 that are claimed to be trade secrets:

614 1. [...I consider/my company considers...] this information  
615 a trade secret that has value and provides an advantage or an  
616 opportunity to obtain an advantage over those who do not know or  
617 use it.

618 2. [...I have/my company has...] taken measures to prevent  
619 the disclosure of the information to anyone other than those who  
620 have been selected to have access for limited purposes, and  
621 [...I intend/my company intends...] to continue to take such  
622 measures.

623 3. The information is not, and has not been, reasonably  
624 obtainable without [...my/our...] consent by other persons by  
625 use of legitimate means.

626 4. The information is not publicly available elsewhere.

627 (2) If the office receives a public records request for a  
628 document or information that is marked and certified as a trade  
629 secret, the office shall promptly notify the person that  
630 certified the document as a trade secret. The notice shall be  
631 sent to the address provided with the most recent contact  
632 information provided to the office and must inform such person  
633 that, in order to avoid disclosure of the trade secret, the  
634 person must file an action in circuit court within 30 days after  
635 the date of the notice seeking a declaratory judgment that the  
636 document in question contains trade secrets and an order barring  
637 public disclosure of the document. The owner shall provide  
638 written notice to the office that the action was filed and the

597-02194-14

20141012c1

639 office may not release the documents pending the outcome of  
640 legal action. Failure to file an action within 30 days  
641 constitutes a waiver of any claim of confidentiality, and the  
642 office shall release the document as requested.

643 (3) The office may disclose a trade secret, together with  
644 the claim that it is a trade secret, to an officer or employee  
645 of another governmental agency whose use of the trade secret is  
646 within the scope of his or her employment.

647 Section 10. Section 655.50, Florida Statutes, is reordered  
648 and amended to read:

649 655.50 Florida Control of Money Laundering and Terrorist  
650 Financing in Financial Institutions Act; ~~reports of transactions~~  
651 ~~involving currency or monetary instruments; when required;~~  
652 ~~purpose; definitions; penalties.-~~

653 (1) This section may be cited as the "Florida Control of  
654 Money Laundering and Terrorist Financing in Financial  
655 Institutions Act."

656 (2) ~~It is~~ The purpose of this section is to require the  
657 submission to the office of certain reports and the maintenance  
658 of certain records of customers, accounts, and transactions  
659 involving currency or monetary instruments or suspicious  
660 activities if ~~when~~ such reports and records deter using the use  
661 ~~of~~ financial institutions to conceal, move, or provide the  
662 proceeds obtained from or intended for ~~of~~ criminal or terrorist  
663 activities and if such reports and records ~~activity and~~ have a  
664 high degree of usefulness in criminal, tax, or regulatory  
665 investigations or proceedings.

666 (3) As used in this section, the term:

667 (a) "BSA/AML compliance officer" means the financial

597-02194-14

20141012c1

668 institution's officer responsible for the development and  
669 implementation of the financial institution's policies and  
670 procedures for complying with the requirements of this section  
671 relating to anti-money laundering (AML), and the requirements of  
672 the Bank Secrecy Act of 1970 (BSA), Pub. L. No. 91-508, as  
673 amended, the USA Patriot Act of 2001, Pub. L. No. 107-56, as  
674 amended, and federal and state rules and regulations adopted  
675 thereunder, and 31 C.F.R. parts 500-598, relating to the  
676 regulations of the Office of Foreign Assets Control (OFAC) of  
677 the United States Department of the Treasury.

678 (b)~~(a)~~ "Currency" means currency and coin of the United  
679 States or of any other country.

680 (c)~~(b)~~ "Financial institution" means a financial  
681 institution, as defined in 31 U.S.C. s. 5312, as amended,  
682 including a credit card bank, located in this state.

683 (d)~~(e)~~ "Financial transaction" means a transaction  
684 involving the movement of funds by wire, electronic funds  
685 transfer, or any other means, or involving one or more monetary  
686 instruments, which in any way or degree affects commerce, or a  
687 transaction involving the use of a financial institution that  
688 ~~which~~ is engaged in, or the activities of which affect, commerce  
689 in any way or degree.

690 (e)~~(d)~~ "Monetary instruments" means coin or currency of the  
691 United States or of any other country, travelers' checks,  
692 personal checks, bank checks, money orders, stored value cards,  
693 prepaid cards, investment securities or ~~in bearer form or~~  
694 ~~otherwise in such form that title thereto passes upon delivery,~~  
695 ~~and~~ negotiable instruments in bearer form or otherwise in such  
696 form that title thereto passes upon delivery, or similar



597-02194-14

20141012c1

697 devices.

698 (i)~~(e)~~ "Transaction" means a purchase, sale, loan, pledge,  
699 gift, transfer, delivery, or other disposition, and with respect  
700 to a financial institution includes a deposit, withdrawal,  
701 transfer between accounts, exchange of currency, loan, extension  
702 of credit, purchase or sale of any stock, bond, certificate of  
703 deposit, or other monetary instrument, or any other payment,  
704 transfer, or delivery by, through, or to a financial  
705 institution, by whatever means effected.

706 (f) "Report" means a report of each deposit, withdrawal,  
707 exchange of currency, or other payments or transfer, by,  
708 through, or to that financial institution, which ~~that~~ involves a  
709 transaction required or authorized to be reported by this  
710 section, and includes the electronic submission of such  
711 information in the manner provided ~~for~~ by rule of the  
712 commission.

713 (g) "Specified unlawful activity" means ~~any~~ "racketeering  
714 activity" as defined in s. 895.02.

715 (h) "Suspicious activity" means any transaction reportable  
716 as required and described under 31 C.F.R. s. 1020.320.

717 (4) A financial institution shall designate and retain a  
718 BSA/AML compliance officer. The board of directors of a  
719 financial institution must ensure that the designated compliance  
720 officer is properly qualified and has sufficient authority and  
721 resources to administer an effective BSA/AML compliance program.  
722 The board is ultimately responsible for establishing the  
723 institution's BSA/AML policies and overall BSA/AML compliance. A  
724 change in the BSA/AML compliance officer must be reported to the  
725 office.

597-02194-14

20141012c1

726        (5)~~(4)~~~~(a)~~ A ~~Every~~ financial institution shall keep a record  
727 of each financial transaction occurring in this state known to  
728 it which involves ~~to involve~~ currency or other monetary  
729 instrument, as the commission prescribes by rule, has ~~of~~ a value  
730 greater than in excess of \$10,000, and involves ~~to involve~~ the  
731 proceeds of specified unlawful activity, or is ~~to be~~ designed to  
732 evade the reporting requirements of this section, chapter 896,  
733 or ~~any~~ similar state or federal law, or which the financial  
734 institution reasonably believes is suspicious activity. Each  
735 financial institution ~~and~~ shall maintain appropriate procedures  
736 to ensure compliance with this section, chapter 896, and ~~any~~  
737 other similar state or federal law. Any report of suspicious  
738 activity made pursuant to this subsection is entitled to the  
739 same confidentiality provided under 31 C.F.R. s. 1020.320,  
740 whether the report or information pertaining to or identifying  
741 the report is in the possession or control of the office or the  
742 reporting institution.

743        (a)~~(b)~~ Multiple financial transactions shall be treated as  
744 a single transaction if the financial institution has knowledge  
745 that they are made by or on behalf of any person and result in  
746 ~~either~~ cash in or cash out totaling more than \$10,000 during any  
747 business day~~r~~, as defined in s. 655.89(1).

748        (b)~~(c)~~ A ~~Any~~ financial institution may keep a record of any  
749 financial transaction occurring in this state, regardless of the  
750 value, if it suspects that the transaction involves ~~to involve~~  
751 the proceeds of specified unlawful activity.

752        (c)~~(d)~~ A financial institution, or officer, employee, or  
753 agent thereof, which ~~that~~ files a report in good faith pursuant  
754 to this subsection ~~section~~ is not liable to any person for loss

597-02194-14

20141012c1

755 or damage caused in whole or in part by the making, filing, or  
756 governmental use of the report, or any information contained  
757 therein.

758 ~~(d)(5)(a)~~ Each financial institution shall file a report  
759 ~~with the office~~ of the records record required under this  
760 subsection with the office ~~paragraphs (4)(a) and (b) and any~~  
761 ~~record maintained pursuant to paragraph (4)(c).~~ Each report  
762 shall record ~~filed pursuant to subsection (4)~~ must be filed at  
763 such time and must contain such information as the commission  
764 requires by rule.

765 ~~(e)(b)~~ The timely filing of the reports report required by  
766 31 U.S.C. s. 5313 and 31 C.F.R. part 1020 with the appropriate  
767 federal agency is deemed compliance with the reporting  
768 requirements of this subsection unless the reports are not  
769 regularly and comprehensively transmitted by the federal agency  
770 to the office.

771 (6) Each financial institution shall maintain a record of  
772 each qualified business customer that is ~~designation of a person~~  
773 granted an exemption under ~~the authority of~~ 31 U.S.C. s. 5313,  
774 including any name, address, and taxpayer identification number  
775 of the exempt customer person, as well as the name and address  
776 of the financial institution and the signature of the financial  
777 institution official designating the exempt customer person.  
778 Such record of exemptions shall be made available to the office  
779 for inspection and copying and ~~shall be~~ submitted to the office  
780 within 15 days after request.

781 (7) All reports and records filed with the office pursuant  
782 to this section are confidential and exempt from s. 119.07(1).  
783 However, the office shall provide any report filed pursuant to

597-02194-14

20141012c1

784 this section, or information contained therein, to federal,  
785 state, and local law enforcement and prosecutorial agencies, and  
786 any federal or state agency responsible for the regulation or  
787 supervision of financial institutions.

788 (8) ~~(a)~~ Each financial institution shall maintain:

789 (a) ~~For a minimum of 5 calendar years~~ Full and complete  
790 records of all financial transactions, including all records  
791 required by 31 C.F.R. parts 500-598 and 1010 for a minimum of 5  
792 calendar years ~~parts 103.33 and 103.34.~~

793 ~~(b) The financial institution shall retain~~ A copy of all  
794 reports filed with the office under subsection (5) ~~(4)~~ for a  
795 minimum of 5 calendar years after submission of the report.

796 ~~(c) The financial institution shall retain~~ A copy of all  
797 records of exemption for each qualified business customer  
798 ~~designation of exempt person~~ made pursuant to subsection (6) for  
799 a minimum of 5 calendar years after termination of exempt status  
800 of such customer.

801 (9) The office, in addition to any other power conferred  
802 upon it to enforce and administer this chapter and the financial  
803 institutions codes, ~~the office~~ may:

804 (a) Bring an action in any court of competent jurisdiction  
805 to enforce or administer this section. In such action, the  
806 office may seek an award of any civil penalty authorized by law  
807 and any other appropriate relief at law or equity.

808 (b) Pursuant to s. 655.033, issue and serve upon a person  
809 an order requiring such person to cease and desist and take  
810 corrective action if ~~whenever~~ the office finds that such person  
811 is violating, has violated, or is about to violate any provision  
812 of this section, chapter 896, or ~~any~~ similar state or federal

597-02194-14

20141012c1

813 law; any rule or order adopted under this section, chapter 896,  
814 or ~~any~~ similar state or federal law; or any written agreement  
815 related to this section, chapter 896, or ~~any~~ similar state or  
816 federal law and entered into with the office.

817 (c) Pursuant to s. 655.037, issue and serve upon any person  
818 an order of removal if ~~whenever~~ the office finds that such  
819 person is violating, has violated, or is about to violate any  
820 provision of this section, chapter 896, or ~~any~~ similar state or  
821 federal law; any rule or order adopted under this section,  
822 chapter 896, or ~~any~~ similar state or federal law; or any written  
823 agreement related to this section, chapter 896, or ~~any~~ similar  
824 state or federal law and entered into with the office.

825 (d) Impose and collect an administrative fine against any  
826 person found to have violated any provision of this section,  
827 chapter 896, or ~~any~~ similar state or federal law; any rule or  
828 order adopted under this section, chapter 896, or ~~any~~ similar  
829 state or federal law; or any written agreement related to this  
830 section, chapter 896, or ~~any~~ similar state or federal law and  
831 entered into with the office, in an amount up to ~~not exceeding~~  
832 \$10,000 per a day for each willful violation or \$500 per a day  
833 for each negligent violation.

834 (10) (a) Except as provided in paragraph (b), a person who  
835 willfully violates ~~any provision of~~ this section commits ~~is~~  
836 ~~guilty of~~ a misdemeanor of the first degree, punishable as  
837 provided in s. 775.082 or s. 775.083.

838 (b) A person who willfully violates or knowingly causes  
839 another to violate ~~any provision of~~ this section, when the  
840 violation involves:

841 1. Financial transactions totaling or exceeding \$300 but

597-02194-14

20141012c1

842 less than \$20,000 in any 12-month period, commits ~~is guilty of~~ a  
843 felony of the third degree, punishable as provided in s. 775.082  
844 or s. 775.083; ~~or~~

845 2. Financial transactions totaling or exceeding \$20,000 but  
846 less than \$100,000 in any 12-month period, commits ~~is guilty of~~  
847 a felony of the second degree, punishable as provided in s.  
848 775.082 or s. 775.083; or

849 3. Financial transactions totaling or exceeding \$100,000 in  
850 any 12-month period, commits ~~is guilty of~~ a felony of the first  
851 degree, punishable as provided in s. 775.082 or s. 775.083.

852 (c) In addition to the penalties otherwise authorized by  
853 ss. 775.082 and 775.083, a person who has been convicted of or  
854 who has pleaded guilty or nolo contendere to having violated  
855 paragraph (b) may be sentenced to pay a fine of up to not  
856 ~~exceeding~~ \$250,000 or twice the value of the financial  
857 transaction, whichever is greater, except that on a second or  
858 subsequent conviction for or plea of guilty or nolo contendere  
859 to a violation of paragraph (b), the fine may be up to \$500,000  
860 or quintuple the value of the financial transaction, whichever  
861 is greater.

862 (d) A financial institution as defined in s. 655.005 which  
863 ~~that~~ willfully violates this section is also liable for a civil  
864 penalty of not more than the greater of the value of the  
865 financial transaction involved or \$25,000. However, the civil  
866 penalty may not exceed \$100,000.

867 (e) A person other than a financial institution as defined  
868 in s. 655.005 who violates this section is also liable for a  
869 civil penalty of not more than the greater of the value of the  
870 financial transaction involved or \$25,000.

597-02194-14

20141012c1

871 (11) In any prosecution brought pursuant to this section,  
872 the common law corpus delicti rule does not apply. The  
873 defendant's confession or admission is admissible during trial  
874 without the state having to prove the corpus delicti if the  
875 court finds in a hearing conducted outside the presence of the  
876 jury that the defendant's confession or admission is  
877 trustworthy. Before the court admits the defendant's confession  
878 or admission, the state must prove by a preponderance of the  
879 evidence that there is sufficient corroborating evidence that  
880 tends to establish the trustworthiness of the statement by the  
881 defendant. Hearsay evidence is admissible during the  
882 presentation of evidence at the hearing. In making its  
883 determination, the court may consider all relevant corroborating  
884 evidence, including the defendant's statements.

885 Section 11. Section 655.85, Florida Statutes, is amended to  
886 read:

887 655.85 Settlement of checks.—If a ~~Whenever any~~ check is  
888 forwarded or presented to a financial ~~an~~ institution for  
889 payment, except when presented by the payee in person, the  
890 paying institution or remitting institution shall settle the  
891 amount of the check at par ~~may pay or remit the same~~, at its  
892 option, ~~either~~ in money or in exchange drawn on its reserve  
893 agent or agents in the City of New York or in any reserve city  
894 within the Sixth Federal Reserve District; ~~however, an~~  
895 ~~institution may not settle any check drawn on it otherwise than~~  
896 at par. The term "at par" applies only to the settlement of  
897 checks between collecting and paying or remitting institutions  
898 and does not apply to, or prohibit an institution from,  
899 deducting from the face amount of the check drawn on it a fee

597-02194-14

20141012c1

900 for paying the check if the check is presented to the  
901 institution by the payee in person. ~~The provisions of This~~  
902 section does ~~de~~ not apply ~~with respect~~ to the settlement of a  
903 check sent to such institution as a special collection item.

904 Section 12. The Legislature intends that the amendment to  
905 s. 655.85, Florida Statutes, made by this act, clarify the  
906 relevant portions of the financial institutions codes as defined  
907 in s. 655.005, Florida Statutes, relating to fees imposed by a  
908 financial institution for the payment of checks presented in  
909 person without requiring further amendment.

910 Section 13. Section 655.921, Florida Statutes, is amended  
911 to read:

912 655.921 Transaction of business by out-of-state financial  
913 institutions; exempt transactions ~~in the financial institutions~~  
914 ~~codes.~~-

915 (1) ~~Nothing in~~ The financial institutions codes do not  
916 ~~shall be construed to~~ prohibit a financial institution or  
917 business trust that has ~~having~~ its principal place of business  
918 outside this state and that does not operate ~~operating~~ branches  
919 in this state from:

920 (a) Contracting in this state with any person to acquire  
921 from such person a part, or the entire, interest in a loan that  
922 such person ~~proposes to make, has heretofore made, or hereafter~~  
923 makes, together with a like interest in any security instrument  
924 covering real or personal property in the state ~~proposed to be~~  
925 ~~given or hereafter or heretofore~~ given to such person to secure  
926 or evidence such loan.

927 (b) Entering into mortgage servicing contracts with persons  
928 authorized to transact business in this state and enforcing in



597-02194-14

20141012c1

929 this state the obligations ~~heretofore or hereafter~~ acquired by  
 930 it in the transaction of business outside this state or in the  
 931 transaction of any business authorized by this section.

932 (c) Acquiring, holding, leasing, mortgaging, contracting  
 933 with respect to, or otherwise protecting, managing, or conveying  
 934 property in this state which is ~~has heretofore or may hereafter~~  
 935 ~~be~~ assigned, transferred, mortgaged, or conveyed to it as  
 936 security for, or in whole or in part in satisfaction of, a loan  
 937 or loans made by it or obligations acquired by it in the  
 938 transaction of any business authorized by this section.

939 (d) Making loans or committing to make loans to any person  
 940 located in this state and soliciting compensating deposit  
 941 balances in connection therewith.

942 (e) Filing suit in any court in this state to collect any  
 943 debt or foreclose on any security interest in collateral  
 944 securing a debt.

945 (2) A ~~No such~~ financial institution or business trust may  
 946 not shall be deemed to be transacting business in this state, or  
 947 be required to qualify ~~so~~ to do so, solely by reason of the  
 948 performance of any of the acts or business authorized in this  
 949 section.

950 Section 14. Section 655.922, Florida Statutes, is amended  
 951 to read:

952 655.922 Banking business by unauthorized persons; use of  
 953 name.—

954 (1) Only ~~No person other than~~ a financial institution  
 955 authorized to do business in this state pursuant to the  
 956 financial institutions codes of any state or federal law may  
 957 ~~shall, in this state,~~ engage in the business of soliciting or

597-02194-14

20141012c1

958 receiving funds for deposit, ~~or of~~ issuing certificates of  
959 deposit, ~~or of~~ paying checks in this state; and only such  
960 financial institution may ~~no person shall~~ establish or maintain  
961 a place of business in this state for any of the functions,  
962 transactions, or purposes identified ~~mentioned~~ in this  
963 subsection. ~~A~~ Any person who violates ~~the provisions of~~ this  
964 subsection commits ~~is guilty of~~ a felony of the third degree,  
965 punishable as provided in s. 775.082, s. 775.083, or s. 775.084.  
966 This subsection does not prohibit the issuance or sale by a  
967 financial institution of traveler's checks, money orders, or  
968 other instruments for the transmission or payment of money, by  
969 or through employees or agents of the financial institution off  
970 the financial institution's premises.

971 (2) Only ~~No person other than~~ a financial institution  
972 authorized to do business shall, in this state as provided under  
973 subsection (1) may:

974 (a) Transact or solicit business under any name or title  
975 that contains the words "bank," "banc," "banco," "banque,"  
976 "banker," "banking," "trust company," "savings and loan  
977 association," "savings bank," or "credit union," or words of  
978 similar import, in any context or in any manner;

979 (b) Use any name, word, trademark, service mark, trade  
980 name, Internet address, logo, sign, symbol, or device in any  
981 context or in any manner; or

982 (c) Circulate or use any letterhead, billhead, circular,  
983 paper, electronic media, Internet website or posting, or writing  
984 of any kind or otherwise advertise or represent in any manner,

985  
986 which indicates or reasonably implies that the business being

597-02194-14

20141012c1

987 solicited, conducted, or advertised is the kind or character of  
988 business transacted or conducted by a financial institution or  
989 which is likely to lead any person to believe that such business  
990 is that of a financial institution; however, the words "bank,"  
991 "banc," "banco," "banque," "banker," "banking," "trust company,"  
992 "savings and loan association," "savings bank," or "credit  
993 union," or the plural of any thereof, may be used by, and in the  
994 corporate or other name or title of, any company that ~~which~~ is  
995 or becomes a ~~financial institution~~ holding company of a  
996 financial institution pursuant to state or federal law; any  
997 subsidiary of ~~any such financial institution~~ holding company  
998 which includes as a part of its name or title all or any part,  
999 or abbreviations, of the name or title of the ~~financial~~  
1000 ~~institution~~ holding company of which it is a subsidiary; any  
1001 trade organization or association, whether or not incorporated,  
1002 functioning for the purpose of promoting the interests of  
1003 financial institutions or ~~financial institution~~ holding  
1004 companies, the active members of which are financial  
1005 institutions or ~~financial institution~~ holding companies; and any  
1006 international development bank chartered pursuant to part II of  
1007 chapter 663.

1008 (3) A ~~Ne~~ person may not use the name, trademark, service  
1009 mark, trade name, Internet address, or logo of a ~~any~~ financial  
1010 institution or an affiliate or subsidiary thereof, or use a name  
1011 similar to that of a financial institution or an affiliate or  
1012 subsidiary thereof, to market or solicit business from a  
1013 customer or prospective customer of such institution if:

1014 (a) The solicitation is done without the written consent of  
1015 the financial institution or its affiliate or subsidiary; and

597-02194-14

20141012c1

1016 (b) A reasonable person would believe that the materials  
1017 originated from, are endorsed by, or are connected with the  
1018 financial institution or its affiliates or subsidiaries.

1019 (4) A financial institution, affiliate, subsidiary, or  
1020 service corporation may not do business, solicit, or advertise  
1021 in this state using a name, trademark, service mark, trade name,  
1022 Internet address, or logo that may mislead consumers or cause  
1023 confusion as to the identification of the proper legal business  
1024 entity or the nature of the financial institution's business.

1025 (5)-(4) Any court, in a proceeding brought by the office, by  
1026 a ~~any~~ financial institution the principal place of business of  
1027 which is in this state, or by any other person residing, or  
1028 whose principal place of business is ~~located~~, in this state and  
1029 whose interests are substantially affected thereby, may enjoin  
1030 any person from violating any provision ~~of the provisions~~ of  
1031 this section. Except for a financial institution duly chartered  
1032 by the office, the office may also seek an order from the  
1033 circuit court for the annulment or dissolution of a corporation  
1034 or any other business entity found violating any provision of  
1035 this section. For the purposes of this subsection, the interests  
1036 of a trade organization or association are deemed to be  
1037 substantially affected if the interests of ~~any of~~ its members  
1038 are so affected. ~~In addition,~~ The office may also issue and  
1039 serve upon any person who violates any provision ~~of the~~  
1040 provisions of this section an emergency cease and desist order  
1041 or a complaint seeking a cease and desist order in accordance  
1042 with ~~the procedures and in the manner prescribed by s. 655.033.~~  
1043 The office is not required to make any finding or determination  
1044 that a violation of this section is likely to result in

597-02194-14

20141012c1

1045 insolvency, substantial dissipation of assets or earnings, or  
1046 substantial prejudice to any person in association with the  
1047 issuance of an emergency cease and desist order.

1048 ~~(6)-(5) Nothing in This section does not shall be construed~~  
1049 ~~to prohibit the lawful establishment or operation the lawful~~  
1050 ~~operations of a financial institution, affiliate, subsidiary, or~~  
1051 ~~service corporation or and nothing in this code shall be~~  
1052 ~~construed to prohibit any advertisement or other activity in~~  
1053 ~~this state by any person if such prohibition would contravene~~  
1054 ~~any applicable federal law that which preempts the law of this~~  
1055 ~~state.~~

1056 Section 15. Section 657.008, Florida Statutes, is amended  
1057 to read:

1058 657.008 Place of doing business.-

1059 (1) A Every credit union authorized to transact business  
1060 pursuant to the laws of this state shall have one principal  
1061 place of doing business as designated in its bylaws and where  
1062 legal process may be served. A credit union may change its place  
1063 of business through an amendment to its bylaws.

1064 (2)~~(a)~~ Following ~~With~~ 30 days' prior written notification  
1065 to the office or within such other time as is approved by the  
1066 office, a credit union operating in a safe and sound manner may  
1067 maintain branches without requiring prior office examination and  
1068 approval at locations other than its main office or relocate  
1069 branches previously established if the maintenance of such  
1070 branches is determined by the board of directors to be  
1071 reasonably necessary to furnish service to its members.

1072 (a) A credit union that requires office examination and  
1073 approval before establishing or relocating a branch must submit

597-02194-14

20141012c1

1074 a written application in such form and supported by such  
1075 information, data, and records as the commission or office may  
1076 require to make all findings necessary for approval. Upon  
1077 receiving the application and a nonrefundable filing fee for the  
1078 establishment of the branch, the office shall consider the  
1079 following in determining whether to reject or approve the  
1080 application:

1081 1. The sufficiency of the net worth of the credit union in  
1082 relation to its deposit liabilities, including the proposed  
1083 branch, and the additional fixed assets, if any, which are  
1084 proposed for the branch and its operations without undue risk to  
1085 the credit union or its depositors;

1086 2. The sufficiency of earnings and earnings prospects of  
1087 the credit union necessary to support the anticipated expenses  
1088 and operating losses of the branch during its formative or  
1089 initial years;

1090 3. The sufficiency and quality of management available to  
1091 operate the branch;

1092 4. The name of the proposed branch in order to determine if  
1093 it reasonably identifies the branch as a branch of the main  
1094 office and is not likely to unduly confuse the public; and

1095 5. The substantial compliance of the applicant with the  
1096 applicable law governing its operations.

1097 (b) If any branch is located outside this state, the cost  
1098 of examining such branch shall be borne by the credit union.  
1099 Such cost includes ~~shall include~~, but is ~~shall not be~~ limited  
1100 to, examiner travel expense and per diem.

1101 (3) A credit union may share office space with one or more  
1102 credit unions and contract with any person or corporation to

597-02194-14

20141012c1

1103 provide facilities or personnel.

1104 (4) A ~~Any~~ credit union organized under this state or  
1105 federal law, the members of which are presently, or were at the  
1106 time of admission into the credit union, employees of the state  
1107 or a political subdivision or municipality thereof, or members  
1108 of the immediate families of such employees, may apply for space  
1109 in any building owned or leased by the state or respective  
1110 political subdivision or municipality in the community or  
1111 district in which the credit union does business.

1112 (a) The application shall be addressed to the officer  
1113 charged with the allotment of space in such building. If space  
1114 is available, the officer may allot space to the credit union at  
1115 a reasonable charge for rent or services.

1116 (b) If the governing body having jurisdiction over the  
1117 building determines that the services rendered by the credit  
1118 union to the employees of the governing body are equivalent to a  
1119 reasonable charge for rent or services, available space may be  
1120 allotted to the credit union without charge for rent or  
1121 services.

1122 (5) (a) The office may authorize foreign credit unions to  
1123 establish branches in this state ~~Florida~~ if all of the following  
1124 criteria are met:

1125 1. The state in which the foreign credit union's home  
1126 office is located permits Florida credit unions to do business  
1127 in the state under restrictions that are no greater than those  
1128 placed upon a domestic credit union doing business in that  
1129 state. For this purpose, such restrictions must ~~shall~~ include,  
1130 ~~but are not limited to,~~ any fees, bonds, or other charges levied  
1131 on domestic credit unions doing business in that state.

597-02194-14

20141012c1

1132           2. The deposits of such foreign credit union and its  
1133 proposed Florida branch must ~~shall~~ have insurance of accounts  
1134 with the National Credit Union Administration.

1135           3. The credit union's field of membership is so limited as  
1136 to be within that meaning of that term as defined in s. 657.002.

1137           (b) Every foreign credit union operating in this state must  
1138 ~~Florida shall~~ keep the office informed of every location at  
1139 which it is operating.

1140           (c) If the office has reason to believe that a foreign  
1141 credit union is operating a branch in this state in an unsafe  
1142 and unsound manner, it shall have the right to examine such  
1143 branch. If, upon examination, the office finds that such branch  
1144 is operating in an unsafe and unsound manner, it shall require  
1145 the branch office to make appropriate modifications to bring the  
1146 ~~such~~ branch operations into compliance with generally accepted  
1147 credit union operation in this state. The ~~Such~~ foreign credit  
1148 union shall reimburse the office for the full cost of such ~~this~~  
1149 examination. Costs ~~shall~~ include examiner salaries, per diem,  
1150 and travel expenses.

1151           (d) Any foreign credit union operating in this state shall,  
1152 in any connection therewith, be subject to suit in the courts of  
1153 this state, ~~by this state and~~ by the residents ~~citizens~~ of this  
1154 state.

1155           (6) A credit union may provide, directly or through a  
1156 contract with another company, off-premises armored car services  
1157 to its members. Armored car services do not constitute a branch  
1158 for the purposes of this section.

1159           Section 16. Section 657.028, Florida Statutes, is amended  
1160 to read:



597-02194-14

20141012c1

1161           657.028 Activities of directors, officers, committee  
1162 members, employees, and agents.—

1163           (1) An individual may not disburse funds of the credit  
1164 union for any extension of credit approved by her or him.

1165           (2) An elected officer, ~~or~~ director, ~~or any~~ committee  
1166 member, other than the chief executive officer, may not be  
1167 compensated for her or his service as such.

1168           (3) Except with the prior approval of the office, a person  
1169 may not serve as an officer, director, or committee member of a  
1170 credit union if she or he:

1171           (a) Has been convicted of a felony or of an offense  
1172 involving dishonesty, a breach of trust, a violation of this  
1173 chapter, or fraud, ~~except with the prior approval of the office;~~

1174           (b) Has been adjudicated bankrupt within the previous 7  
1175 years;

1176           (c) Has been removed by any regulatory agency as a  
1177 director, officer, committee member, or employee of a any  
1178 financial institution, ~~except with the prior approval of the~~  
1179 ~~office;~~

1180           (d) Has performed acts of fraud or dishonesty, or has  
1181 failed to perform duties, resulting in a loss that ~~which~~ was  
1182 subject to a paid claim under a fidelity bond, ~~except with the~~  
1183 ~~prior approval of the office; or~~

1184           (e) Has been found guilty of a violation of s. 655.50,  
1185 relating to the ~~Florida~~ control of money laundering and  
1186 terrorist financing in Financial Institutions Act; chapter 896,  
1187 relating to offenses related to financial transactions; or ~~any~~  
1188 similar state or federal law; or

1189           (f) Has defaulted on a debt or obligation to a financial

597-02194-14

20141012c1

1190 institution which resulted in a material loss to the financial  
1191 institution.

1192 (4) A person may not serve as a director of a credit union  
1193 if she or he is an employee of the credit union, other than the  
1194 chief executive officer of the credit union.

1195 (5) A director, officer, committee member, ~~officer,~~ agent,  
1196 or employee of the credit union may not in any manner, directly  
1197 or indirectly, participate in the deliberation upon or the  
1198 determination of any question affecting her or his pecuniary  
1199 interest or the pecuniary interest of any corporation,  
1200 partnership, or association, other than the credit union, in  
1201 which she or he or a member of her or his immediate family is  
1202 directly or indirectly interested.

1203 (6) Within 30 days after election or appointment, a record  
1204 of the names and addresses of the members of the board, members  
1205 of committees, ~~and~~ all officers of the credit union, and the  
1206 credit manager shall be filed with the office on forms  
1207 prescribed by the commission.

1208 Section 17. Section 657.041, Florida Statutes, is amended  
1209 to read:

1210 657.041 Insurance; employee benefit plans.-

1211 (1) A credit union may purchase for or make available to  
1212 its members credit life insurance, credit disability insurance,  
1213 life savings or depositors life insurance, or any other  
1214 insurance coverage which may be directly related to the  
1215 extension of credit or to the receipt of shares or deposits in  
1216 amounts related to the members' respective ages, shares,  
1217 deposits, or credit balances, or to any combination thereof.

1218 (2) A credit union may purchase and maintain insurance on

597-02194-14

20141012c1

1219 behalf of any person who is or was a director, officer,  
1220 employee, or agent of the credit union, or who is or was serving  
1221 at the request of the credit union as a director, officer,  
1222 employee, or agent of another corporation, partnership, joint  
1223 venture, trust, or other enterprise, against any liability  
1224 arising out of such person's capacity or status with the credit  
1225 union, whether or not the credit union would have the power to  
1226 indemnify such person against the asserted liability.

1227 (3) With the prior approval of members of a credit union  
1228 and the office, the credit union may pay the premiums for  
1229 reasonable health, accident, and related types of insurance  
1230 protection for members of the credit union's board of directors,  
1231 credit committee, supervisory committee, or other volunteer  
1232 committee established by the board. Any insurance protection  
1233 purchased must cease upon the insured person's leaving office  
1234 without residual benefits other than from pending claims, if  
1235 any, except that the credit union must comply with federal and  
1236 state laws providing departing officials the right to maintain  
1237 health insurance coverage at their own expense. The office shall  
1238 consider the credit union's size and financial condition and the  
1239 duties of the board or other officials in its consideration of  
1240 the request for approval for insurance coverage and may withhold  
1241 approval if the request would create an unsafe or unsound  
1242 practice or condition for the credit union.

1243 (4) With the prior approval of the board of a credit union  
1244 and the office, the credit union may fund employee benefit  
1245 plans. The office shall consider the credit union's size and  
1246 financial condition and the duties of the employees and may  
1247 withhold approval if the request would create an unsafe or

597-02194-14

20141012c1

1248 unsound practice or condition for the credit union.

1249 Section 18. Subsection (20) of section 658.12, Florida  
1250 Statutes, is amended to read:

1251 658.12 Definitions.—Subject to other definitions contained  
1252 in the financial institutions codes and unless the context  
1253 otherwise requires:

1254 (20) "Trust business" means the business of acting as a  
1255 fiduciary when such business is conducted by a bank, a state or  
1256 federal association, or a trust company, or ~~and also~~ when  
1257 conducted by any other business organization for compensation  
1258 that the office does not consider to be de minimis as its sole  
1259 or principal business.

1260 Section 19. Subsection (4) of section 658.21, Florida  
1261 Statutes, is amended to read:

1262 658.21 Approval of application; findings required.—The  
1263 office shall approve the application if it finds that:

1264 (4) The proposed officers have sufficient financial  
1265 institution experience, ability, standing, and reputation and  
1266 the proposed directors have sufficient business experience,  
1267 ability, standing, and reputation to indicate reasonable promise  
1268 of successful operation, and none of the proposed officers or  
1269 directors has been convicted of, or pled guilty or nolo  
1270 contendere to, any violation of s. 655.50, relating to the  
1271 ~~Florida~~ control of money laundering and terrorist financing in  
1272 ~~Financial Institutions Act~~; chapter 896, relating to offenses  
1273 related to financial institutions; or ~~any~~ similar state or  
1274 federal law. At least two of the proposed directors who are not  
1275 also proposed officers must ~~shall~~ have had at least 1 year  
1276 direct experience as an executive officer, regulator, or

597-02194-14

20141012c1

1277 director of a financial institution within the 3 years before ~~of~~  
1278 the date of the application. However, if the applicant  
1279 demonstrates that at least one of the proposed directors has  
1280 very substantial experience as an executive officer, director,  
1281 or regulator of a financial institution more than 3 years before  
1282 the date of the application, the office may modify the  
1283 requirement and allow only one director to have direct financial  
1284 institution experience within the last 3 years. The proposed  
1285 president or chief executive officer must ~~shall~~ have had at  
1286 least 1 year of direct experience as an executive officer,  
1287 director, or regulator of a financial institution within the  
1288 last 3 years.

1289 Section 20. Subsection (2) of section 658.235, Florida  
1290 Statutes, is amended to read:

1291 658.235 Subscriptions for stock; approval of major  
1292 shareholders.—

1293 (2) The directors shall also provide such detailed  
1294 financial, business, and biographical information as the  
1295 commission or office may reasonably require for each person who,  
1296 together with related interests, subscribes to 10 percent or  
1297 more of the voting stock or nonvoting stock that ~~which~~ is  
1298 convertible into voting stock of the proposed bank or trust  
1299 company. The office shall make an investigation of the  
1300 character, financial responsibility, and financial standing of  
1301 each such person in order to determine whether he or she is  
1302 likely to control the bank or trust company in a manner that  
1303 ~~which~~ would jeopardize the interests of the depositors and  
1304 creditors of the bank or trust company, the other stockholders,  
1305 or the general public. The ~~This~~ investigation must ~~shall~~ include

597-02194-14

20141012c1

1306 a determination of whether ~~any~~ such person has been convicted  
1307 of, or pled guilty or nolo contendere to, a violation of s.  
1308 655.50, relating to the ~~Florida~~ control of money laundering and  
1309 terrorist financing in Financial Institutions Act; chapter 896,  
1310 relating to offenses related to financial transactions; or ~~any~~  
1311 similar state or federal law.

1312 Section 21. Section 658.49, Florida Statutes, is repealed.

1313 Section 22. Subsection (1) of section 663.02, Florida  
1314 Statutes, is amended to read:

1315 663.02 Applicability of state banking laws.—

1316 (1) International banking corporations having offices in  
1317 this state are ~~shall be~~ subject to all the provisions of the  
1318 financial institutions codes and chapter 655 as though such  
1319 ~~international banking~~ corporations were state banks or trust  
1320 companies, except where it may appear, from the context or  
1321 otherwise, that such provisions are clearly applicable only to  
1322 banks or trust companies organized under the laws of this state  
1323 or the United States. Without limiting the foregoing general  
1324 provisions, it is the intent of the Legislature that the  
1325 following provisions are applicable to such banks or trust  
1326 companies: s. 655.031, relating to administrative enforcement  
1327 guidelines; s. 655.032, relating to investigations, subpoenas,  
1328 hearings, and witnesses; s. 655.0321, relating to hearings,  
1329 proceedings, and related documents and restricted access  
1330 thereto; s. 655.033, relating to cease and desist orders; s.  
1331 655.037, relating to removal by the office of an officer,  
1332 director, committee member, employee, or other person; s.  
1333 655.041, relating to administrative fines and enforcement; s.  
1334 655.50, relating to the control of money laundering and

597-02194-14

20141012c1

1335 ~~terrorist financing; s. 658.49, relating to loans by banks not~~  
1336 ~~exceeding \$50,000; and any provision of law for which the~~  
1337 ~~penalty is increased under s. 775.31 for facilitating or~~  
1338 ~~furthering terrorism. International banking corporations do~~  
1339 ~~shall~~ not have the powers conferred on domestic banks by ~~the~~  
1340 ~~provisions of s. 658.60, relating to deposits of public funds.~~  
1341 ~~The provisions of Chapter 687, relating to interest and usury,~~  
1342 ~~applies shall apply to all bank loans not subject to s. 658.49.~~

1343 Section 23. Subsection (1) of section 663.09, Florida  
1344 Statutes, is amended to read:

1345 663.09 Reports; records.—

1346 (1) An ~~Every~~ international banking corporation doing  
1347 business in this state shall, at such times and in such form as  
1348 the commission prescribes, make written reports in the English  
1349 language to the office, under the oath of one of its officers,  
1350 managers, or agents transacting business in this state, showing  
1351 the amount of its assets and liabilities and containing such  
1352 other matters as the commission or office requires. An  
1353 international banking corporation that maintains two or more  
1354 offices may consolidate such information in one report unless  
1355 the office otherwise requires for purposes of its supervision of  
1356 the condition and operations of each such office. The late  
1357 filing of such reports is ~~shall be~~ subject to an ~~the imposition~~  
1358 ~~of the~~ administrative fine as prescribed under ~~by~~ s.  
1359 655.045(2) ~~(b)~~. If ~~any~~ such international banking corporation  
1360 fails ~~shall fail~~ to make ~~any~~ such report, as directed by the  
1361 office, or if ~~any~~ such report contains a ~~shall contain any~~ false  
1362 statement knowingly made, the same shall be grounds for  
1363 revocation of the license of the international banking

597-02194-14

20141012c1

1364 corporation.

1365 Section 24. Subsection (2) of section 663.12, Florida  
1366 Statutes, is amended to read:

1367 663.12 Fees; assessments; fines.—

1368 (2) Each international bank agency, international branch,  
1369 and state-chartered investment company shall pay to the office a  
1370 ~~semiannual assessment, payable~~ on or before January 31 and July  
1371 31 of each year, a semiannual assessment in an amount determined  
1372 ~~by rule~~ by the commission by rule and calculated ~~in a manner so~~  
1373 ~~as~~ to recover the costs of the office incurred in connection  
1374 with the supervision of international banking activities  
1375 licensed under this part. ~~The~~ These rules must ~~shall~~ provide ~~for~~  
1376 uniform rates of assessment for all licenses of the same type  
1377 ~~and, shall~~ provide for declining rates of assessment in relation  
1378 to the total assets of the licensee held in the state, but may  
1379 ~~shall not result, in any event, provide for~~ rates of assessment  
1380 which exceed the rate applicable to state banks pursuant to s.  
1381 658.73, unless the rate ~~of assessment~~ would result in a  
1382 semiannual assessment of less than \$1,000. For the purposes of  
1383 this subsection, the total assets of an international bank  
1384 agency, international branch, or state-chartered investment  
1385 company must ~~shall~~ include amounts due the agency or branch or  
1386 state investment company from other offices, branches, or  
1387 subsidiaries of the international banking corporations or other  
1388 corporations of which the agency, branch, or state-chartered  
1389 investment company is a part or from entities related to that  
1390 international banking corporation. ~~Each international~~  
1391 ~~representative office, international administrative office, or~~  
1392 ~~international trust company representative office shall pay to~~



597-02194-14

20141012c1

1393 ~~the office an annual assessment in the amount of \$2,000, payable~~  
1394 ~~on or before January 31 of each year.~~

1395 Section 25. Subsection (3) of section 663.306, Florida  
1396 Statutes, is amended to read:

1397 663.306 Decision by office.—The office may, in its  
1398 discretion, approve or disapprove the application, but it shall  
1399 not approve the application unless it finds that:

1400 (3) The proposed officers and directors have sufficient  
1401 experience, ability, standing, and reputation to indicate  
1402 reasonable promise of successful operation and none of the  
1403 proposed officers or directors have been convicted of, or pled  
1404 guilty or nolo contendere to, a violation of s. 655.50, relating  
1405 to the ~~Florida~~ control of money laundering and terrorist  
1406 financing in Financial Institutions Act; chapter 896, relating  
1407 to offenses related to financial transactions; or ~~any~~ similar  
1408 state or federal law.

1409 Section 26. Subsection (28) of section 665.013, Florida  
1410 Statutes, is amended to read:

1411 665.013 Applicability of chapter 658.—The following  
1412 sections of chapter 658, relating to banks and trust companies,  
1413 are applicable to an association to the same extent as if the  
1414 association were a "bank" operating thereunder:

1415 ~~(28) Section 658.49, relating to loans by banks not~~  
1416 ~~exceeding \$50,000.~~

1417 Section 27. Paragraph (c) of subsection (1) of section  
1418 665.033, Florida Statutes, is amended to read:

1419 665.033 Conversion of state or federal mutual association  
1420 to capital stock association.—

1421 (1) CONVERSION INTO CAPITAL STOCK ASSOCIATION.—Any state or

597-02194-14

20141012c1

1422 federal mutual association may apply to the office for  
1423 permission to convert itself into an association operated under  
1424 the provisions of this chapter in accordance with the following  
1425 procedures:

1426 (c) The office may approve or disapprove the plan ~~in its~~  
1427 ~~discretion~~, but may ~~it shall~~ not approve the plan unless it  
1428 finds that the association will comply sufficiently with the  
1429 requirements of the financial institutions codes after  
1430 conversion to entitle it to become an association operating  
1431 under the financial institutions codes and the rules of the  
1432 commission. The office may deny an ~~any~~ application from any  
1433 federal association that is subject to a ~~any~~ cease and desist  
1434 order or other supervisory restriction or order imposed by any  
1435 state or the federal supervisory authority, or insurer, or  
1436 guarantor or that has been convicted of, or pled guilty or nolo  
1437 contendere to, a violation of s. 655.50, relating to the ~~Florida~~  
1438 ~~control of money laundering and terrorist financing in Financial~~  
1439 ~~Institutions Act~~; chapter 896, relating to offenses related to  
1440 financial transactions; or ~~any~~ similar state or federal law.

1441 Section 28. Paragraph (a) of subsection (2) of section  
1442 665.034, Florida Statutes, is amended to read:

1443 665.034 Acquisition of assets of or control over an  
1444 association.—

1445 (2) The office shall issue the certificate of approval only  
1446 after it has made an investigation and determined that:

1447 (a) The proposed new owner or owners of voting capital  
1448 stock are qualified by character, experience, and financial  
1449 responsibility to control the association in a legal and proper  
1450 manner and none of the proposed new owners have been convicted

597-02194-14

20141012c1

1451 of, or pled guilty or nolo contendere to, a violation of s.  
1452 655.50, relating to the ~~Florida~~ control of money laundering and  
1453 terrorist financing in Financial Institutions Act; chapter 896,  
1454 relating to offenses related to financial transactions; or ~~any~~  
1455 similar state or federal law.

1456 Section 29. Subsection (29) of section 667.003, Florida  
1457 Statutes, is amended to read:

1458 667.003 Applicability of chapter 658.—Any state savings  
1459 bank is subject to all the provisions, and entitled to all the  
1460 privileges, of the financial institutions codes except where it  
1461 appears, from the context or otherwise, that such provisions  
1462 clearly apply only to banks or trust companies organized under  
1463 the laws of this state or the United States. Without limiting  
1464 the foregoing general provisions, it is the intent of the  
1465 Legislature that the following provisions apply to a savings  
1466 bank to the same extent as if the savings bank were a "bank"  
1467 operating under such provisions:

1468 ~~(29) Section 658.49, relating to loans by banks not~~  
1469 ~~exceeding \$50,000.~~

1470 Section 30. Paragraph (c) of subsection (1) of section  
1471 667.006, Florida Statutes, is amended to read:

1472 667.006 Conversion of state or federal mutual savings bank  
1473 or state or federal mutual association to capital stock savings  
1474 bank.—

1475 (1) CONVERSION INTO CAPITAL STOCK SAVINGS BANK.—Any state  
1476 or federal mutual savings bank or state or federal mutual  
1477 association may apply to the office for permission to convert  
1478 itself into a capital stock savings bank operated under the  
1479 provisions of this chapter in accordance with the following

597-02194-14

20141012c1

1480 procedures:

1481 (c) The office may approve or disapprove the plan ~~in its~~  
1482 ~~discretion~~, but may ~~it shall~~ not approve the plan unless it  
1483 finds that the savings bank will comply sufficiently with the  
1484 requirements of the financial institutions codes after  
1485 conversion to entitle it to become a savings bank operating  
1486 under the financial institutions codes and the rules of the  
1487 commission. The office may deny any application from a ~~any~~  
1488 federal savings bank that is subject to a ~~any~~ cease and desist  
1489 order or other supervisory restriction or order imposed by any  
1490 state or the federal supervisory authority, or insurer, or  
1491 guarantor or that has been convicted of, or pled guilty or nolo  
1492 contendere to, a violation of s. 655.50, relating to the ~~Florida~~  
1493 ~~control of money laundering and terrorist financing in Financial~~  
1494 ~~Institutions Act~~; chapter 896, relating to offenses related to  
1495 financial transactions; or ~~any~~ similar state or federal law.

1496 Section 31. Paragraph (a) of subsection (2) of section  
1497 667.008, Florida Statutes, is amended to read:

1498 667.008 Acquisition of assets of or control over a savings  
1499 bank.—

1500 (2) The office shall issue the certificate of approval only  
1501 after it has made an investigation and determined that:

1502 (a) The proposed new owner or owners of voting capital  
1503 stock are qualified by character, experience, and financial  
1504 responsibility to control the savings bank in a legal and proper  
1505 manner and none of the proposed new owners have been convicted  
1506 of, or pled guilty or nolo contendere to, a violation of s.  
1507 655.50, relating to the ~~Florida~~ control of money laundering and  
1508 terrorist financing ~~in Financial Institutions Act~~; chapter 896,

597-02194-14

20141012c1

1509 relating to offenses related to financial transactions; or ~~any~~  
1510 similar state or federal law.

1511 Section 32. This act shall take effect July 1, 2014.