



956228

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/05/2014	.	
	.	
	.	
	.	

---

Appropriations Subcommittee on General Government (Detert)  
recommended the following:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause  
and insert:

Section 1. Present subsections (12) through (36) of section  
494.001, Florida Statutes, are redesignated as subsections (13)  
through (37), respectively, a new subsection (12) is added to  
that section, and present subsection (15) of that section is  
amended, to read:

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



956228

11 term:

12 (12) "Indirect owner" means, with respect to direct and  
13 indirect owners in a multilayered organization:

14 (a) If an owner is a corporation, each of its shareholders  
15 that beneficially owns, has the right to vote, or has the power  
16 to sell or direct the sale of 25 percent or more of voting  
17 security of the corporation.

18 (b) If an owner is a partnership, all general partners and  
19 those limited and special partners that have the right to  
20 receive upon dissolution, or have contributed, 25 percent or  
21 more of the partnership's capital.

22 (c) If an owner is a trust, the trust and each trustee.

23 (d) If an owner is a limited liability company:

24 1. Those members that have the right to receive upon  
25 dissolution, or have contributed, 25 percent or more of the  
26 limited liability corporation's capital; and

27 2. If managed by elected managers or appointed managers,  
28 all elected or appointed managers.

29 (e) If an indirect owner, the parent owners of 25 percent  
30 or more of their subsidiary.

31 (16)-(15) "Loan origination fee" means the total  
32 compensation from any source received by a mortgage broker  
33 acting as a loan originator. ~~Any payment for processing mortgage~~  
34 ~~loan applications must be included in the fee and must be paid~~  
35 ~~to the mortgage broker.~~

36 Section 2. Subsection (4) is added to section 494.0012,  
37 Florida Statutes, to read:

38 494.0012 Investigations; complaints; examinations.—

39 (4) In order to reduce the burden on persons subject to



956228

40 regulation under this chapter, the office may conduct a joint or  
41 concurrent examination with any state or federal regulatory  
42 agency and may furnish a copy of all examinations to an  
43 appropriate regulator if the regulator agrees to abide by the  
44 confidentiality requirements applicable to such examinations,  
45 which are provided pursuant to chapter 119 and this chapter. The  
46 office may also accept an examination from an appropriate  
47 regulator.

48 Section 3. Present paragraphs (m) through (x) of subsection  
49 (1) of section 494.00255, Florida Statutes, are redesignated as  
50 paragraphs (n) through (y), respectively, and new paragraphs (m)  
51 and (z) are added to that subsection, to read:

52 494.00255 Administrative penalties and fines; license  
53 violations.—

54 (1) Each of the following acts constitutes a ground for  
55 which the disciplinary actions specified in subsection (2) may  
56 be taken against a person licensed or required to be licensed  
57 under part II or part III of this chapter:

58 (m) In any mortgage transaction, violating any provision of  
59 the federal Real Estate Settlement Procedures Act, as amended,  
60 12 U.S.C. ss. 2601 et seq.; the federal Truth in Lending Act, as  
61 amended, 15 U.S.C. ss. 1601 et seq.; or any regulations adopted  
62 under such acts.

63 (z) Pursuant to an investigation by the Mortgage Testing  
64 and Education Board acting on behalf of the registry, being  
65 found in violation of the Nationwide Mortgage Licensing System  
66 and Registry Rules of Conduct.

67 Section 4. Section 494.00313, Florida Statutes, is amended  
68 to read:



956228

69 494.00313 Loan originator license renewal.-

70 (1) In order to annually renew a loan originator license, a  
71 loan originator must, by December 31:

72 (a) Submit a completed license renewal form as prescribed  
73 by commission rule.

74 (b) Submit a nonrefundable renewal fee of \$150, the \$20  
75 nonrefundable fee if required by s. 494.00172, and nonrefundable  
76 fees to cover the cost of further fingerprint processing and  
77 retention as prescribed by ~~set forth in~~ commission rule.

78 (c) Provide documentation of completion of at least 8 hours  
79 of continuing education in courses reviewed and approved by the  
80 registry.

81 (d) Authorize the registry to obtain an independent credit  
82 report on the licensee from a consumer reporting agency, and  
83 transmit or provide access to the report to the office. The cost  
84 of the credit report shall be borne by the licensee.

85 (e) Submit any additional information or documentation  
86 requested by the office and required by rule concerning the  
87 licensee. Additional information may include documentation of  
88 pending and prior disciplinary and criminal history events,  
89 including arrest reports and certified copies of charging  
90 documents, plea agreements, judgments and sentencing documents,  
91 documents relating to pretrial intervention, orders terminating  
92 probation or supervised release, final administrative agency  
93 orders, or other comparable documents that may provide the  
94 office with the appropriate information to determine eligibility  
95 for renewal of licensure.

96 (2) The office may not renew a loan originator license  
97 unless the loan originator continues to meet the minimum



956228

98 requirements for initial licensure pursuant to s. 494.00312 and  
99 adopted rule.

100 (3) A licensed loan originator who fails to meet the  
101 requirements under this section for annual license renewal on or  
102 before December 31, but who meets such requirements after  
103 December 31 but before March 1, shall have such license status  
104 changed to "failed to renew" pending review and renewal by the  
105 office. A nonrefundable reinstatement fee of \$150 shall be  
106 charged in addition to and apart from any registry fees. The  
107 license status may not be changed until the requirements of this  
108 section have been met and all fees have been paid. If the  
109 licensee fails to submit the required information and pay the  
110 required fees by March 1, such license is expired and such  
111 individual must apply for a new loan originator license under s.  
112 494.00312.

113 Section 5. Section 494.00322, Florida Statutes, is amended  
114 to read:

115 494.00322 Mortgage broker license renewal.-

116 (1) In order to annually renew a mortgage broker license, a  
117 mortgage broker must, by December 31:

118 (a) Submit a completed license renewal form as prescribed  
119 by commission rule.

120 (b) Submit a nonrefundable renewal fee of \$375, the \$100  
121 nonrefundable fee if required by s. 494.00172, and nonrefundable  
122 fees to cover the cost of further fingerprint processing and  
123 retention as prescribed by ~~set forth in~~ commission rule.

124 (c) Submit fingerprints in accordance with s.  
125 494.00321(2) (d) for any new control persons who have not been  
126 screened.



956228

127 (d) Authorize the registry to obtain an independent credit  
128 report on each of the licensee's control persons from a consumer  
129 reporting agency, and transmit or provide access to the report  
130 to the office. The cost of the credit report shall be borne by  
131 the licensee.

132 (e) Submit any additional information or documentation  
133 requested by the office and required by rule concerning the  
134 licensee or a control person of the licensee. Additional  
135 information may include documentation of pending and prior  
136 disciplinary and criminal history events, including arrest  
137 reports and certified copies of charging documents, plea  
138 agreements, judgments and sentencing documents, documents  
139 relating to pretrial intervention, orders terminating probation  
140 or supervised release, final administrative agency orders, or  
141 other comparable documents that may provide the office with the  
142 appropriate information to determine eligibility for renewal of  
143 licensure.

144 (2) The office may not renew a mortgage broker license  
145 unless the licensee continues to meet the minimum requirements  
146 for initial licensure pursuant to s. 494.00321 and adopted rule.

147 (3) A licensed mortgage broker that fails to meet the  
148 requirements under this section for annual license renewal on or  
149 before December 31, but that meets such requirements after  
150 December 31 but before March 1, shall have such license status  
151 changed to "failed to renew" pending review and renewal by the  
152 office. A nonrefundable reinstatement fee of \$250 shall be  
153 charged in addition to and apart from any registry fees. The  
154 license status may not be changed until the requirements of this  
155 section have been met and all fees have been paid. If the



956228

156 licensee fails to submit the required information and pay the  
157 required fees by March 1, such license is expired and such  
158 person must apply for a new mortgage broker license under s.  
159 494.00321.

160 Section 6. Section 494.0036, Florida Statutes, is amended  
161 to read:

162 494.0036 Mortgage broker branch office license and license  
163 renewal.—

164 (1) Each branch office of a mortgage broker must be  
165 licensed under this section.

166 (2) The office shall issue a mortgage broker branch office  
167 license to a mortgage broker licensee after the office  
168 determines that the licensee has submitted a completed  
169 application for a branch office in a form prescribed by  
170 commission rule and payment of an initial nonrefundable branch  
171 office license fee of \$225 per branch office. Application fees  
172 may not be prorated for partial years of licensure. The branch  
173 office license shall be issued in the name of the mortgage  
174 broker that maintains the branch office. An application is  
175 considered received for purposes of s. 120.60 upon receipt of a  
176 completed application form as prescribed by commission rule, and  
177 the required fees.

178 (3) A mortgage broker branch office license must be renewed  
179 annually at the time of renewing the mortgage broker license  
180 under s. 494.00322.

181 (a) In order to renew a branch office license, a mortgage  
182 broker must, by December 31:

183 1. Submit a completed license renewal form as prescribed by  
184 commission rule.



956228

185           2. Submit a nonrefundable branch renewal fee of \$225 per  
186 branch office ~~must be submitted at the time of renewal.~~

187           3. Submit additional information or documentation requested  
188 by the office and required by rule concerning the licensee.  
189 Additional information may include documents that may assist the  
190 office in determining the applicant's eligibility for licensure  
191 renewal.

192           (b) The office may not renew a branch office license unless  
193 the mortgage broker continues to meet the minimum requirements  
194 for initial licensure pursuant to subsection (2) and commission  
195 rule.

196           (c) A licensed branch office that fails to meet the  
197 requirements under this section for annual license renewal on or  
198 before December 31, but that meets such requirements after  
199 December 31 but before March 1, shall have such license status  
200 changed to "failed to renew" pending review and renewal by the  
201 office. A nonrefundable reinstatement fee of \$225 shall be  
202 charged in addition to and apart from any registry fees. The  
203 license status may not be changed until the requirements of this  
204 section have been met and all fees have been paid. If the  
205 licensee fails to submit the required information and pay the  
206 required fees by March 1, such license is expired and the  
207 mortgage broker licensee must apply for a new mortgage broker  
208 branch office license under subsection (2).

209           Section 7. Section 494.0038, Florida Statutes, is amended  
210 to read:

211           494.0038 ~~Loan origination and Mortgage broker fees and~~  
212 commissions disclosures.-

213           (1) A loan origination fee may not be paid except pursuant





956228

214 ~~to a written mortgage broker agreement between the mortgage~~  
215 ~~broker and the borrower which is signed and dated by the~~  
216 ~~principal loan originator or branch manager, and the borrower.~~  
217 ~~The unique registry identifier of each loan originator~~  
218 ~~responsible for providing loan originator services must be~~  
219 ~~printed on the mortgage broker agreement.~~

220 ~~(a) The written mortgage broker agreement must describe the~~  
221 ~~services to be provided by the mortgage broker and specify the~~  
222 ~~amount and terms of the loan origination fee that the mortgage~~  
223 ~~broker is to receive.~~

224 ~~1. Except for application and third-party fees, all fees~~  
225 ~~received by a mortgage broker from a borrower must be identified~~  
226 ~~as a loan origination fee.~~

227 ~~2. All fees on the mortgage broker agreement must be~~  
228 ~~disclosed in dollar amounts.~~

229 ~~3. All loan origination fees must be paid to a mortgage~~  
230 ~~broker.~~

231 ~~(b) The agreement must be executed within 3 business days~~  
232 ~~after a mortgage loan application is accepted if the borrower is~~  
233 ~~present when the mortgage loan application is accepted. If the~~  
234 ~~borrower is not present, the licensee shall forward the~~  
235 ~~agreement to the borrower within 3 business days after the~~  
236 ~~licensee's acceptance of the application and the licensee bears~~  
237 ~~the burden of proving that the borrower received and approved~~  
238 ~~the agreement.~~

239 ~~(2) If the mortgage broker is to receive any payment of any~~  
240 ~~kind from the mortgage lender, the maximum total dollar amount~~  
241 ~~of the payment must be disclosed to the borrower in the written~~  
242 ~~mortgage broker agreement as described in paragraph (1) (a). The~~



956228

243 ~~commission may prescribe by rule an acceptable form for~~  
244 ~~disclosure of brokerage fees received from the lender. The~~  
245 ~~agreement must state the nature of the relationship with the~~  
246 ~~lender, describe how compensation is paid by the lender, and~~  
247 ~~describe how the mortgage interest rate affects the compensation~~  
248 ~~paid to the mortgage broker.~~

249 ~~(a) The exact amount of any payment of any kind by the~~  
250 ~~lender to the mortgage broker must be disclosed in writing to~~  
251 ~~the borrower within 3 business days after the mortgage broker is~~  
252 ~~made aware of the exact amount of the payment from the lender~~  
253 ~~but not less than 3 business days before the execution of the~~  
254 ~~closing or settlement statement. The licensee bears the burden~~  
255 ~~of proving such notification was provided to the borrower.~~  
256 ~~Notification is waived if the exact amount of the payment is~~  
257 ~~accurately disclosed in the written mortgage broker agreement.~~

258 ~~(b) The commission may prescribe by rule the form of~~  
259 ~~disclosure of brokerage fees.~~

260 ~~(3) At the time a written mortgage broker agreement is~~  
261 ~~signed by the borrower or forwarded to the borrower for~~  
262 ~~signature, or at the time the mortgage broker business accepts~~  
263 ~~an application fee, credit report fee, property appraisal fee,~~  
264 ~~or any other third-party fee, but at least 3 business days~~  
265 ~~before execution of the closing or settlement statement, the~~  
266 ~~mortgage broker shall disclose in writing to any applicant for a~~  
267 ~~mortgage loan the following information:~~

268 ~~(a) That the mortgage broker may not make mortgage loans or~~  
269 ~~commitments. The mortgage broker may make a commitment and may~~  
270 ~~furnish a lock-in of the rate and program on behalf of the~~  
271 ~~lender if the mortgage broker has obtained a written commitment~~



956228

272 ~~or lock-in for the loan from the lender on behalf of the~~  
273 ~~borrower for the loan. The commitment must be in the same form~~  
274 ~~and substance as issued by the lender.~~

275 ~~(b) That the mortgage broker cannot guarantee acceptance~~  
276 ~~into any particular loan program or promise any specific loan~~  
277 ~~terms or conditions.~~

278 ~~(c) A good faith estimate that discloses settlement charges~~  
279 ~~and loan terms.~~

280 ~~1. Any amount collected in excess of the actual cost shall~~  
281 ~~be returned within 60 days after rejection, withdrawal, or~~  
282 ~~closing.~~

283 ~~2. At the time a good faith estimate is provided to the~~  
284 ~~borrower, the loan originator must identify in writing an~~  
285 ~~itemized list that provides the recipient of all payments~~  
286 ~~charged the borrower, which, except for all fees to be received~~  
287 ~~by the mortgage broker, may be disclosed in generic terms, such~~  
288 ~~as, but not limited to, paid to lender, appraiser, officials,~~  
289 ~~title company, or any other third-party service provider. This~~  
290 ~~requirement does not supplant or is not a substitute for the~~  
291 ~~written mortgage broker agreement described in subsection (1).~~  
292 ~~The disclosure required under this subparagraph must be signed~~  
293 ~~and dated by the borrower.~~

294 ~~(4) The disclosures required by this subsection must be~~  
295 ~~furnished in writing at the time an adjustable rate mortgage~~  
296 ~~loan is offered to the borrower and whenever the terms of the~~  
297 ~~adjustable rate mortgage loan offered materially change prior to~~  
298 ~~closing. The mortgage broker shall furnish the disclosures~~  
299 ~~relating to adjustable rate mortgages in a format prescribed by~~  
300 ~~ss. 226.18 and 226.19 of Regulation Z of the Board of Governors~~



956228

301 ~~of the Federal Reserve System, as amended; its commentary, as~~  
302 ~~amended; and the federal Truth in Lending Act, 15 U.S.C. ss.~~  
303 ~~1601 et seq., as amended; together with the Consumer Handbook on~~  
304 ~~Adjustable Rate Mortgages, as amended; published by the Federal~~  
305 ~~Reserve Board and the Federal Home Loan Bank Board. The licensee~~  
306 ~~bears the burden of proving such disclosures were provided to~~  
307 ~~the borrower.~~

308 ~~(5) If the mortgage broker agreement includes a~~  
309 ~~nonrefundable application fee, the following requirements are~~  
310 ~~applicable:~~

311 ~~(a) The amount of the application fee, which must be~~  
312 ~~clearly denominated as such, must be clearly disclosed.~~

313 ~~(b) The specific services that will be performed in~~  
314 ~~consideration for the application fee must be disclosed.~~

315 ~~(c) The application fee must be reasonably related to the~~  
316 ~~services to be performed and may not be based upon a percentage~~  
317 ~~of the principal amount of the loan or the amount financed.~~

318 ~~(6) A mortgage broker may not accept any fee in connection~~  
319 ~~with a mortgage loan other than an application fee, credit~~  
320 ~~report fee, property appraisal fee, or other third-party fee~~  
321 ~~before obtaining a written commitment from a qualified lender.~~

322 ~~(1)(7) A~~ Any third-party fee entrusted to a mortgage broker  
323 must immediately, upon receipt, be placed into a segregated  
324 account with a financial institution located in the state the  
325 accounts of which are insured by the Federal Government. Such  
326 funds shall be held in trust for the payor and shall be kept in  
327 the account until disbursement. Such funds may be placed in one  
328 account if adequate accounting measures are taken to identify  
329 the source of the funds.



956228

330           ~~(2)~~<sup>(8)</sup> A mortgage broker may not pay a commission to a ~~any~~  
331 person not licensed pursuant to this chapter.

332           ~~(3)~~<sup>(9)</sup> This section does not prohibit a mortgage broker  
333 from offering products and services, in addition to those  
334 offered in conjunction with the loan origination process, for a  
335 fee or commission.

336           Section 8. Subsections (2), (3), and (4) of section  
337 494.004, Florida Statutes, are amended to read:

338           494.004 Requirements of licensees.—

339           ~~(2) In every mortgage loan transaction, each licensee under  
340 this part must notify a borrower of any material changes in the  
341 terms of a mortgage loan previously offered to the borrower  
342 within 3 business days after being made aware of such changes by  
343 the mortgage lender but at least 3 business days before the  
344 signing of the settlement or closing statement. The licensee  
345 bears the burden of proving such notification was provided and  
346 accepted by the borrower. A borrower may waive the right to  
347 receive notice of a material change if the borrower determines  
348 that the extension of credit is needed to meet a bona fide  
349 personal financial emergency and the right to receive notice  
350 would delay the closing of the mortgage loan. The imminent sale  
351 of the borrower's home at foreclosure during the 3-day period  
352 before the signing of the settlement or closing statement is an  
353 example of a bona fide personal financial emergency. In order to  
354 waive the borrower's right to receive notice, the borrower must  
355 provide the licensee with a dated written statement that  
356 describes the personal financial emergency, waives the right to  
357 receive the notice, bears the borrower's signature, and is not  
358 on a printed form prepared by the licensee for the purpose of~~



956228

359 ~~such a waiver.~~

360       (2)~~(3)~~ Each mortgage broker shall submit to the registry  
361 reports of condition, which must be in such form and ~~shall~~  
362 contain such information as the registry may require. The  
363 commission may prescribe by rule the deadline by which a  
364 mortgage broker must file a report of condition. For purposes of  
365 this section, the report of condition is synonymous with the  
366 registry's Mortgage Call Report.

367       (3)~~(4)~~ A license issued under this part is not transferable  
368 or assignable.

369       Section 9. Subsection (3) of section 494.0042, Florida  
370 Statutes, is amended to read:

371       494.0042 Loan origination fees.—

372       (3) At the time of accepting a mortgage loan application, a  
373 mortgage broker may receive from the borrower a nonrefundable  
374 application fee. If the mortgage loan is funded, the  
375 nonrefundable application fee shall be credited against the  
376 amount owed as a result of the loan being funded. A person may  
377 not receive any form of compensation for acting as a loan  
378 originator other than a nonrefundable application fee or~~7~~ a fee  
379 based on the mortgage amount being funded, ~~or a fee which~~  
380 ~~complies with s. 494.00421.~~

381       Section 10. Section 494.00421, Florida Statutes, is  
382 repealed.

383       Section 11. Paragraph (b) of subsection (2) of section  
384 494.00611, Florida Statutes, is amended to read:

385       494.00611 Mortgage lender license.—

386       (2) In order to apply for a mortgage lender license, an  
387 applicant must:



956228

388 (b) Designate a qualified principal loan originator who  
389 meets the requirements of s. 494.00665 ~~s. 494.0035~~ on the  
390 application form.

391 Section 12. Section 494.00612, Florida Statutes, is amended  
392 to read:

393 494.00612 Mortgage lender license renewal.—

394 (1) In order to annually renew a mortgage lender license, a  
395 mortgage lender must, by December 31:

396 (a) Submit a completed license renewal form as prescribed  
397 by commission rule.

398 (b) Submit a nonrefundable renewal fee of \$475, the \$100  
399 nonrefundable fee if required by s. 494.00172, and nonrefundable  
400 fees to cover the cost of further fingerprint processing and  
401 retention as prescribed by ~~set forth in~~ commission rule.

402 (c) Submit fingerprints in accordance with s.  
403 494.00611(2) (d) for any new control persons who have not been  
404 screened.

405 (d) Provide proof that the mortgage lender continues to  
406 meet the applicable net worth requirement in a form prescribed  
407 by commission rule.

408 (e) Authorize the registry to obtain an independent credit  
409 report on each of the mortgage lender's control persons from a  
410 consumer reporting agency, and transmit or provide access to the  
411 report to the office. The cost of the credit report shall be  
412 borne by the licensee.

413 (f) Submit any additional information or documentation  
414 requested by the office and required by rule concerning the  
415 licensee. Additional information may include documentation of  
416 pending and prior disciplinary and criminal history events,



956228

417 including arrest reports and certified copies of charging  
418 documents, plea agreements, judgments and sentencing documents,  
419 documents relating to pretrial intervention, orders terminating  
420 probation or supervised release, final administrative agency  
421 orders, or other comparable documents that may provide the  
422 office with the appropriate information to determine eligibility  
423 for renewal of licensure.

424 (2) The office may not renew a mortgage lender license  
425 unless the mortgage lender continues to meet the minimum  
426 requirements for initial licensure pursuant to s. 494.00611 and  
427 adopted rule.

428 (3) A licensed mortgage lender that fails to meet the  
429 requirements under this section for annual license renewal on or  
430 before December 31, but that meets such requirements after  
431 December 31 but before March 1, shall have such license status  
432 changed to "failed to renew" pending review and renewal by the  
433 office. A nonrefundable reinstatement fee of \$475 shall be  
434 charged in addition to and apart from any registry fees. The  
435 license status may not be changed until the requirements of this  
436 section have been met and all fees have been paid. If the  
437 licensee fails to submit the required information and pay the  
438 required fees by March 1, such license is expired and such  
439 person must apply for a new mortgage lender license under s.  
440 494.00611.

441 Section 13. Section 494.0066, Florida Statutes, is amended  
442 to read:

443 494.0066 Mortgage lender branch office license and license  
444 renewal offices.—

445 (1) Each branch office of a mortgage lender must be





956228

446 licensed under this section.

447 (2) The office shall issue a mortgage lender branch office  
448 license to a mortgage lender licensee after the office  
449 determines that the mortgage lender has submitted a completed  
450 branch office application form as prescribed by commission rule  
451 ~~by the commission~~ and an initial nonrefundable branch office  
452 license fee of \$225 per branch office. Application fees may not  
453 be prorated for partial years of licensure. The branch office  
454 application must include the name and license number of the  
455 mortgage lender under this part, the name of the branch manager  
456 in charge of the branch office, and the address of the branch  
457 office. The branch office license shall be issued in the name of  
458 the mortgage lender and must be renewed in conjunction with the  
459 license renewal. An application is considered received for  
460 purposes of s. 120.60 upon receipt of a completed branch office  
461 renewal form, as prescribed by commission rule, and the required  
462 fees.

463 (3) A mortgage lender branch office license must be renewed  
464 annually at the time of renewing the mortgage lender license.

465 (a) In order to renew a branch office license, a mortgage  
466 lender must, by December 31:

467 1. Submit a completed license renewal form as prescribed by  
468 commission rule.

469 2. Submit a nonrefundable fee of \$225 per branch office  
470 must be submitted at the time of renewal.

471 3. Submit additional information or documentation requested  
472 by the office and required by rule concerning the licensee.

473 Additional information may include documents that may provide  
474 the office with the appropriate information to determine



956228

475 eligibility for licensure renewal.

476 (b) The office may not renew a branch office license unless  
477 the mortgage lender licensee continues to meet the minimum  
478 requirements for initial licensure pursuant to this section and  
479 adopted rule.

480 (c) A licensed branch office that fails to meet the  
481 requirements under this section for annual license renewal on or  
482 before December 31, but that meets such requirements after  
483 December 31 but before March 1, shall have such license status  
484 changed to "failed to renew" pending review and renewal by the  
485 office. A nonrefundable reinstatement fee of \$225 shall be  
486 charged in addition to and apart from any registry fees. The  
487 license status may not be changed until the requirements of this  
488 section have been met and all fees have been paid. If the  
489 licensee fails to submit the required information and pay the  
490 required fees by March 1, such license is expired and the  
491 mortgage lender licensee must apply for a new mortgage lender  
492 branch office license under subsection (2).

493 Section 14. Subsections (8) through (13) of section  
494 494.0067, Florida Statutes, are amended to read:

495 494.0067 Requirements of mortgage lenders.-

496 ~~(8) Each mortgage lender shall provide an applicant for a~~  
497 ~~mortgage loan a good faith estimate of the costs the applicant~~  
498 ~~can reasonably expect to pay in obtaining a mortgage loan. The~~  
499 ~~good faith estimate of costs must be mailed or delivered to the~~  
500 ~~applicant within 3 business days after the licensee receives a~~  
501 ~~written loan application from the applicant. The estimate of~~  
502 ~~costs may be provided to the applicant by a person other than~~  
503 ~~the licensee making the loan. The good faith estimate must~~



956228

504 ~~identify the recipient of all payments charged to the borrower~~  
505 ~~and, except for all fees to be received by the mortgage broker~~  
506 ~~and the mortgage lender, may be disclosed in generic terms, such~~  
507 ~~as, but not limited to, paid to appraiser, officials, title~~  
508 ~~company, or any other third-party service provider. The licensee~~  
509 ~~bears the burden of proving such disclosures were provided to~~  
510 ~~the borrower. The commission may adopt rules that set forth the~~  
511 ~~disclosure requirements of this section.~~

512 ~~(9) The disclosures in this subsection must be furnished in~~  
513 ~~writing at the time an adjustable rate mortgage loan is offered~~  
514 ~~to the borrower and whenever the terms of the adjustable rate~~  
515 ~~mortgage loan offered have a material change prior to closing.~~  
516 ~~The lender shall furnish the disclosures relating to adjustable~~  
517 ~~rate mortgages in a format prescribed by ss. 226.18 and 226.19~~  
518 ~~of Regulation Z of the Board of Governors of the Federal Reserve~~  
519 ~~System, as amended; its commentary, as amended; and the federal~~  
520 ~~Truth in Lending Act, 15 U.S.C. ss. 1601 et seq., as amended;~~  
521 ~~together with the Consumer Handbook on Adjustable Rate~~  
522 ~~Mortgages, as amended; published by the Federal Reserve Board~~  
523 ~~and the Federal Home Loan Bank Board. The licensee bears the~~  
524 ~~burden of proving such disclosures were provided to the~~  
525 ~~borrower.~~

526 ~~(10) In every mortgage loan transaction, each mortgage~~  
527 ~~lender shall notify a borrower of any material changes in the~~  
528 ~~terms of a mortgage loan previously offered to the borrower~~  
529 ~~within 3 business days after being made aware of such changes by~~  
530 ~~the lender but at least 3 business days before signing the~~  
531 ~~settlement or closing statement. The licensee bears the burden~~  
532 ~~of proving such notification was provided and accepted by the~~



956228

533 ~~borrower. A borrower may waive the right to receive notice of a~~  
534 ~~material change if the borrower determines that the extension of~~  
535 ~~credit is needed to meet a bona fide personal financial~~  
536 ~~emergency and the right to receive notice would delay the~~  
537 ~~closing of the mortgage loan. The imminent sale of the~~  
538 ~~borrower's home at foreclosure during the 3-day period before~~  
539 ~~the signing of the settlement or closing statement constitutes~~  
540 ~~an example of a bona fide personal financial emergency. In order~~  
541 ~~to waive the borrower's right to receive notice, the borrower~~  
542 ~~must provide the licensee with a dated written statement that~~  
543 ~~describes the personal financial emergency, waives the right to~~  
544 ~~receive the notice, bears the borrower's signature, and is not~~  
545 ~~on a printed form prepared by the licensee for the purpose of~~  
546 ~~such a waiver.~~

547 (8)~~(11)~~ A mortgage lender may close loans in its own name  
548 but may not service the loan for more than 4 months unless the  
549 lender has a servicing endorsement. Only a mortgage lender who  
550 continuously maintains a net worth of at least \$250,000 may  
551 obtain a servicing endorsement.

552 (9)~~(12)~~ A mortgage lender must report to the office the  
553 failure to meet the applicable net worth requirements of s.  
554 494.00611 within 2 days after the mortgage lender's knowledge of  
555 such failure or after the mortgage lender should have known of  
556 such failure.

557 (10)~~(13)~~ Each mortgage lender shall submit to the registry  
558 reports of condition which are in a form and which contain such  
559 information as the registry may require. The commission may  
560 prescribe by rule the deadline by which a mortgage lender must  
561 file a report of condition. For purposes of this section, the



956228

562 report of condition is synonymous with the registry's Mortgage  
563 Call Report.

564 Section 15. Section 494.0068, Florida Statutes, is  
565 repealed.

566 Section 16. Subsection (1) of section 494.007, Florida  
567 Statutes, is amended to read:

568 494.007 Commitment process.—

569 (1) If a commitment is issued, the mortgage lender shall  
570 disclose in writing:

571 (a) The expiration date of the commitment;

572 (b) The mortgage amount, meaning the face amount of credit  
573 provided to the borrower or in the borrower's behalf;

574 (c) If the interest rate or other terms are subject to  
575 change before expiration of the commitment:

576 1. The basis, index, or method, if any, which will be used  
577 to determine the rate at closing. Such basis, index, or method  
578 shall be established and disclosed with direct reference to the  
579 movement of an interest rate index or of a national or regional  
580 index that is available to and verifiable by the borrower and  
581 beyond the control of the lender; or

582 2. The following statement, in at least 10-point bold type:  
583 "The interest rate will be the rate established by the lender in  
584 its discretion as its prevailing rate . . . days before  
585 closing."; and

586 ~~(d) The amount of the commitment fee, if any, and whether~~  
587 ~~and under what circumstances the commitment fee is refundable;~~  
588 ~~and~~

589 (d)(e) The time, if any, within which the commitment must  
590 be accepted by the borrower.



956228

591 Section 17. Section 494.0073, Florida Statutes, is amended  
592 to read:

593 494.0073 Mortgage lender when acting as a mortgage broker.—  
594 The provisions of this part do not prohibit a mortgage lender  
595 from acting as a mortgage broker. However, in mortgage  
596 transactions in which a mortgage lender acts as a mortgage  
597 broker, the provisions of ss. 494.0038, ~~494.004(2)~~, 494.0042,  
598 and 494.0043(1), (2), and (3) apply.

599 Section 18. Sections 494.0078, 494.0079, 494.00791,  
600 494.00792, 494.00793, 494.00794, 494.00795, 494.00796, and  
601 494.00797, Florida Statutes, are repealed.

602 Section 19. Section 494.008, Florida Statutes, is repealed.

603 Section 20. This act shall take effect July 1, 2014.

604  
605 ===== T I T L E A M E N D M E N T =====

606 And the title is amended as follows:

607 Delete everything before the enacting clause  
608 and insert:

609 A bill to be entitled  
610 An act relating to loan originators, mortgage brokers,  
611 and mortgage lenders; amending s. 494.001, F.S.;  
612 adding and revising definitions; amending s. 494.0012,  
613 F.S.; authorizing the Office of Financial Regulation  
614 to conduct joint or concurrent examinations with other  
615 state or federal regulatory agencies; amending s.  
616 494.00255, F.S.; providing additional grounds for  
617 disciplinary action against a licensee or person  
618 required to be licensed; amending s. 494.00313, F.S.;  
619 providing additional requirements, fees, and



956228

620 consequences for failing to renew a loan originator  
621 license by a certain date; amending s. 494.00322,  
622 F.S.; providing additional requirements, fees, and  
623 consequences for a mortgage broker license renewal  
624 that is not submitted by a certain date; amending s.  
625 494.0036, F.S.; specifying requirements for the  
626 renewal of a mortgage broker branch office license;  
627 providing additional requirements, fees, and  
628 consequences for failing to renew a branch office  
629 license that is not submitted by a certain date;  
630 amending s. 494.0038, F.S.; deleting certain  
631 disclosure requirements relating to mortgage broker  
632 agreements; amending s. 494.004, F.S.; deleting  
633 certain notification requirements relating to mortgage  
634 loan transactions; authorizing the Financial Service  
635 Commission to specify a deadline for submitting  
636 reports of condition to the registry; amending s.  
637 494.0042, F.S.; deleting a cross-reference; repealing  
638 s. 494.00421, F.S., relating to fee disclosure  
639 requirements in a mortgage broker agreement; amending  
640 s. 494.00611, F.S.; correcting a cross-reference;  
641 amending s. 494.00612, F.S.; providing additional  
642 requirements, fees, and consequences for failing to  
643 renew a mortgage lender license that is not submitted  
644 by a certain date; amending s. 494.0066, F.S.;  
645 specifying mortgage lender branch office license  
646 renewal requirements; amending s. 494.0067, F.S.;  
647 deleting disclosure requirements relating to the  
648 provision of costs estimates for a mortgage loan;



956228

649        repealing s. 494.0068, F.S., relating to disclosure  
650        requirements in the loan application process; amending  
651        s. 494.007, F.S.; deleting a disclosure requirement  
652        relating to commitment fees; amending s. 494.0073,  
653        F.S.; deleting a cross-reference; repealing ss.  
654        494.0078, 494.0079, 494.00791, 494.00792, 494.00793,  
655        494.00794, 494.00795, 494.00796, and 494.00797, F.S.,  
656        relating to the Florida Fair Lending Act; repealing s.  
657        494.008, F.S., relating to Loans under Florida Uniform  
658        Land Sales Practices Law; providing an effective date.