

1                                   A bill to be entitled  
2           An act relating to family trust companies; amending s.  
3           662.102, F.S.; revising the purposes of the Family  
4           Trust Company Act; providing legislative findings;  
5           amending s. 662.111, F.S.; redefining the term  
6           "officer"; creating s. 662.113, F.S.; specifying the  
7           applicability of other chapters of the financial  
8           institutions codes to family trust companies;  
9           providing that the section does not limit the  
10          authority of the Office of Financial Regulation to  
11          investigate an entity to ensure that it does not  
12          violate of chapter 662, F.S., or applicable provisions  
13          of the financial institutions codes; amending s.  
14          662.120, F.S.; revising the ancestry requirements for  
15          designated relatives of a licensed family trust  
16          company; amending s. 662.1215, F.S.; revising the  
17          requirements for investigations of license applicants  
18          by the Office of Financial Regulation; amending s.  
19          662.122, F.S.; revising the requirements for  
20          registration of a family trust company and a foreign  
21          licensed family trust company; amending s. 662.1225,  
22          F.S.; requiring a foreign licensed family trust  
23          company to be in compliance with the family trust laws  
24          and regulations in its jurisdiction; specifying the  
25          date by which family trust companies must be  
26          registered or licensed or, if not registered or

27 licensed, cease doing business in this state; amending  
28 s. 662.123, F.S.; revising the types of amendments to  
29 organizational documents which must have prior  
30 approval by the office; amending s. 662.128, F.S.;  
31 extending the deadline for the filing of, and revising  
32 the requirements for, specified license and  
33 registration renewal applications; amending s.  
34 662.132, F.S.; revising the authority of specified  
35 family trust companies while acting as fiduciaries to  
36 purchase certain bonds and securities; revising the  
37 prohibition against the purchase of certain bonds or  
38 securities by specified family trust companies;  
39 amending s. 662.141, F.S.; revising the purposes for  
40 which the office may examine or investigate a family  
41 trust company that is not licensed and a foreign  
42 licensed family trust company; deleting the  
43 requirement that the office examine a family trust  
44 company that is not licensed and a foreign licensed  
45 family trust company; providing that the office may  
46 rely upon specified documentation that identifies the  
47 qualifications of beneficiaries as permissible  
48 recipients of family trust company services; deleting  
49 a provision that authorizes the office to accept an  
50 audit by a certified public accountant in lieu of an  
51 examination by the office; authorizing the Financial  
52 Services Commission to adopt rules establishing

53 | specified requirements for family trust companies;  
54 | amending s. 662.142, F.S.; deleting a provision that  
55 | authorizes the office to immediately revoke the  
56 | license of a licensed family trust company under  
57 | certain circumstances; revising the circumstances  
58 | under which the office may enter an order revoking the  
59 | license of a licensed family trust company; amending  
60 | s. 662.143, F.S.; revising the acts that may result in  
61 | the entry of a cease and desist order against  
62 | specified family trust companies and affiliated  
63 | parties; amending s. 662.144, F.S.; authorizing a  
64 | family trust company to have its terminated  
65 | registration or revoked license reinstated under  
66 | certain circumstances; revising the timeframe for a  
67 | family trust company to wind up its affairs under  
68 | certain circumstances; requiring the deposit of  
69 | certain fees and fines in the Financial Institutions'  
70 | Regulatory Trust Fund; amending s. 662.145, F.S.;  
71 | revising the office's authority to suspend a family  
72 | trust company-affiliated party who is charged with a  
73 | specified felony or to restrict or prohibit the  
74 | participation of such party in certain financial  
75 | institutions; s. 662.150, F.S.; making a technical  
76 | change; amending s. 662.151, F.S.; conforming a  
77 | provision to changes made by the act; providing an  
78 | effective date.

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

Section 1. Section 662.102, Florida Statutes, is amended to read:

662.102 Purposes; findings Purpose.—The purposes ~~purpose~~ of the Family Trust Company Act are ~~is~~ to establish requirements for licensing family trust companies, to regulate ~~provide~~ ~~regulation of these~~ persons who provide fiduciary services to family members of no more than two families and their related interests as a family trust company, and to establish the degree of regulatory oversight required of the Office of Financial Regulation over such companies. The ~~Unlike trust companies formed under chapter 658,~~ there is no public interest to be served by this chapter is to ensure ~~outside of ensuring~~ that fiduciary activities performed by a family trust company are restricted to family members and their related interests and as otherwise provided ~~for~~ in this chapter. Therefore, the Legislature finds that:

(1) A family trust company is ~~companies are~~ not a financial institution ~~institutions~~ within the meaning of the financial institutions codes, and ~~and~~ Licensure of such a company ~~these companies~~ pursuant to chapters 658 and 660 is ~~should~~ not be required as it would not promote the purposes of the codes specified ~~as set forth~~ in s. 655.001.

(2) A family trust company may elect to be a licensed

105 family trust company under this chapter if the company desires  
 106 to be subject to the regulatory oversight of the office, as  
 107 provided in this chapter, notwithstanding that the company  
 108 restricts its services to family members.

109 (3) With respect to: ~~Consequently, the office~~

110 (a) A licensed ~~of Financial Regulation~~ is not responsible  
 111 ~~for regulating~~ family trust company, the office is responsible  
 112 for regulating, supervising, and examining the company as  
 113 provided under this chapter.

114 (b) A family trust company that does not elect to be  
 115 licensed and a foreign licensed family trust company, ~~companies~~  
 116 ~~to ensure their safety and soundness, and the responsibility of~~  
 117 the ~~office's role~~ office is limited to ensuring that fiduciary  
 118 services provided by the company ~~such companies~~ are restricted  
 119 to family members and authorized related interests and not to  
 120 the general public. The office is not responsible for examining  
 121 a family trust company or a foreign licensed family trust  
 122 company regarding the safety or soundness of its operations.

123 Section 2. Subsection (19) of section 662.111, Florida  
 124 Statutes, is amended to read:

125 662.111 Definitions.—As used in this chapter, the term:

126 (19) "Officer" of a family trust company means an  
 127 individual, regardless of whether the individual has an official  
 128 title or receives a salary or other compensation, who may  
 129 participate in the major policymaking functions of a family  
 130 trust company, other than as a director. The term does not

131 include an individual who may have an official title and  
132 exercise discretion in the performance of duties and functions,  
133 but who does not participate in determining the major policies  
134 of the family trust company and whose decisions are limited by  
135 policy standards established by other officers, regardless of  
136 whether the policy standards have been adopted by the board of  
137 directors. The chair of the board of directors, the president,  
138 the chief officer, the chief financial officer, the senior trust  
139 officer, and all executive vice presidents of a family trust  
140 company, and all managers if organized as a limited liability  
141 company, are presumed to be ~~executive~~ officers unless such  
142 officer is excluded, by resolution of the board of directors or  
143 members or by the bylaws or operating agreement of the family  
144 trust company, other than in the capacity of a director, from  
145 participating in major policymaking functions of the family  
146 trust company, and such excluded officer does not actually  
147 participate therein.

148 Section 3. Section 662.113, Florida Statutes, is created  
149 to read:

150 662.113 Applicability of other chapters of the financial  
151 institutions codes.—If a family trust company, licensed family  
152 trust company, or foreign licensed family trust company limits  
153 its activities to the activities authorized under this chapter,  
154 the provisions of other chapters of the financial institutions  
155 codes do not apply to the trust company unless otherwise  
156 expressly provided in this chapter. This section does not limit

157 the office's authority to investigate an entity to ensure that  
158 it does not violate this chapter or applicable provisions of the  
159 financial institutions codes.

160 Section 4. Subsection (2) of section 662.120, Florida  
161 Statutes, is amended to read:

162 662.120 Maximum number of designated relatives.—

163 (2) A licensed family trust company may ~~not~~ have up to  
164 ~~more than~~ two designated relatives, ~~and~~ The designated  
165 relatives may not have a common ancestor within three ~~five~~  
166 generations.

167 Section 5. Paragraph (e) is added to subsection (2) of  
168 section 662.1215, Florida Statutes, to read:

169 662.1215 Investigation of license applicants.—

170 (2) Upon filing an application for a license to operate as  
171 a licensed family trust company, the office shall conduct an  
172 investigation to confirm:

173 (e) That the management structure of the proposed company  
174 complies with s. 662.125.

175 Section 6. Paragraph (b) of subsection (1) and paragraphs  
176 (a) and (c) of subsection (2) of section 662.122, Florida  
177 Statutes, are amended to read:

178 662.122 Registration of a family trust company or a  
179 foreign licensed family trust company.—

180 (1) A family trust company that is not applying under s.  
181 662.121 to become a licensed family trust company must register  
182 with the office before beginning operations in this state. The

183 registration application must:

184 (b) State that the family trust company is a family trust  
 185 company as defined under this chapter and that its operations  
 186 will comply with ss. 662.1225, 662.123(1), 662.124, 662.125,  
 187 662.127, 662.131, and 662.134.

188 (2) A foreign licensed family trust company must register  
 189 with the office before beginning operations in this state.

190 (a) The registration application must state that its  
 191 operations will comply with ss. 662.1225, 662.125, 662.127,  
 192 662.131, and 662.134 and that it is currently in compliance with  
 193 the family trust company laws and regulations of its principal  
 194 jurisdiction.

195 (c) The registration must include a certified copy of a  
 196 certificate of good standing, or an equivalent document,  
 197 authenticated by the official having custody of records in the  
 198 jurisdiction where the foreign licensed family trust company is  
 199 organized, along with satisfactory proof, as determined by the  
 200 office, that the company is organized in a manner similar to a  
 201 family trust company as defined under this chapter and is in  
 202 compliance with the family trust company laws and regulations of  
 203 its principal jurisdiction.

204 Section 7. Subsection (2) of section 662.1225, Florida  
 205 Statutes, is amended, and subsection (3) is added to that  
 206 section, to read:

207 662.1225 Requirements for a family trust company, licensed  
 208 family trust company, or foreign licensed family trust company.—

209           (2) In order to operate in this state, a foreign licensed  
 210 family trust company must be in good standing in its principal  
 211 jurisdiction, must be in compliance with the family trust  
 212 company laws and regulations of its principal jurisdiction, and  
 213 must maintain:

214           (a) An office physically located in this state where  
 215 original or true copies of all records and accounts of the  
 216 foreign licensed family trust company pertaining to its  
 217 operations in this state may be accessed and made readily  
 218 available for examination by the office in accordance with this  
 219 chapter.

220           (b) A registered agent who has an office in this state at  
 221 the street address of the registered agent.

222           (c) All applicable state and local business licenses,  
 223 charters, and permits.

224           (d) A deposit account with a state-chartered or national  
 225 financial institution that has a principal or branch office in  
 226 this state.

227           (3) A company in operation as of October 1, 2016, which  
 228 meets the definition of a family trust company, must, on or  
 229 before December 30, 2016, apply for licensure as a licensed  
 230 family trust company, register as a family trust company or  
 231 foreign licensed family trust company, or cease doing business  
 232 in this state.

233           Section 8. Subsection (2) of section 662.123, Florida  
 234 Statutes, is amended to read:

235           662.123 Organizational documents; use of term "family  
236 trust" in name.—

237           (2) A proposed amendment to the articles of incorporation,  
238 articles of organization, certificate of formation, or  
239 certificate of organization, ~~bylaws, or articles of organization~~  
240 of a ~~limited liability company~~, family trust company, or  
241 licensed family trust company must be submitted to the office  
242 for review at least 30 days before it is filed or effective. An  
243 amendment is not considered filed or effective if the office  
244 issues a notice of disapproval with respect to the proposed  
245 amendment.

246           Section 9. Subsections (1) through (4) of section 662.128,  
247 Florida Statutes, are amended to read:

248           662.128 Annual renewal.—

249           (1) Within 45 ~~30~~ days after the end of each calendar year,  
250 a family trust company ~~companies~~, licensed family trust company  
251 ~~companies~~, or ~~and~~ foreign licensed family trust company  
252 ~~companies~~ shall file its ~~their~~ annual renewal application with  
253 the office.

254           (2) The license renewal application filed by a licensed  
255 family trust company must include a verified statement by an  
256 authorized representative of the trust company that:

257           (a) The licensed family trust company operated in full  
258 compliance with this chapter, chapter 896, or similar state or  
259 federal law, or any related rule or regulation. The application  
260 must include proof acceptable to the office that the company is

261 a family trust company as defined under this chapter.

262 (b) Describes any material changes to its operations,  
263 principal place of business, directors, officers, managers,  
264 members acting in a managerial capacity, and designated  
265 relatives since the end of the preceding calendar year.

266 (3) The registration renewal application filed by a family  
267 trust company must include:

268 (a) A verified statement by an authorized representative  
269 ~~officer~~ of the trust company that it is a family trust company  
270 as defined under this chapter and that its operations are in  
271 compliance with ss. 662.1225, 662.123(1), 662.124, 662.125,  
272 662.127, 662.131, and 662.134, ~~+~~ chapter 896, ~~+~~ or similar state  
273 or federal law, ~~+~~ or ~~any~~ related rule or regulation.

274 (b) ~~and include~~ The name of the company's ~~its~~ designated  
275 relative or relatives, if applicable, and the street address for  
276 its principal place of business.

277 (4) The registration renewal application filed by a  
278 foreign licensed family trust company must include a verified  
279 statement by an authorized representative of the trust company  
280 that its operations are in compliance with ss. 662.1225,  
281 662.125, 662.131, and 662.134 and in compliance with the family  
282 trust company laws and regulations of its principal  
283 jurisdiction. It must also provide:

284 (a) The current telephone number and street address of the  
285 physical location of its principal place of business in its  
286 principal jurisdiction.

287 (b) The current telephone number and street address of the  
 288 physical location in this state of its principal place of  
 289 operations where its books and records pertaining to its  
 290 operations in this state are maintained.

291 (c) The current telephone number and address of the  
 292 physical location of any other offices located in this state.

293 (d) The name and current street address in this state of  
 294 its registered agent.

295 (e) Documentation satisfactory to the office that the  
 296 foreign licensed family trust company is in compliance with the  
 297 family trust company laws and regulations of its principal  
 298 jurisdiction.

299 Section 10. Subsections (4) and (7) of section 662.132,  
 300 Florida Statutes, are amended to read:

301 662.132 Investments.—

302 (4) Notwithstanding any other law, a family trust company  
 303 or licensed family trust company may, while acting as a  
 304 fiduciary, purchase directly from underwriters or broker-dealers  
 305 ~~distributors~~ or in the secondary market:

306 (a) Bonds or other securities underwritten or brokered  
 307 ~~distributed~~ by:

308 1. The family trust company or licensed family trust  
 309 company;

310 2. A family affiliate; or

311 3. A syndicate, including the family trust company,  
 312 licensed family trust company, or family affiliate.

313 (b) Securities of an investment company, including a  
 314 mutual fund, closed-end fund, or unit investment trust, as  
 315 defined under the federal Investment Company Act of 1940, for  
 316 which the family trust company or licensed family trust company  
 317 acts as an advisor, custodian, distributor, manager, registrar,  
 318 shareholder servicing agent, sponsor, or transfer agent.

319 (7) Notwithstanding subsections (1)-(6), a family trust  
 320 company or licensed family trust company may not, while acting  
 321 as a fiduciary, purchase a bond or security issued by the  
 322 company or its parent, or a subsidiary company ~~an affiliate~~  
 323 thereof or its parent, unless:

324 (a) The family trust company or licensed family trust  
 325 company is expressly authorized to do so by:

- 326 1. The terms of the instrument creating the trust;
- 327 2. A court order;
- 328 3. The written consent of the settlor of the trust for  
 329 which the family trust company or licensed family trust company  
 330 is serving as trustee; or
- 331 4. The written consent of every adult qualified  
 332 beneficiary of the trust who, at the time of such purchase, is  
 333 entitled to receive income under the trust or who would be  
 334 entitled to receive a distribution of principal if the trust  
 335 were terminated; and

336 (b) The purchase of the security is at a fair price and  
 337 complies with:

- 338 1. The prudent investor rule in s. 518.11~~7~~ or other

339 prudent investor or similar rule under other applicable law,  
340 unless ~~such~~ compliance is waived in accordance with s. 518.11 or  
341 other applicable law.

342 2. The terms of the instrument, judgment, decree, or order  
343 establishing the fiduciary relationship.

344 Section 11. Section 662.141, Florida Statutes, is amended  
345 to read:

346 662.141 Examination, investigations, and fees.—The office  
347 may conduct an examination or investigation of a ~~family trust~~  
348 ~~company,~~ licensed family trust company, ~~or foreign licensed~~  
349 ~~family trust company~~ at any time it deems necessary to determine  
350 whether the a family trust company, licensed family trust  
351 company, ~~foreign licensed family trust company,~~ or licensed  
352 family trust company-affiliated party thereof ~~person~~ has  
353 violated or is about to violate any provision of this chapter,  
354 ~~or rules adopted by the commission pursuant to this chapter, or~~  
355 any applicable provision of the financial institution codes, or  
356 any rule ~~rules~~ adopted by the commission pursuant to this  
357 chapter or the ~~such~~ codes. The office may conduct an examination  
358 or investigation of a family trust company or foreign licensed  
359 family trust company at any time it deems necessary to determine  
360 whether the family trust company or foreign licensed family  
361 trust company has engaged in any act prohibited under s. 662.131  
362 or s. 662.134 and, if a family trust company or a foreign  
363 licensed family trust company has engaged in such act, to  
364 determine whether any applicable provision of the financial

365 institution codes has been violated.

366 (1) The office may rely upon a certificate of trust, trust  
367 summary, or written statement from the trust company which  
368 identifies the qualified beneficiaries of any trust or estate  
369 for which a family trust company, licensed family trust company,  
370 or foreign licensed family trust company serves as a fiduciary  
371 and the qualifications of such beneficiaries as permissible  
372 recipients of company services.

373 (2) The office shall conduct an examination of a licensed  
374 family trust company, ~~family trust company, or foreign licensed~~  
375 ~~family trust company~~ at least once every 36 ~~18~~ months.

376 ~~(2) In lieu of an examination by the office, the office~~  
377 ~~may accept an audit of a family trust company, licensed family~~  
378 ~~trust company, or foreign licensed family trust company by a~~  
379 ~~certified public accountant licensed to practice in this state~~  
380 ~~who is independent of the company, or other person or entity~~  
381 ~~acceptable to the office. If the office accepts an audit~~  
382 ~~pursuant to this subsection, the office shall conduct the next~~  
383 ~~required examination.~~

384 ~~(3)~~ The office shall examine the books and records of a  
385 ~~family trust company or licensed family trust company as~~  
386 necessary to determine whether it is a ~~family trust company or~~  
387 licensed family trust company as defined in this chapter, and is  
388 operating in compliance with this chapter ss. 662.1225, 662.125,  
389 ~~662.126, 662.131, and 662.134, as applicable. The office may~~  
390 ~~rely upon a certificate of trust, trust summary, or written~~

391 ~~statement from the trust company identifying the qualified~~  
392 ~~beneficiaries of any trust or estate for which the family trust~~  
393 ~~company serves as a fiduciary and the qualification of the~~  
394 ~~qualified beneficiaries as permissible recipients of company~~  
395 ~~services. The commission may establish by rule the records to be~~  
396 ~~maintained or requirements necessary to demonstrate conformity~~  
397 ~~with this chapter as a family trust company or licensed family~~  
398 ~~trust company.~~

399       (3)~~(4)~~ The office shall examine the books and records of a  
400 foreign licensed family trust company as necessary to determine  
401 if it is a foreign licensed trust company as defined in this  
402 chapter and is in compliance with ss. 662.1225, 662.125,  
403 662.130(2), 662.131, and 662.134. In connection with an  
404 examination of the books and records of the company, the office  
405 may rely upon the most recent examination report or review or  
406 certification letters or similar documentation issued by the  
407 regulatory agency to which the foreign licensed family trust  
408 company is subject to supervision. ~~The commission may establish~~  
409 ~~by rule the records to be maintained or requirements necessary~~  
410 ~~to demonstrate conformity with this chapter as a foreign~~  
411 ~~licensed family trust company.~~ The office's examination of the  
412 books and records of a foreign licensed family trust company is,  
413 to the extent practicable, limited to books and records of the  
414 operations in this state.

415       (4)~~(5)~~ For each examination of the books and records of a  
416 family trust company, licensed family trust company, or foreign

417 licensed family trust company as authorized under this chapter,  
 418 the trust company shall pay a fee for the costs of the  
 419 examination by the office. As used in this section, the term  
 420 "costs" means the salary and travel expenses of field staff  
 421 which are directly attributable to the examination of the trust  
 422 company and the travel expenses of any supervisory and ~~or~~  
 423 support staff required as a result of examination findings. The  
 424 mailing of payment for costs incurred must be postmarked within  
 425 30 days after the receipt of a notice stating that the such  
 426 costs are due. The office may levy a late payment of up to \$100  
 427 per day or part thereof that a payment is overdue, unless waived  
 428 for good cause. However, if the late payment of costs is  
 429 intentional, the office may levy an administrative fine of up to  
 430 \$1,000 per day for each day the payment is overdue.

431 (5) ~~(6)~~ All fees collected under this section must be  
 432 deposited into the Financial Institutions' Regulatory Trust Fund  
 433 pursuant to s. 655.049 for the purpose of administering this  
 434 chapter.

435 (6) The commission may establish by rule the records to be  
 436 maintained or requirements necessary to demonstrate conformity  
 437 with this chapter as a family trust company, licensed family  
 438 trust company, or foreign licensed family trust company.

439 Section 12. Section 662.142, Florida Statutes, is amended  
 440 to read:

441 662.142 Revocation of license.—

442 (1) Any of the following acts constitute ~~or conduct~~

443 ~~constitutes~~ grounds for the revocation by the office of the  
 444 license of a licensed family trust company:

445 (a) The company is not a family trust company as defined  
 446 in this chapter.~~†~~

447 (b) A violation of s. 662.1225, s. 662.123(1)(a), s.  
 448 662.125(2), s. 662.126, s. 662.127, s. 662.128, s. 662.130, s.  
 449 662.131, s. 662.134, or s. 662.144.~~†~~

450 (c) A violation of chapter 896, relating to financial  
 451 transactions offenses, or a ~~any~~ similar state or federal law or  
 452 ~~any~~ related rule or regulation.~~†~~

453 (d) A violation of any rule of the commission.~~†~~

454 (e) A violation of any order of the office.~~†~~

455 (f) A breach of any written agreement with the office.~~†~~

456 (g) A prohibited act or practice under s. 662.131.~~†~~

457 (h) A failure to provide information or documents to the  
 458 office upon written request.~~†~~ ~~or~~

459 (i) An act of commission or omission which ~~that~~ is  
 460 judicially determined by a court of competent jurisdiction to be  
 461 a breach of trust or ~~of~~ fiduciary duty ~~pursuant to a court of~~  
 462 ~~competent jurisdiction.~~

463 (2) If the office finds ~~Upon a finding~~ that a licensed  
 464 family trust company has committed any of the acts specified ~~set~~  
 465 ~~forth~~ in subsection (1) ~~paragraphs (1)(a)-(h)~~, the office may  
 466 enter an order suspending the company's license and provide  
 467 notice of its intention to revoke the license and of the  
 468 opportunity for a hearing pursuant to ss. 120.569 and 120.57.

469        (3) If a hearing is not timely requested pursuant to ss.  
 470 120.569 and 120.57 or if a hearing is held and it has been  
 471 determined that the licensed family trust company has committed  
 472 any of the acts specified in subsection (1) ~~there has been a~~  
 473 ~~commission or omission under paragraph (1)(i)~~, the office may  
 474 ~~immediately~~ enter an order revoking the company's license. A The  
 475 licensed family trust company has ~~shall have~~ 90 days to wind up  
 476 its affairs after license revocation. If after 90 days the  
 477 company is still in operation, the office may seek an order from  
 478 the circuit court for the annulment or dissolution of the  
 479 company.

480        Section 13. Subsection (1) of section 662.143, Florida  
 481 Statutes, is amended to read:

482        662.143 Cease and desist authority.—

483        (1) The office may issue and serve upon a family trust  
 484 company, licensed family trust company, ~~or~~ foreign licensed  
 485 family trust company, or ~~upon a~~ family trust company-affiliated  
 486 party, a complaint stating charges if the office has reason to  
 487 believe that such company, family trust company-affiliated  
 488 party, or individual named therein is engaging in or has engaged  
 489 in any of the following acts ~~conduct that~~:

490        (a) ~~Indicates that~~ The company is not a family trust  
 491 company or foreign licensed family trust company as defined in  
 492 this chapter. ~~+~~

493        (b) ~~Is~~ A violation of s. 662.1225, s. 662.123(1)(a), s.  
 494 662.125(2), s. 662.126, s. 662.127, s. 662.128, s. 662.130, or

495 s. 662.134.~~†~~  
 496 (c) ~~Is~~ A violation of any rule of the commission.~~†~~  
 497 (d) ~~Is~~ A violation of any order of the office.~~†~~  
 498 (e) ~~Is~~ A breach of any written agreement with the office.~~†~~  
 499 (f) ~~Is~~ A prohibited act or practice pursuant to s.  
 500 662.131.~~†~~  
 501 (g) ~~Is~~ A willful failure to provide information or  
 502 documents to the office upon written request.~~†~~  
 503 (h) ~~Is~~ An act of commission or omission that is judicially  
 504 determined by ~~or~~ a court of competent jurisdiction ~~practice that~~  
 505 ~~the office has reason to be believe is~~ a breach of trust or ~~of~~  
 506 fiduciary duty.~~†~~~~or~~  
 507 (i) ~~Is~~ A violation of chapter 896 or similar state or  
 508 federal law or any related rule or regulation.  
 509 Section 14. Section 662.144, Florida Statutes, is amended  
 510 to read:  
 511 662.144 Failure to submit required report; fines.—If a  
 512 family trust company, licensed family trust company, or foreign  
 513 licensed family trust company fails to submit within the  
 514 prescribed period its annual renewal or any other report  
 515 required by this chapter or any rule, the office may impose a  
 516 fine of up to \$100 for each day that the annual renewal or  
 517 report is overdue. Failure to provide the annual renewal within  
 518 60 days after the end of the calendar year shall automatically  
 519 result in termination of the registration of a family trust  
 520 company or foreign licensed family trust company or revocation

521 of the license of a licensed family trust company. A family  
 522 trust company may have its registration or license automatically  
 523 reinstated by submitting to the office, on or before August 31  
 524 of the calendar year in which the renewal application is due,  
 525 the company's annual renewal application and fee required under  
 526 s. 662.128, a \$500 late fee, and the amount of any fine imposed  
 527 by the office under this section. A family ~~The~~ trust company  
 528 that fails to renew or reinstate its registration or license  
 529 must ~~shall thereafter have 90 days to~~ wind up its affairs on or  
 530 before November 30 of the calendar year in which such failure  
 531 occurs. Fees and fines collected under this section shall be  
 532 deposited into the Financial Institutions' Regulatory Trust Fund  
 533 pursuant to s. 655.049 for the purpose of administering this  
 534 chapter.

535 Section 15. Paragraph (a) of subsection (6) of section  
 536 662.145, Florida Statutes, is amended to read:

537 662.145 Grounds for removal.—

538 (6) The chief executive officer, or the person holding the  
 539 equivalent office, of a family trust company or licensed family  
 540 trust company shall promptly notify the office if he or she has  
 541 actual knowledge that a family trust company-affiliated party is  
 542 charged with a felony in a state or federal court.

543 (a) If a family trust company-affiliated party is charged  
 544 with a felony in a state or federal court, or is charged with an  
 545 offense in a court ~~the courts~~ of a foreign country with which  
 546 the United States maintains diplomatic relations which involves

547 a violation of law relating to fraud, currency transaction  
 548 reporting, money laundering, theft, or moral turpitude and the  
 549 charge is equivalent to a felony charge under state or federal  
 550 law, the office may enter an emergency order suspending the  
 551 family trust company-affiliated party or restricting or  
 552 prohibiting participation by such ~~company-affiliated~~ party in  
 553 the affairs of that particular family trust company or licensed  
 554 family trust company or any state financial institution,  
 555 subsidiary, or service corporation, upon service of the order  
 556 upon the company and ~~the~~ family trust company-affiliated party  
 557 ~~se~~ charged.

558 Section 16. Paragraph (b) of subsection (1) of section  
 559 662.150, Florida Statutes, is amended to read:

560 662.150 Domestication of a foreign family trust company.—

561 (1) A foreign family trust company lawfully organized and  
 562 currently in good standing with the state regulatory agency in  
 563 the jurisdiction where it is organized may become domesticated  
 564 in this state by:

565 (b) Filing an application for a license to begin  
 566 operations as a licensed family trust company in accordance with  
 567 s. 662.121, which must first be approved by the office, or by  
 568 filing the prescribed form with the office to register as a  
 569 family trust company to begin operations in accordance with s.  
 570 662.122.

571 Section 17. Subsection (3) of section 662.151, Florida  
 572 Statutes, is amended to read:

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573           662.151 Registration of a foreign licensed family trust  
574 company to operate in this state.—A foreign licensed family  
575 trust company lawfully organized and currently in good standing  
576 with the state regulatory agency in the jurisdiction under the  
577 law of which it is organized may qualify to begin operations in  
578 this state by:

579           ~~(3) A company in operation as of the effective date of~~  
580 ~~this act that meets the definition of a family trust company~~  
581 ~~shall have 90 days from the effective date of this act to apply~~  
582 ~~for licensure as a licensed family trust company, register as a~~  
583 ~~family trust company or foreign licensed family trust company,~~  
584 ~~or cease doing business in this state.~~

585           Section 18. This act shall take effect upon becoming a  
586 law.