

**By** the Committees on Judiciary; and Banking and Insurance; and  
Senators Smith and Richter

590-02336-16

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1 A bill to be entitled

2 An act relating to financial transactions; amending s.  
3 501.0117, F.S.; providing that a convenience fee  
4 imposed upon a student or family paying certain fees  
5 by credit card to a private school is not considered a  
6 surcharge; amending s. 670.108, F.S.; revising  
7 applicability; providing that ch. 670, F.S., governs  
8 certain funds transfers that are remittance transfers;  
9 providing that the federal Electronic Fund Transfer  
10 Act governs any inconsistency between a funds transfer  
11 made under the federal act and a funds transfer made  
12 under ch. 670, F.S.; amending s. 701.03, F.S.;

13 reducing the time limit for a mortgagee or an assignee  
14 to cancel a mortgage, except in cases where the loan  
15 is an open-end mortgage; authorizing an open-end  
16 mortgage to be canceled within a specified timeframe  
17 if the borrower provides written notice of his or her  
18 intent to close the open-end mortgage; providing  
19 applicability; amending s. 516.07, F.S.; revising the  
20 grounds for denial of an application for a license to  
21 make consumer finance loans; providing applicability;  
22 providing an effective date.

23  
24 Be It Enacted by the Legislature of the State of Florida:

25  
26 Section 1. Subsection (1) of section 501.0117, Florida  
27 Statutes, is amended to read:

28 501.0117 Credit cards; transactions in which seller or  
29 lessor prohibited from imposing surcharge; penalty.—

30 (1) A seller or lessor in a sales or lease transaction may  
31 not impose a surcharge on the buyer or lessee for electing to

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32 use a credit card in lieu of payment by cash, check, or similar  
33 means, if the seller or lessor accepts payment by credit card. A  
34 surcharge is any additional amount imposed at the time of a sale  
35 or lease transaction by the seller or lessor that increases the  
36 charge to the buyer or lessee for the privilege of using a  
37 credit card to make payment. Charges imposed pursuant to  
38 approved state or federal tariffs are not considered to be a  
39 surcharge, and charges made under such tariffs are exempt from  
40 this section. A convenience fee imposed upon a student or family  
41 paying tuition, fees, or other student account charges by credit  
42 card to a William L. Boyd, IV, Florida resident access grant  
43 eligible institution, as defined in s. 1009.89, or to a private  
44 school, as defined in s. 1002.01, is not considered to be a  
45 surcharge and is exempt from this section if the amount of the  
46 convenience fee does not exceed the total cost charged by the  
47 credit card company to the institution. The term "credit card"  
48 includes those cards for which unpaid balances are payable on  
49 demand. This section does not apply to the offering of a  
50 discount for the purpose of inducing payment by cash, check, or  
51 other means not involving the use of a credit card, if the  
52 discount is offered to all prospective customers.

53 Section 2. Section 670.108, Florida Statutes, is amended to  
54 read:

55 670.108 Relationship to Electronic Fund Transfer Act  
56 ~~Exclusion of consumer transactions governed by federal law.-~~

57 (1) Except as provided in subsection (2), this chapter does  
58 not apply to a funds transfer any part of which is governed by  
59 the Electronic Fund Transfer Act of 1978 (Title XX, Pub. L. No.  
60 95-630, 92 Stat. 3728, 15 U.S.C. ss. 1693 et seq.), as amended

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61 from time to time.

62 (2) This chapter applies to a funds transfer that is a  
63 remittance transfer as defined in the Electronic Fund Transfer  
64 Act, 15 U.S.C. s. 1693o-1, as amended from time to time, unless  
65 the remittance transfer is an electronic fund transfer as  
66 defined in the Electronic Fund Transfer Act, 15 U.S.C. s. 1693a,  
67 as amended from time to time.

68 (3) If there is an inconsistency between a funds transfer  
69 under this chapter and the Electronic Fund Transfer Act, the  
70 Electronic Fund Transfer Act governs the inconsistency.

71 Section 3. Section 701.03, Florida Statutes is amended to  
72 read:

73 701.03 Cancellation.—

74 (1) Whenever the amount of money due under a promissory  
75 note secured by a ~~on any~~ mortgage is ~~shall be~~ fully paid, the  
76 mortgagee or assignee shall within 45 ~~60~~ days after satisfaction  
77 of the mortgage thereafter cancel the mortgage ~~same~~ in the  
78 manner provided by law, unless the mortgage is an open-end  
79 mortgage.

80 (2) A mortgage that is an open-end mortgage as provided in  
81 the loan agreement may be canceled upon written notice from the  
82 borrower of the intent to close the mortgage. The mortgagee or  
83 assignee shall cancel the open-end mortgage within 45 days after  
84 receiving the notice. This subsection does not apply to an open-  
85 end mortgage existing before July 1, 2016, if the loan agreement  
86 contained procedures for canceling the mortgage.

87 Section 4. Paragraph (k) of subsection (1) of section  
88 516.07, Florida Statutes, is amended to read:

89 516.07 Grounds for denial of license or for disciplinary

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90 action.—

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

95 (k) Paying money or anything else of value, directly or  
96 indirectly, to any person as compensation, inducement, or reward  
97 for referring loan applicants to a licensee, if such amount is  
98 charged directly or indirectly to the borrower.

99 Section 5. This act applies to remittance transfers  
100 initiated on or after July 1, 2016.

101 Section 6. This act shall take effect July 1, 2016.