

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

597-03218-16

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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. 516.07, F.S.; revising the  
7 grounds for denial of an application for a license to  
8 make consumer finance loans; amending s. 670.108,  
9 F.S.; revising applicability; providing that ch. 670,  
10 F.S., governs certain funds transfers that are  
11 remittance transfers; providing that the federal  
12 Electronic Fund Transfer Act governs any inconsistency  
13 between a funds transfer made under the federal act  
14 and a funds transfer made under ch. 670, F.S.;

15 amending s. 701.03, F.S.; reducing the time limit for  
16 a mortgagee or an assignee to cancel a mortgage,  
17 except in cases where the loan is an open-end  
18 mortgage; authorizing an open-end mortgage to be  
19 canceled within a specified timeframe if the borrower  
20 provides written notice of his or her intent to close  
21 the open-end mortgage; providing that a requirement  
22 that certain mortgages be cancelled within a specified  
23 timeframe does not apply to an open-ended mortgage  
24 existing before a certain date if the loan agreement  
25 contained procedures for cancelling the mortgage;  
26 providing applicability; providing an effective date.

27  
28 Be It Enacted by the Legislature of the State of Florida:

29  
30 Section 1. Subsection (1) of section 501.0117, Florida  
31 Statutes, is amended to read:

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32 501.0117 Credit cards; transactions in which seller or  
33 lessor prohibited from imposing surcharge; penalty.—

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

57 Section 2. Paragraph (k) of subsection (1) of section  
58 516.07, Florida Statutes, is amended to read:

59 516.07 Grounds for denial of license or for disciplinary  
60 action.—

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

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

69 Section 3. Section 670.108, Florida Statutes, is amended to  
70 read:

71 670.108 Relationship to Electronic Fund Transfer Act  
72 ~~Exclusion of consumer transactions governed by federal law.-~~

73 (1) Except as provided in subsection (2), this chapter does  
74 not apply to a funds transfer any part of which is governed by  
75 the Electronic Fund Transfer Act of 1978 (Title XX, Pub. L. No.  
76 95-630, 92 Stat. 3728, 15 U.S.C. ss. 1693 et seq.), as amended  
77 from time to time.

78 (2) This chapter applies to a funds transfer that is a  
79 remittance transfer as defined in the Electronic Fund Transfer  
80 Act, 15 U.S.C. s. 1693o-1, as amended from time to time, unless  
81 the remittance transfer is an electronic fund transfer as  
82 defined in the Electronic Fund Transfer Act, 15 U.S.C. s. 1693a,  
83 as amended from time to time.

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

87 Section 4. Section 701.03, Florida Statutes is amended to  
88 read:

89 701.03 Cancellation.-

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90           (1) Whenever the amount of money due under a promissory  
91 note secured by a ~~on any~~ mortgage is shall be fully paid, the  
92 mortgagee or assignee shall within 45 ~~60~~ days after satisfaction  
93 of the mortgage thereafter cancel the mortgage ~~same~~ in the  
94 manner provided by law, unless the mortgage is an open-end  
95 mortgage.

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

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

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