

By the Committee on Banking and Insurance; and Senator Gaetz

597-01293-16

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1 A bill to be entitled
2 An act relating to consumer credit; amending s.
3 516.07, F.S.; authorizing the Office of Financial
4 Regulation to deny a license or take disciplinary
5 action against a person who violates the Military
6 Lending Act or the regulations adopted under that act
7 in connection with a consumer finance loan under the
8 Florida Consumer Finance Act; amending s. 537.013,
9 F.S.; prohibiting a title loan lender or its agent or
10 employee from violating the Military Lending Act or
11 the regulations adopted under that act; amending s.
12 560.114, F.S.; authorizing the office to take
13 disciplinary action or deny a license of a money
14 services business, authorized vendor, or affiliated
15 party in connection with a deferred presentment
16 transaction for violating the Military Lending Act or
17 the regulations adopted under that act; creating s.
18 655.035, F.S.; authorizing the office to conduct an
19 investigation to determine whether a person is
20 violating the Military Lending Act or the regulations
21 adopted under that act; authorizing the office to seek
22 specified remedies for such violations; providing
23 applicability; providing an effective date.

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

26
27 Section 1. Paragraph (q) is added to subsection (1) of
28 section 516.07, Florida Statutes, to read:

29 516.07 Grounds for denial of license or for disciplinary

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30 action.—

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

35 (q) Violating any provision of the Military Lending Act, 10
36 U.S.C. s. 987, or the regulations adopted under that act in 32
37 C.F.R. part 232, in connection with a consumer finance loan made
38 under this chapter.

39 Section 2. Paragraph (o) is added to subsection (1) of
40 section 537.013, Florida Statutes, to read:

41 537.013 Prohibited acts.—

42 (1) A title loan lender, or any agent or employee of a
43 title loan lender, shall not:

44 (o) Violate any provision of the Military Lending Act, 10
45 U.S.C. s. 987, or the regulations adopted under that act in 32
46 C.F.R. part 232, in connection with a title loan made under this
47 chapter.

48 Section 3. Paragraph (cc) is added to subsection (1) of
49 section 560.114, Florida Statutes, to read:

50 560.114 Disciplinary actions; penalties.—

51 (1) The following actions by a money services business,
52 authorized vendor, or affiliated party constitute grounds for
53 the issuance of a cease and desist order; the issuance of a
54 removal order; the denial, suspension, or revocation of a
55 license; or taking any other action within the authority of the
56 office pursuant to this chapter:

57 (cc) Violating any provision of the Military Lending Act,
58 10 U.S.C. s. 987, or the regulations adopted under that act in

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59 32 C.F.R. part 232, in connection with a deferred presentment
60 transaction conducted under part IV of this chapter.

61 Section 4. Section 655.035, Florida Statutes, is created to
62 read:

63 655.035 Military lending.—Pursuant to s. 655.032, the
64 office may conduct an investigation that it deems necessary to
65 determine whether a financial institution, a subsidiary, a
66 service corporation, an affiliate, or other person is engaging
67 in or has engaged in conduct that is a violation of any
68 provision of the Military Lending Act, 10 U.S.C. s. 987, or the
69 regulations adopted under that act in 32 C.F.R. part 232. If the
70 office has reason to believe that a person has violated any such
71 provision or regulation, the office may initiate a proceeding
72 against such person in accordance with s. 655.033, s. 655.034,
73 s. 655.037, or s. 655.041.

74 Section 5. This act applies to a consumer credit
75 transaction or account for consumer credit established on or
76 after October 3, 2016, except it does not apply to a credit card
77 account exempted under 32 C.F.R. s. 232.13(c) until the
78 exemption expires.

79 Section 6. This act shall take effect October 3, 2016.