

By the Committee on Rules; and Senator Simmons

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1                                   A bill to be entitled  
2       An act relating to the Uniform Voidable Transactions  
3       Act; providing a directive to the Division of Law  
4       Revision and Information; amending s. 726.101, F.S.;  
5       revising a short title; amending s. 726.102, F.S.;  
6       revising and providing definitions; amending s.  
7       726.103, F.S.; removing conditions under which a  
8       partnership is insolvent; imposing the burden of  
9       proving insolvency upon certain debtors; amending ss.  
10      726.105 and 726.106, F.S.; imposing the burden of  
11      proving elements of a claim for relief upon certain  
12      creditors; providing legislative intent regarding  
13      certain comments issued by the Uniform Law Commission;  
14      amending s. 726.107, F.S.; conforming provisions to  
15      changes made by the act; amending s. 726.108, F.S.;  
16      providing conditions under which attachments or other  
17      provisional remedies are available to creditors;  
18      amending s. 726.109, F.S.; revising the parties  
19      subject to judgments for recovery of a creditor's  
20      claim; revising conditions under which a transfer is  
21      not voidable; imposing the burden of proving certain  
22      applicability, claim elements, and adjustments;  
23      providing requirements for standard of proof; amending  
24      ss. 726.110, 726.111, and 726.112, F.S.; conforming  
25      provisions to changes made by the act; creating s.  
26      726.113, F.S.; providing that claims for relief are  
27      governed by specified claims law; creating s. 726.114,  
28      F.S.; providing definitions; providing applicability  
29      of specified provisions for series organizations and

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30 the protected series of such organizations; creating  
31 s. 726.115, F.S.; providing applicability for a  
32 specified federal act; providing an effective date.  
33

34 Be It Enacted by the Legislature of the State of Florida:  
35

36 Section 1. The Division of Law Revision and Information is  
37 directed to rename chapter 726, Florida Statutes, entitled  
38 "FRAUDULENT TRANSFERS," as "VOIDABLE TRANSACTIONS."

39 Section 2. Section 726.101, Florida Statutes, is amended to  
40 read:

41 726.101 Short title.—This act may be cited as the "Uniform  
42 Voidable Transactions ~~Fraudulent Transfer~~ Act."

43 Section 3. Section 726.102, Florida Statutes, is amended to  
44 read:

45 726.102 Definitions.—As used in this chapter ~~ss. 726.101-~~  
46 ~~726.112~~:

47 (1) "Affiliate" means:

48 (a) A person that ~~who~~ directly or indirectly owns,  
49 controls, or holds with power to vote, 20 percent or more of the  
50 outstanding voting securities of the debtor, other than a person  
51 that ~~who~~ holds the securities:

52 1. As a fiduciary or agent without sole discretionary power  
53 to vote the securities; or

54 2. Solely to secure a debt, if the person has not in fact  
55 exercised the power to vote.

56 (b) A corporation 20 percent or more of whose outstanding  
57 voting securities are directly or indirectly owned, controlled,  
58 or held with power to vote, by the debtor or a person that ~~who~~

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59 directly or indirectly owns, controls, or holds, with power to  
60 vote, 20 percent or more of the outstanding voting securities of  
61 the debtor, other than a person that ~~who~~ holds the securities:

62 1. As a fiduciary or agent without sole discretionary power  
63 to vote the securities; or

64 2. Solely to secure a debt, if the person has not in fact  
65 exercised the power to vote.

66 (c) A person whose business is operated by the debtor under  
67 a lease or other agreement, or a person substantially all of  
68 whose assets are controlled by the debtor; or

69 (d) A person that ~~who~~ operates the debtor's business under  
70 a lease or other agreement or controls substantially all of the  
71 debtor's assets.

72 (2) "Asset" means property of a debtor, but the term does  
73 not include:

74 (a) Property to the extent it is encumbered by a valid  
75 lien;

76 (b) Property to the extent it is generally exempt under  
77 nonbankruptcy law; or

78 (c) An interest in property held in tenancy by the  
79 entirety to the extent it is not subject to process by a  
80 creditor holding a claim against only one tenant.

81 (3) "Charitable contribution" means a charitable  
82 contribution as that term is defined in s. 170(c) of the  
83 Internal Revenue Code of 1986, if that contribution consists of:

84 (a) A financial instrument as defined in s. 731(c)(2)(C) of  
85 the Internal Revenue Code of 1986; or

86 (b) Cash.

87 (4) "Claim," except as used in "claim for relief," means a

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88 right to payment, whether or not the right is reduced to  
89 judgment, liquidated, unliquidated, fixed, contingent, matured,  
90 unmatured, disputed, undisputed, legal, equitable, secured, or  
91 unsecured.

92 (5) "Claims law" means fraudulent conveyance, fraudulent  
93 transfer, or voidable transfer laws or other laws of similar  
94 effect.

95 (6)~~(5)~~ "Creditor" means a person that ~~who~~ has a claim.

96 (7)~~(6)~~ "Debt" means liability on a claim.

97 (8)~~(7)~~ "Debtor" means a person that ~~who~~ is liable on a  
98 claim.

99 (9) "Electronic" means technology having electrical,  
100 digital, magnetic, wireless, optical, electromagnetic, or  
101 similar capabilities.

102 (10)~~(8)~~ "Insider" includes:

103 (a) If the debtor is an individual:

104 1. A relative of the debtor or of a general partner of the  
105 debtor;

106 2. A partnership in which the debtor is a general partner;

107 3. A general partner in a partnership described in  
108 subparagraph 2.; or

109 4. A corporation of which the debtor is a director,  
110 officer, or person in control;

111 (b) If the debtor is a corporation:

112 1. A director of the debtor;

113 2. An officer of the debtor;

114 3. A person in control of the debtor;

115 4. A partnership in which the debtor is a general partner;

116 5. A general partner in a partnership described in

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117 subparagraph 4.; or

118 6. A relative of a general partner, director, officer, or  
119 person in control of the debtor.

120 (c) If the debtor is a partnership:

121 1. A general partner in the debtor;

122 2. A relative of a general partner in, a general partner  
123 of, or a person in control of the debtor;

124 3. Another partnership in which the debtor is a general  
125 partner;

126 4. A general partner in a partnership described in this  
127 paragraph ~~subparagraph 3.~~; or

128 5. A person in control of the debtor.

129 (d) An affiliate, or an insider of an affiliate as if the  
130 affiliate were the debtor.

131 (e) A managing agent of the debtor.

132 (11) ~~(9)~~ "Lien" means a charge against or an interest in  
133 property to secure payment of a debt or performance of an  
134 obligation, and includes a security interest created by  
135 agreement, a judicial lien obtained by legal or equitable  
136 process or proceedings, a common-law lien, or a statutory lien.

137 (12) "Organization" means a person other than an  
138 individual.

139 (13) ~~(10)~~ "Person" means an individual, partnership, limited  
140 partnership, business corporation, nonprofit business  
141 corporation, public corporation, limited liability company,  
142 limited cooperative association, unincorporated nonprofit  
143 association, ~~organization,~~ government or governmental  
144 subdivision, instrumentality, or agency, business trust, common  
145 law business trust, statutory trust, estate, trust, association,

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146 joint venture, or any other legal or commercial entity.

147 ~~(14)-(11)~~ "Property" means anything that may be the subject  
148 of ownership.

149 ~~(15)-(12)~~ "Qualified religious or charitable entity or  
150 organization" means:

151 (a) An entity described in s. 170(c)(1) of the Internal  
152 Revenue Code of 1986; or

153 (b) An entity or organization described in s. 170(c)(2) of  
154 the Internal Revenue Code of 1986.

155 (16) "Record" means information that is inscribed on a  
156 tangible medium or that is stored in an electronic or other  
157 medium and is retrievable in perceivable form.

158 ~~(17)-(13)~~ "Relative" means an individual related by  
159 consanguinity within the third degree as determined by the  
160 common law, a spouse, or an individual related to a spouse  
161 within the third degree as so determined, and includes an  
162 individual in an adoptive relationship within the third degree.

163 (18) "Sign" means with present intent to authenticate or  
164 adopt a record to:

165 (a) Execute or adopt a tangible symbol; or

166 (b) Attach to or logically associate with the record an  
167 electronic symbol, sound, or process.

168 ~~(19)-(14)~~ "Transfer" means every mode, direct or indirect,  
169 absolute or conditional, voluntary or involuntary, of disposing  
170 of or parting with an asset or an interest in an asset, and  
171 includes payment of money, release, lease, license, and creation  
172 of a lien or other encumbrance.

173 ~~(20)-(15)~~ "Valid lien" means a lien that is effective  
174 against the holder of a judicial lien subsequently obtained by

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175 legal or equitable process or proceedings.

176 Section 4. Section 726.103, Florida Statutes, is amended to  
177 read:

178 726.103 Insolvency.—

179 (1) A debtor is insolvent if, at a fair valuation, the sum  
180 of the debtor's debts is greater than the sum ~~all~~ of the  
181 debtor's assets ~~at a fair valuation~~.

182 (2) A debtor that ~~who~~ is generally not paying their ~~his or~~  
183 ~~her~~ debts as they become due for reasons other than as a result  
184 of a bona fide dispute is presumed to be insolvent. The party  
185 against which the presumption is directed, has the burden of  
186 proving that the nonexistence of insolvency is more probable  
187 than its existence.

188 ~~(3) A partnership is insolvent under subsection (1) if the~~  
189 ~~sum of the partnership's debts is greater than the aggregate, at~~  
190 ~~a fair valuation, of all of the partnership's assets and the sum~~  
191 ~~of the excess of the value of each general partner's~~  
192 ~~nonpartnership assets over the partner's nonpartnership debts.~~

193 ~~(3)(4)~~ Assets under this section do not include property  
194 that has been transferred, concealed, or removed with intent to  
195 hinder, delay, or defraud creditors or that has been transferred  
196 in a manner making the transfer voidable under this chapter ~~ss.~~  
197 ~~726.101-726.112~~.

198 ~~(4)(5)~~ Debts under this section do not include an  
199 obligation to the extent it is secured by a valid lien on  
200 property of the debtor not included as an asset.

201 Section 5. Section 726.105, Florida Statutes, is amended to  
202 read:

203 726.105 Transfers or obligations voidable ~~fraudulent~~ as to

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204 present and future creditors.—

205 (1) A transfer made or obligation incurred by a debtor is  
206 voidable ~~fraudulent~~ as to a creditor, whether the creditor's  
207 claim arose before or after the transfer was made or the  
208 obligation was incurred, if the debtor made the transfer or  
209 incurred the obligation:

210 (a) With actual intent to hinder, delay, or defraud any  
211 creditor of the debtor; or

212 (b) Without receiving a reasonably equivalent value in  
213 exchange for the transfer or obligation, and the debtor:

214 1. Was engaged or was about to engage in a business or a  
215 transaction for which the remaining assets of the debtor were  
216 unreasonably small in relation to the business or transaction;  
217 or

218 2. Intended to incur, or believed or reasonably should have  
219 believed that the debtor ~~he or she~~ would incur, debts beyond the  
220 debtor's ~~his or her~~ ability to pay as they became due.

221 (2) In determining actual intent under paragraph (1) (a),  
222 consideration may be given, among other factors, to whether:

223 (a) The transfer or obligation was to an insider.

224 (b) The debtor retained possession or control of the  
225 property transferred after the transfer.

226 (c) The transfer or obligation was disclosed or concealed.

227 (d) Before the transfer was made or obligation was  
228 incurred, the debtor had been sued or threatened with suit.

229 (e) The transfer was of substantially all the debtor's  
230 assets.

231 (f) The debtor absconded.

232 (g) The debtor removed or concealed assets.

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233 (h) The value of the consideration received by the debtor,  
234 including value by way of asset substitution or otherwise, was  
235 reasonably equivalent to the value of the asset transferred or  
236 the amount of the obligation incurred.

237 (i) The debtor was insolvent or became insolvent shortly  
238 after the transfer was made or the obligation was incurred.

239 (j) The transfer occurred shortly before or shortly after a  
240 substantial debt was incurred.

241 (k) The debtor transferred the essential assets of the  
242 business to a lienor that ~~who~~ transferred the assets to an  
243 insider of the debtor.

244 (3) A creditor making a claim for relief under subsection  
245 (1) has the burden of proving the elements of the claim for  
246 relief by a preponderance of the evidence.

247 Section 6. It is the intent of the Legislature that the  
248 Uniform Law Commission's comments two and eight to section four  
249 of the Uniform Voidable Transactions Act, as amended in 2014,  
250 may not be persuasive authority in interpreting s. 726.105,  
251 Florida Statutes. Instead, the courts of this state must look to  
252 all relevant and applicable law when interpreting s. 726.105,  
253 Florida Statutes.

254 Section 7. Section 726.106, Florida Statutes, is amended to  
255 read:

256 726.106 Transfers or obligations voidable ~~fraudulent~~ as to  
257 present creditors.—

258 (1) A transfer made or obligation incurred by a debtor is  
259 voidable ~~fraudulent~~ as to a creditor whose claim arose before  
260 the transfer was made or the obligation was incurred if the  
261 debtor made the transfer or incurred the obligation without

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262 receiving a reasonably equivalent value in exchange for the  
263 transfer or obligation and the debtor was insolvent at that time  
264 or the debtor became insolvent as a result of the transfer or  
265 obligation.

266 (2) A transfer made by a debtor is voidable ~~fraudulent~~ as  
267 to a creditor whose claim arose before the transfer was made if  
268 the transfer was made to an insider for an antecedent debt, the  
269 debtor was insolvent at that time, and the insider had  
270 reasonable cause to believe that the debtor was insolvent.

271 (3) Subject to s. 726.103(2), a creditor making a claim for  
272 relief under subsection (1) or subsection (2) has the burden of  
273 proving the elements of the claim for relief by a preponderance  
274 of the evidence.

275 Section 8. Section 726.107, Florida Statutes, is amended to  
276 read:

277 726.107 When transfer made or obligation incurred.—For the  
278 purposes of this chapter ~~ss. 726.101-726.112~~:

279 (1) A transfer is made:

280 (a) With respect to an asset that is real property other  
281 than a fixture, but including the interest of a seller or  
282 purchaser under a contract for the sale of the asset, when the  
283 transfer is so far perfected that a good faith purchaser of the  
284 asset from the debtor against which ~~whom~~ applicable law permits  
285 the transfer to be perfected cannot acquire an interest in the  
286 asset that is superior to the interest of the transferee.

287 (b) With respect to an asset that is not real property or  
288 that is a fixture, when the transfer is so far perfected that a  
289 creditor on a simple contract cannot acquire a judicial lien  
290 otherwise than under this chapter ~~ss. 726.101-726.112~~ that is

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291 superior to the interest of the transferee.

292 (2) If applicable law permits the transfer to be perfected  
293 as provided in subsection (1) and the transfer is not so  
294 perfected before the commencement of an action for relief under  
295 this chapter ss. 726.101-726.112, the transfer is deemed made  
296 immediately before the commencement of the action.

297 (3) If applicable law does not permit the transfer to be  
298 perfected as provided in subsection (1), the transfer is made  
299 when it becomes effective between the debtor and the transferee.

300 (4) A transfer is not made until the debtor has acquired  
301 rights in the asset transferred.

302 (5) An obligation is incurred:

303 (a) If oral, when it becomes effective between the parties;  
304 or

305 (b) If evidenced by a record writing, when the record  
306 signed writing executed by the obligor is delivered to or for  
307 the benefit of the obligee.

308 Section 9. Section 726.108, Florida Statutes, is amended to  
309 read:

310 726.108 Remedies of creditors.—

311 (1) In an action for relief against a transfer or  
312 obligation under this chapter ss. 726.101-726.112, a creditor,  
313 subject to the limitations in s. 726.109 may obtain:

314 (a) Avoidance of the transfer or obligation to the extent  
315 necessary to satisfy the creditor's claim, including as  
316 contemplated by s. 605.0503(7)(b);

317 (b) An attachment or other provisional remedy against the  
318 asset transferred or other property of the transferee if  
319 available under in accordance with applicable law;

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320 (c) Subject to applicable principles of equity and in  
321 accordance with applicable rules of civil procedure:

322 1. An injunction against further disposition by the debtor  
323 or a transferee, or both, of the asset transferred or of other  
324 property;

325 2. Appointment of a receiver to take charge of the asset  
326 transferred or of other property of the transferee; or

327 3. Any other relief the circumstances may require.

328 (2) If a creditor has obtained a judgment on a claim  
329 against the debtor, the creditor, if the court so orders, may  
330 levy execution on the asset transferred or its proceeds.

331 Section 10. Section 726.109, Florida Statutes, is amended  
332 to read:

333 726.109 Defenses, liability, and protection of transferee  
334 or obligee.—

335 (1) A transfer or obligation is not voidable under s.  
336 726.105(1) (a) against a person that ~~who~~ took in good faith and  
337 for a reasonably equivalent value given the debtor or against  
338 any subsequent transferee or obligee.

339 (2) (a) ~~Except as otherwise provided in this section,~~ To the  
340 extent a transfer is voidable in an action by a creditor under  
341 s. 726.108(1) (a), the creditor may recover judgment for the  
342 value of the asset transferred, as adjusted under subsection  
343 (3), or the amount necessary to satisfy the creditor's claim,  
344 whichever is less. The judgment may be entered against:

345 1. (a) The first transferee of the asset or the person for  
346 whose benefit the transfer was made; or

347 2. (b) An immediate or mediate transferee of the first ~~Any~~  
348 ~~subsequent~~ transferee other than:

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349 a. A good faith transferee ~~that~~ ~~who~~ took for value; or

350 b. An immediate or mediate good faith transferee of a  
351 person described in sub-subparagraph a from any subsequent  
352 transferee.

353 (b) Recovery pursuant to s. 726.108(1)(a) or (2) of or from  
354 the asset transferred or its proceeds, by levy or otherwise, is  
355 available only against a person described in subparagraph (a)1.  
356 or subparagraph(a)2.

357 (3) If the judgment under subsection (2) is based upon the  
358 value of the asset transferred, the judgment must be for an  
359 amount equal to the value of the asset at the time of the  
360 transfer, subject to adjustment as the equities may require.

361 (4) Notwithstanding voidability of a transfer or an  
362 obligation under this chapter ~~ss. 726.101-726.112~~, a good faith  
363 transferee or obligee is entitled, to the extent of the value  
364 given the debtor for the transfer or obligation, to:

365 (a) A lien on or a right to retain an ~~any~~ interest in the  
366 asset transferred;

367 (b) Enforcement of an ~~any~~ obligation incurred; or

368 (c) A reduction in the amount of the liability on the  
369 judgment.

370 (5) A transfer is not voidable under s. 726.105(1)(b) or s.  
371 726.106 if the transfer results from:

372 (a) Termination of a lease upon default by the debtor when  
373 the termination is pursuant to the lease and applicable law; or

374 (b) Enforcement of a security interest in compliance with  
375 Article 9 of the Uniform Commercial Code other than acceptance  
376 of collateral in full or partial satisfaction of the obligation  
377 it secures.

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- 378 (6) A transfer is not voidable under s. 726.106(2):
- 379 (a) To the extent the insider gave new value to or for the
- 380 benefit of the debtor after the transfer was made, except to the
- 381 extent ~~unless~~ the new value was secured by a valid lien;
- 382 (b) If made in the ordinary course of business or financial
- 383 affairs of the debtor and the insider; or
- 384 (c) If made pursuant to a good faith effort to rehabilitate
- 385 the debtor and the transfer secured present value given for that
- 386 purpose as well as an antecedent debt of the debtor.
- 387 (7) (a) The transfer of a charitable contribution that is
- 388 received in good faith by a qualified religious or charitable
- 389 entity or organization is not a voidable ~~fraudulent~~ transfer
- 390 under s. 726.105(1) (b) or s. 726.106(1).
- 391 (b) However, a charitable contribution from a natural
- 392 person is a voidable ~~fraudulent~~ transfer if the transfer was
- 393 received on, or within 2 years before, the earlier of the date
- 394 of commencement of an action under this chapter, the filing of a
- 395 petition under the federal Bankruptcy Code, or the commencement
- 396 of insolvency proceedings by or against the debtor under any
- 397 state or federal law, including the filing of an assignment for
- 398 the benefit of creditors or the appointment of a receiver,
- 399 unless:
- 400 1. The transfer was consistent with the practices of the
- 401 debtor in making the charitable contribution; or
- 402 2. The transfer was received in good faith and the amount
- 403 of the charitable contribution did not exceed 15 percent of the
- 404 gross annual income of the debtor for the year in which the
- 405 transfer of the charitable contribution was made.
- 406 (8) (a) A party that seeks to invoke subsection (1),

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407 subsection (4), subsection (5), or subsection (6) has the burden  
408 of proving the applicability of that subsection.

409 (b) Except as otherwise provided in paragraphs (c) and (d),  
410 the creditor has the burden of proving each applicable element  
411 of subsection (2) or subsection (3).

412 (c) The transferee has the burden of proving the  
413 applicability to the transferee under subparagraph (2)(a)2.

414 (d) A party that seeks adjustment under subsection (3) has  
415 the burden of proving the adjustment.

416 (9) The standard of proof required to establish matters  
417 referred to in this section is preponderance of the evidence.

418 Section 11. Section 726.110, Florida Statutes, is amended  
419 to read:

420 726.110 Extinguishment of claim for relief ~~cause of~~  
421 ~~action.~~—A claim for relief ~~cause of action~~ with respect to a  
422 ~~fraudulent~~ transfer or obligation under this chapter ~~ss.~~  
423 ~~726.101–726.112~~ is extinguished unless action is brought:

424 (1) Under s. 726.105(1)(a), within 4 years after the  
425 transfer was made or the obligation was incurred or, if later,  
426 within 1 year after the transfer or obligation and its wrongful  
427 nature was or could reasonably have been discovered by the  
428 claimant;

429 (2) Under s. 726.105(1)(b) or s. 726.106(1), within 4 years  
430 after the transfer was made or the obligation was incurred; or

431 (3) Under s. 726.106(2), within 1 year after the transfer  
432 was made or the obligation was incurred.

433 Section 12. Section 726.111, Florida Statutes, is amended  
434 to read:

435 726.111 Supplementary provisions.—Unless displaced by the

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436 provisions of this chapter ~~ss. 726.101-726.112~~, the principles  
437 of law and equity, including the law merchant and the law  
438 relating to principal and agent, estoppel, laches, fraud,  
439 misrepresentation, duress, coercion, mistake, insolvency, or  
440 other validating or invalidating cause, supplement those  
441 provisions.

442 Section 13. Section 726.112, Florida Statutes, is amended  
443 to read:

444 726.112 Uniformity of application and construction.—Chapter  
445 87-79, Laws of Florida, shall be applied and construed to  
446 effectuate its general purpose to make uniform the law with  
447 respect to the subject of the law among states enacting the law  
448 ~~it~~.

449 Section 14. Section 726.113, Florida Statutes, is created  
450 to read:

451 726.113 Governing law.—

452 (1) For the purposes of this section, the following  
453 provisions shall determine a debtor's physical location:

454 (a) A debtor that is an individual is located at his or her  
455 principal residence.

456 (b) A debtor that is an organization and has only one place  
457 of business is located at its place of business.

458 (c) A debtor that is an organization and has more than one  
459 place of business is located at its chief executive office.

460 (2) A claim for relief in the nature of a claim for relief  
461 under this chapter is governed by the claims law of the  
462 jurisdiction in which the debtor is located when the transfer is  
463 made or the obligation is incurred.

464 (3) This section only applies to determine the claims law

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465 governing a claim for relief under this chapter. This section  
466 does not affect the governing law for any other claims, issues,  
467 or relief between the parties arising outside of this chapter.

468 (4) If this section requires the application of the claims  
469 law of a foreign jurisdiction, such a determination does not  
470 affect which jurisdiction's exemption laws apply, the  
471 availability of exemptions under applicable law, or the debtor's  
472 entitlement to any protections afforded to the debtor's  
473 homestead under the Florida Constitution.

474 Section 15. Section 726.114, Florida Statutes, is created  
475 to read:

476 726.114 Application to series organization.-

477 (1) As used in this section, the term:

478 (a) "Protected series" means an arrangement, however  
479 denominated, created by a series organization that, pursuant to  
480 the law under which the series organization is organized, meets  
481 the criteria set forth in paragraph (b).

482 (b) "Series organization" means an organization that,  
483 pursuant to the law under which it is organized, has the  
484 following characteristics:

485 1. The organic record of the organization provides for  
486 creation by the organization of one or more protected series,  
487 however denominated, with respect to specified property of the  
488 organization, and for records to be maintained for each  
489 protected series that identify the property of, or associated  
490 with, the protected series.

491 2. Debt incurred or existing with respect to the activities  
492 of, or property of or associated with, a particular protected  
493 series is enforceable against the property of or associated with

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494 the protected series only, and not against the property of or  
495 associated with the organization or other protected series of  
496 the organization.

497 3. Debt incurred or existing with respect to the activities  
498 or property of the organization is enforceable against the  
499 property of the organization only, and not against the property  
500 of or associated with a protected series of the organization.

501 (2) A series organization and each protected series of the  
502 organization is a separate person for purposes of this chapter,  
503 even if for other purposes a protected series is not a person  
504 separate from the organization or other protected series of the  
505 organization. Provisions of law other than this chapter  
506 determines whether and to what extent a series organization and  
507 each protected series of the organization is a separate person  
508 for purposes other than the purposes of this chapter.

509 Section 16. Section 726.115, Florida Statutes, is created  
510 to read:

511 726.115 Relation to Electronic Signatures in Global and  
512 National Commerce Act.—This chapter modifies, limits, and  
513 supersedes the federal Electronic Signatures in Global and  
514 National Commerce Act, 15 U.S.C. ss. 7001, et seq., but does not  
515 modify, limit, or supersede section 101(c) of that act, 15  
516 U.S.C. s. 7001(c), or authorize electronic delivery of any of  
517 the notices described in s. 103(b) of that act, 15 U.S.C. s.  
518 7003(b).

519 Section 17. This act shall take effect July 1, 2018.