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LEGISLATIVE ACTION

Senate

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House

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Floor: NC/3R

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05/03/2019 01:35 PM

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Senator Rouson moved the following:

1 **Senate Amendment to Amendment (300314) (with title**
2 **amendment)**

3
4 Delete lines 26 - 775

5 and insert:

6 (a) The term includes only the following:

7 1. A bank, as defined in s. 658.12(2).

8 2. A national bank, as defined in s. 658.12(12).

9 3. A credit union, as defined in s. 657.002(4).

10 4. An insurance agent, as defined in s. 626.015(3).

11 5. An insurance agency, as defined in s. 626.015(10).



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- 12 6. A tax preparation service.
- 13 7. A money services business, as defined in s. 560.103(22).
- 14 8. An authorized vendor of a money services business, as
15 defined in s. 560.103(3).
- 16 9. An investment adviser, as defined in s. 517.021(14).
- 17 10. A financial services provider.
- 18 11. A public accounting firm as defined in s. 473.302(7)
19 (b) The term does not include a credit service organization
20 as defined in s. 817.7001 or a loan broker as defined in s.
21 687.14.
- 22 (2) "Consumer reporting agency" has the same meaning as the
23 term "consumer reporting agency that compiles and maintains
24 files on consumers on a nationwide basis" in the Fair Credit
25 Reporting Act, 15 U.S.C. s. 1681a(p).
- 26 (3) "Credit score" has the same meaning as in the Fair
27 Credit Reporting Act, 15 U.S.C. s. 1681g(f)(2)(A).
- 28 (4) "Data furnisher" has the same meaning as the term
29 "furnisher" in 12 C.F.R. s. 1022.41(c).
- 30 (5) "Pilot program" or "program" means the Access to
31 Responsible Credit Pilot Program.
- 32 (6) "Pilot program license" or "program license" means a
33 license issued under ss. 516.405-516.46 authorizing a program
34 licensee to make and collect program loans.
- 35 (7) "Program branch office license" means a license issued
36 under the program for each location, other than a program
37 licensee's or access partner's principal place of business:
- 38 (a) The address of which appears on business cards,
39 stationery, or advertising used by the program licensee in
40 connection with business conducted under this chapter;



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41 (b) At which the program licensee's name, advertising or
42 promotional materials, or signage suggests that program loans
43 are originated, negotiated, funded, or serviced by the program
44 licensee; or

45 (c) At which program loans are originated, negotiated,
46 funded, or serviced by the program licensee.

47 (8) "Program licensee" means a person who is licensed to
48 make and collect loans under this chapter and who is approved by
49 the office to participate in the program.

50 (9) "Program loan" means a consumer finance loan with a
51 principal amount of at least \$300, but not more than \$7,500,
52 originated pursuant to ss. 516.405-516.46, excluding the amount
53 of the origination fee authorized under s. 516.43(3).

54 (10) "Refinance program loan" means a program loan that
55 extends additional principal to a borrower and replaces and
56 revises an existing program loan contract with the borrower. A
57 refinance program loan does not include an extension, a
58 deferral, or a rewrite of the program loan.

59 Section 6. Effective January 1, 2020, section 516.42,
60 Florida Statutes, is created to read:

61 516.42 Requirements for program participation; program
62 application requirements.-

63 (1) A person may not advertise, offer, or make a program
64 loan, or impose any charges or fees pursuant to s. 516.43,
65 unless the person obtains a pilot program license from the
66 office.

67 (2) In order to obtain a pilot program license, a person
68 must:

69 (a)1. Be licensed to make and collect consumer finance



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70 loans under s. 516.05; or

71 2. Submit the application for the license required in s.
72 516.03 concurrently with the application for the program
73 license. The application required by s. 516.03 must be approved
74 and the license under that section must be issued in order to
75 obtain the program license.

76 (b) Be accepted as a data furnisher by a consumer reporting
77 agency.

78 (c) Demonstrate financial responsibility, experience,
79 character, or general fitness, such as to command the confidence
80 of the public and to warrant the belief that the business
81 operated at the licensed or proposed location is lawful, honest,
82 fair, efficient, and within the purposes of this chapter.

83 (d) Not be subject to the issuance of a cease and desist
84 order; the issuance of a removal order; the denial, suspension,
85 or revocation of a license; or any other action within the
86 authority of the office, any financial regulatory agency in this
87 state, or any other state or federal regulatory agency that
88 affects the ability of such person to participate in the
89 program.

90 (3) (a) A program applicant must file with the office a
91 digital application in a form and manner prescribed by
92 commission rule which contains all of the following information
93 with respect to the applicant:

94 1. The legal business name and any other name under which
95 the applicant operates.

96 2. The applicant's main address.

97 3. The applicant's telephone number and e-mail address.

98 4. The address of each program branch office.



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99 5. The name, title, address, telephone number, and e-mail
100 address of the applicant's contact person.

101 6. The license number, if the applicant is licensed under
102 s. 516.05.

103 7. A statement as to whether the applicant intends to use
104 the services of one or more access partners under s. 516.44.

105 8. A statement that the applicant has been accepted as a
106 data furnisher by a consumer reporting agency and will report to
107 a consumer reporting agency the payment performance of each
108 borrower on all program loans.

109 9. The signature and certification of an authorized person
110 of the applicant.

111 (b) A person who desires to participate in the program but
112 who is not licensed to make consumer finance loans pursuant to
113 s. 516.05 must concurrently submit the following digital
114 applications in a form and manner specified in this chapter to
115 the office:

116 1. An application pursuant to s. 516.03 for licensure to
117 make consumer finance loans.

118 2. An application for admission to the program in
119 accordance with paragraph (a).

120 (4) Except as otherwise provided in ss. 516.405-516.46, a
121 program licensee is subject to all the laws and rules governing
122 consumer finance loans under this chapter. A program license
123 must be renewed biennially.

124 (5) Notwithstanding s. 516.05(3), only one program license
125 is required for a person to make program loans under ss.
126 516.405-516.46, regardless of whether the program licensee
127 offers program loans to prospective borrowers at its own



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128 physical business locations, through access partners, or via an
129 electronic access point through which a prospective borrower may
130 directly access the website of the program licensee.

131 (6) Each branch office of a program licensee must be
132 licensed under this section.

133 (7) The office shall issue a program branch office license
134 to a program licensee after the office determines that the
135 program licensee has submitted a completed electronic
136 application for a program branch office license in a form
137 prescribed by commission rule. The program branch office license
138 must be issued in the name of the program licensee that
139 maintains the branch office. An application is considered
140 received for purposes of s. 120.60 upon receipt of a completed
141 application form. The application for a program branch office
142 license must contain the following information:

143 (a) The legal business name and any other name under which
144 the applicant operates.

145 (b) The applicant's main address.

146 (c) The applicant's telephone number and e-mail address.

147 (d) The address of each program branch office.

148 (e) The name, title, address, telephone number, and e-mail
149 address of the applicant's contact person.

150 (f) The applicant's license number, if the applicant is
151 licensed under this chapter.

152 (g) The signature and certification of an authorized person
153 of the applicant.

154 (8) Except as provided in subsection (9), a program branch
155 office license must be renewed biennially at the time of
156 renewing the program license.



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157 (9) Notwithstanding subsection (7), the office may deny an
158 initial or renewal application for a program license or program
159 branch office license if the applicant or any person with power
160 to direct the management or policies of the applicant's
161 business:

162 (a) Fails to demonstrate financial responsibility,
163 experience, character, or general fitness, such as to command
164 the confidence of the public and to warrant the belief that the
165 business operated at the licensed or proposed location is
166 lawful, honest, fair, efficient, and within the purposes of this
167 chapter.

168 (b) Pled nolo contendere to, or was convicted or found
169 guilty of, a crime involving fraud, dishonest dealing, or any
170 act of moral turpitude, regardless of whether adjudication was
171 withheld.

172 (c) Is subject to the issuance of a cease and desist order;
173 the issuance of a removal order; the denial, suspension, or
174 revocation of a license; or any other action within the
175 authority of the office, any financial regulatory agency in this
176 state, or any other state or federal regulatory agency that
177 affects the applicant's ability to participate in the program.

178 (10) The commission shall adopt rules to implement this
179 section.

180 Section 7. Effective January 1, 2020, section 516.43,
181 Florida Statutes, is created to read:

182 516.43 Requirements for program loans.—

183 (1) REQUIREMENTS.—A program licensee shall comply with each
184 of the following requirements in making program loans:

185 (a) A program loan must be unsecured.



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186 (b) A program loan must have:
187 1. A term of at least 120 days, but not more than 36
188 months, for a loan with a principal balance upon origination of
189 at least \$300, but not more than \$3,000.
190 2. A term of at least 12 months, but not more than 60
191 months, for a loan with a principal balance upon origination of
192 more than \$3,000.
193 (c) A borrower may not receive a program loan for a
194 principal balance exceeding \$5,000 unless:
195 1. The borrower has paid in full the outstanding principal,
196 interest, and fees on a previous program loan;
197 2. The borrower's credit score increased from the time of
198 application for the borrower's first consummated program loan;
199 and
200 3. The borrower was never delinquent for more than 7 days
201 on a previous program loan.
202 (d) A program loan may not impose a prepayment penalty. A
203 program loan must be repayable by the borrower in substantially
204 equal, periodic installments, except that the final payment may
205 be less than the amount of the prior installments. Installments
206 must be due either every 2 weeks, semimonthly, or monthly.
207 (e) A program loan must include a borrower's right to
208 rescind the program loan by notifying the program licensee of
209 the borrower's intent to rescind the program loan and returning
210 the principal advanced by the end of the business day after the
211 day the program loan is consummated.
212 (f) Notwithstanding s. 516.031, the maximum annual interest
213 rate charged on a program loan to the borrower, which must be
214 fixed for the duration of the program loan, is 36 percent on



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215 that portion of the unpaid principal balance up to and including
216 \$3,000; 30 percent on that portion of the unpaid principal
217 balance exceeding \$3,000 and up to and including \$4,000; and 24
218 percent on that portion of the unpaid principal balance
219 exceeding \$4,000 and up to and including \$7,500. The original
220 principal amount of the program loan is equal to the amount
221 financed as defined by the federal Truth in Lending Act and
222 Regulation Z of the Board of Governors of the Federal Reserve
223 System. In determining compliance with the maximum annual
224 interest rates in this paragraph, the computations used must be
225 simple interest through the application of a daily periodic rate
226 to the actual unpaid principal balance each day and may not be
227 added-on interest or any other computations.

228 (g) If two or more interest rates are applied to the
229 principal amount of a program loan, the program licensee may
230 charge, contract for, and receive interest at that single annual
231 percentage rate that, if applied according to the actuarial
232 method to each of the scheduled periodic balances of principal,
233 would produce at maturity the same total amount of interest as
234 would result from the application of the two or more rates
235 otherwise permitted, based upon the assumption that all payments
236 are made as agreed.

237 (h) The program licensee shall reduce the interest rates
238 specified in paragraph (f) on each subsequent program loan to
239 the same borrower by a minimum of 1 percent, up to a maximum of
240 6 percent, if all of the following conditions are met:

241 1. The subsequent program loan is originated within 180
242 days after the prior program loan is fully repaid.

243 2. The borrower was never more than 15 days delinquent on



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244 the prior program loan.

245 3. The prior program loan was outstanding for at least one-
246 half of its original term before its repayment.

247 (i) The program licensee may not induce or permit any
248 person to become obligated to the program licensee, directly or
249 contingently, or both, under more than one program loan at the
250 same time with the program licensee.

251 (j) The program licensee may not refinance a program loan
252 unless all of the following conditions are met at the time the
253 borrower submits an application to refinance:

254 1. The principal amount payable may not include more than
255 60 days' unpaid interest accrued on the previous program loan
256 pursuant to s. 516.031(5).

257 2. For a program loan with an original term up to and
258 including 25 months, the borrower has repaid at least 60 percent
259 of the outstanding principal remaining on his or her existing
260 program loan.

261 3. For a program loan with an original term of more than 25
262 months, but not more than 60 months, the borrower has made
263 current payments for at least 9 months on his or her existing
264 program loan.

265 4. The borrower is current on payments for his or her
266 existing program loan.

267 5. The program licensee must underwrite the new program
268 loan in accordance with subsection (7).

269 (k) In lieu of the provisions of s. 687.08, the program
270 licensee or, if applicable, its approved access partner shall
271 make available to the borrower by electronic or physical means a
272 plain and complete receipt of payment at the time that a payment



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273 is made by the borrower. For audit purposes, the program
274 licensee must maintain an electronic record for each receipt
275 made available to a borrower, which must include a copy of the
276 receipt and the date and time that the receipt was generated.
277 Each receipt made available to the borrower must show all of the
278 following:

- 279 1. The name of the borrower.
- 280 2. The name of the access partner, if applicable.
- 281 3. The total payment amount received.
- 282 4. The date of payment.
- 283 5. The program loan balance before and after application of
284 the payment.
- 285 6. The amount of the payment that was applied to the
286 principal, interest, and fees.
- 287 7. The type of payment made by the borrower.
- 288 8. The following statement, prominently displayed in a type
289 size equal to or larger than the type size used to display the
290 other items on the receipt: "If you have any questions about
291 your loan now or in the future, you should direct those
292 questions to ...(name of program licensee)... by ...(at least
293 two different ways in which a borrower may contact the program
294 licensee)...."

295 (2) WRITTEN DISCLOSURES AND STATEMENTS.-

296 (a) Notwithstanding s. 516.15(1), the loan contract and all
297 written disclosures and statements may be provided by a program
298 licensee to a borrower in English or in the language in which
299 the loan is negotiated.

300 (b) The program licensee shall provide to a borrower all
301 the statements required of licensees under s. 516.15.



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302 (3) ORIGINATION FEES.—Notwithstanding s. 516.031, a program
303 licensee may:

304 (a) Contract for and receive an origination fee from a
305 borrower on a program loan. The program licensee may either
306 deduct the origination fee from the principal amount of the loan
307 disbursed to the borrower or capitalize the origination fee into
308 the principal balance of the loan. The origination fee is fully
309 earned and nonrefundable immediately upon the making of the
310 program loan and may not exceed the lesser of 6 percent of the
311 principal amount of the program loan made to the borrower,
312 exclusive of the origination fee, or \$90.

313 (b) Not charge a borrower an origination fee more than
314 twice in any 12-month period.

315 (4) INSUFFICIENT FUNDS FEES AND DELINQUENCY CHARGES.—A
316 program licensee may:

317 (a) Notwithstanding s. 516.031, require payment from a
318 borrower of no more than \$20 for fees incurred by the program
319 licensee from a dishonored payment due to insufficient funds of
320 the borrower.

321 (b) Notwithstanding s. 516.031(3)(a)9., contract for and
322 receive a delinquency charge for each payment in default for at
323 least 7 days if the charge is agreed upon, in writing, between
324 the program licensee and the borrower before it is imposed.

325 Delinquency charges may be imposed as follows:

326 1. For payments due monthly, the delinquency charge for a
327 payment in default may not exceed \$15.

328 2. For payments due semimonthly, the delinquency charge for
329 a payment in default may not exceed \$7.50.

330 3. For payments due every 2 weeks, the delinquency charge



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331 for a payment in default may not exceed \$7.50 if two payments
332 are due within the same calendar month, and may not exceed \$5 if
333 three payments are due within the same calendar month.

334
335 The program licensee, or any wholly owned subsidiary of the
336 program licensee, may not sell or assign an unpaid debt to an
337 independent third party for collection purposes unless the debt
338 has been delinquent for at least 30 days.

339 (5) CREDIT EDUCATION.—Before disbursement of program loan
340 proceeds to the borrower, the program licensee must:

341 (a) Direct the borrower to the consumer credit counseling
342 services offered by an independent third party; or

343 (b) Provide a credit education program or seminar to the
344 borrower. The borrower is not required to participate in such
345 education program or seminar. A credit education program or
346 seminar offered pursuant to this paragraph must be provided at
347 no cost to the borrower.

348 (6) CREDIT REPORTING.—

349 (a) The program licensee shall report each borrower's
350 payment performance to at least two consumer reporting agencies.

351 (b) The office may not approve an applicant for the program
352 license before the applicant has been accepted as a data
353 furnisher by a consumer reporting agency.

354 (c) The program licensee shall provide each borrower with
355 the name or names of the consumer reporting agency or agencies
356 to which it will report the borrower's payment history.

357 (7) PROGRAM LOAN UNDERWRITING.—

358 (a) The program licensee must underwrite each program loan
359 to determine a borrower's ability and willingness to repay the



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360 program loan pursuant to the program loan terms. The program
361 licensee may not make a program loan if it determines that the
362 borrower's total monthly debt service payments at the time of
363 origination, including the program loan for which the borrower
364 is being considered and all outstanding forms of credit that can
365 be independently verified by the program licensee, exceed 50
366 percent of the borrower's gross monthly income for a loan of not
367 more than \$3,000, or exceed 36 percent of the borrower's gross
368 monthly income for a loan of more than \$3,000.

369 (b)1. The program licensee must seek information and
370 documentation pertaining to all of a borrower's outstanding debt
371 obligations during the loan application and underwriting
372 process, including loans that are self-reported by the borrower
373 but not available through independent verification. The program
374 licensee must verify such information using a credit report from
375 at least one consumer reporting agency or through other
376 available electronic debt verification services that provide
377 reliable evidence of a borrower's outstanding debt obligations.

378 2. The program licensee is not required to consider loans
379 made to a borrower by friends or family in determining the
380 borrower's debt-to-income ratio.

381 (c) The program licensee must verify the borrower's income
382 to determine the debt-to-income ratio using information from:

383 1. Electronic means or services that provide reliable
384 evidence of the borrower's actual income; or

385 2. The Internal Revenue Service Form W-2, tax returns,
386 payroll receipts, bank statements, or other third-party
387 documents that provide reasonably reliable evidence of the
388 borrower's actual income.



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389 (8) WAIVERS.-

390 (a) A program licensee may not require, as a condition of
391 providing the program loan, that the borrower:

392 1. Waive any right, penalty, remedy, forum, or procedure
393 provided for in any law applicable to the program loan,
394 including the right to file and pursue a civil action or file a
395 complaint with or otherwise communicate with the office, a
396 court, or any other governmental entity.

397 2. Agree to the application of laws other than those of
398 this state.

399 3. Agree to resolve disputes in a jurisdiction outside of
400 this state.

401 (b) A waiver that is required as a condition of doing
402 business with the program licensee is presumed involuntary,
403 unconscionable, against public policy, and unenforceable.

404 (c) A program licensee may not refuse to do business with
405 or discriminate against a borrower or an applicant on the basis
406 of the borrower's or applicant's refusal to waive any right,
407 penalty, remedy, forum, or procedure, including the right to
408 file and pursue a civil action or complaint with, or otherwise
409 communicate with, the office, a court, or any other governmental
410 entity. The exercise of a person's right to refuse to waive any
411 right, penalty, remedy, forum, or procedure, including a
412 rejection of a contract requiring a waiver, does not affect any
413 otherwise legal terms of a contract or an agreement.

414 (d) This subsection does not apply to any agreement to
415 wave any right, penalty, remedy, forum, or procedure, including
416 any agreement to arbitrate a claim or dispute after a claim or
417 dispute has arisen. This subsection does not affect the



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418 enforceability or validity of any other provision of the
419 contract.

420 Section 8. Effective January 1, 2020, section 516.44,
421 Florida Statutes, is created to read:

422 516.44 Access partners.—

423 (1) ACCESS PARTNER AGREEMENT.—All arrangements between a
424 program licensee and an access partner must be specified in a
425 written access partner agreement between the parties. The
426 agreement must contain the following provisions:

427 (a) The access partner agrees to comply with this section
428 and all rules adopted under this section regarding the
429 activities of access partners.

430 (b) The office has access to the access partner's books and
431 records pertaining to the access partner's operations under the
432 agreement with the program licensee in accordance with s.
433 516.45(3) and may examine the access partner pursuant to s.
434 516.45.

435 (2) AUTHORIZED SERVICES.—A program licensee may use the
436 services of one or more access partners as provided in this
437 section. An access partner may perform one or more of the
438 following services from its physical business location for the
439 program licensee:

440 (a) Distributing, circulating, using, or publishing printed
441 brochures, flyers, fact sheets, or other written materials
442 relating to program loans that the program licensee may make or
443 negotiate. The written materials must be reviewed and approved
444 in writing by the program licensee before being distributed,
445 circulated, used, or published.

446 (b) Providing written factual information about program



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447 loan terms, conditions, or qualification requirements to a
448 prospective borrower which has been prepared by the program
449 licensee or reviewed and approved in writing by the program
450 licensee. An access partner may discuss the information with a
451 prospective borrower in general terms.

452 (c) Notifying a prospective borrower of the information
453 needed in order to complete a program loan application.

454 (d) Entering information provided by the prospective
455 borrower on a preprinted or an electronic application form or in
456 a preformatted computer database.

457 (e) Assembling credit applications and other materials
458 obtained in the course of a credit application transaction for
459 submission to the program licensee.

460 (f) Contacting the program licensee to determine the status
461 of a program loan application.

462 (g) Communicating a response that is returned by the
463 program licensee's automated underwriting system to a borrower
464 or a prospective borrower.

465 (h) Obtaining a borrower's signature on documents prepared
466 by the program licensee and delivering final copies of the
467 documents to the borrower.

468 (i) Disbursing program loan proceeds to a borrower if this
469 method of disbursement is acceptable to the borrower, subject to
470 the requirements of subsection (3). A loan disbursement made by
471 an access partner under this paragraph is deemed to be made by
472 the program licensee on the date that the funds are disbursed or
473 otherwise made available by the access partner to the borrower.

474 (j) Receiving a program loan payment from the borrower if
475 this method of payment is acceptable to the borrower, subject to



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476 the requirements of subsection (3).

477 (k) Operating an electronic access point through which a
478 prospective borrower may directly access the website of the
479 program licensee to apply for a program loan.

480 (3) RECEIPT OR DISBURSEMENT OF PROGRAM LOAN PAYMENTS.—

481 (a) A loan payment made by a borrower to an access partner
482 under paragraph (2)(j) must be applied to the borrower's program
483 loan and deemed received by the program licensee as of the date
484 on which the payment is received by the access partner.

485 (b) An access partner that receives a loan payment from a
486 borrower must deliver or cause to be delivered to the borrower a
487 plain and complete receipt showing all of the information
488 specified in s. 516.43(1)(k) at the time that the payment is
489 made by the borrower.

490 (c) A borrower who submits a loan payment to an access
491 partner under this subsection is not liable for a failure or
492 delay by the access partner in transmitting the payment to the
493 program licensee.

494 (d) An access partner that disburses or receives loan
495 payments pursuant to paragraph (2)(i) or paragraph (2)(j) must
496 maintain records of all disbursements made and loan payments
497 received for at least 2 years.

498 (4) PROHIBITED ACTIVITIES.—An access partner may not:

499 (a) Provide counseling or advice to a borrower or
500 prospective borrower with respect to any loan term.

501 (b) Provide loan-related marketing material that has not
502 previously been approved by the program licensee to a borrower
503 or a prospective borrower.

504 (c) Negotiate a loan term between a program licensee and a



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505 prospective borrower.

506 (d) Offer information pertaining to a single prospective
507 borrower to more than one program licensee. However, if a
508 program licensee has declined to offer a program loan to a
509 prospective borrower and has so notified the prospective
510 borrower in writing, the access partner may then offer
511 information pertaining to that borrower to another program
512 licensee with whom it has an access partner agreement.

513 (e) Except for the purpose of assisting a borrower in
514 obtaining a refinance program loan, offer information pertaining
515 to a prospective borrower to any program licensee if the
516 prospective borrower has an outstanding program loan.

517 (f) Charge a borrower any fee for a program loan.

518 (5) DISCLOSURE STATEMENTS.-

519 (a) At the time that the access partner receives or
520 processes an application for a program loan, the access partner
521 shall provide the following statement to the applicant on behalf
522 of the program licensee, in at least 10-point type, and shall
523 request that the applicant acknowledge receipt of the statement
524 in writing:

525
526 Your loan application has been referred to us by
527 ...(name of access partner).... We may pay a fee to
528 ...(name of access partner)... for the successful
529 referral of your loan application. If you are approved
530 for the loan, ...(name of program licensee)... will
531 become your lender. If you have any questions about
532 your loan, now or in the future, you should direct
533 those questions to ...(name of program licensee)... by



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534 ...(insert at least two different ways in which a
535 borrower may contact the program licensee).... If you
536 wish to report a complaint about ...(name of access
537 partner)... or ...(name of program licensee)...
538 regarding this loan transaction, you may contact the
539 Division of Consumer Finance of the Office of
540 Financial Regulation at 850-487-9687 or
541 <http://www.flofr.com>.

542
543 (b) If the loan applicant has questions about the program
544 loan which the access partner is not permitted to answer, the
545 access partner must make a good faith effort to assist the
546 applicant in making direct contact with the program licensee
547 before the program loan is consummated.

548 (6) COMPENSATION.—

549 (a) The program licensee may compensate an access partner
550 in accordance with a written agreement and a compensation
551 schedule that is agreed to by the program licensee and the
552 access partner, subject to the requirements in paragraph (b).

553 (b) The compensation of an access partner by a program
554 licensee is subject to the following requirements:

555 1. Compensation may not be paid to an access partner in
556 connection with a loan application unless the program loan is
557 consummated.

558 2. The access partner's location for services and other
559 information required in subsection (7) must be reported to the
560 office.

561 3. Compensation paid by the program licensee to the access
562 partner may not exceed \$65 per program loan, on average, plus \$2



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563 per payment received by the access partner on behalf of the
564 program licensee for the duration of the program loan, and may
565 not be charged directly or indirectly to the borrower.

566 (7) NOTICE TO OFFICE.—A program licensee that uses the
567 service of an access partner must notify the office, in a form
568 and manner prescribed by commission rule, within 15 days after
569 entering into a contract with an access partner regarding all of
570 the following:

571 (a) The name, business address, and licensing details of
572 the access partner and all locations at which the access partner
573 will perform services under this section.

574 (b) The name and contact information for an employee of the
575 access partner who is knowledgeable about, and has the authority
576 to execute, the access partner agreement.

577 (c) The name and contact information of one or more
578 employees of the access partner who are responsible for that
579 access partner's referring activities on behalf of the program
580 licensee.

581 (d) A statement by the program licensee that it has
582 conducted due diligence with respect to the access partner and
583 has confirmed that none of the following apply:

584 1. The filing of a petition under the United States
585 Bankruptcy Code for bankruptcy or reorganization by the access
586 partner.

587 2. The commencement of an administrative or a judicial
588 license suspension or revocation proceeding, or the denial of a
589 license request or renewal, by any state, the District of
590 Columbia, any United States territory, or any foreign country in
591 which the access partner operates, plans to operate, or is



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592 licensed to operate.

593 3. A felony indictment involving the access partner or an
594 affiliated party.

595 4. The felony conviction, guilty plea, or plea of nolo
596 contendere, regardless of adjudication, of the access partner or
597 an affiliated party.

598 5. Any suspected criminal act perpetrated in this state
599 relating to activities regulated under this chapter by the
600 access partner.

601 6. Notification by a law enforcement or prosecutorial
602 agency that the access partner is under criminal investigation,
603 including, but not limited to, subpoenas to produce records or
604 testimony and warrants issued by a court of competent
605 jurisdiction which authorize the search and seizure of any
606 records relating to a business activity regulated under this
607 chapter.

608

609 As used in this paragraph, the term "affiliated party" means a
610 director, officer, control person, employee, or foreign
611 affiliate of an access partner; or a person who has a
612 controlling interest in an access partner.

613 (e) Any other information requested by the office, subject
614 to the limitations specified in s. 516.45(3).

615 (8) NOTICE OF CHANGES.—An access partner must provide the
616 program licensee with a written notice sent by registered mail
617 within 30 days after any change is made to the information
618 specified in paragraphs (7) (a)-(c) and within 30 days after the
619 occurrence or knowledge of any of the events specified in
620 paragraph (7) (d).



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621 (9) RESPONSIBILITY FOR ACTS OF AN ACCESS PARTNER.—A program
622 licensee is responsible for any act of its access partner if
623 such act is a violation of this chapter.

624 (10) REGISTRY OF ACCESS PARTNERS.—A program licensee shall
625 maintain a registry of all access partners and access partner
626 locations that provide services to the program licensee. The
627 program licensee shall provide a copy of the registry to the
628 office at the time the program licensee files its report
629 pursuant to s. 516.46(1).

630 (11) RULEMAKING.—The commission shall adopt rules to
631 implement this section.

632 Section 9. Effective January 1, 2020, section 516.45,
633 Florida Statutes, is created to read:

634 516.45 Examinations, investigations, and grounds for
635 disciplinary action.—

636 (1) Notwithstanding any other law, the office shall examine
637 each program licensee that is accepted into the program in
638 accordance with this chapter.

639 (2) Notwithstanding subsection (1), the office may waive
640 one or more branch office examinations if the office finds that
641 such examinations are not necessary for the protection of the
642 public due to the centralized operations of the program licensee
643 or other factors acceptable to the office.

644 (3) The scope of any investigation or examination of a
645 program licensee or access partner must be limited to those
646 books, accounts, records, documents, materials, and matters
647 reasonably necessary to determine compliance with this chapter.

648 (4) A program licensee who violates any applicable
649 provision of this chapter is subject to disciplinary action



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650 pursuant to s. 516.07(2). Any such disciplinary action is
651 subject to s. 120.60. The program licensee is also subject to
652 disciplinary action for a violation of s. 516.44 committed by
653 any of its access partners.

654 (5) The office may take any of the following actions
655 against an access partner who violates s. 516.44:

656 (a) Bar the access partner from performing services under
657 this chapter.

658 (b) Bar the access partner from performing services at one
659 or more of its specific locations.

660 (c) Impose an administrative fine on the access partner of
661 up to \$5,000 in a calendar year.

662 (6) The commission shall adopt rules to implement this
663 section.

664 Section 10. Effective January 1, 2020, section 516.46,
665 Florida Statutes, is created to read:

666 516.46 Annual reports by program licensees and the office.-

667 (1) By March 15, 2021, and each year thereafter, a program
668 licensee shall file a report with the office on a form and in a
669 manner prescribed by commission rule. The report must include
670 each of the items specified in subsection (2) for the preceding
671 year using aggregated or anonymized data without reference to
672 any borrower's nonpublic personal information or any program
673 licensee's or access partner's proprietary or trade secret
674 information.

675 (2) By January 1, 2022, and each year thereafter, the
676 office shall post a report on its website summarizing the use of
677 the program based on the information contained in the reports
678 filed in the preceding year by program licensees under



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679 subsection (1). The office's report must publish the information
680 in the aggregate so as not to identify data by any specific
681 program licensee. The report must specify the period to which
682 the report corresponds and must include, but is not limited to,
683 the following for that period:

684 (a) The number of applicants approved for a program license
685 by the office.

686 (b) The number of program loan applications received by
687 program licensees, the number of program loans made under the
688 program, the total amount loaned, the distribution of loan
689 lengths upon origination, and the distribution of interest rates
690 and principal amounts upon origination among those program
691 loans.

692 (c) The number of borrowers who obtained more than one
693 program loan and the distribution of the number of program loans
694 per borrower.

695 (d) Of those borrowers who obtained more than one program
696 loan and had a credit score by the time of their subsequent
697 loan, the percentage of those borrowers whose credit scores
698 increased between successive loans, based on information from at
699 least one major credit bureau, and the average size of the
700 increase. In each case, the report must include the name of the
701 credit score, such as FICO or VantageScore, which the program
702 licensee is required to disclose.

703 (e) The income distribution of borrowers upon program loan
704 origination, including the number of borrowers who obtained at
705 least one program loan and who resided in a low-income or
706 moderate-income census tract at the time of their loan
707 applications.



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708 (f) The number of borrowers who obtained program loans for
709 the following purposes, based on the borrowers' responses at the
710 time of their loan applications indicating the primary purpose
711 for which the program loans were obtained:

- 712 1. To pay medical expenses.
713 2. To pay for vehicle repair or a vehicle purchase.
714 3. To pay bills.
715 4. To consolidate debt.
716 5. To build or repair credit history.
717 6. To finance a small business.
718 7. To pay other expenses.

719 (g) The number of borrowers who self-report that they had a
720 bank account at the time of their loan application and the
721 number of borrowers who self-report that they did not have a
722 bank account at the time of their loan application.

723 (h) For refinance program loans:

- 724 1. The number and percentage of borrowers who applied for a
725 refinance program loan.
726 2. Of those borrowers who applied for a refinance program
727 loan, the number and percentage of borrowers who obtained a
728 refinance program loan.

729 (i) The performance of program loans as reflected by all of
730 the following:

731 1. The number and percentage of borrowers who experienced
732 at least one delinquency lasting between 7 and 29 days and the
733 distribution of principal loan amounts corresponding to those
734 delinquencies.

735 2. The number and percentage of borrowers who experienced
736 at least one delinquency lasting between 30 and 59 days and the



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737 distribution of principal loan amounts corresponding to those
738 delinquencies.

739 3. The number and percentage of borrowers who experienced
740 at least one delinquency lasting 60 days or more and the
741 distribution of principal loan amounts corresponding to those
742 delinquencies.

743 (3) The commission shall adopt rules to implement this
744 section.

745 Section 11. Sections 516.405-516.46, Florida Statutes, are
746 repealed on January 1, 2026, unless reenacted or superseded by
747 another law enacted by the Legislature before that date.

748

749 ===== T I T L E A M E N D M E N T =====

750 And the title is amended as follows:

751 Delete lines 848 - 864

752 and insert:

753 office by a certain time; requiring the commission to
754 adopt rules; creating s. 516.45, F.S.; requiring the
755 office to examine each program licensee; authorizing
756 the office to waive branch office examinations under
757 certain circumstances; limiting the scope of certain
758 examinations and investigations; authorizing the
759 office to take certain disciplinary action against
760 program licensees and access partners; requiring the
761 commission to adopt rules; creating s. 516.46, F.S.;
762 requiring program licensees to file an annual report
763 with the office beginning on a specified date;
764 requiring the office to post an annual report on its
765 website by a specified date; specifying information to



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766 be contained in the reports; requiring the commission
767 to adopt rules; providing for future repeal of the
768 pilot program; providing effective