

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 1395 Fees/Financial Technology Sandbox Applications

SPONSOR(S): Insurance & Banking Subcommittee, Sirois

TIED BILLS: HB 1391 **IDEN./SIM. BILLS:** SB 1874

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Insurance & Banking Subcommittee	14 Y, 0 N, As CS	Hinshelwood	Cooper
2) Government Operations & Technology Appropriations Subcommittee			
3) State Affairs Committee			

SUMMARY ANALYSIS

House Bill 1391 (2020), which this bill is linked to, creates the Financial Technology Sandbox within the Office of Financial Regulation (OFR). The Financial Technology Sandbox is intended to allow financial technology innovators to test innovative financial products or services in a supervised, flexible regulatory sandbox, using waivers of specified general law and corresponding rule requirements under defined conditions. Under the Financial Technology Sandbox, the OFR may waive or modify certain fees in existing statutes.

The bill makes clear that the OFR may not waive or modify any fee provided under ch. 560, F.S., except as authorized under the Financial Technology Sandbox.

This bill has no fiscal impact on state government, local governments, or the private sector.

This bill will take effect on the same date that HB 1391 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

House Bill 1391 (2020), which this bill is linked to, creates the Financial Technology Sandbox within the Office of Financial Regulation (OFR). The Financial Technology Sandbox is intended to allow financial technology innovators to test innovative financial products or services in a supervised, flexible regulatory sandbox, using waivers of specified general law and corresponding rule requirements under defined conditions. Under the Financial Technology Sandbox, the OFR may waive or modify certain fees in existing statutes.

Effect of Proposed Changes

The bill makes clear that the OFR may not waive or modify any fee provided under ch. 560, F.S., except as authorized under the Financial Technology Sandbox.

B. SECTION DIRECTORY:

Section 1: Amends s. 560.214, F.S., as created in HB 1391, relating to Financial Technology Sandbox Act.

Section 2: Provides that the bill will take effect on the same date that HB 1391 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On February 4, 2020, the Insurance & Banking Subcommittee considered one amendment, which was adopted, and reported the bill favorably as a committee substitute. The committee substitute removes the application fee for the Financial Technology Sandbox and the fees associated with fingerprinting. Such fees are already provided for in ch. 560, F.S., related to money services businesses. The companion bill, HB 1391, permits waiving or modifying certain fees in existing statutes. The committee substitute makes clear that the OFR may not waive or modify any fee provided under ch. 560, F.S., except as authorized under the Financial Technology Sandbox created by HB 1391.

The staff analysis has been updated to reflect the committee substitute.