

1 A bill to be entitled

2 An act relating to financial institutions; amending s.
3 120.80, F.S.; providing that the failure of foreign
4 nationals to appear through video conference at
5 certain hearings is grounds for denial of certain
6 applications; amending s. 475.01, F.S.; conforming a
7 cross-reference; creating s. 501.2076, F.S.; providing
8 that the imposition of fees or charges upon consumers
9 for online audit verifications of financial
10 institution accounts is a violation of the Florida
11 Deceptive and Unfair Trade Practices Act; amending s.
12 518.117, F.S.; conforming a cross-reference; amending
13 s. 655.045, F.S.; revising the interval for the Office
14 of Financial Regulation to conduct certain
15 examinations; authorizing the Commissioner of
16 Financial Regulation to delay examinations of
17 financial institutions under certain circumstances;
18 requiring copies of certain examination reports to be
19 furnished to financial institutions; requiring certain
20 directors to review and acknowledge receipt of such
21 reports; amending s. 655.414, F.S.; revising the
22 entities that may assume liabilities, and the
23 liabilities that may be assumed, according to certain
24 procedures, conditions, and limitations; specifying
25 the basis for calculating percentages of assets or

26 liabilities; amending s. 655.50, F.S.; revising the
27 definition of the term "financial institution";
28 amending s. 655.960, F.S.; conforming a cross-
29 reference; amending s. 657.021, F.S.; requiring credit
30 unions to submit specified information to the office
31 after certain meetings; amending s. 657.042, F.S.;
32 revising certain limitations on credit union
33 investments; amending s. 658.12, F.S.; defining the
34 term "target market"; amending s. 658.20, F.S.;
35 requiring the office, upon receiving applications for
36 authority to organize a bank or trust company, to
37 investigate the need for new bank facilities in a
38 primary service area or target market and the ability
39 of such service area or target market to support new
40 and existing bank facilities; amending s. 658.21,
41 F.S.; deleting a requirement that certain proposed
42 financial institution presidents or chief executive
43 officers have certain experience within a specified
44 timeframe; creating s. 658.265, F.S.; defining the
45 term "trust representative office"; authorizing a
46 trust representative office to engage in certain
47 activities; prohibiting a trust representative office
48 from engaging in fiduciary activities; amending s.
49 658.28, F.S.; requiring a person or group to notify
50 the office upon acquiring a controlling interest in a

51 bank or trust company in this state; amending s.
52 658.2953, F.S.; defining the term "de novo branch";
53 amending s. 662.122, F.S.; providing an exception to
54 publication requirements under ch. 120, F.S., for
55 applications to register certain family trust
56 companies; amending s. 662.1225, F.S.; revising the
57 type of institution with which certain family trust
58 companies are required to maintain a deposit account;
59 amending s. 662.128, F.S.; revising the timeframe for
60 filing renewal applications for certain family trust
61 companies; amending s. 663.07, F.S.; revising the
62 banks with which international bank agencies or
63 branches shall maintain certain deposits; amending s.
64 663.532, F.S.; requiring the office to suspend
65 qualifications for limited service affiliates under
66 certain circumstances; specifying that such
67 suspensions remain in effect until certain conditions
68 are met; requiring the office to revoke such
69 qualifications after a certain timeframe; amending s.
70 736.0802, F.S.; conforming a cross-reference;
71 providing an effective date.

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73 Be It Enacted by the Legislature of the State of Florida:

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75 Section 1. Paragraph (a) of subsection (3) of section

76 | 120.80, Florida Statutes, is amended to read:

77 | 120.80 Exceptions and special requirements; agencies.—

78 | (3) OFFICE OF FINANCIAL REGULATION.—

79 | (a) Notwithstanding s. 120.60(1), in proceedings for the
80 | issuance, denial, renewal, or amendment of a license or approval
81 | of a merger pursuant to title XXXVIII:

82 | 1.a. The Office of Financial Regulation of the Financial
83 | Services Commission shall have published in the Florida
84 | Administrative Register notice of the application within 21 days
85 | after receipt.

86 | b. Within 21 days after publication of notice, any person
87 | may request a hearing. Failure to request a hearing within 21
88 | days after notice constitutes a waiver of any right to a
89 | hearing. The Office of Financial Regulation or an applicant may
90 | request a hearing at any time prior to the issuance of a final
91 | order. Hearings shall be conducted pursuant to ss. 120.569 and
92 | 120.57, except that the Financial Services Commission shall by
93 | rule provide for participation by the general public.

94 | 2. Should a hearing be requested as provided by sub-
95 | subparagraph 1.b., the applicant or licensee shall publish at
96 | its own cost a notice of the hearing in a newspaper of general
97 | circulation in the area affected by the application. The
98 | Financial Services Commission may by rule specify the format and
99 | size of the notice.

100 | 3. Notwithstanding s. 120.60(1), and except as provided in

HB 1641

2021

101 subparagraph 4., an application for license for a new bank, new
102 trust company, new credit union, new savings and loan
103 association, or new licensed family trust company must be
104 approved or denied within 180 days after receipt of the original
105 application or receipt of the timely requested additional
106 information or correction of errors or omissions. An application
107 for such a license or for acquisition of such control which is
108 not approved or denied within the 180-day period or within 30
109 days after conclusion of a public hearing on the application,
110 whichever is later, shall be deemed approved subject to the
111 satisfactory completion of conditions required by statute as a
112 prerequisite to license and approval of insurance of accounts
113 for a new bank, a new savings and loan association, a new credit
114 union, or a new licensed family trust company by the appropriate
115 insurer.

116 4. In the case of an application for license to establish
117 a new bank, trust company, or capital stock savings association
118 in which a foreign national proposes to own or control 10
119 percent or more of any class of voting securities, and in the
120 case of an application by a foreign national for approval to
121 acquire control of a bank, trust company, or capital stock
122 savings association, the Office of Financial Regulation shall
123 request that a public hearing be conducted pursuant to ss.
124 120.569 and 120.57. Notice of such hearing shall be published by
125 the applicant as provided in subparagraph 2. The failure of such

126 foreign national to appear personally at or participate through
 127 video conference in the hearing shall be grounds for denial of
 128 the application. Notwithstanding s. 120.60(1) and subparagraph
 129 3., every application involving a foreign national shall be
 130 approved or denied within 1 year after receipt of the original
 131 application or any timely requested additional information or
 132 the correction of any errors or omissions, or within 30 days
 133 after the conclusion of the public hearing on the application,
 134 whichever is later.

135 Section 2. Subsection (4) of section 475.01, Florida
 136 Statutes, is amended to read:

137 475.01 Definitions.—

138 (4) A broker acting as a trustee of a trust created under
 139 chapter 689 is subject to the provisions of this chapter unless
 140 the trustee is a bank, state or federal association, or trust
 141 company possessing trust powers as defined in s. 658.12 ~~s.~~
 142 ~~658.12(23)~~.

143 Section 3. Section 501.2076, Florida Statutes, is created
 144 to read:

145 501.2076 Violations involving consumer financial
 146 institution account fees.—The imposition of a fee or other
 147 charge by a third-party agent or entity directly or indirectly
 148 upon a consumer for an online audit verification of an account
 149 maintained by a financial institution as defined in s.
 150 655.005(1)(i) or of the associated balance of such account is a

151 violation of this part.

152 Section 4. Section 518.117, Florida Statutes, is amended
153 to read:

154 518.117 Permissible investments of fiduciary funds.—A
155 fiduciary that is authorized by lawful authority to engage in
156 trust business as defined in s. 658.12 ~~s. 658.12(20)~~ may invest
157 fiduciary funds in accordance with s. 660.417 so long as the
158 investment otherwise complies with this chapter.

159 Section 5. Paragraph (a) of subsection (1) and subsection
160 (4) of section 655.045, Florida Statutes, are amended, and
161 paragraph (f) is added to subsection (1) of that section, to
162 read:

163 655.045 Examinations, reports, and internal audits;
164 penalty.—

165 (1) The office shall conduct an examination of the
166 condition of each state financial institution at least every 18
167 months. The office may conduct more frequent examinations based
168 upon the risk profile of the financial institution, prior
169 examination results, or significant changes in the institution
170 or its operations. The office may use continuous, phase, or
171 other flexible scheduling examination methods for very large or
172 complex state financial institutions and financial institutions
173 owned or controlled by a multi-financial institution holding
174 company. The office shall consider examination guidelines from
175 federal regulatory agencies in order to facilitate, coordinate,

HB 1641

2021

176 and standardize examination processes.

177 (a) The office may accept an examination of a state
178 financial institution made by an appropriate federal regulatory
179 agency or may conduct a joint or concurrent examination of the
180 institution with the federal agency. If the office accepts an
181 examination report in accordance with this paragraph, ~~However,~~
182 ~~at least once during each 36-month period beginning July 1,~~
183 ~~2014,~~ the office shall conduct the subsequent an examination of
184 each state financial institution in a manner that allows the
185 preparation of a complete examination report not subject to the
186 right of a federal or other non-Florida entity to limit access
187 to the information contained therein. The office may furnish a
188 copy of all examinations or reviews made of financial
189 institutions or their affiliates to the state or federal
190 agencies participating in the examination, investigation, or
191 review, or as otherwise authorized under s. 655.057.

192 (f) If the Commissioner of Financial Regulation determines
193 that emergency conditions exist which would cause undue risk to
194 examiners or significantly hinder or impede an examination or
195 the ordinary operations of a state-chartered financial
196 institution or its departments, sections, functions, offices, or
197 facilities, the commissioner may delay an examination of such
198 financial institution if the delay is not inconsistent with
199 federal law. Such delay may continue until the earlier of when
200 the emergency conditions cease to exist or the office determines

HB 1641

2021

201 that conditions no longer present undue risk to examiners or
202 significantly hinder or impede the examination process or the
203 ordinary operations of the financial institution and its
204 departments, sections, functions, offices, and facilities.

205 (4) A copy of the report of each examination must be
206 furnished to the financial institution ~~entity~~ examined and
207 presented to the board of directors at its next regular or
208 special meeting. Each director shall review the report and
209 acknowledge receipt of the report and such review by signing and
210 dating the prescribed signature page of the report and returning
211 a copy of the signed page to the office.

212 Section 6. Section 655.414, Florida Statutes, is amended
213 to read:

214 655.414 Acquisition of assets; assumption of liabilities.—
215 With prior approval of the office and upon such conditions as
216 the commission prescribes by rule, a financial institution
217 ~~entity~~ may acquire all or 50 percent more ~~substantially all~~ of
218 the assets or liabilities of, or a combination of assets and
219 liabilities of, or assume all or any part of the liabilities of,
220 any other financial institution in accordance with the
221 procedures and subject to the following conditions and
222 limitations:

223 (1) CALCULATIONS OF PERCENTAGES OF ASSETS OR LIABILITIES.—
224 Percentages of assets or liabilities must be calculated based on
225 the most recent quarterly reporting date.

226 (2) ADOPTION OF A PLAN.—The board of directors of the
227 acquiring or assuming financial entity and the board of
228 directors of the transferring financial institution must adopt,
229 by a majority vote, a plan for such acquisition, assumption, or
230 sale on terms that are mutually agreed upon. The plan must
231 include:

232 (a) The names and types of financial institutions
233 involved.

234 (b) A statement setting forth the material terms of the
235 proposed acquisition, assumption, or sale, including the plan
236 for disposition of all assets and liabilities not subject to the
237 plan.

238 (c) A provision for liquidation, if applicable, of the
239 transferring financial institution upon execution of the plan,
240 or a provision setting forth the business plan for the continued
241 operation of each financial institution after the execution of
242 the plan.

243 (d) A statement that the entire transaction is subject to
244 written approval of the office and approval of the members or
245 stockholders of the transferring financial institution.

246 (e) If a stock financial institution is the transferring
247 financial institution and the proposed sale is not for cash, a
248 clear and concise statement that dissenting stockholders of the
249 institution are entitled to the rights set forth in s. 658.44(4)
250 and (5).

251 (f) The proposed effective date of the acquisition,
252 assumption, or sale and such other information and provisions as
253 necessary to execute the transaction or as required by the
254 office.

255 (3)~~(2)~~ APPROVAL OF OFFICE.—Following approval by the board
256 of directors of each participating financial institution, the
257 plan, together with certified copies of the authorizing
258 resolutions adopted by the boards and a completed application
259 with a nonrefundable filing fee, must be forwarded to the office
260 for approval or disapproval. The office shall approve the plan
261 of acquisition, assumption, or sale if it appears that:

262 (a) The resulting financial entity or entities would have
263 an adequate capital structure in relation to their activities
264 and their deposit liabilities;

265 (b) The plan is fair to all parties; and

266 (c) The plan is not contrary to the public interest.

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268 If the office disapproves the plan, it shall state its
269 objections and give the parties an opportunity to amend the plan
270 to overcome such objections.

271 (4)~~(3)~~ VOTE OF MEMBERS OR STOCKHOLDERS.—If the office
272 approves the plan, it may be submitted to the members or
273 stockholders of the transferring financial institution at an
274 annual meeting or at a special meeting called to consider such
275 action. Upon a majority vote of the total number of votes

276 eligible to be cast or, in the case of a credit union, a
 277 majority vote of the members present at the meeting, the plan is
 278 adopted.

279 (5)~~(4)~~ ADOPTED PLAN; CERTIFICATE; ABANDONMENT.—

280 (a) If the plan is adopted by the members or stockholders
 281 of the transferring financial institution, the president or vice
 282 president and the cashier, manager, or corporate secretary of
 283 such institution shall submit the adopted plan to the office,
 284 together with a certified copy of the resolution of the members
 285 or stockholders approving it.

286 (b) Upon receipt of the certified copies and evidence that
 287 the participating financial institutions have complied with all
 288 applicable state and federal law and rules, the office shall
 289 certify, in writing, to the participants that the plan has been
 290 approved.

291 (c) Notwithstanding approval of the members or
 292 stockholders or certification by the office, the board of
 293 directors of the transferring financial institution may abandon
 294 such a transaction without further action or approval by the
 295 members or stockholders, subject to the rights of third parties
 296 under any contracts relating thereto.

297 (6)~~(5)~~ FEDERALLY CHARTERED OR OUT-OF-STATE INSTITUTION AS
 298 A PARTICIPANT.—If one of the participants in a transaction under
 299 this section is a federally chartered financial institution or
 300 an out-of-state financial institution, all participants must

301 also comply with requirements imposed by federal and other state
 302 law for the acquisition, assumption, or sale and provide
 303 evidence of such compliance to the office as a condition
 304 precedent to the issuance of a certificate authorizing the
 305 transaction; however, if the purchasing or assuming financial
 306 institution is a federal or out-of-state state-chartered
 307 financial institution and the transferring state financial
 308 entity will be liquidated, approval of the office is not
 309 required.

310 (7)~~(6)~~ STOCK INSTITUTION ACQUIRING MUTUAL INSTITUTION.—A
 311 mutual financial institution may not sell all or 50 percent more
 312 ~~substantially all~~ of its assets to a stock financial institution
 313 until it has first converted into a capital stock financial
 314 institution in accordance with s. 665.033(1) and (2). For this
 315 purpose, references in s. 665.033(1) and (2) to associations
 316 also refer to credit unions but, in the case of a credit union,
 317 the provision concerning proxy statements does not apply.

318 Section 7. Paragraph (c) of subsection (3) of section
 319 655.50, Florida Statutes, is amended to read:

320 655.50 Florida Control of Money Laundering and Terrorist
 321 Financing in Financial Institutions Act.—

322 (3) As used in this section, the term:

323 (c) "Financial institution" means a state association, a
 324 bank, a trust company, a credit union, a credit card bank, an
 325 international bank agency, or an international branch ~~financial~~

326 ~~institution, as defined in 31 U.S.C. s. 5312, as amended,~~
 327 ~~including a credit card bank, located in this state.~~

328 Section 8. Subsection (8) of section 655.960, Florida
 329 Statutes, is amended to read:

330 655.960 Definitions; ss. 655.960-655.965.—As used in this
 331 section and ss. 655.961-655.965, unless the context otherwise
 332 requires:

333 (8) "Financial institution office" means a main office or
 334 principal office, as defined in s. 655.005, and a branch or
 335 branch office as defined in s. 658.12 ~~s. 658.12(4)~~.

336 Section 9. Present subsections (2) through (8) of section
 337 657.021, Florida Statutes, are redesignated as subsections (3)
 338 through (9), respectively, and a new subsection (2) is added to
 339 that section, to read:

340 657.021 Board of directors; executive committee.—

341 (2) Within the 30 days following the annual meeting or any
 342 other meeting at which any director, officer, member of the
 343 supervisory or audit committee, member of the credit committee,
 344 or credit manager is elected or appointed, the credit union
 345 shall submit to the office the names and residence addresses of
 346 the elected person or persons on a form adopted by the
 347 commission and provided by the office.

348 Section 10. Paragraph (a) of subsection (5) of section
 349 657.042, Florida Statutes, is amended to read:

350 657.042 Investment powers and limitations.—A credit union

351 may invest its funds subject to the following definitions,
 352 restrictions, and limitations:

353 (5) INVESTMENTS IN REAL ESTATE AND EQUIPMENT FOR THE
 354 CREDIT UNION.—

355 (a) Up to 60 ~~5~~ percent of the equity ~~capital~~ of the credit
 356 union may be invested in the direct ownership of, or leasehold
 357 interests in, land, buildings, furniture, fixtures, and
 358 equipment, and improvements thereon, used or to be used by the
 359 credit union in the transaction of its business. This limitation
 360 applies to assets subject to a lease agreement which are
 361 required to be capitalized under criteria issued by the
 362 Financial Accounting Standards Board ~~real estate and~~
 363 ~~improvements thereon, furniture, fixtures, and equipment~~
 364 ~~utilized or to be utilized by the credit union for the~~
 365 ~~transaction of business.~~

366 Section 11. Present subsections (20) through (24) of
 367 section 658.12, Florida Statutes, are redesignated as
 368 subsections (21) through (25), respectively, and a new
 369 subsection (20) is added to that section, to read:

370 658.12 Definitions.—Subject to other definitions contained
 371 in the financial institutions codes and unless the context
 372 otherwise requires:

373 (20) "Target market" means the group of clients or
 374 potential clients from whom a bank or proposed bank expects to
 375 draw deposits and to whom a bank focuses or intends to focus its

376 marketing efforts. The term also means the group of clients or
 377 potential clients from whom a trust company, a trust department
 378 of a bank or association, a proposed trust company, or a
 379 proposed trust department of a bank or an association expects to
 380 draw its fiduciary accounts and to whom it focuses or intends to
 381 focus its marketing efforts.

382 Section 12. Paragraphs (b) and (c) of subsection (1) of
 383 section 658.20, Florida Statutes, are amended to read:

384 658.20 Investigation by office.—

385 (1) Upon the filing of an application, the office shall
 386 make an investigation of:

387 (b) The need for bank or trust facilities or additional
 388 bank or trust facilities, as the case may be, in the primary
 389 service area where the proposed bank or trust company is to be
 390 located or in the target market that the bank or trust company
 391 intends to engage in business.

392 (c) The ability of the primary service area or target
 393 market to support the proposed bank or trust company and all
 394 other existing bank or trust facilities that serve the same
 395 primary service area or target market ~~in the primary service~~
 396 ~~area.~~

397 Section 13. Subsection (4) of section 658.21, Florida
 398 Statutes, is amended to read:

399 658.21 Approval of application; findings required.—The
 400 office shall approve the application if it finds that:

401 (4) The proposed officers have sufficient financial
402 institution experience, ability, standing, and reputation and
403 the proposed directors have sufficient business experience,
404 ability, standing, and reputation to indicate reasonable promise
405 of successful operation, and none of the proposed officers or
406 directors has been convicted of, or pled guilty or nolo
407 contendere to, any violation of s. 655.50, relating to the
408 control of money laundering and terrorist financing; chapter
409 896, relating to offenses related to financial institutions; or
410 similar state or federal law. At least two of the proposed
411 directors who are not also proposed officers must have had at
412 least 1 year of direct experience as an executive officer,
413 regulator, or director of a financial institution within the 5
414 years before the date of the application. However, if the
415 applicant demonstrates that at least one of the proposed
416 directors has very substantial experience as an executive
417 officer, director, or regulator of a financial institution more
418 than 5 years before the date of the application, the office may
419 modify the requirement and allow the applicant to have only one
420 director who has direct financial institution experience within
421 the last 5 years. The proposed president or chief executive
422 officer must have had at least 1 year of direct experience as an
423 executive officer, director, or regulator of a financial
424 institution ~~within the last 5 years.~~

425 Section 14. Section 658.265, Florida Statutes, is created

426 | to read:

427 | 658.265 Trust representative offices.—

428 | (1) For purposes of this section, the term "trust
 429 | representative office" means an office of a bank or trust
 430 | company other than a main office or branch of a bank or trust
 431 | company at which activities ancillary to fiduciary business are
 432 | conducted.

433 | (2) A trust representative office may engage in the
 434 | following ancillary activities:

435 | (a) Advertising, marketing, and soliciting for fiduciary
 436 | business.

437 | (b) Contacting existing or potential customers, answering
 438 | questions, and providing information about matters related to
 439 | customer accounts.

440 | (c) Acting as a liaison between the bank or trust company
 441 | and the customer, including, but not limited to, forwarding
 442 | requests for distribution or changes in investment objectives or
 443 | forwarding forms and funds received from the customer.

444 | (d) Inspecting or maintaining custody of fiduciary assets
 445 | or holding title to real property.

446 | (3) A trust representative office may not engage in any
 447 | activities considered to be fiduciary in nature, including, but
 448 | not limited to:

449 | (a) Acting as a trustee, an executor, an administrator, a
 450 | registrar of stocks and bonds, a transfer agent, a guardian, an

451 assignee, a receiver, or a custodian under the Uniform Gifts to
452 Minors Act;

453 (b) Acting as an investment adviser, if the bank or trust
454 company receives a fee for its investment advice; or

455 (c) Acting in any capacity in which the bank or trust
456 company possesses investment discretion on behalf of another.

457 Section 15. Present subsections (2), (3), and (4) of
458 section 658.28, Florida Statutes, are redesignated as
459 subsections (3), (4), and (5), respectively, and a new
460 subsection (2) is added to that section, to read:

461 658.28 Acquisition of control of a bank or trust company.—

462 (2) A person or a group of persons that acquires a
463 controlling interest as contemplated by this section, either
464 directly or indirectly, in a state bank or state trust company
465 through probate or trust shall notify the office within 90 days
466 after acquiring such interest. Such an interest does not give
467 rise to a presumption of control until the person or group of
468 persons votes the shares or the office has issued a certificate
469 of approval in response to an application pursuant to subsection
470 (1).

471 Section 16. Present paragraphs (b) and (c) of subsection
472 (11) of section 658.2953, Florida Statutes, are redesignated as
473 paragraphs (c) and (d), respectively, and a new paragraph (b) is
474 added to that subsection, to read:

475 658.2953 Interstate branching.—

476 (11) DE NOVO INTERSTATE BRANCHING BY STATE BANKS.—

477 (b) "De novo branch" means a branch of a financial
 478 institution which is originally established by the financial
 479 institution as a branch and does not become a branch of such
 480 financial institution as a result of:

481 1. The acquisition by the financial institution of a
 482 depository institution or a branch of a depository institution;
 483 or

484 2. The conversion, merger, or consolidation of any such
 485 institution or branch.

486 Section 17. Subsection (6) is added to section 662.122,
 487 Florida Statutes, to read:

488 662.122 Registration of a family trust company or a
 489 foreign licensed family trust company.—

490 (6) Registration applications filed pursuant to this
 491 section need not be published in the Florida Administrative
 492 Register but shall otherwise be subject to chapter 120.

493 Section 18. Paragraph (d) of subsection (1) of section
 494 662.1225, Florida Statutes, is amended to read:

495 662.1225 Requirements for a family trust company, licensed
 496 family trust company, or foreign licensed family trust company.—

497 (1) A family trust company or a licensed family trust
 498 company shall maintain:

499 (d) A deposit account at a bank insured by the Federal
 500 Deposit Insurance Corporation located in the United States ~~with~~

501 ~~a state-chartered or national financial institution that has a~~
502 ~~principal or branch office in this state.~~

503 Section 19. Subsection (1) of section 662.128, Florida
504 Statutes, is amended to read:

505 662.128 Annual renewal.—

506 (1) Within 45 days after the end of each calendar year, a
507 family trust company, licensed family trust company, or foreign
508 licensed family trust company shall file its annual renewal
509 application with the office. The annual renewal application
510 shall be filed annually no later than 45 days after the
511 anniversary of the filing of either the initial application or
512 the prior year's renewal application of the family trust
513 company, licensed family trust company, or foreign licensed
514 family trust company.

515 Section 20. Subsection (1) of section 663.07, Florida
516 Statutes, is amended to read:

517 663.07 Asset maintenance or capital equivalency.—

518 (1) Each international bank agency and international
519 branch shall:

520 (a) Maintain with one or more banks insured by the Federal
521 Deposit Insurance Corporation and located within the United
522 States ~~in this state~~, in such amounts as the office specifies,
523 evidence of dollar deposits or investment securities of the type
524 that may be held by a state bank for its own account pursuant to
525 s. 658.67. The aggregate amount of dollar deposits and

526 investment securities for an international bank agency or
 527 international branch shall, at a minimum, equal the greater of:

- 528 1. Four million dollars; or
- 529 2. Seven percent of the total liabilities of the
 530 international bank agency or international branch excluding
 531 accrued expenses and amounts due and other liabilities to
 532 affiliated branches, offices, agencies, or entities; or

533 (b) Maintain other appropriate reserves, taking into
 534 consideration the nature of the business being conducted by the
 535 international bank agency or international branch.

536

537 The commission shall prescribe, by rule, the deposit,
 538 safekeeping, pledge, withdrawal, recordkeeping, and other
 539 arrangements for funds and securities maintained under this
 540 subsection. The deposits and securities used to satisfy the
 541 capital equivalency requirements of this subsection shall be
 542 held, to the extent feasible, in one or more state or national
 543 banks located in this state or in a federal reserve bank.

544 Section 21. Subsection (3) of section 663.532, Florida
 545 Statutes, is amended to read:

546 663.532 Qualification.—

547 (3) A qualification under this part must be summarily
 548 suspended by the office if the qualified limited service
 549 affiliate made a material false statement in the written notice
 550 or the office becomes aware that a jurisdiction of an

551 international trust entity served by the qualified limited
552 service affiliate is included on the Financial Action Task Force
553 list of High-Risk Jurisdictions subject to a Call for Action.
554 The summary suspension must remain in effect until a final order
555 is entered by the office or the jurisdiction is removed from the
556 Financial Action Task Force's list of High-Risk Jurisdictions
557 subject to a Call for Action. For purposes of s. 120.60(6), a
558 material false statement made in the qualified limited service
559 affiliate's written notice constitutes an immediate and serious
560 danger to the public health, safety, and welfare. If a qualified
561 limited service affiliate made a material false statement in the
562 written notice, the office must enter a final order revoking the
563 qualification and may issue a fine as prescribed by s. 655.041
564 or issue an order of suspension, removal, or prohibition under
565 s. 655.037 to a financial institution-affiliated party of the
566 qualified limited service affiliate. A suspension based on the
567 inclusion of a jurisdiction on the list of High-Risk
568 Jurisdictions subject to a Call for Action may not remain in
569 effect for longer than 12 months. After 12 months, the office
570 must enter a final order revoking the qualification, or the
571 qualified limited service affiliate must requalify under this
572 part.

573 Section 22. Paragraph (a) of subsection (5) of section
574 736.0802, Florida Statutes, is amended to read:

575 736.0802 Duty of loyalty.—

HB 1641

2021

576 (5) (a) An investment by a trustee authorized by lawful
577 authority to engage in trust business, as defined in s. 658.12
578 ~~s. 658.12(20)~~, in investment instruments, as defined in s.
579 660.25(6), that are owned or controlled by the trustee or its
580 affiliate, or from which the trustee or its affiliate receives
581 compensation for providing services in a capacity other than as
582 trustee, is not presumed to be affected by a conflict between
583 personal and fiduciary interests provided the investment
584 otherwise complies with chapters 518 and 660 and the trustee
585 complies with the requirements of this subsection.

586 Section 23. This act shall take effect July 1, 2021.