

By Senator Gruters

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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 the
16 Office of Financial Regulation to delay examinations
17 of 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. 657.021, F.S.; requiring credit unions to
29 submit specified information to the office after

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30 certain meetings; amending s. 657.042, F.S.; revising
31 certain limitations on credit union investments;
32 amending s. 658.12, F.S.; defining the term "target
33 market"; amending s. 658.20, F.S.; requiring the
34 office, upon receiving applications for authority to
35 organize a bank or trust company, to investigate the
36 need for new bank facilities in a primary service area
37 or target market and the ability of such service area
38 or target market to support new and existing bank
39 facilities; amending s. 658.21, F.S.; deleting a
40 requirement that certain proposed financial
41 institution presidents or chief executive officers
42 have certain experience within a specified timeframe;
43 creating s. 658.265, F.S.; defining the term "trust
44 representative office"; authorizing a trust
45 representative office to engage in certain activities;
46 prohibiting a trust representative office from
47 engaging in fiduciary activities; amending s. 658.28,
48 F.S.; requiring a person or group to notify the office
49 upon acquiring a controlling interest in a bank or
50 trust company in this state; amending s. 658.2953,
51 F.S.; defining the term "de novo branch"; amending s.
52 662.122, F.S.; providing an exception to publication
53 requirements under ch. 120 for applications to
54 register certain family trust companies; amending s.
55 662.1225, F.S.; revising the type of institution with
56 which certain family trust companies are required to
57 maintain a deposit account; amending s. 662.128, F.S.;
58 revising the timeframe for filing renewal applications

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59 for certain family trust companies; amending s.
60 663.07, F.S.; revising the banks with which
61 international bank agencies or branches shall maintain
62 certain deposits; amending s. 663.532, F.S.; requiring
63 the office to suspend qualifications for limited
64 service affiliates under certain circumstances;
65 specifying that such suspensions remain in effect
66 until certain conditions are met; requiring the office
67 to revoke such qualifications after a certain
68 timeframe; amending s. 736.0802, F.S.; conforming a
69 cross-reference; providing an effective date.

70
71 Be It Enacted by the Legislature of the State of Florida:

72
73 Section 1. Paragraph (a) of subsection (3) of section
74 120.80, Florida Statutes, is amended to read:

75 120.80 Exceptions and special requirements; agencies.—

76 (3) OFFICE OF FINANCIAL REGULATION.—

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

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

84 b. Within 21 days after publication of notice, any person
85 may request a hearing. Failure to request a hearing within 21
86 days after notice constitutes a waiver of any right to a
87 hearing. The Office of Financial Regulation or an applicant may

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88 request a hearing at any time prior to the issuance of a final
89 order. Hearings shall be conducted pursuant to ss. 120.569 and
90 120.57, except that the Financial Services Commission shall by
91 rule provide for participation by the general public.

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

98 3. Notwithstanding s. 120.60(1), and except as provided in
99 subparagraph 4., an application for license for a new bank, new
100 trust company, new credit union, new savings and loan
101 association, or new licensed family trust company must be
102 approved or denied within 180 days after receipt of the original
103 application or receipt of the timely requested additional
104 information or correction of errors or omissions. An application
105 for such a license or for acquisition of such control which is
106 not approved or denied within the 180-day period or within 30
107 days after conclusion of a public hearing on the application,
108 whichever is later, shall be deemed approved subject to the
109 satisfactory completion of conditions required by statute as a
110 prerequisite to license and approval of insurance of accounts
111 for a new bank, a new savings and loan association, a new credit
112 union, or a new licensed family trust company by the appropriate
113 insurer.

114 4. In the case of an application for license to establish a
115 new bank, trust company, or capital stock savings association in
116 which a foreign national proposes to own or control 10 percent

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117 or more of any class of voting securities, and in the case of an
118 application by a foreign national for approval to acquire
119 control of a bank, trust company, or capital stock savings
120 association, the Office of Financial Regulation shall request
121 that a public hearing be conducted pursuant to ss. 120.569 and
122 120.57. Notice of such hearing shall be published by the
123 applicant as provided in subparagraph 2. The failure of such
124 foreign national to appear personally at or participate through
125 video conference in the hearing shall be grounds for denial of
126 the application. Notwithstanding s. 120.60(1) and subparagraph
127 3., every application involving a foreign national shall be
128 approved or denied within 1 year after receipt of the original
129 application or any timely requested additional information or
130 the correction of any errors or omissions, or within 30 days
131 after the conclusion of the public hearing on the application,
132 whichever is later.

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

135 475.01 Definitions.—

136 (4) A broker acting as a trustee of a trust created under
137 chapter 689 is subject to the provisions of this chapter unless
138 the trustee is a bank, state or federal association, or trust
139 company possessing trust powers as defined in s. 658.12(24) ~~s.~~
140 ~~658.12(23)~~.

141 Section 3. Section 501.2076, Florida Statutes, is created
142 to read:

143 501.2076 Violations involving consumer financial
144 institution account fees.—The imposition of a fee or other
145 charge by a third party agent or entity directly or indirectly

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146 upon a consumer for an online audit verification of an account
147 maintained by a financial institution as defined in s. 655.005
148 or of the associated balance of such account is a violation of
149 this part.

150 Section 4. Section 518.117, Florida Statutes, is amended to
151 read:

152 518.117 Permissible investments of fiduciary funds.—A
153 fiduciary that is authorized by lawful authority to engage in
154 trust business as defined in s. 658.12(21) ~~s. 658.12(20)~~ may
155 invest fiduciary funds in accordance with s. 660.417 so long as
156 the investment otherwise complies with this chapter.

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

161 655.045 Examinations, reports, and internal audits;
162 penalty.—

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

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

190 (f) If the commissioner determines that emergency
191 conditions exist which would cause undue risk to examiners or
192 significantly hinder or impede an examination or the ordinary
193 operations of a state-chartered financial institution or its
194 departments, sections, functions, offices, or facilities, the
195 commissioner may delay an examination of such financial
196 institution if the delay is not inconsistent with federal law.
197 Such delay may continue until the earlier of when the emergency
198 conditions cease to exist or the office determines that
199 conditions no longer present undue risk to examiners or
200 significantly hinder or impede the examination process or the
201 ordinary operations of the financial institution and its
202 departments, sections, functions, offices, and facilities.

203 (4) A copy of the report of each examination must be

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

210 Section 6. Section 655.414, Florida Statutes, is amended to
211 read:

212 655.414 Acquisition of assets; assumption of liabilities.—
213 With prior approval of the office and upon such conditions as
214 the commission prescribes by rule, a financial institution
215 ~~entity~~ may acquire all or 50 percent more ~~substantially all~~ of
216 the assets or liabilities of, or a combination of assets and
217 liabilities of, or assume all or any part of the liabilities of,
218 any other financial institution in accordance with the
219 procedures and subject to the following conditions and
220 limitations:

221 (1) Percentages of assets or liabilities must be calculated
222 based on the most recent quarterly reporting date.

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

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

230 (b) A statement setting forth the material terms of the
231 proposed acquisition, assumption, or sale, including the plan
232 for disposition of all assets and liabilities not subject to the

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233 plan.

234 (c) A provision for liquidation, if applicable, of the
235 transferring financial institution upon execution of the plan,
236 or a provision setting forth the business plan for the continued
237 operation of each financial institution after the execution of
238 the plan.

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

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

247 (f) The proposed effective date of the acquisition,
248 assumption, or sale and such other information and provisions as
249 necessary to execute the transaction or as required by the
250 office.

251 (3)~~(2)~~ APPROVAL OF OFFICE.—Following approval by the board
252 of directors of each participating financial institution, the
253 plan, together with certified copies of the authorizing
254 resolutions adopted by the boards and a completed application
255 with a nonrefundable filing fee, must be forwarded to the office
256 for approval or disapproval. The office shall approve the plan
257 of acquisition, assumption, or sale if it appears that:

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

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

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

263
264 If the office disapproves the plan, it shall state its
265 objections and give the parties an opportunity to amend the plan
266 to overcome such objections.

267 (4)~~(3)~~ VOTE OF MEMBERS OR STOCKHOLDERS.—If the office
268 approves the plan, it may be submitted to the members or
269 stockholders of the transferring financial institution at an
270 annual meeting or at a special meeting called to consider such
271 action. Upon a majority vote of the total number of votes
272 eligible to be cast or, in the case of a credit union, a
273 majority vote of the members present at the meeting, the plan is
274 adopted.

275 (5)~~(4)~~ ADOPTED PLAN; CERTIFICATE; ABANDONMENT.—

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

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

287 (c) Notwithstanding approval of the members or stockholders
288 or certification by the office, the board of directors of the
289 transferring financial institution may abandon such a
290 transaction without further action or approval by the members or

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291 stockholders, subject to the rights of third parties under any
292 contracts relating thereto.

293 (6)~~(5)~~ FEDERALLY CHARTERED OR OUT-OF-STATE INSTITUTION AS A
294 PARTICIPANT.—If one of the participants in a transaction under
295 this section is a federally chartered financial institution or
296 an out-of-state financial institution, all participants must
297 also comply with requirements imposed by federal and other state
298 law for the acquisition, assumption, or sale and provide
299 evidence of such compliance to the office as a condition
300 precedent to the issuance of a certificate authorizing the
301 transaction; however, if the purchasing or assuming financial
302 institution is a federal or out-of-state state-chartered
303 financial institution and the transferring state financial
304 entity will be liquidated, approval of the office is not
305 required.

306 (7)~~(6)~~ STOCK INSTITUTION ACQUIRING MUTUAL INSTITUTION.—A
307 mutual financial institution may not sell all or 50 percent more
308 ~~substantially all~~ of its assets to a stock financial institution
309 until it has first converted into a capital stock financial
310 institution in accordance with s. 665.033(1) and (2). For this
311 purpose, references in s. 665.033(1) and (2) to associations
312 also refer to credit unions but, in the case of a credit union,
313 the provision concerning proxy statements does not apply.

314 Section 7. Paragraph (c) of subsection (3) of section
315 655.50, Florida Statutes, is amended to read:

316 655.50 Florida Control of Money Laundering and Terrorist
317 Financing in Financial Institutions Act.—

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

319 (c) "Financial institution" means a state association, a

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320 bank, a trust company, a credit union, a credit card bank, an
321 international bank agency, or an international branch financial
322 institution, as defined in 31 U.S.C. s. 5312, as amended,
323 including a credit card bank, located in this state.

324 Section 8. Present subsections (2) through (8) of section
325 657.021, Florida Statutes, are redesignated as subsections (3)
326 through (9), respectively, and a new subsection (2) is added to
327 that section, to read:

328 657.021 Board of directors; executive committee.—

329 (2) Within the 30 days following the annual meeting or any
330 other meeting at which any director, officer, member of the
331 supervisory or audit committee, member of the credit committee,
332 or credit manager is elected or appointed, the credit union
333 shall submit to the office the names and residence addresses of
334 the elected person or persons on a form adopted by the
335 commission and provided by the office.

336 Section 9. Paragraph (a) of subsection (5) of section
337 657.042, Florida Statutes, is amended to read:

338 657.042 Investment powers and limitations.—A credit union
339 may invest its funds subject to the following definitions,
340 restrictions, and limitations:

341 (5) INVESTMENTS IN REAL ESTATE AND EQUIPMENT FOR THE CREDIT
342 UNION.—

343 (a) Up to 60 ~~5~~ percent of the equity capital of the credit
344 union may be invested in the direct ownership of, or leasehold
345 interests in, land, buildings, furniture, fixtures, and
346 equipment, and improvements thereon, used or to be used by the
347 credit union in the transaction of its business. This limitation
348 applies to assets subject to a lease agreement which are

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349 required to be capitalized under criteria issued by the
350 Financial Accounting Standards Board ~~real estate and~~
351 ~~improvements thereon, furniture, fixtures, and equipment~~
352 ~~utilized or to be utilized by the credit union for the~~
353 ~~transaction of business.~~

354 Section 10. Present subsections (20) through (24) of
355 section 658.12, Florida Statutes, are redesignated as
356 subsections (21) through (25), respectively, and a new
357 subsection (20) is added to that section, to read:

358 658.12 Definitions.—Subject to other definitions contained
359 in the financial institutions codes and unless the context
360 otherwise requires:

361 (20) "Target market" means the group of clients or
362 potential clients from whom a bank or proposed bank expects to
363 draw deposits and to whom a bank focuses or intends to focus its
364 marketing efforts. The term also means the group of clients or
365 potential clients from whom a trust company, a trust department
366 of a bank or association, a proposed trust company, or a
367 proposed trust department of a bank or an association expects to
368 draw its fiduciary accounts and to whom it focuses or intends to
369 focus its marketing efforts.

370 Section 11. Paragraphs (b) and (c) of subsection (1) of
371 section 658.20, Florida Statutes, are amended to read:

372 658.20 Investigation by office.—

373 (1) Upon the filing of an application, the office shall
374 make an investigation of:

375 (b) The need for bank or trust facilities or additional
376 bank or trust facilities, as the case may be, in the primary
377 service area where the proposed bank or trust company is to be

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378 located or in the target market that the bank or trust company
379 intends to engage in business.

380 (c) The ability of the primary service area or target
381 market to support the proposed bank or trust company and all
382 other existing bank or trust facilities that serve the same
383 primary service area or target market ~~in the primary service~~
384 ~~area.~~

385 Section 12. Subsection (4) of section 658.21, Florida
386 Statutes, is amended to read:

387 658.21 Approval of application; findings required.—The
388 office shall approve the application if it finds that:

389 (4) The proposed officers have sufficient financial
390 institution experience, ability, standing, and reputation and
391 the proposed directors have sufficient business experience,
392 ability, standing, and reputation to indicate reasonable promise
393 of successful operation, and none of the proposed officers or
394 directors has been convicted of, or pled guilty or nolo
395 contendere to, any violation of s. 655.50, relating to the
396 control of money laundering and terrorist financing; chapter
397 896, relating to offenses related to financial institutions; or
398 similar state or federal law. At least two of the proposed
399 directors who are not also proposed officers must have had at
400 least 1 year of direct experience as an executive officer,
401 regulator, or director of a financial institution within the 5
402 years before the date of the application. However, if the
403 applicant demonstrates that at least one of the proposed
404 directors has very substantial experience as an executive
405 officer, director, or regulator of a financial institution more
406 than 5 years before the date of the application, the office may

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407 modify the requirement and allow the applicant to have only one
408 director who has direct financial institution experience within
409 the last 5 years. The proposed president or chief executive
410 officer must have had at least 1 year of direct experience as an
411 executive officer, director, or regulator of a financial
412 institution ~~within the last 5 years.~~

413 Section 13. Section 658.265, Florida Statutes, is created
414 to read:

415 658.265 Trust Representative Offices.-

416 (1) For purposes of this section, the term "trust
417 representative office" means an office of a bank or trust
418 company other than a main office or branch of a bank or trust
419 company at which activities ancillary to fiduciary business are
420 conducted.

421 (2) A trust representative office may engage in the
422 following ancillary activities:

423 (a) Advertising, marketing, and soliciting for fiduciary
424 business.

425 (b) Contacting existing or potential customers, answering
426 questions, and providing information about matters related to
427 customer accounts.

428 (c) Acting as a liaison between the bank or trust company
429 and the customer, including, but not limited to, forwarding
430 requests for distribution or changes in investment objectives or
431 forwarding forms and funds received from the customer.

432 (d) Inspecting or maintaining custody of fiduciary assets
433 or holding title to real property.

434 (3) A trust representative office may not engage in any
435 activities considered to be fiduciary in nature, including, but

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436 not limited to:

437 (a) Acting as a trustee, an executor, an administrator, a
438 registrar of stocks and bonds, a transfer agent, a guardian, an
439 assignee, a receiver, or a custodian under a uniform gifts to
440 minors act;

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

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

445 Section 14. Present subsections (2), (3), and (4) of
446 section 658.28, Florida Statutes, are redesignated as
447 subsections (3), (4), and (5), respectively, and a new
448 subsection (2) is added to that section, to read:

449 658.28 Acquisition of control of a bank or trust company.—

450 (2) A person or a group of persons that acquires a
451 controlling interest as contemplated by this section, either
452 directly or indirectly, in a state bank or state trust company
453 through probate or trust shall notify the office within 90 days
454 after acquiring such interest. Such an interest does not give
455 rise to a presumption of control until the person or group of
456 persons votes the shares or the office has issued a certificate
457 of approval in response to an application pursuant to subsection
458 (1).

459 Section 15. Present paragraphs (b) and (c) of subsection
460 (11) of section 658.2953, Florida Statutes, are redesignated as
461 paragraphs (c) and (d), respectively, and a new paragraph (b) is
462 added to that subsection, to read:

463 658.2953 Interstate branching.—

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

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465 (b) "De novo branch" means a branch of a financial
466 institution which is originally established by the financial
467 institution as a branch and does not become a branch of such
468 financial institution as a result of:

469 1. The acquisition by the financial institution of a
470 depository institution or a branch of a depository institution;
471 or

472 2. The conversion, merger, or consolidation of any such
473 institution or branch.

474 Section 16. Subsection (6) is added to section 662.122,
475 Florida Statutes, to read:

476 662.122 Registration of a family trust company or a foreign
477 licensed family trust company.—

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

481 Section 17. Paragraph (d) of subsection (1) of section
482 662.1225, Florida Statutes, is amended to read:

483 662.1225 Requirements for a family trust company, licensed
484 family trust company, or foreign licensed family trust company.—

485 (1) A family trust company or a licensed family trust
486 company shall maintain:

487 (d) A deposit account at a bank insured by the Federal
488 Deposit Insurance Corporation located in the United States ~~with~~
489 ~~a state-chartered or national financial institution that has a~~
490 ~~principal or branch office in this state.~~

491 Section 18. Subsection (1) of section 662.128, Florida
492 Statutes, is amended to read:

493 662.128 Annual renewal.—

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494 (1) Within 45 days after the end of each calendar year, a
495 family trust company, licensed family trust company, or foreign
496 licensed family trust company shall file its annual renewal
497 application with the office. The annual renewal application
498 shall be filed annually no later than 45 days after the
499 anniversary of the filing of either the initial application or
500 the prior year's renewal application of the family trust
501 company, licensed family trust company, or foreign licensed
502 family trust company.

503 Section 19. Subsection (1) of section 663.07, Florida
504 Statutes, is amended to read:

505 663.07 Asset maintenance or capital equivalency.—

506 (1) Each international bank agency and international branch
507 shall:

508 (a) Maintain with one or more banks insured by the Federal
509 Deposit Insurance Corporation and located within the United
510 States ~~in this state~~, in such amounts as the office specifies,
511 evidence of dollar deposits or investment securities of the type
512 that may be held by a state bank for its own account pursuant to
513 s. 658.67. The aggregate amount of dollar deposits and
514 investment securities for an international bank agency or
515 international branch shall, at a minimum, equal the greater of:

- 516 1. Four million dollars; or
- 517 2. Seven percent of the total liabilities of the
518 international bank agency or international branch excluding
519 accrued expenses and amounts due and other liabilities to
520 affiliated branches, offices, agencies, or entities; or

521 (b) Maintain other appropriate reserves, taking into
522 consideration the nature of the business being conducted by the

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523 international bank agency or international branch.

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525 The commission shall prescribe, by rule, the deposit,
526 safekeeping, pledge, withdrawal, recordkeeping, and other
527 arrangements for funds and securities maintained under this
528 subsection. The deposits and securities used to satisfy the
529 capital equivalency requirements of this subsection shall be
530 held, to the extent feasible, in one or more state or national
531 banks located in this state or in a federal reserve bank.

532 Section 20. Subsection (3) of section 663.532, Florida
533 Statutes, is amended to read:

534 663.532 Qualification.—

535 (3) A qualification under this part must be summarily
536 suspended by the office if the qualified limited service
537 affiliate made a material false statement in the written notice
538 or the office becomes aware that a jurisdiction of an
539 international trust entity served by the qualified limited
540 service affiliate is included on the Financial Action Task Force
541 list of High-Risk Jurisdictions subject to a Call for Action.

542 The summary suspension must remain in effect until a final order
543 is entered by the office or the jurisdiction is removed from the
544 Financial Action Task Force's list of High-Risk Jurisdictions
545 subject to a Call for Action. For purposes of s. 120.60(6), a
546 material false statement made in the qualified limited service
547 affiliate's written notice constitutes an immediate and serious
548 danger to the public health, safety, and welfare. If a qualified
549 limited service affiliate made a material false statement in the
550 written notice, the office must enter a final order revoking the
551 qualification and may issue a fine as prescribed by s. 655.041

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552 or issue an order of suspension, removal, or prohibition under
553 s. 655.037 to a financial institution-affiliated party of the
554 qualified limited service affiliate. A suspension based on the
555 inclusion of a jurisdiction on the list of High-Risk
556 Jurisdictions subject to a Call for Action will remain in effect
557 for no longer than 12 months. After 12 months, the office must
558 enter a final order revoking the qualification, or the qualified
559 limited service affiliate must requalify under this part.

560 Section 21. Paragraph (a) of subsection (5) of section
561 736.0802, Florida Statutes, is amended to read:

562 736.0802 Duty of loyalty.—

563 (5) (a) An investment by a trustee authorized by lawful
564 authority to engage in trust business, as defined in s.
565 658.12(21) ~~s. 658.12(20)~~, in investment instruments, as defined
566 in s. 660.25(6), that are owned or controlled by the trustee or
567 its affiliate, or from which the trustee or its affiliate
568 receives compensation for providing services in a capacity other
569 than as trustee, is not presumed to be affected by a conflict
570 between personal and fiduciary interests provided the investment
571 otherwise complies with chapters 518 and 660 and the trustee
572 complies with the requirements of this subsection.

573 Section 22. This act shall take effect July 1, 2021.