



26           516.03 Application for license; fees; assets, bonds,  
27 certificates of deposit, or letters of credit; etc.—

28           (1) APPLICATION.—Application for a license to make loans  
29 under this chapter shall be in the form prescribed by rule of  
30 the commission. The commission may require each applicant to  
31 provide any information reasonably necessary to determine the  
32 applicant's eligibility for licensure. The applicant shall also  
33 provide information that the office requires concerning any  
34 officer, director, control person, member, partner, or joint  
35 venturer of the applicant or any person having the same or  
36 substantially similar status or performing substantially similar  
37 functions or concerning any individual who is the ultimate  
38 equitable owner of a 10-percent or greater interest in the  
39 applicant. The office may require information concerning any  
40 such applicant or person, including, but not limited to, his or  
41 her full name and any other names by which he or she may have  
42 been known, age, social security number, residential history,  
43 qualifications, educational and business history, and  
44 disciplinary and criminal history. The applicant must provide  
45 evidence of liquid assets of at least \$25,000 or documents  
46 satisfying the requirements in s. 516.05(10). At the time of  
47 making such application the applicant shall pay to the office a  
48 nonrefundable biennial license fee of \$625. Applications, except  
49 for applications to renew or reactivate a license, must also be  
50 accompanied by a nonrefundable investigation fee of \$200. An

51 application is considered received for purposes of s. 120.60  
52 upon receipt of a completed application form as prescribed by  
53 commission rule, a nonrefundable application fee of \$625, and  
54 any other fee prescribed by law. The commission may adopt rules  
55 requiring electronic submission of any form, document, or fee  
56 required by this act if such rules reasonably accommodate  
57 technological or financial hardship. The commission may  
58 prescribe by rule requirements and procedures for obtaining an  
59 exemption due to a technological or financial hardship.

60 Section 2. Subsection (6) is added to section 516.031,  
61 Florida Statutes, to read:

62 516.031 Finance charge; maximum rates.—

63 (6) PREPAYMENT PENALTIES PROHIBITED.—A licensee may not  
64 require a borrower to pay a prepayment penalty for paying all or  
65 part of the loan principal before the date on which the payment  
66 is due.

67 Section 3. Subsection (10) is added to section 516.05,  
68 Florida Statutes, to read:

69 516.05 License.—

70 (10) (a) In lieu of the \$25,000 liquid asset requirement in  
71 s. 516.03(1):

72 1. An applicant or a licensee may provide to the office a  
73 surety bond in the amount of at least \$25,000, issued by a  
74 bonding company or insurance company authorized to do business  
75 in this state.

76        2. A company with at least one currently licensed location  
 77 must provide to the office a rider or surety bond in the amount  
 78 of at least \$5,000 for each additional license issued by a  
 79 bonding company or insurance company authorized to do business  
 80 in this state. However, in no event may the aggregate amount of  
 81 the surety bond required for a company with multiple licenses  
 82 exceed \$100,000.

83        (b) In lieu of a surety bond, the applicant or the  
 84 licensee may provide evidence of a certificate of deposit or an  
 85 irrevocable letter of credit in the same amount of the surety  
 86 bond required under paragraph (a). The certificate of deposit  
 87 must be deposited in a financial institution, as defined in s.  
 88 655.005(1)(i).

89        (c) The original surety bond, certificate of deposit, or  
 90 letter of credit must be filed with the office, and the office  
 91 must be named as beneficiary. The surety bond, certificate of  
 92 deposit, or letter of credit must be for the use and benefit of  
 93 any borrower who is injured by acts of a licensee involving  
 94 fraud, misrepresentation, or deceit, including willful  
 95 imposition of illegal or excessive charges; or  
 96 misrepresentation, circumvention, or concealment of any matter  
 97 required to be stated or furnished to a borrower, where such  
 98 acts are in connection with a loan made under this chapter. The  
 99 office, or any claimant, may bring an action in a court of  
 100 competent jurisdiction on the surety bond, certificate of

101 deposit, or letter of credit. The surety bond, certificate of  
102 deposit, or letter of credit must be payable on a pro rata  
103 basis, but the aggregate amount may not exceed the amount of the  
104 surety bond, certificate of deposit, or letter of credit.

105 (d) The surety bond, certificate of deposit, or letter of  
106 credit may not be canceled by the licensee, bonding or insurance  
107 company, or financial institution except upon notice to the  
108 office by certified mail. A cancellation may not take effect  
109 until 30 calendar days after receipt by the office of the  
110 notice.

111 (e) The bonding or insurance company or financial  
112 institution must, within 10 calendar days after it pays a claim,  
113 give notice to the office by certified mail of such payment with  
114 details sufficient to identify the claimant and the claim or  
115 judgment paid.

116 (f) If the principal sum of the surety bond, certificate  
117 of deposit, or letter of credit is reduced by one or more  
118 recoveries or payments, the licensee must furnish to the office  
119 a new or additional surety bond, certificate of deposit, or  
120 letter of credit so that the total or aggregate principal sum  
121 equals the amount required under this subsection. Alternatively,  
122 a licensee may furnish an endorsement executed by the bonding or  
123 insurance company or financial institution reinstating the  
124 required principal amount.

125 (g) The required surety bond, certificate of deposit, or

126 letter of credit must remain in place for 2 years after the  
 127 licensee ceases licensed operations in this state. During the 2-  
 128 year period, the office may allow for a reduction or elimination  
 129 of the surety bond, certificate of deposit, or letter of credit  
 130 to the extent the licensee's outstanding consumer finance loans  
 131 in the state are reduced.

132 (h) The commission may prescribe by rule forms and  
 133 procedures to implement this subsection.

134 Section 4. Paragraph (b) of subsection (1) of section  
 135 516.07, Florida Statutes, is amended to read:

136 516.07 Grounds for denial of license or for disciplinary  
 137 action.—

138 (1) The following acts are violations of this chapter and  
 139 constitute grounds for denial of an application for a license to  
 140 make consumer finance loans and grounds for any of the  
 141 disciplinary actions specified in subsection (2):

142 (b) Failure to maintain liquid assets of at least \$25,000  
 143 or a surety bond, certificate of deposit, or letter of credit in  
 144 the amount required by s. 516.05(10) at all times for the  
 145 operation of business at a licensed location or proposed  
 146 location.

147 Section 5. Paragraph (a) of subsection (4) of section  
 148 559.952, Florida Statutes, is amended to read:

149 559.952 Financial Technology Sandbox.—

150 (4) EXCEPTIONS TO GENERAL LAW AND WAIVERS OF RULE

151 REQUIREMENTS.—

152 (a) Notwithstanding any other law, upon approval of a  
153 Financial Technology Sandbox application, the following  
154 provisions and corresponding rule requirements are not  
155 applicable to the licensee during the sandbox period:

156 1. Section 516.03(1), except for the application fee, the  
157 investigation fee, the requirement to provide the social  
158 security numbers of control persons, evidence of liquid assets  
159 of at least \$25,000 or documents satisfying the requirements in  
160 s. 516.05(10), and the office's authority to investigate the  
161 applicant's background. The office may prorate the license  
162 renewal fee for an extension granted under subsection (7).

163 2. Section 516.05(1) and (2), except that the office shall  
164 investigate the applicant's background.

165 3. Section 560.109, only to the extent that the section  
166 requires the office to examine a licensee at least once every 5  
167 years.

168 4. Section 560.118(2).

169 5. Section 560.125(1), only to the extent that the  
170 subsection would prohibit a licensee from engaging in the  
171 business of a money transmitter or payment instrument seller  
172 during the sandbox period.

173 6. Section 560.125(2), only to the extent that the  
174 subsection would prohibit a licensee from appointing an  
175 authorized vendor during the sandbox period. Any authorized

176 vendor of such a licensee during the sandbox period remains  
 177 liable to the holder or remitter.

178 7. Section 560.128.

179 8. Section 560.141, except for s. 560.141(1)(a)1., 3., 7.-  
 180 10. and (b), (c), and (d).

181 9. Section 560.142(1) and (2), except that the office may  
 182 prorate, but may not entirely eliminate, the license renewal  
 183 fees in s. 560.143 for an extension granted under subsection  
 184 (7).

185 10. Section 560.143(2), only to the extent necessary for  
 186 proration of the renewal fee under subparagraph 9.

187 11. Section 560.204(1), only to the extent that the  
 188 subsection would prohibit a licensee from engaging in, or  
 189 advertising that it engages in, the selling or issuing of  
 190 payment instruments or in the activity of a money transmitter  
 191 during the sandbox period.

192 12. Section 560.205(2).

193 13. Section 560.208(2).

194 14. Section 560.209, only to the extent that the office  
 195 may modify, but may not entirely eliminate, the net worth,  
 196 corporate surety bond, and collateral deposit amounts required  
 197 under that section. The modified amounts must be in such lower  
 198 amounts that the office determines to be commensurate with the  
 199 factors under paragraph (5)(c) and the maximum number of  
 200 consumers authorized to receive the financial product or service



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201 | under this section.

202 |       Section 6. This act shall take effect October 1, 2022.