

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 circumstances pursuant
14 to which the Office of Financial Regulation is
15 required to conduct certain examinations; authorizing
16 the office to delay examinations of state financial
17 institutions under certain circumstances; specifying
18 that examination requirements are deemed met under
19 certain circumstances; requiring copies of certain
20 examination reports to be furnished to state financial
21 institutions; requiring certain directors to review
22 and acknowledge receipt of such reports; amending s.
23 655.414, F.S.; revising the entities that may assume
24 liabilities and assets, and the liabilities and assets
25 that may be assumed, according to certain procedures,
26 conditions, and limitations; specifying the basis for
27 calculating percentages of assets or liabilities;
28 revising the assets a mutual financial institution may
29 sell, subject to certain conditions; amending s.

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30 655.50, F.S.; revising the definition of the term
31 "financial institution"; amending s. 657.021, F.S.;
32 requiring credit unions to submit specified
33 information to the office after certain meetings;
34 repealing s. 657.028(6), F.S., relating to credit
35 union board member, committee member, and officer
36 election and appointment record reporting
37 requirements; amending s. 658.12, F.S.; defining the
38 term "target market"; amending s. 658.20, F.S.;
39 requiring the office, upon receiving applications for
40 authority to organize a bank or trust company, to
41 investigate the need for new bank facilities in a
42 primary service area or for a target market and the
43 ability of such service area or target market to
44 support new and existing bank facilities; amending s.
45 658.21, F.S.; revising financial institution
46 application approval requirements to include
47 consideration of target market conditions; deleting a
48 requirement that certain proposed financial
49 institution presidents or chief executive officers
50 have certain experience within a specified timeframe;
51 amending s. 658.28, F.S.; requiring a person or group
52 to notify the office within a specified timeframe upon
53 acquiring a controlling interest in a bank or trust
54 company in this state; amending s. 658.2953, F.S.;
55 defining the term "de novo branch"; amending s.
56 662.1225, F.S.; revising the type of institution with
57 which certain family trust companies are required to
58 maintain a deposit account; amending s. 662.128, F.S.;

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59 revising the timeframe for filing renewal applications
60 for certain family trust companies; amending s.
61 663.07, F.S.; revising the banks with which
62 international bank agencies or branches shall maintain
63 certain deposits; amending s. 663.532, F.S.; revising
64 references to lists of jurisdictions used for
65 qualifying qualified limited service affiliates;
66 requiring limited service affiliates to suspend
67 certain permissible activities under certain
68 circumstances; specifying that such suspensions remain
69 in effect until certain conditions are met; amending
70 s. 736.0802, F.S.; conforming a cross-reference;
71 reenacting s. 658.165(1), F.S., relating to banker's
72 banks, for the purpose of incorporating amendments
73 made by the act; providing an effective date.

74

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

76

77 Section 1. Paragraph (a) of subsection (3) of section
78 120.80, Florida Statutes, is amended to read:

79 120.80 Exceptions and special requirements; agencies.—

80 (3) OFFICE OF FINANCIAL REGULATION.—

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

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

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88 b. Within 21 days after publication of notice, any person
89 may request a hearing. Failure to request a hearing within 21
90 days after notice constitutes a waiver of any right to a
91 hearing. The Office of Financial Regulation or an applicant may
92 request a hearing at any time prior to the issuance of a final
93 order. Hearings shall be conducted pursuant to ss. 120.569 and
94 120.57, except that the Financial Services Commission shall by
95 rule provide for participation by the general public.

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

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

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117 insurer.

118 4. In the case of an application for license to establish a
119 new bank, trust company, or capital stock savings association in
120 which a foreign national proposes to own or control 10 percent
121 or more of any class of voting securities, and in the case of an
122 application by a foreign national for approval to acquire
123 control of a bank, trust company, or capital stock savings
124 association, the Office of Financial Regulation shall request
125 that a public hearing be conducted pursuant to ss. 120.569 and
126 120.57. Notice of such hearing shall be published by the
127 applicant as provided in subparagraph 2. The failure of such
128 foreign national to appear personally at or to participate
129 through video conference in the hearing shall be grounds for
130 denial of the application. Notwithstanding s. 120.60(1) and
131 subparagraph 3., every application involving a foreign national
132 shall be approved or denied within 1 year after receipt of the
133 original application or any timely requested additional
134 information or the correction of any errors or omissions, or
135 within 30 days after the conclusion of the public hearing on the
136 application, whichever is later.

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

139 475.01 Definitions.—

140 (4) A broker acting as a trustee of a trust created under
141 chapter 689 is subject to the provisions of this chapter unless
142 the trustee is a bank, state or federal association, or trust
143 company possessing trust powers as defined in s. 658.12(24) ~~s.~~
144 ~~658.12(23)~~.

145 Section 3. Section 501.2076, Florida Statutes, is created

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146 to read:

147 501.2076 Violations involving consumer financial
148 institution account fees.—The imposition of a fee or other
149 charge by a third party agent or entity directly or indirectly
150 upon a consumer for an online audit verification of an account
151 maintained by a financial institution as defined in s.
152 655.005(1)(i) or of the associated balance of such account is a
153 violation of this part.

154 Section 4. Section 518.117, Florida Statutes, is amended to
155 read:

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

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

165 655.045 Examinations, reports, and internal audits;
166 penalty.—

167 (1) The office shall conduct an examination of the
168 condition of each state financial institution at least every 18
169 months. The office may conduct more frequent examinations based
170 upon the risk profile of the financial institution, prior
171 examination results, or significant changes in the institution
172 or its operations. The office may use continuous, phase, or
173 other flexible scheduling examination methods for very large or
174 complex state financial institutions and financial institutions

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175 owned or controlled by a multi-financial institution holding
176 company. The office shall consider examination guidelines from
177 federal regulatory agencies in order to facilitate, coordinate,
178 and standardize examination processes.

179 (a) The office may accept an examination of a state
180 financial institution made by an appropriate federal regulatory
181 agency or may conduct a joint or concurrent examination of the
182 institution with the federal agency. However, if the office
183 accepts an examination report in accordance with this paragraph,
184 the office shall conduct at least once during each 36-month
185 period beginning July 1, ~~2023~~ 2014, a subsequent ~~the office~~
186 shall conduct an examination of each state financial institution
187 in a manner that allows the preparation of a complete
188 examination report not subject to the right of a federal or
189 other non-Florida entity to limit access to the information
190 contained therein. The office may furnish a copy of all
191 examinations or reviews made of financial institutions or their
192 affiliates to the state or federal agencies participating in the
193 examination, investigation, or review, or as otherwise
194 authorized under s. 655.057.

195 (f) In coordinating an examination required under this
196 section, if a federal agency suspends or cancels a previously
197 scheduled examination of a state financial institution, the
198 office has an additional 90 days to meet the examination
199 requirement of this section. In such case, the requirement is
200 deemed met by the federal agency conducting the examination or
201 upon the office conducting the examination instead.

202 (4) A copy of the report of each examination must be
203 furnished to the state financial institution ~~entity~~ examined and

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

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

211 655.414 Acquisition of assets; assumption of liabilities.—
212 With prior approval of the office, and upon such conditions as
213 the commission prescribes by rule, a financial institution
214 ~~entity~~ may acquire 50 percent or more ~~all or substantially all~~
215 of the assets of, liabilities of, or a combination of assets and
216 ~~or assume all or any part of the liabilities of,~~ any other
217 financial institution in accordance with the procedures and
218 subject to the following conditions and limitations:

219 (1) CALCULATION OF ASSET OR LIABILITY PERCENTAGES.—
220 Percentages of assets or liabilities must be calculated based on
221 the most recent quarterly reporting date.

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

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

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

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

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

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

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

250 (3)~~(2)~~ APPROVAL OF OFFICE.—Following approval by the board
251 of directors of each participating financial institution, the
252 plan, together with certified copies of the authorizing
253 resolutions adopted by the boards and a completed application
254 with a nonrefundable filing fee, must be forwarded to the office
255 for approval or disapproval. The office shall approve the plan
256 of acquisition, assumption, or sale if it appears that:

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

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

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

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

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

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

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

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

(c) Notwithstanding approval of the members or stockholders or certification by the office, the board of directors of the transferring financial institution may abandon such a transaction without further action or approval by the members or stockholders, subject to the rights of third parties under any

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291 contracts relating thereto.

292 (6)~~(5)~~ FEDERALLY CHARTERED OR OUT-OF-STATE INSTITUTION AS A
293 PARTICIPANT.—If one of the participants in a transaction under
294 this section is a federally chartered financial institution or
295 an out-of-state financial institution, all participants must
296 also comply with requirements imposed by federal and other state
297 law for the acquisition, assumption, or sale and provide
298 evidence of such compliance to the office as a condition
299 precedent to the issuance of a certificate authorizing the
300 transaction; however, if the purchasing or assuming financial
301 institution is a federal or out-of-state state-chartered
302 financial institution and the transferring state financial
303 entity will be liquidated, approval of the office is not
304 required.

305 (7)~~(6)~~ STOCK INSTITUTION ACQUIRING MUTUAL INSTITUTION.—A
306 mutual financial institution may not sell 50 percent or more ~~all~~
307 ~~or substantially all~~ of its assets to a stock financial
308 institution until it has first converted into a capital stock
309 financial institution in accordance with s. 665.033(1) and (2).
310 For this purpose, references in s. 665.033(1) and (2) to
311 associations also refer to credit unions but, in the case of a
312 credit union, the provision concerning proxy statements does not
313 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" has the same meaning as in s.

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320 655.005(1)(i), excluding an international representative office,
321 an international administrative office, or a qualified limited
322 service affiliate ~~means a financial institution, as defined in~~
323 ~~31 U.S.C. s. 5312, as amended, including a credit card bank,~~
324 ~~located in this state.~~

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

329 657.021 Board of directors; executive committee
330 responsibilities; oaths; reports to the office.-

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

338 Section 9. Subsection (6) of section 657.028 is repealed.

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

343 658.12 Definitions.—Subject to other definitions contained
344 in the financial institutions codes and unless the context
345 otherwise requires:

346 (20) "Target market" means the group of clients or
347 potential clients from whom:

348 (a) A bank or proposed bank expects to draw deposits and to

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349 whom the bank or proposed bank focuses or intends to focus its
350 marketing efforts; or

351 (b) A trust company, a trust department of a bank or
352 association, a proposed trust company, or a proposed trust
353 department of a bank or an association expects to draw its
354 fiduciary accounts and to whom the trust company, the trust
355 department of a bank or association, the proposed trust company,
356 or the proposed trust department of a bank or association
357 focuses or intends to focus its marketing efforts.

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

360 658.20 Investigation by office.—

361 (1) Upon the filing of an application, the office shall
362 make an investigation of:

363 (b) The need for bank or trust facilities or additional
364 bank or trust facilities, as the case may be, in the primary
365 service area where the proposed bank or trust company is to be
366 located or for the target market that the bank or trust company
367 intends to engage with in business.

368 (c) The ability of the primary service area or target
369 market to support the proposed bank or trust company and all
370 other existing bank or trust facilities that serve the same
371 primary service area or target market ~~in the primary service~~
372 ~~area.~~

373 Section 12. Subsections (1) and (4) of section 658.21,
374 Florida Statutes, are amended to read:

375 658.21 Approval of application; findings required.—The
376 office shall approve the application if it finds that:

377 (1) Local and target market conditions indicate reasonable

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378 promise of successful operation for the proposed state bank or
379 trust company. In determining whether an applicant meets the
380 requirements of this subsection, the office shall consider all
381 materially relevant factors, including:

382 (a) The purpose, objectives, and business philosophy of the
383 proposed state bank or trust company.

384 (b) The projected financial performance of the proposed
385 bank or trust company.

386 (c) The feasibility of the proposed bank or trust company,
387 as stated in the business plan, particularly with respect to
388 asset and liability growth and management.

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. Present subsections (2), (3), and (4) of
414 section 658.28, Florida Statutes, are redesignated as
415 subsections (3), (4), and (5), respectively, and a new
416 subsection (2) is added to that section, to read:

417 658.28 Acquisition of control of a bank or trust company.—

418 (2) If a person or a group of persons, directly or
419 indirectly, acquires a controlling interest in a state bank or
420 state trust company, as contemplated by this section, through
421 probate or trust, the person or group of persons shall notify
422 the office within 90 days after acquiring such an interest. Such
423 an interest does not give rise to a presumption of control until
424 the person or group of persons votes the shares or the office
425 has issued a certificate of approval in response to an
426 application pursuant to subsection (1).

427 Section 14. Present paragraphs (a), (b), and (c) of
428 subsection (11) of section 658.2953, Florida Statutes, are
429 redesignated as paragraphs (b), (c), and (d), respectively, and
430 a new paragraph (a) is added to that subsection, to read:

431 658.2953 Interstate branching.—

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

433 (a) As used in this subsection, the term "de novo branch"
434 means a branch of a bank which is originally established by the
435 bank as a branch and does not become a branch of such bank as a

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436 result of:

437 1. The bank's acquisition of another bank or of a branch of
438 another bank; or

439 2. The conversion, merger, or consolidation of any bank or
440 branch.

441 Section 15. Paragraph (d) of subsection (1) of section
442 662.1225, Florida Statutes, is amended to read:

443 662.1225 Requirements for a family trust company, licensed
444 family trust company, or foreign licensed family trust company.-

445 (1) A family trust company or a licensed family trust
446 company shall maintain:

447 (d) A deposit account with:

448 1. A bank located in the United States and insured by the
449 Federal Deposit Insurance Corporation; or

450 2. A credit union located in the United States and insured
451 by the National Credit Union Administration ~~with a state-~~
452 ~~chartered or national financial institution that has a principal~~
453 ~~or branch office in this state.~~

454 Section 16. Subsection (1) of section 662.128, Florida
455 Statutes, is amended to read:

456 662.128 Annual renewal.-

457 (1) ~~Within 45 days after the end of each calendar year,~~ A
458 family trust company, licensed family trust company, or foreign
459 licensed family trust company shall file an ~~its~~ annual renewal
460 application with the office on an annual basis no later than 45
461 days after the anniversary of the filing of either the initial
462 application or the prior year's renewal application.

463 Section 17. Subsection (1) of section 663.07, Florida
464 Statutes, is amended to read:

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465 663.07 Asset maintenance or capital equivalency.—
466 (1) Each international bank agency and international branch
467 shall:
468 (a) Maintain with one or more banks insured by the Federal
469 Deposit Insurance Corporation and located within the United
470 States ~~in this state~~, in such amounts as the office specifies,
471 evidence of dollar deposits or investment securities of the type
472 that may be held by a state bank for its own account pursuant to
473 s. 658.67. The aggregate amount of dollar deposits and
474 investment securities for an international bank agency or
475 international branch shall, at a minimum, equal the greater of:
476 1. Four million dollars; or
477 2. Seven percent of the total liabilities of the
478 international bank agency or international branch excluding
479 accrued expenses and amounts due and other liabilities to
480 affiliated branches, offices, agencies, or entities; or
481 (b) Maintain other appropriate reserves, taking into
482 consideration the nature of the business being conducted by the
483 international bank agency or international branch.
484
485 The commission shall prescribe, by rule, the deposit,
486 safekeeping, pledge, withdrawal, recordkeeping, and other
487 arrangements for funds and securities maintained under this
488 subsection. The deposits and securities used to satisfy the
489 capital equivalency requirements of this subsection shall be
490 held, to the extent feasible, in one or more state or national
491 banks located in this state or in a federal reserve bank.
492 Section 18. Present subsections (4), (5), and (6) of
493 section 663.532, Florida Statutes, are redesignated as

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494 subsections (5), (6), and (7), respectively, a new subsection
495 (4) is added to that section, and paragraphs (i) and (j) of
496 subsection (1) of that section are amended, to read:

497 663.532 Qualification.—

498 (1) To qualify as a qualified limited service affiliate
499 under this part, a proposed qualified limited service affiliate
500 must file a written notice with the office, in the manner and on
501 a form prescribed by the commission. Such written notice must
502 include:

503 (i) A declaration under penalty of perjury signed by the
504 executive officer, manager, or managing member of the proposed
505 qualified limited service affiliate that, to the best of his or
506 her knowledge:

507 1. No employee, representative, or agent provides, or will
508 provide, banking services; promotes or sells, or will promote or
509 sell, investments; or accepts, or will accept, custody of
510 assets.

511 2. No employee, representative, or agent acts, or will act,
512 as a fiduciary in this state, which includes, but is not limited
513 to, accepting the fiduciary appointment, executing the fiduciary
514 documents that create the fiduciary relationship, or making
515 discretionary decisions regarding the investment or distribution
516 of fiduciary accounts.

517 3. The jurisdiction of the international trust entity or
518 its offices, subsidiaries, or any affiliates that are directly
519 involved in or facilitate the financial services functions,
520 banking, or fiduciary activities of the international trust
521 entity is not listed on the Financial Action Task Force's list
522 of High-Risk Jurisdictions subject to a Call for Action or list

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523 of Jurisdictions under Increased Monitoring ~~Force Public~~
524 ~~Statement or on its list of jurisdictions with deficiencies in~~
525 ~~anti-money laundering or counterterrorism.~~

526 (j) For each international trust entity that the proposed
527 qualified limited service affiliate will provide services for in
528 this state, the following:

529 1. The name of the international trust entity;

530 2. A list of the current officers and directors of the
531 international trust entity;

532 3. Any country where the international trust entity is
533 organized or authorized to do business;

534 4. The name of the home-country regulator;

535 5. Proof that the international trust entity has been
536 authorized by charter, license, or similar authorization by its
537 home-country regulator to engage in trust business;

538 6. Proof that the international trust entity lawfully
539 exists and is in good standing under the laws of the
540 jurisdiction where it is chartered, licensed, or organized;

541 7. A statement that the international trust entity is not
542 in bankruptcy, conservatorship, receivership, liquidation, or in
543 a similar status under the laws of any country;

544 8. Proof that the international trust entity is not
545 operating under the direct control of the government or the
546 regulatory or supervisory authority of the jurisdiction of its
547 incorporation, through government intervention or any other
548 extraordinary actions, and confirmation that it has not been in
549 such a status or under such control at any time within the prior
550 3 years;

551 9. Proof and confirmation that the proposed qualified

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552 limited service affiliate is affiliated with the international
553 trust entities provided in the notice; and

554 10. Proof that the jurisdictions where the international
555 trust entity or its offices, subsidiaries, or any affiliates
556 that are directly involved in or that facilitate the financial
557 services functions, banking, or fiduciary activities of the
558 international trust entity are not listed on the Financial
559 Action Task Force's list of High-Risk Jurisdictions subject to a
560 Call for Action or list of Jurisdictions under Increased
561 ~~Monitoring Force Public Statement or on its list of~~
562 ~~jurisdictions with deficiencies in anti-money laundering or~~
563 ~~counterterrorism.~~

564
565 The proposed qualified limited service affiliate may provide
566 additional information in the form of exhibits when attempting
567 to satisfy any of the qualification requirements. All
568 information that the proposed qualified limited service
569 affiliate desires to present to support the written notice must
570 be submitted with the notice.

571 (4) The qualified limited service affiliate shall suspend
572 the permissible activities provided in s. 663.531 relating to a
573 specific jurisdiction if the qualified limited service affiliate
574 becomes aware that the jurisdiction of an international trust
575 entity served by the qualified limited service affiliate is
576 included on the Financial Action Task Force's list of High-Risk
577 Jurisdictions subject to a Call for Action or list of
578 Jurisdictions under Increased Monitoring. Suspensions under this
579 subsection must remain in effect until the jurisdiction is
580 removed from the Financial Action Task Force's list of High Risk

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581 Jurisdictions subject to a Call for Action or list of
582 Jurisdictions under Increased Monitoring.

583 Section 19. Paragraph (a) of subsection (5) of section
584 736.0802, Florida Statutes, is amended to read:
585 736.0802 Duty of loyalty.—

586 (5) (a) An investment by a trustee authorized by lawful
587 authority to engage in trust business, as defined in s.
588 658.12(21) ~~s. 658.12(20)~~, in investment instruments, as defined
589 in s. 660.25(6), that are owned or controlled by the trustee or
590 its affiliate, or from which the trustee or its affiliate
591 receives compensation for providing services in a capacity other
592 than as trustee, is not presumed to be affected by a conflict
593 between personal and fiduciary interests provided the investment
594 otherwise complies with chapters 518 and 660 and the trustee
595 complies with the requirements of this subsection.

596 Section 20. For the purpose of incorporating the amendment
597 made by this act to section 658.20, Florida Statutes, in a
598 references thereto, subsection (1) of section 658.165, Florida
599 Statutes, is reenacted to read:

600 658.165 Banker's banks; formation; applicability of
601 financial institutions codes; exceptions.—

602 (1) If authorized by the office, a corporation may be
603 formed under the laws of this state for the purpose of becoming
604 a banker's bank. An application for authority to organize a
605 banker's bank is subject to ss. 658.19, 658.20, and 658.21,
606 except that s. 658.20(1)(b) and (c) and the minimum stock
607 ownership requirements for the organizing directors provided in
608 s. 658.21(2) do not apply.

609 Section 21. This act shall take effect July 1, 2022.