

1 A bill to be entitled
2 An act relating to the Office of Financial Regulation;
3 amending s. 20.121, F.S.; authorizing the Bureau of
4 Financial Investigations within the Office of
5 Financial Regulation to include law enforcement
6 officers among its investigative personnel; requiring
7 that such law enforcement officers be considered state
8 law enforcement officers; providing requirements for,
9 and duties and authority of, such law enforcement
10 officers; amending s. 120.80, F.S.; revising the
11 grounds for denial of a license application to
12 establish a new bank, trust company, or capital stock
13 savings association under certain circumstances;
14 amending s. 475.01, F.S.; conforming a cross-
15 reference; amending s. 494.00312, F.S.; revising
16 requirements for loan originator license applications;
17 revising processes for fingerprinting and criminal
18 history background checks; requiring the Financial
19 Services Commission to establish certain criteria to
20 assess applicants for loan originator license
21 applications; providing requirements for such
22 criteria; deleting a provision relating to the
23 expiration of licenses; amending s. 494.00313, F.S.;
24 specifying fingerprinting processes for loan
25 originator license renewal applications; providing

26 | duties for the office; amending s. 494.00321, F.S.;

27 | revising processes for fingerprinting and criminal

28 | history background checks; requiring the commission to

29 | establish certain criteria to assess applicants for

30 | mortgage broker license applications; providing

31 | requirements for such criteria; deleting a provision

32 | relating to the expiration of licenses; amending s.

33 | 494.00322, F.S.; specifying fingerprinting processes

34 | for mortgage broker license renewal applications;

35 | providing duties for the office; deleting a

36 | requirement relating to credit reports of licensee's

37 | control persons; amending s. 494.00611, F.S.; revising

38 | processes for fingerprinting and criminal history

39 | background checks; requiring the commission to

40 | establish certain criteria to assess applicants for

41 | mortgage lender license applications; providing

42 | requirements for such criteria; deleting a provision

43 | relating to the expiration of licenses; amending s.

44 | 494.00612, F.S.; specifying fingerprinting processes

45 | for mortgage lender license renewal applications;

46 | providing duties for the office; deleting requirements

47 | relating to certain proof of net worth and to credit

48 | reports of licensee's control persons; creating s.

49 | 501.2076, F.S.; providing that impositions of fees or

50 | other charges by third-party agents or entities for

51 certain purposes are violations of specified statutes;
52 amending s. 518.117, F.S.; conforming a cross-
53 reference; repealing part V of ch. 559, F.S., relating
54 to the Florida Commercial Collection Practices Act;
55 amending s. 559.952, F.S.; conforming a cross-
56 reference; amending s. 560.103, F.S.; revising and
57 deleting definitions; amending s. 560.104, F.S.;
58 revising the list of entities that are exempt from
59 specified statutes; providing a list of entities that
60 are exempt from license requirements of specified
61 statutes; amending s. 560.105, F.S.: providing that
62 the office is responsible for the administration and
63 enforcement of ch. 560, F.S.; repealing s. 560.107,
64 F.S., relating to liability; amending s. 560.109,
65 F.S.; authorizing the office to waive specified
66 examination requirements under certain circumstances;
67 conforming a provision to changes made by the act;
68 revising the timeline requirement to make records
69 available to the office under certain circumstances;
70 repealing ss. 560.1091 and 560.1092, F.S., relating to
71 contracted examinations and examination expenses,
72 respectively; amending s. 560.111, F.S.; revising
73 prohibited activities of money services businesses,
74 authorized vendors, and affiliated parties; amending
75 s. 560.114, F.S.; providing actions that constitute

76 grounds for specified disciplinary actions against
77 compliance officers of money services businesses;
78 revising actions that constitute grounds for specified
79 disciplinary actions against money services
80 businesses, authorized vendors, and affiliated
81 parties; deleting provisions relating to summary
82 suspensions of money services business licenses;
83 providing circumstances under which compliance
84 officers of money services businesses are responsible
85 for acts of certain money services businesses,
86 authorized vendors, and affiliated parties; amending
87 s. 560.118, F.S.; deleting provisions requiring
88 licensees to file annual financial audit reports and
89 to bear the costs of the audits; amending s. 560.126,
90 F.S.; deleting provisions relating to licensees that
91 engage in check cashing under certain circumstances;
92 amending s. 560.128, F.S.; deleting a provision
93 relating to the commission's rulemaking authority;
94 amending s. 560.129, F.S.; conforming a provision to
95 changes made by the act; conforming a cross-reference;
96 amending s. 560.141, F.S.; revising the information
97 required for money services business license
98 applications; deleting obsolete language; making
99 technical changes; amending s. 560.203, F.S.;
100 specifying activities that licensees may authorize

101 authorized vendors to conduct; amending s. 560.205,
102 F.S.; specifying the financial audit reports that may
103 be submitted for certain license applications under
104 certain circumstances; creating s. 560.2051, F.S.;
105 providing requirements for license applicants or
106 licensees that intend to conduct money services
107 business activities through branch offices; amending
108 s. 560.208, F.S.; conforming a provision to changes
109 made by the act; amending s. 560.309, F.S.; revising
110 requirements for licensees' payment instruments;
111 requiring licensees to notify the office within a
112 specified timeframe if licensees cease to maintain
113 certain depository accounts; revising requirements for
114 licensees to resume cashing payment instruments under
115 certain circumstances; defining the term "authorized
116 officer"; requiring certain branch offices, rather
117 than locations, of licensees to be equipped with
118 security camera systems; deleting a provision
119 requiring check cashers to display their licenses;
120 amending s. 560.310, F.S.; revising requirements for
121 customer identification documentation for cashing
122 payment instruments under a specified circumstance;
123 revising the information that licensees must submit to
124 the check cashing database; deleting provisions
125 relating to a competitive solicitation by the office

126 for an online check cashing database; amending s.
127 560.312, F.S.; making a technical change; amending s.
128 655.045, F.S.; revising requirements for examinations
129 of state financial institutions under certain
130 circumstances; requiring each board director of a
131 state financial institution to review an examination
132 report and acknowledge receipt of the report; amending
133 s. 655.414, F.S.; revising authorization for financial
134 institutions in acquiring assets and liabilities of
135 other financial institutions; providing calculations
136 of asset and liability percentages; revising the
137 limits on sales of assets by mutual financial
138 institutions to stock financial institutions; amending
139 s. 655.50, F.S.; revising the definition of the term
140 "financial institution"; amending s. 657.021, F.S.;
141 requiring credit unions to submit to the office names
142 and residence addresses of specified elected and
143 appointed persons within a specified timeframe under
144 certain circumstances; amending s. 657.028, F.S.;
145 deleting a provision requiring the filing with the
146 office of names and addresses of specified persons of
147 credit unions; amending s. 658.12, F.S.; defining the
148 term "target market"; amending s. 658.20, F.S.;
149 revising investigation requirements for the office
150 upon applications for banks and trust facilities;

151 amending s. 658.21, F.S.; revising findings
152 requirements for the office for approval of
153 applications for state banks and trust companies;
154 amending s. 658.28, F.S.; providing notification
155 requirements for acquiring a controlling interest in a
156 state bank or state trust company through probate or
157 trust; providing requirements before such an interest
158 gives rise to a presumption of control; amending s.
159 658.2953, F.S.; defining the term "de novo branch";
160 amending s. 662.1225, F.S.; revising requirements for
161 deposit accounts of family trust companies and
162 licensed family trust companies; amending s. 662.128,
163 F.S.; revising the timeline for family trust
164 companies, licensed family trust companies, and
165 foreign licensed family trust companies to file annual
166 renewal applications; amending s. 663.07, F.S.;
167 revising requirements for international bank agencies
168 and international branches; amending s. 663.532, F.S.;
169 revising the information that must be included in the
170 notice filed with the office by proposed qualified
171 limited service affiliates; requiring qualified
172 limited service affiliates to suspend specified
173 permissible activities under certain circumstances;
174 providing circumstances under which suspensions may be
175 lifted; amending s. 736.0802, F.S.; conforming a

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176 cross-reference; providing appropriations; providing
177 an effective date.

178

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

180

181 Section 1. Paragraph (a) of subsection (3) of section
182 20.121, Florida Statutes, is amended to read:

183 20.121 Department of Financial Services.—There is created
184 a Department of Financial Services.

185 (3) FINANCIAL SERVICES COMMISSION.—Effective January 7,
186 2003, there is created within the Department of Financial
187 Services the Financial Services Commission, composed of the
188 Governor, the Attorney General, the Chief Financial Officer, and
189 the Commissioner of Agriculture, which shall for purposes of
190 this section be referred to as the commission. Commission
191 members shall serve as agency head of the Financial Services
192 Commission. The commission shall be a separate budget entity and
193 shall be exempt from the provisions of s. 20.052. Commission
194 action shall be by majority vote consisting of at least three
195 affirmative votes. The commission shall not be subject to
196 control, supervision, or direction by the Department of
197 Financial Services in any manner, including purchasing,
198 transactions involving real or personal property, personnel, or
199 budgetary matters.

200 (a) Structure.—The major structural unit of the commission

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201 is the office. Each office shall be headed by a director. The
202 following offices are established:

203 1. The Office of Insurance Regulation, which shall be
204 responsible for all activities concerning insurers and other
205 risk bearing entities, including licensing, rates, policy forms,
206 market conduct, claims, issuance of certificates of authority,
207 solvency, viatical settlements, premium financing, and
208 administrative supervision, as provided under the insurance code
209 or chapter 636. The head of the Office of Insurance Regulation
210 is the Director of the Office of Insurance Regulation, who may
211 also be known as the Commissioner of Insurance Regulation.

212 2. The Office of Financial Regulation, which shall be
213 responsible for all activities of the Financial Services
214 Commission relating to the regulation of banks, credit unions,
215 other financial institutions, finance companies, and the
216 securities industry. The head of the office is the Director of
217 the Office of Financial Regulation, who may also be known as the
218 Commissioner of Financial Regulation. The Office of Financial
219 Regulation shall include a Bureau of Financial Investigations,
220 which shall function as a criminal justice agency for purposes
221 of ss. 943.045-943.08 and shall have a separate budget. The
222 bureau may conduct investigations within or outside this state
223 as the bureau deems necessary to aid in the enforcement of this
224 section.

225 a. The bureau may include law enforcement officers among

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226 its investigative personnel. These law enforcement officers
227 shall be considered state law enforcement officers for all
228 purposes. They must be certified officers in compliance with s.
229 943.1395 or meet the requirements of s. 943.13(1)-(10) until
230 certified, and the bureau must comply with s. 943.133(2) and
231 (3). These law enforcement officers may bear arms in the
232 performance of their duties, and they may execute arrest
233 warrants and search warrants; serve subpoenas issued for the
234 examination, investigation, and trial of all offenses; make
235 arrests upon probable cause without warrant any person found in
236 the act of violating a provision of law; and make arrests for
237 criminal violations established as a result of their
238 investigations.

239 b. If, during an investigation, the office has reason to
240 believe that any criminal law of this state has or may have been
241 violated, the office shall refer any records tending to show
242 such violation to state or federal law enforcement or
243 prosecutorial agencies and shall provide investigative
244 assistance to those agencies as required.

245 Section 2. Paragraph (a) of subsection (3) of section
246 120.80, Florida Statutes, is amended to read:

247 120.80 Exceptions and special requirements; agencies.—

248 (3) OFFICE OF FINANCIAL REGULATION.—

249 (a) Notwithstanding s. 120.60(1), in proceedings for the
250 issuance, denial, renewal, or amendment of a license or approval

251 of a merger pursuant to title XXXVIII:

252 1.a. The Office of Financial Regulation of the Financial
253 Services Commission shall have published in the Florida
254 Administrative Register notice of the application within 21 days
255 after receipt.

256 b. Within 21 days after publication of notice, any person
257 may request a hearing. Failure to request a hearing within 21
258 days after notice constitutes a waiver of any right to a
259 hearing. The Office of Financial Regulation or an applicant may
260 request a hearing at any time prior to the issuance of a final
261 order. Hearings shall be conducted pursuant to ss. 120.569 and
262 120.57, except that the Financial Services Commission shall by
263 rule provide for participation by the general public.

264 2. Should a hearing be requested as provided by sub-
265 subparagraph 1.b., the applicant or licensee shall publish at
266 its own cost a notice of the hearing in a newspaper of general
267 circulation in the area affected by the application. The
268 Financial Services Commission may by rule specify the format and
269 size of the notice.

270 3. Notwithstanding s. 120.60(1), and except as provided in
271 subparagraph 4., an application for license for a new bank, new
272 trust company, new credit union, new savings and loan
273 association, or new licensed family trust company must be
274 approved or denied within 180 days after receipt of the original
275 application or receipt of the timely requested additional

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276 information or correction of errors or omissions. An application
277 for such a license or for acquisition of such control which is
278 not approved or denied within the 180-day period or within 30
279 days after conclusion of a public hearing on the application,
280 whichever is later, shall be deemed approved subject to the
281 satisfactory completion of conditions required by statute as a
282 prerequisite to license and approval of insurance of accounts
283 for a new bank, a new savings and loan association, a new credit
284 union, or a new licensed family trust company by the appropriate
285 insurer.

286 4. In the case of an application for license to establish
287 a new bank, trust company, or capital stock savings association
288 in which a foreign national proposes to own or control 10
289 percent or more of any class of voting securities, and in the
290 case of an application by a foreign national for approval to
291 acquire control of a bank, trust company, or capital stock
292 savings association, the Office of Financial Regulation shall
293 request that a public hearing be conducted pursuant to ss.
294 120.569 and 120.57. Notice of such hearing shall be published by
295 the applicant as provided in subparagraph 2. The failure of such
296 foreign national to appear personally at or to participate
297 through video conference in the hearing shall be grounds for
298 denial of the application. Notwithstanding s. 120.60(1) and
299 subparagraph 3., every application involving a foreign national
300 shall be approved or denied within 1 year after receipt of the

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301 original application or any timely requested additional
 302 information or the correction of any errors or omissions, or
 303 within 30 days after the conclusion of the public hearing on the
 304 application, whichever is later.

305 Section 3. Subsection (4) of section 475.01, Florida
 306 Statutes, is amended to read:

307 475.01 Definitions.—

308 (4) A broker acting as a trustee of a trust created under
 309 chapter 689 is subject to the provisions of this chapter unless
 310 the trustee is a bank, state or federal association, or trust
 311 company possessing trust powers as defined in s. 658.12 ~~s.~~
 312 ~~658.12(23)~~.

313 Section 4. Paragraphs (a) and (f) of subsection (2),
 314 subsection (3), paragraph (b) of subsection (4), and subsection
 315 (7) of section 494.00312, Florida Statutes, are amended to read:

316 494.00312 Loan originator license.—

317 (2) In order to apply for a loan originator license, an
 318 applicant must:

319 (a) Be at least 18 years of age ~~and have a high school~~
 320 ~~diploma or its equivalent~~.

321 (f) Submit fingerprints to the registry for submission to
 322 the Federal Bureau of Investigation for a federal criminal
 323 history background check. ~~in accordance with rules adopted by~~
 324 ~~the commission:~~

325 1. ~~The fingerprints may be submitted to the registry, the~~

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326 ~~office, or a vendor acting on behalf of the registry or the~~
327 ~~office.~~

328 ~~2. The office may contract with a third-party vendor to~~
329 ~~provide live-scan fingerprinting.~~

330 ~~3. A state criminal history background check must be~~
331 ~~conducted through the Department of Law Enforcement, and a~~
332 ~~federal criminal history background check must be conducted~~
333 ~~through the Federal Bureau of Investigation.~~

334 ~~4. All fingerprints submitted to the Department of Law~~
335 ~~Enforcement must be submitted electronically and entered into~~
336 ~~the statewide automated biometric identification system~~
337 ~~established in s. 943.05(2)(b) and available for use in~~
338 ~~accordance with s. 943.05(2)(g) and (h). The office shall pay an~~
339 ~~annual fee to the department to participate in the system and~~
340 ~~inform the department of any person whose fingerprints are no~~
341 ~~longer required to be retained.~~

342 ~~1.5. The costs of fingerprint processing, including the~~
343 ~~cost of retaining the fingerprints, shall be borne by the person~~
344 ~~subject to the background check.~~

345 ~~2.6. The office shall review is responsible for reviewing~~
346 ~~the result results of the state and federal criminal history~~
347 ~~background check checks and determine determining whether the~~
348 ~~applicant meets licensure requirements.~~

349 (3) An application is considered received for the purposes
350 of s. 120.60 upon the office's receipt of all documentation from

351 the registry, including the completed application form,
352 documentation of completion of the prelicensure class, test
353 results, criminal history information, and independent credit
354 report, as well as the license application fee and, the fee
355 required by s. 494.00172, ~~and all applicable fingerprinting~~
356 ~~processing fees.~~

357 (4) The office shall issue a loan originator license to
358 each person who is not otherwise ineligible and who meets the
359 requirements of this section. However, it is a ground for denial
360 of licensure if the applicant:

361 (b) Has failed to demonstrate the character, general
362 fitness, and financial responsibility necessary to command the
363 confidence of the community and warrant a determination that the
364 applicant will operate honestly, fairly, and efficiently.

365 1. If the office has information that could form the basis
366 for license denial under this paragraph, before denying the
367 license, the office must notify the applicant in writing of the
368 specific items of concern and provide the applicant with an
369 opportunity to explain the circumstances surrounding the
370 specific items and provide any information that the applicant
371 believes is relevant to the office's determination.

372 2. For purposes of evaluating adverse information found in
373 an applicant's credit report, the information must be considered
374 within the totality of the circumstances. Information provided
375 by the applicant under subparagraph 1., or information obtained

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376 | by the office by other means, may be used to provide a context
377 | for the adverse items. For example, the adverse items may have
378 | resulted from factors that do not necessarily reflect negatively
379 | upon the applicant's character, general fitness, or financial
380 | responsibility.

381 | 3. The commission shall, by rule, establish criteria
382 | ~~office may not use a credit score or the absence or~~
383 | ~~insufficiency of credit history information~~ to determine an
384 | applicant's character, general fitness, or financial
385 | responsibility. The criteria must include the following:

386 | a. A minimum credit score, as indicated in the credit
387 | report authorized by paragraph (2)(g), that is deemed to
388 | demonstrate an applicant's character, general fitness, and
389 | financial responsibility.

390 | b. For an applicant who does not meet the established
391 | minimum credit score, a standard review procedure to determine
392 | the applicant's character, general fitness, and financial
393 | responsibility.

394 |
395 | The absence or insufficiency of credit history information on an
396 | applicant may not be used as a criterion to determine the
397 | applicant's character, general fitness, and financial
398 | responsibility.

399 | 4. If information contained in a credit report is used as
400 | the basis for denying a license, the office shall, in accordance

401 with s. 120.60(3), provide with particularity the grounds or
 402 basis for denial. The use of the terms "poor credit history,"
 403 "poor credit rating," or similar language does not meet the
 404 requirements of this paragraph.

405 (7) All loan originator licenses must be renewed annually
 406 by December 31 pursuant to s. 494.00313. ~~If a person holding an~~
 407 ~~active loan originator license has not applied to renew the~~
 408 ~~license on or before December 31, the loan originator license~~
 409 ~~expires on December 31.~~ If a person holding an active loan
 410 originator license has applied to renew the license on or before
 411 December 31, the loan originator license remains active until
 412 the renewal application is approved or denied. A loan originator
 413 is not precluded from reapplying for licensure upon expiration
 414 of a previous license.

415 Section 5. Paragraph (e) of subsection (1) of section
 416 494.00313, Florida Statutes, is redesignated as paragraph (f),
 417 paragraph (b) of subsection (1) is amended, and a new paragraph
 418 (e) is added to that subsection, to read:

419 494.00313 Loan originator license renewal.—

420 (1) In order to renew a loan originator license, a loan
 421 originator must:

422 (b) Submit a nonrefundable renewal fee of \$150 and the
 423 \$20 nonrefundable fee if required by s. 494.00172, ~~and~~
 424 ~~nonrefundable fees to cover the cost of further fingerprint~~
 425 ~~processing and retention as set forth in commission rule.~~

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426 (e) Submit fingerprints to the registry for submission to
427 the Federal Bureau of Investigation for a federal criminal
428 background history check.

429 1. The costs of fingerprint processing shall be borne by
430 the person subject to the background check.

431 2. The office shall review the result of the federal
432 criminal history background check and determine whether the
433 licensee continues to meet licensure requirements.

434 Section 6. Paragraph (d) of subsection (2), subsection
435 (3), paragraph (b) of subsection (4), and subsection (7) of
436 section 494.00321, Florida Statutes, are amended to read:

437 494.00321 Mortgage broker license.—

438 (2) In order to apply for a mortgage broker license, an
439 applicant must:

440 (d) Submit fingerprints to the registry for each of the
441 applicant's control persons for submission to the Federal Bureau
442 of Investigation for a federal criminal history background
443 check. ~~in accordance with rules adopted by the commission:~~

444 ~~1. The fingerprints may be submitted to the registry, the~~
445 ~~office, or a vendor acting on behalf of the registry or the~~
446 ~~office.~~

447 ~~2. The office may contract with a third-party vendor to~~
448 ~~provide live-scan fingerprinting.~~

449 ~~3. A state criminal history background check must be~~
450 ~~conducted through the Department of Law Enforcement, and a~~

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451 ~~federal criminal history background check must be conducted~~
452 ~~through the Federal Bureau of Investigation.~~

453 ~~4. All fingerprints submitted to the Department of Law~~
454 ~~Enforcement must be submitted electronically and entered into~~
455 ~~the statewide automated biometric identification system~~
456 ~~established in s. 943.05(2)(b) and available for use in~~
457 ~~accordance with s. 943.05(2)(g) and (h). The office shall pay an~~
458 ~~annual fee to the department to participate in the system and~~
459 ~~inform the department of any person whose fingerprints are no~~
460 ~~longer required to be retained.~~

461 ~~1.5. The costs of fingerprint processing, including the~~
462 ~~cost of retaining the fingerprints, shall be borne by the person~~
463 ~~subject to the background check.~~

464 ~~2.6. The office shall review~~ is responsible for reviewing
465 ~~the results of the state and federal criminal history background~~
466 ~~checks and determine~~ determining whether the applicant meets
467 licensure requirements.

468 (3) An application is considered received for the purposes
469 of s. 120.60 upon the office's receipt of all documentation from
470 the registry, including the completed application form, criminal
471 history information, and independent credit report, as well as
472 the license application fee and, the fee required by s.
473 494.00172, ~~and all applicable fingerprinting processing fees.~~

474 (4) The office shall issue a mortgage broker license to
475 each person who is not otherwise ineligible and who meets the

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476 requirements of this section. However, it is a ground for denial
477 of licensure if the applicant or one of the applicant's control
478 persons:

479 (b) Has failed to demonstrate the character, general
480 fitness, and financial responsibility necessary to command the
481 confidence of the community and warrant a determination that the
482 applicant will operate honestly, fairly, and efficiently.

483 1. If the office has information that could form the basis
484 for license denial under this paragraph, before denying the
485 license, the office must notify the applicant in writing of the
486 specific items of concern and provide the applicant with an
487 opportunity to explain the circumstances surrounding the
488 specific items and provide any information that the applicant
489 believes is relevant to the office's determination.

490 2. For purposes of evaluating adverse information found in
491 an applicant's credit report, the information must be considered
492 within the totality of the circumstances. Information provided
493 by the applicant under subparagraph 1., or information obtained
494 by the office by other means, may be used to provide a context
495 for the adverse items. For example, the adverse items may have
496 resulted from factors that do not necessarily reflect negatively
497 upon the applicant's character, general fitness, or financial
498 responsibility.

499 3. The commission shall, by rule, establish criteria
500 ~~office may not use a credit score or the absence or~~

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501 ~~insufficiency of credit history information~~ to determine an
502 applicant's character, general fitness, or financial
503 responsibility. The criteria must include the following:

504 a. A minimum credit score, as indicated in the credit
505 report authorized by paragraph (2)(e), that is deemed to
506 demonstrate an applicant's character, general fitness, and
507 financial responsibility.

508 b. For an applicant who does not meet the established
509 minimum credit score, a standard review procedure to determine
510 the applicant's character, general fitness, and financial
511 responsibility.

512
513 The absence or insufficiency of credit history information on an
514 applicant may not be used as a criterion to determine the
515 applicant's character, general fitness, and financial
516 responsibility.

517 4. If information contained in a credit report is used as
518 the basis for denying a license, the office shall, in accordance
519 with s. 120.60(3), provide with particularity the grounds or
520 basis for denial. The use of the terms "poor credit history,"
521 "poor credit rating," or similar language does not meet the
522 requirements of this paragraph.

523 (7) All mortgage broker licenses must be renewed annually
524 by December 31 pursuant to s. 494.00322. ~~If a person holding an~~
525 ~~active mortgage broker license has not applied to renew the~~

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526 ~~license on or before December 31, the mortgage broker license~~
527 ~~expires on December 31.~~ If a person holding an active mortgage
528 broker license has applied to renew the license on or before
529 December 31, the mortgage broker license remains active until
530 the renewal application is approved or denied. A mortgage broker
531 is not precluded from reapplying for licensure upon expiration
532 of a previous license.

533 Section 7. Paragraph (e) of subsection (1) of section
534 494.00322, Florida Statutes, is redesignated as paragraph (d),
535 and paragraphs (b) and (c) and present paragraph (d) of
536 subsection (1) are amended to read:

537 494.00322 Mortgage broker license renewal.—

538 (1) In order to renew a mortgage broker license, a
539 mortgage broker must:

540 (b) Submit a nonrefundable renewal fee of \$375 and the
541 \$100 nonrefundable fee if required by s. 494.00172, ~~and~~
542 ~~nonrefundable fees to cover the cost of further fingerprint~~
543 ~~processing and retention as set forth in commission rule.~~

544 (c) Submit fingerprints to the registry for each of the
545 licensee's ~~in accordance with s. 494.00321(2) (d) for any new~~
546 ~~control persons~~ for submission to the Federal Bureau of
547 Investigation for a federal criminal history background check
548 ~~who have not been screened.~~

549 1. The costs of fingerprint processing shall be borne by
550 the person subject to the background check.

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551 2. The office shall review the results of the federal
552 criminal history background checks and determine whether the
553 licensee continues to meet licensure requirements.

554 ~~(d) Authorize the registry to obtain an independent credit~~
555 ~~report on each of the licensee's control persons from a consumer~~
556 ~~reporting agency, and transmit or provide access to the report~~
557 ~~to the office. The cost of the credit report shall be borne by~~
558 ~~the licensee.~~

559 Section 8. Paragraph (d) of subsection (2), subsection
560 (3), paragraph (b) of subsection (4), and subsection (10) of
561 section 494.00611, Florida Statutes, are amended to read:

562 494.00611 Mortgage lender license.—

563 (2) In order to apply for a mortgage lender license, an
564 applicant must:

565 (d) Submit fingerprints to the registry for each of the
566 applicant's control persons for submission to the Federal Bureau
567 of Investigation for a federal criminal history background
568 check. in accordance with rules adopted by the commission:

569 ~~1. The fingerprints may be submitted to the registry, the~~
570 ~~office, or a vendor acting on behalf of the registry or the~~
571 ~~office.~~

572 ~~2. The office may contract with a third-party vendor to~~
573 ~~provide live-scan fingerprinting.~~

574 ~~3. A state criminal history background check must be~~
575 ~~conducted through the Department of Law Enforcement, and a~~

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576 ~~federal criminal history background check must be conducted~~
577 ~~through the Federal Bureau of Investigation.~~

578 ~~4. All fingerprints submitted to the Department of Law~~
579 ~~Enforcement must be submitted electronically and entered into~~
580 ~~the statewide automated biometric identification system~~
581 ~~established in s. 943.05(2)(b) and available for use in~~
582 ~~accordance with s. 943.05(2)(g) and (h). The office shall pay an~~
583 ~~annual fee to the department to participate in the system and~~
584 ~~inform the department of any person whose fingerprints are no~~
585 ~~longer required to be retained.~~

586 ~~1.5. The costs of fingerprint processing, including the~~
587 ~~cost of retaining the fingerprints, shall be borne by the person~~
588 ~~subject to the background check.~~

589 ~~2.6. The office shall review is responsible for reviewing~~
590 ~~the results of the state and federal criminal history background~~
591 ~~checks and determine determining whether the applicant meets~~
592 ~~licensure requirements.~~

593 (3) An application is considered received for the purposes
594 of s. 120.60 upon the office's receipt of all documentation from
595 the registry, including the completed application form, criminal
596 history information, and independent credit report, as well as
597 the license application fee and, the fee required under s.
598 494.00172, ~~and all applicable fingerprinting processing fees.~~

599 (4) The office shall issue a mortgage lender license to
600 each person who is not otherwise ineligible and who meets the

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601 requirements of this section. However, it is a ground for denial
602 of licensure if the applicant or one of the applicant's control
603 persons:

604 (b) Has failed to demonstrate the character, general
605 fitness, and financial responsibility necessary to command the
606 confidence of the community and warrant a determination that the
607 applicant will operate honestly, fairly, and efficiently.

608 1. If the office has information that could form the basis
609 for license denial under this paragraph, before denying the
610 license, the office must notify the applicant in writing of the
611 specific items of concern and provide the applicant with an
612 opportunity to explain the circumstances surrounding the
613 specific items and provide any information that the applicant
614 believes is relevant to the office's determination.

615 2. For purposes of evaluating adverse information found in
616 an applicant's credit report, the information must be considered
617 within the totality of the circumstances. Information provided
618 by the applicant under subparagraph 1., or information obtained
619 by the office by other means, may be used to provide a context
620 for the adverse items. For example, the adverse items may have
621 resulted from factors that do not necessarily reflect negatively
622 upon the applicant's character, general fitness, or financial
623 responsibility.

624 3. The commission shall, by rule, establish criteria
625 ~~office may not use a credit score or the absence or~~

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626 ~~insufficiency of credit history information~~ to determine an
627 applicant's character, general fitness, or financial
628 responsibility. The criteria must include the following:

629 a. A minimum credit score, as indicated in the credit
630 report authorized under paragraph (2)(g), that is deemed to
631 demonstrate an applicant's character, general fitness, and
632 financial responsibility.

633 b. For an applicant who does not meet the established
634 minimum credit score, a standard review procedure to determine
635 the applicant's character, general fitness, and financial
636 responsibility.

637
638 The absence or insufficiency of credit history information on an
639 applicant may not be used as a criterion to determine the
640 applicant's character, general fitness, and financial
641 responsibility.

642 4. If information contained in a credit report is used as
643 the basis for denying a license, the office shall, in accordance
644 with s. 120.60(3), provide with particularity the grounds or
645 basis for denial. The use of the terms "poor credit history,"
646 "poor credit rating," or similar language does not meet the
647 requirements of this paragraph.

648 (10) All mortgage lender licenses must be renewed annually
649 by December 31 pursuant to s. 494.00612. ~~If a person holding an~~
650 ~~active mortgage lender license has not applied to renew the~~

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651 ~~license on or before December 31, the mortgage lender license~~
652 ~~expires on December 31.~~ If a person holding an active mortgage
653 lender license has applied to renew the license on or before
654 December 31, the mortgage lender license remains active until
655 the renewal application is approved or denied. A mortgage lender
656 is not precluded from reapplying for licensure upon expiration
657 of a previous license.

658 Section 9. Paragraph (f) of subsection (1) of section
659 494.00612, Florida Statutes, is redesignated as paragraph (d),
660 and paragraphs (b), (c), and (e) and present paragraph (d) of
661 subsection (1) are amended to read:

662 494.00612 Mortgage lender license renewal.—

663 (1) In order to renew a mortgage lender license, a
664 mortgage lender must:

665 (b) Submit a nonrefundable renewal fee of \$475 and the
666 \$100 nonrefundable fee if required by s. 494.00172, ~~and~~
667 ~~nonrefundable fees to cover the cost of further fingerprint~~
668 ~~processing and retention as set forth in commission rule.~~

669 (c) Submit fingerprints to the registry for each of the
670 licensee's ~~in accordance with s. 494.00611(2) (d) for any new~~
671 control persons for submission to the Federal Bureau of
672 Investigation for a federal criminal history background check
673 ~~who have not been screened.~~

674 1. The costs of fingerprint processing shall be borne by
675 the person subject to the background check.

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676 2. The office shall review the results of the federal
677 criminal history background checks and determine whether the
678 licensee continues to meet licensure requirements.

679 ~~(d) Provide proof that the mortgage lender continues to~~
680 ~~meet the applicable net worth requirement in a form prescribed~~
681 ~~by commission rule.~~

682 ~~(e) Authorize the registry to obtain an independent credit~~
683 ~~report on each of the mortgage lender's control persons from a~~
684 ~~consumer reporting agency, and transmit or provide access to the~~
685 ~~report to the office. The cost of the credit report shall be~~
686 ~~borne by the licensee.~~

687 Section 10. Section 501.2076, Florida Statutes, is created
688 to read:

689 501.2076 Violations involving consumer financial
690 institution account fees.—A third-party agent or entity that
691 directly or indirectly imposes a fee or other charge on a
692 consumer for an online audit verification of an account
693 maintained by a financial institution as defined in s. 655.005,
694 or for an online audit verification of the associated balance of
695 such account, violates this part.

696 Section 11. Section 518.117, Florida Statutes, is amended
697 to read:

698 518.117 Permissible investments of fiduciary funds.—A
699 fiduciary that is authorized by lawful authority to engage in
700 trust business as defined in s. 658.12 ~~s. 658.12(20)~~ may invest

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701 fiduciary funds in accordance with s. 660.417 so long as the
702 investment otherwise complies with this chapter.

703 Section 12. Part V of chapter 559, Florida Statutes,
704 consisting of sections 559.541, 559.542, 559.543, 559.544,
705 559.545, 559.546, 559.547, and 559.548, Florida Statutes, is
706 repealed.

707 Section 13. Paragraph (a) of subsection (4) of section
708 559.952, Florida Statutes, is amended to read:

709 559.952 Financial Technology Sandbox.—

710 (4) EXCEPTIONS TO GENERAL LAW AND WAIVERS OF RULE
711 REQUIREMENTS.—

712 (a) Notwithstanding any other law, upon approval of a
713 Financial Technology Sandbox application, the following
714 provisions and corresponding rule requirements are not
715 applicable to the licensee during the sandbox period:

716 1. Section 516.03(1), except for the application fee, the
717 investigation fee, the requirement to provide the social
718 security numbers of control persons, evidence of liquid assets
719 of at least \$25,000, and the office's authority to investigate
720 the applicant's background. The office may prorate the license
721 renewal fee for an extension granted under subsection (7).

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

724 3. Section 560.109, only to the extent that the section
725 requires the office to examine a licensee at least once every 5

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726 | years.

727 | 4. Section 560.118 ~~560.118(2)~~.

728 | 5. Section 560.125(1), only to the extent that the
729 | subsection would prohibit a licensee from engaging in the
730 | business of a money transmitter or payment instrument seller
731 | during the sandbox period.

732 | 6. Section 560.125(2), only to the extent that the
733 | subsection would prohibit a licensee from appointing an
734 | authorized vendor during the sandbox period. Any authorized
735 | vendor of such a licensee during the sandbox period remains
736 | liable to the holder or remitter.

737 | 7. Section 560.128.

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

740 | 9. Section 560.142(1) and (2), except that the office may
741 | prorate, but may not entirely eliminate, the license renewal
742 | fees in s. 560.143 for an extension granted under subsection
743 | (7).

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

746 | 11. Section 560.204(1), only to the extent that the
747 | subsection would prohibit a licensee from engaging in, or
748 | advertising that it engages in, the selling or issuing of
749 | payment instruments or in the activity of a money transmitter
750 | during the sandbox period.

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751 12. Section 560.205(2).

752 13. Section 560.208(2).

753 14. Section 560.209, only to the extent that the office
754 may modify, but may not entirely eliminate, the net worth,
755 corporate surety bond, and collateral deposit amounts required
756 under that section. The modified amounts must be in such lower
757 amounts that the office determines to be commensurate with the
758 factors under paragraph (5)(c) and the maximum number of
759 consumers authorized to receive the financial product or service
760 under this section.

761 Section 14. Subsections (6) through (12) and (14) through
762 (35) of section 560.103, Florida Statutes, are renumbered as
763 subsections (5) through (11) and (12) through (33),
764 respectively, and subsections (3) and (4) and present
765 subsections (5), (6), (8), (9), (13), (15), (17), and (20) of
766 that section are amended to read:

767 560.103 Definitions.—As used in this chapter, the term:

768 (3) "Authorized vendor" means a person designated by a
769 money services business licensed under part II of this chapter
770 to act only as a money transmitter or payment instrument seller
771 on behalf of the licensee at locations in this state pursuant to
772 a written contract with the licensee.

773 (4) "Branch office" means the physical location, other
774 than the principal place of business, of a money services
775 business operated by a licensee under this chapter. The term

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776 includes:

777 (a) The physical location of a kiosk, automated teller
778 machine, or similar device from which a licensee conducts money
779 services business transactions under this part; or

780 (b) A motor vehicle or mobile unit that can be driven to a
781 physical location where money services business activities under
782 this part occur.

783 ~~(5) "Cashing" means providing currency for payment~~
784 ~~instruments except for travelers checks.~~

785 (5)-(6) "Check casher" has the same meaning as the term
786 "check casher" provided in 31 C.F.R. s. 1010.100(ff)(2), in
787 effect on February 25, 2014 means a person who sells currency in
788 exchange for payment instruments received, except travelers
789 checks.

790 (7)-(8) "Compliance officer" means the individual
791 designated by the money services business on the most recent
792 application form or amendment thereto who is responsible for
793 ensuring compliance with:

794 (a) The money services business's anti-money laundering
795 program.

796 (b) All applicable state and federal money services
797 businesses laws and rules.

798 (c) All applicable state and federal laws and rules
799 related to the detection and prevention of money laundering,
800 including, but not limited to, applicable rules under 31 C.F.R.

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801 parts 1010 and 1022 in effect on October 26, 2010.

802 (d) This chapter and the rules in chapter 69V-560, Florida
803 Administrative Code in charge of overseeing, managing, and
804 ensuring that a money services business is in compliance with
805 all state and federal laws and rules relating to money services
806 businesses, as applicable, including all money laundering laws
807 and rules.

808 (8)-(9) "Conductor" means a natural person who presents
809 himself or herself to a licensee for purposes of cashing a
810 corporate payment instrument to a check casher and is an
811 authorized officer, as defined in s. 560.309(4), of the payee.

812 (13) "Department" means the Department of Financial
813 Services.

814 (13)-(15) "Financial audit report" means a report prepared
815 in connection with a financial audit that is conducted in
816 accordance with generally accepted auditing standards prescribed
817 by the American Institute of Certified Public Accountants by a
818 certified public accountant licensed to do business in the
819 United States, and which must include:

820 (a) Financial statements, balance sheets, income
821 statements, statements of cash flow, including notes related to
822 the financial statements, and required supplementary
823 information, prepared in conformity with accounting principles
824 generally accepted in the United States. The notes must, at a
825 minimum, include detailed disclosures regarding receivables that

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826 are greater than 90 days, if the total amount of such
827 receivables represents more than 2 percent of the licensee's
828 total assets.

829 (b) An expression of opinion regarding whether the
830 financial statements are presented in conformity with accounting
831 principles generally accepted in the United States, or an
832 assertion to the effect that such an opinion cannot be expressed
833 and the reasons.

834 (c) A signed and dated cover letter from the certified
835 public accountant.

836 (15)-(17) "Foreign currency exchanger" has the same meaning
837 as the term "dealer in foreign exchange" provided in 31 C.F.R.
838 s. 1010.100(ff)(1), in effect on February 25, 2014 ~~means a~~
839 ~~person who exchanges, for compensation, currency of the United~~
840 ~~States or a foreign government to currency of another~~
841 ~~government.~~

842 (18)-(20) "Location" means a branch office, mobile
843 ~~location,~~ or location of an authorized vendor whose business
844 activity is regulated under this chapter.

845 Section 15. Section 560.104, Florida Statutes is amended
846 to read:

847 560.104 Exemptions.—

848 (1) The following entities are exempt from ~~the provisions~~
849 ~~of~~ this chapter:

850 (a)-(1) Banks, credit card banks, credit unions, trust

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851 companies, associations, offices of an international banking
852 corporation, Edge Act or agreement corporations, or other
853 financial depository institutions organized under the laws of
854 any state or the United States.

855 ~~(b)(2)~~ The United States or any agency or instrumentality
856 thereof.

857 ~~(c)(3)~~ This state or any political subdivision of this
858 state or a contractor of this state or of any political
859 subdivision of this state.

860 (2) The following entities are exempt from the license
861 requirements of parts I and II of this chapter:

862 (a) A person appointed by a payee to collect and process
863 payments as the bona fide agent of the payee, provided that the
864 person can demonstrate all of the following to the office upon
865 request:

866 1. There exists a written agreement between the payee and
867 the agent directing the agent to collect and process payments on
868 the payee's behalf.

869 2. The payee holds the agent out to the public as
870 accepting payments on the payee's behalf.

871 3. Payment is treated as received by the payee upon
872 receipt by the agent.

873 (b) A person registered as a securities broker-dealer
874 under chapter 517, to the extent the person's money transmission
875 activities are ancillary to the person's operation as a broker-

876 dealer.

877 (c) A contractor for and on behalf of the United States or

878 any department, agency, or instrumentality of the United States,

879 or a contractor for and on behalf of any state or a political

880 subdivision of any state, that provides electronic funds

881 transfer of government benefits for any federal, state, or

882 county governmental agency. As used in this paragraph, the term

883 "electronic funds transfer" means any transfer of funds that is

884 initiated through an electronic terminal, telephone, computer,

885 or magnetic tape for the purpose of ordering, instructing, or

886 authorizing a financial institution to debit or credit a

887 consumer's account. The term includes, but is not limited to:

888 1. Point-of-sale transfers.

889 2. Automated teller machine transfers.

890 3. Direct deposits or withdrawals of funds.

891 4. Transfers initiated by telephone.

892 5. Transfers resulting from debit card transactions,

893 regardless of whether initiated through an electronic terminal.

894 Section 16. Subsection (1) of section 560.105, Florida

895 Statutes, is amended to read:

896 560.105 Supervisory powers; rulemaking.—

897 (1) The office is responsible for the administration and

898 enforcement of this chapter and shall:

899 (a) Supervise all money services businesses and their

900 authorized vendors.

901 (b) Have access to the books and records of persons the
 902 office supervises as necessary to carry out the duties and
 903 functions of the office under this chapter.

904 (c) Issue orders and declaratory statements, disseminate
 905 information, and otherwise administer and enforce this chapter
 906 and all related rules in order to effectuate the purposes,
 907 policies, and provisions of this chapter.

908 Section 17. Section 560.107, Florida Statutes, is
 909 repealed.

910 Section 18. Subsections (1) and (2) and paragraph (a) of
 911 subsection (3) of section 560.109, Florida Statutes, are amended
 912 to read:

913 560.109 Examinations and investigations.—The office may
 914 conduct examinations and investigations, within or outside this
 915 state to determine whether a person has violated any provision
 916 of this chapter and related rules, or of any practice or conduct
 917 that creates the likelihood of material loss, insolvency, or
 918 dissipation of the assets of a money services business or
 919 otherwise materially prejudices the interests of their
 920 customers.

921 (1) The office may, without advance notice, examine or
 922 investigate each licensee as often as is warranted for the
 923 protection of customers and in the public interest. ~~However,~~ The
 924 office must examine each licensee at least once every 5 years.
 925 The office may waive the 5-year examination requirement if the

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926 licensee's most recent examination resulted in an examination
927 report that contains no findings of alleged violations. The
928 waiver may occur only once within a consecutive 10-year period.
929 However, the waiver is not available for a check casher that
930 cashied corporate payment instruments during the preceding 5
931 years. The office may, without advance notice, examine or
932 investigate a money services business, authorized vendor,
933 affiliated party, or license applicant at any time if the office
934 suspects that the money services business, authorized vendor,
935 affiliated party, or license applicant has violated or is about
936 to violate any provision of this chapter or any criminal law of
937 this state or of the United States.

938 (2) The office may conduct a joint or concurrent
939 examination with any state or federal regulatory agency and may
940 furnish a copy of all examinations to an appropriate regulator
941 if the regulator agrees to abide by the confidentiality
942 provisions in chapter 119 and this chapter. The office may also
943 accept an examination from any appropriate regulator ~~or,~~
944 ~~pursuant to s. 560.1091, from an independent third party that~~
945 ~~has been approved by the office.~~

946 (3) Persons subject to this chapter who are examined or
947 investigated shall make available to the office all books,
948 accounts, documents, files, information, assets, and matters
949 that are in their immediate possession or control and that
950 relate to the subject of the examination or investigation.

951 (a) Records not in their immediate possession must be made
 952 available to the office within 3 business days after actual
 953 notice is served.

954 Section 19. Section 560.1091, Florida Statutes, is
 955 repealed.

956 Section 20. Section 560.1092, Florida Statutes, is
 957 repealed.

958 Section 21. Paragraph (b) of subsection (1) of section
 959 560.111, Florida Statutes, is amended to read:

960 560.111 Prohibited acts.—

961 (1) A money services business, authorized vendor, or
 962 affiliated party may not:

963 (b) Embezzle, convert ~~abstract~~, or misappropriate ~~misapply~~
 964 any money, property, or thing of value belonging to the money
 965 services business, an authorized vendor, or customer with intent
 966 to deceive or defraud.

967 Section 22. Subsections (3), (4), and (5) of section
 968 560.114, Florida Statutes, are renumbered as subsections (2),
 969 (3), and (4), respectively, subsection (1) and present
 970 subsection (2) are amended, and a new subsection (5) is added to
 971 that section, to read:

972 560.114 Disciplinary actions; penalties.—

973 (1) The following actions by a money services business,
 974 authorized vendor, compliance officer, or affiliated party
 975 constitute grounds for the issuance of a cease and desist order;

976 | the issuance of a removal order; the denial, suspension, or
 977 | revocation of a license; or taking any other action within the
 978 | authority of the office pursuant to this chapter:

979 | (a) Failure to comply with any provision of this chapter
 980 | or related rule or order, or any written agreement entered into
 981 | with the office.

982 | (b) Fraud, misrepresentation, deceit, or gross negligence
 983 | in any transaction by a money services business, regardless of
 984 | reliance thereon by, or damage to, a customer.

985 | (c) Fraudulent misrepresentation, circumvention, or
 986 | concealment of any matter that must be stated or furnished to a
 987 | customer pursuant to this chapter, regardless of reliance
 988 | thereon by, or damage to, such customer.

989 | (d) False, deceptive, or misleading advertising.

990 | (e) Failure to maintain, preserve, keep available for
 991 | examination, and produce all books, accounts, files, or other
 992 | documents required by this chapter or related rules or orders,
 993 | by 31 C.F.R. ss. 1010.306, 1010.311, 1010.312, 1010.340,
 994 | 1010.410, 1010.415, 1022.210, 1022.320, 1022.380, and 1022.410,
 995 | or by an agreement entered into with the office.

996 | (f) Refusing to allow the examination or inspection of
 997 | books, accounts, files, or other documents by the office
 998 | pursuant to this chapter, or to comply with a subpoena issued by
 999 | the office.

1000 | (g) Failure to pay a judgment recovered in any court by a

1001 claimant in an action arising out of a money transmission
 1002 transaction within 30 days after the judgment becomes final.

1003 (h) Engaging in an act prohibited under s. 560.111.

1004 (i) Insolvency.

1005 (j) Failure by a money services business to remove an
 1006 affiliated party after the office has issued and served upon the
 1007 money services business a final order setting forth a finding
 1008 that the affiliated party has violated a provision of this
 1009 chapter.

1010 (k) Making a material misstatement, misrepresentation, or
 1011 omission in an application for licensure, any amendment to such
 1012 application, or application for the appointment of an authorized
 1013 vendor.

1014 (l) Committing any act that results in a license or its
 1015 equivalent, to practice any profession or occupation being
 1016 denied, suspended, revoked, or otherwise acted against by a
 1017 licensing authority in any jurisdiction.

1018 (m) Being the subject of final agency action or its
 1019 equivalent, issued by an appropriate regulator, for engaging in
 1020 unlicensed activity as a money services business or deferred
 1021 presentment provider in any jurisdiction.

1022 (n) Committing any act resulting in a license or its
 1023 equivalent to practice any profession or occupation being
 1024 denied, suspended, revoked, or otherwise acted against by a
 1025 licensing authority in any jurisdiction for a violation of 18

1026 U.S.C. s. 1956, 18 U.S.C. s. 1957, 18 U.S.C. s. 1960, 31 U.S.C.
 1027 s. 5324, or any other law or rule of another state or of the
 1028 United States relating to a money services business, deferred
 1029 presentment provider, or usury that may cause the denial,
 1030 suspension, or revocation of a money services business or
 1031 deferred presentment provider license or its equivalent in such
 1032 jurisdiction.

1033 (o) Having been convicted of, or entered a plea of guilty
 1034 or nolo contendere to, regardless of adjudication, any felony or
 1035 crime ~~that punishable by imprisonment of 1 year or more under~~
 1036 ~~the law of any state or the United States which~~ involves fraud,
 1037 dishonesty, breach of trust, money laundering, or act of moral
 1038 ~~turpitude, or dishonest dealing, regardless of adjudication.~~

1039 (p) Having been convicted of, or entered a plea of guilty
 1040 or nolo contendere to, a crime under 18 U.S.C. s. 1956 or 31
 1041 U.S.C. s. 5324, regardless of adjudication.

1042 (q) Having been convicted of, or entered a plea of guilty
 1043 or nolo contendere to, misappropriation, conversion, or unlawful
 1044 withholding of moneys belonging to others, regardless of
 1045 adjudication.

1046 ~~(r) Failure to inform the office in writing within 30 days~~
 1047 ~~after having pled guilty or nolo contendere to, or being~~
 1048 ~~convicted of, any felony or crime punishable by imprisonment of~~
 1049 ~~1 year or more under the law of any state or the United States,~~
 1050 ~~or any crime involving fraud, moral turpitude, or dishonest~~

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1051 ~~dealing.~~

1052 (r)~~(s)~~ Aiding, assisting, procuring, advising, or abetting
1053 any person in violating a provision of this chapter or any order
1054 or rule of the office or commission.

1055 (s)~~(t)~~ Failure to pay any fee, charge, or cost imposed or
1056 assessed under this chapter.

1057 (t)~~(u)~~ Failing to pay a fine assessed by the office within
1058 30 days after the due date as stated in a final order.

1059 (u)~~(v)~~ Failure to pay any judgment entered by any court
1060 within 30 days after the judgment becomes final.

1061 (v)~~(w)~~ Engaging or advertising engagement in the business
1062 of a money services business or deferred presentment provider
1063 without a license, unless exempted from licensure.

1064 (w)~~(*)~~ Payment to the office for a license or other fee,
1065 charge, cost, or fine with a check or electronic transmission of
1066 funds that is dishonored by the applicant's or licensee's
1067 financial institution.

1068 (x)~~(y)~~ Violations of 31 C.F.R. ss. 1010.306, 1010.311,
1069 1010.312, 1010.340, 1010.410, 1010.415, 1022.210, 1022.320,
1070 1022.380, and 1022.410, and United States Treasury Interpretive
1071 Release 2004-1.

1072 (y)~~(z)~~ Any practice or conduct that creates the likelihood
1073 of a material loss, insolvency, or dissipation of assets of a
1074 money services business or otherwise materially prejudices the
1075 interests of its customers.

1076 (z)~~(aa)~~ Failure of a check casher to maintain a federally
 1077 insured depository account as required by s. 560.309.

1078 (aa)~~(bb)~~ Failure of a check casher to deposit into its own
 1079 federally insured depository account any payment instrument
 1080 cashed as required by s. 560.309.

1081 (bb)~~(cc)~~ Violating any provision of the Military Lending
 1082 Act, 10 U.S.C. s. 987, or the regulations adopted under that act
 1083 in 32 C.F.R. part 232, in connection with a deferred presentment
 1084 transaction conducted under part IV of this chapter.

1085 (cc) Failure by a compliance officer to take corrective
 1086 action, despite the compliance officer's knowledge that the
 1087 money services business or affiliated party has repeatedly
 1088 violated the following program, laws, or rules:

1089 1. The money services business's anti-money laundering
 1090 program.

1091 2. All applicable state and federal money services
 1092 businesses laws and rules.

1093 3. All applicable state and federal laws and rules related
 1094 to the detection and prevention of money laundering, including,
 1095 but not limited to, applicable rules under 31 C.F.R. parts 1010
 1096 and 1022 in effect on October 26, 2010.

1097 4. This chapter and the rules in chapter 69V-560, Florida
 1098 Administrative Code.

1099 ~~(2) Pursuant to s. 120.60(6), the office may summarily~~
 1100 ~~suspend the license of a money services business if the office~~

1101 ~~finds that a licensee poses an immediate, serious danger to the~~
1102 ~~public health, safety, and welfare. A proceeding in which the~~
1103 ~~office seeks the issuance of a final order for the summary~~
1104 ~~suspension of a licensee shall be conducted by the commissioner~~
1105 ~~of the office, or his or her designee, who shall issue such~~
1106 ~~order. The following acts are deemed to constitute an immediate~~
1107 ~~and serious danger to the public health, safety, and welfare,~~
1108 ~~and the office may immediately suspend the license of a money~~
1109 ~~services business if:~~

1110 ~~(a) The money services business fails to provide to the~~
1111 ~~office, upon written request, any of the records required by s.~~
1112 ~~560.123, s. 560.1235, s. 560.211, or s. 560.310 or any rule~~
1113 ~~adopted under those sections. The suspension may be rescinded if~~
1114 ~~the licensee submits the requested records to the office.~~

1115 ~~(b) The money services business fails to maintain a~~
1116 ~~federally insured depository account as required by s. 560.309.~~

1117 ~~(c) A natural person required to be listed on the license~~
1118 ~~application for a money services business pursuant to s.~~
1119 ~~560.141(1)(a)3. is criminally charged with, or arrested for, a~~
1120 ~~crime described in paragraph (1)(o), paragraph (1)(p), or~~
1121 ~~paragraph(1)(q).~~

1122 (5) A natural person fulfilling the duties as a compliance
1123 officer of a money services business under this chapter is
1124 responsible for any act of the money services business, an
1125 authorized vendor acting on behalf of the money services

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1126 business, and an affiliated party that violates this chapter or
1127 the anti-money laundering program if the compliance officer:

1128 (a) Should have known of the act or had actual knowledge
1129 that such act is a violation of this chapter or the anti-money
1130 laundering program.

1131 (b) Allowed the act to continue without notifying the
1132 money services business' board of directors, chief executive
1133 officer, or president, or a person serving in a similar
1134 capacity. All notification of a violation of this chapter or the
1135 anti-money laundering program must be documented in writing. The
1136 document must be made available to the office upon request and
1137 must include the date and the person to whom notification was
1138 provided.

1139 Section 23. Subsection (1) of section 560.118, Florida
1140 Statutes, is amended to read:

1141 560.118 Reports.—

1142 ~~(1) Annual financial audit reports must be filed with the~~
1143 ~~office pursuant to this chapter or related rules. The licensee~~
1144 ~~shall directly bear the cost of the audit.~~

1145 Section 24. Subsection (4) of section 560.126, Florida
1146 Statutes, is amended to read:

1147 560.126 Required notice by licensee.—

1148 ~~(4) A licensee that engages in check cashing must notify~~
1149 ~~the office within 5 business days after the licensee ceases to~~
1150 ~~maintain a federally insured depository account as required by~~

1151 ~~s. 560.309(3) and, before resuming check cashing, must~~
 1152 ~~reestablish such an account and notify the office of the~~
 1153 ~~account.~~

1154 Section 25. Subsection (2) of section 560.128, Florida
 1155 Statutes, is amended to read:

1156 560.128 Customer contacts; license display.—

1157 ~~(2) The commission may by rule require a licensee to~~
 1158 ~~display its license at each location where the licensee engages~~
 1159 ~~in the activities authorized by the license.~~

1160 Section 26. Paragraph (b) of subsection (5) and subsection
 1161 (6) of section 560.129, Florida Statutes, are amended to read:

1162 560.129 Confidentiality.—

1163 (5) This section does not prevent or restrict:

1164 (b) Furnishing records or information to an appropriate
 1165 regulator ~~or independent third party who has been approved by~~
 1166 ~~the office to conduct an examination under s. 560.1091, if the~~
 1167 ~~independent third party adheres to the confidentiality~~
 1168 ~~provisions of this chapter; or~~

1169 (6) All quarterly reports submitted to the office under s.
 1170 560.118 ~~s. 560.118(2)~~ are confidential and exempt from s.
 1171 119.07(1) and s. 24(a), Art. I of the State Constitution.

1172 Section 27. Paragraphs (a), (c), and (d) of subsection (1)
 1173 of section 560.141, Florida Statutes, are amended to read:

1174 560.141 License application.—

1175 (1) To apply for a license as a money services business

1176 | under this chapter, the applicant must submit:

1177 | (a) An application to the office on forms prescribed by
1178 | rule which includes the following information:

1179 | 1. The legal name and address of the applicant, including
1180 | any fictitious or trade names used by the applicant in the
1181 | conduct of its business.

1182 | 2. The date of the applicant's formation and the state in
1183 | which the applicant was formed, if applicable.

1184 | 3. The name, social security number, alien identification
1185 | or taxpayer identification number, business and residence
1186 | addresses, and employment history for the past 5 years for each
1187 | officer, director, responsible person, the compliance officer,
1188 | each controlling shareholder, and any other person who has a
1189 | controlling interest in the money services business as provided
1190 | in s. 560.127.

1191 | 4. A description of the organizational structure of the
1192 | applicant, including the identity of any parent or subsidiary of
1193 | the applicant, and the disclosure of whether any parent or
1194 | subsidiary is publicly traded.

1195 | 5. The applicant's history of operations in other states
1196 | if applicable and a description of the money services business
1197 | or deferred presentment provider activities proposed to be
1198 | conducted by the applicant in this state.

1199 | 6. If the applicant or its parent is a publicly traded
1200 | company, copies of all filings made by the applicant with the

1201 United States Securities and Exchange Commission, or with a
 1202 similar regulator in a country other than the United States,
 1203 within the preceding year.

1204 7. The physical address, mailing address, and records
 1205 storage address ~~location~~ at which the applicant proposes to
 1206 establish its principal place of business. The applicant may not
 1207 provide a post office box ~~and any other location, including~~
 1208 ~~branch offices and authorized vendors operating in this state.~~
 1209 ~~For each branch office and each location of an authorized~~
 1210 ~~vendor, the applicant shall include the nonrefundable fee~~
 1211 ~~required by s. 560.143.~~

1212 8. The name and address of the clearing financial
 1213 institution or financial institutions through which the
 1214 applicant's payment instruments are drawn or through which the
 1215 payment instruments are payable.

1216 9. The history of the applicant's material litigation,
 1217 criminal convictions, pleas of nolo contendere, and cases of
 1218 adjudication withheld.

1219 10. The history of material litigation, arrests, criminal
 1220 convictions, pleas of nolo contendere, and cases of adjudication
 1221 withheld for each executive officer, director, controlling
 1222 shareholder, and responsible person.

1223 11. The name of the registered agent in this state for
 1224 service of process unless the applicant is a sole proprietor.

1225 12. Any other information specified in this chapter or by

1226 | commission rule.

1227 | (c) Fingerprints for each person listed in subparagraph
 1228 | (a)3. for live-scan processing in accordance with rules adopted
 1229 | by the commission.

1230 | 1. The fingerprints may be submitted through a third-party
 1231 | vendor authorized by the Department of Law Enforcement to
 1232 | provide live-scan fingerprinting.

1233 | 2. The Department of Law Enforcement must conduct the
 1234 | state criminal history background check, and a federal criminal
 1235 | history background check must be conducted through the Federal
 1236 | Bureau of Investigation.

1237 | 3. All fingerprints submitted to the Department of Law
 1238 | Enforcement must be submitted electronically and entered into
 1239 | the statewide automated fingerprint identification system
 1240 | established in s. 943.05(2) (b) and available for use in
 1241 | accordance with s. 943.05(2) (g) and (h). The office shall pay an
 1242 | annual fee to the Department of Law Enforcement to participate
 1243 | in the system and shall inform the Department of Law Enforcement
 1244 | of any person whose fingerprints no longer must be retained.

1245 | 4. The costs of fingerprint processing, including the cost
 1246 | of retaining the fingerprints, shall be borne by the person
 1247 | subject to the background check.

1248 | 5. The office shall review the results of the state and
 1249 | federal criminal history background checks and determine whether
 1250 | the applicant meets licensure requirements.

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1251 6. For purposes of this paragraph, fingerprints are not
1252 required to be submitted if the applicant is a publicly traded
1253 corporation or is exempted from this chapter under s.
1254 560.104(1). The term "publicly traded" means a stock is
1255 currently traded on a national securities exchange registered
1256 with the federal Securities and Exchange Commission or traded on
1257 an exchange in a country other than the United States regulated
1258 by a regulator equivalent to the Securities and Exchange
1259 Commission and the disclosure and reporting requirements of such
1260 regulator are substantially similar to those of the commission.

1261 ~~7. Licensees initially approved before October 1, 2013,~~
1262 ~~who are seeking renewal must submit fingerprints for each person~~
1263 ~~listed in subparagraph (a)3. for live-scan processing pursuant~~
1264 ~~to this paragraph. Such fingerprints must be submitted before~~
1265 ~~renewing a license that is scheduled to expire between April 30,~~
1266 ~~2014, and December 31, 2015.~~

1267 (d) A copy of the applicant's written anti-money
1268 laundering (AML) program as required under 31 C.F.R. s.
1269 1022.210.

1270 Section 28. Section 560.203, Florida Statutes, is amended
1271 to read:

1272 560.203 Exemptions from licensure.—Authorized vendors of a
1273 licensee acting within the scope of authority conferred by the
1274 licensee are exempt from licensure but are otherwise subject to
1275 the provisions of this chapter. Licensees may authorize an

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1276 authorized vendor to conduct activity only as a money
 1277 transmitter or payment instrument seller.

1278 Section 29. Subsection (4) of section 560.205, Florida
 1279 Statutes, is amended to read:

1280 560.205 Additional license application requirements.—In
 1281 addition to the license application requirements under part I of
 1282 this chapter, an applicant seeking a license under this part
 1283 must also submit to the office:

1284 (4) A copy of the applicant's financial audit report for
 1285 the most recent fiscal year.

1286 (a) If the applicant is a wholly owned subsidiary of
 1287 another corporation, the financial audit report on the parent
 1288 corporation's financial statements shall satisfy this
 1289 requirement.

1290 (b) If the applicant was formed within the past 365 days
 1291 and has not reached the inaugural fiscal year end, a financial
 1292 audit report that is less than 365 days old may be submitted to
 1293 satisfy the initial application requirements.

1294 Section 30. Section 560.2051, Florida Statutes, is created
 1295 to read:

1296 560.2051 Branch offices.—In addition to the licensure
 1297 requirements specified in s. 560.205, an applicant or licensee
 1298 that intends to conduct money services business activity through
 1299 a branch office must:

1300 (1) Submit a branch office application form in a manner

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1301 prescribed by commission rule.

1302 (2) Submit a branch office license fee for each branch
1303 office as required in s. 560.143(1).

1304 Section 31. Subsection (1) of section 560.208, Florida
1305 Statutes, is amended to read:

1306 560.208 Conduct of business.—In addition to the
1307 requirements specified in s. 560.1401, a licensee under this
1308 part:

1309 (1) May conduct its business at one or more locations
1310 within this state through licensed branches or by means of
1311 authorized vendors, as designated by the licensee, including the
1312 conduct of business through electronic transfer, such as by the
1313 telephone or the Internet.

1314 Section 32. Subsections (3), (4), (6), and (7) of section
1315 560.309, Florida Statutes, are amended to read:

1316 560.309 Conduct of business.—

1317 (3) To cash payment instruments, a licensee under this
1318 part must maintain and deposit payment instruments into its own
1319 commercial account at a federally insured financial institution.
1320 If a licensee ceases to maintain such a depository account, the
1321 licensee must immediately cease cashing payment instruments and
1322 notify the office within 5 business days after the cessation.
1323 The licensee may resume cashing payment instruments only after
1324 the licensee has notified the office of the cessation,
1325 reestablished ~~not engage in check cashing until the licensee~~

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1326 ~~reestablishes~~ such an account, and notified ~~notifies~~ the office
1327 of the reestablishment of such an ~~the~~ account ~~as required by s.~~
1328 ~~560.126(4)~~.

1329 (4) A licensee may not accept or cash a payment instrument
1330 from a person who is not the original payee; however, this
1331 subsection does not prohibit a licensee from accepting or
1332 cashing a corporate payment instrument from a conductor who is
1333 an authorized officer of the corporate payee named on the
1334 instrument's face. As used in this subsection, the term
1335 "authorized officer" means a natural person who participates in,
1336 or has the authority to participate in, the major policymaking
1337 functions of a payee, regardless of whether the person has an
1338 official title or receives a salary or other compensation.

1339 (6) Each branch office ~~location~~ of a licensee where checks
1340 are cashed must be equipped with a security camera system that
1341 is capable of recording and retrieving an image in order to
1342 assist in identifying and apprehending an offender. The licensee
1343 does not have to install a security camera system if the
1344 licensee has installed a bulletproof or bullet-resistant
1345 partition or enclosure in the area where checks are cashed.

1346 (7) The commission may by rule require a check casher to
1347 ~~display its license and~~ post a notice listing its charges for
1348 cashing payment instruments.

1349 Section 33. Subsections (5) and (6) of section 560.310,
1350 Florida Statutes, are renumbered as subsections (4) and (5),

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1351 respectively, and paragraphs (b), (c), and (d) of subsection (2)
 1352 and present subsection (4) of that section are amended to read:

1353 560.310 Records of check cashers and foreign currency
 1354 exchangers.—

1355 (2) If the payment instrument exceeds \$1,000, the
 1356 following additional information must be maintained or
 1357 submitted:

1358 (b) A copy of a valid ~~the~~ personal identification that
 1359 bears a photograph of the customer used as identification and
 1360 presented by the customer. Valid ~~Acceptable~~ personal
 1361 identification is limited to the following documents, which must
 1362 be unexpired:

- 1363 1. A ~~valid~~ driver license;
- 1364 2. A state identification card issued by any state of the
 1365 United States or its territories or the District of Columbia,
 1366 and showing a ~~photograph and~~ signature;
- 1367 3. A United States Government Resident Alien
 1368 Identification Card;
- 1369 4. A passport; or
- 1370 5. A United States Military identification card.

1371 (c) A thumbprint of the customer taken by the licensee
 1372 when the payment instrument is presented for negotiation or
 1373 payment. The thumbprint must be located on the original payment
 1374 instrument presented.

1375 (d) The office shall, at a minimum, require licensees to

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1376 submit the following information to the check cashing database
 1377 or electronic log, before entering into each check cashing
 1378 transaction for each payment instrument being cashed, in such
 1379 format as required by rule:

- 1380 1. Transaction date.
- 1381 2. Payor name as displayed on the payment instrument.
- 1382 3. Payee name as displayed on the payment instrument.
- 1383 4. Conductor name, if different from the payee name.
- 1384 5. Amount of the payment instrument.
- 1385 6. Amount of currency provided.
- 1386 7. Type of payment instrument, which may include personal,
 1387 payroll, government, corporate, third-party, or another type of
 1388 instrument.
- 1389 8. Amount of the fee charged for cashing of the payment
 1390 instrument.
- 1391 9. Licensed principal place of business or branch office
 1392 ~~or location~~ where the payment instrument was accepted.
- 1393 10. The type of identification and identification number
 1394 presented by the payee or conductor.
- 1395 11. Payee's workers' compensation insurance policy number
 1396 or exemption certificate number, if the payee is a business.
- 1397 12. Such additional information as required by rule.

1398
 1399 For purposes of this subsection, multiple payment instruments
 1400 accepted from any one person on any given day which total \$1,000

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1401 or more must be aggregated and reported in the check cashing
1402 database or on the log.

1403 ~~(4) The office shall issue a competitive solicitation as~~
1404 ~~provided in s. 287.057 for a statewide, real time, online check~~
1405 ~~cashing database to combat fraudulent check cashing activity.~~
1406 ~~After completing the competitive solicitation process, but~~
1407 ~~before executing a contract, the office may request funds in its~~
1408 ~~2014-2015 fiscal year legislative budget request and submit~~
1409 ~~necessary draft conforming legislation, if needed, to implement~~
1410 ~~this act.~~

1411 Section 34. Paragraph (b) of subsection (2) of section
1412 560.312, Florida Statutes, is amended to read:

1413 560.312 Database of payment instrument transactions;
1414 confidentiality.—

1415 (2)

1416 (b) The office, to the extent permitted by state and
1417 federal law, may enter into information-sharing agreements with
1418 the Department of Financial Services, law enforcement agencies,
1419 and other governmental agencies and, in accordance with such
1420 agreements, may provide the department, law enforcement
1421 agencies, and other governmental agencies with access to
1422 information contained in the database for use in detecting and
1423 deterring financial crimes and workers' compensation violations,
1424 pursuant to chapter 440. Any department or agency that receives
1425 confidential information from the office under this paragraph

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1426 must maintain the confidentiality of the information, unless,
1427 and only to the extent that, a court order compels production of
1428 the information to a specific party or parties.

1429 Section 35. Paragraph (a) of subsection (1) and subsection
1430 (4) of section 655.045, Florida Statutes, are amended, and
1431 paragraph (f) is added to subsection (1) of that section, to
1432 read:

1433 655.045 Examinations, reports, and internal audits;
1434 penalty.—

1435 (1) The office shall conduct an examination of the
1436 condition of each state financial institution at least every 18
1437 months. The office may conduct more frequent examinations based
1438 upon the risk profile of the financial institution, prior
1439 examination results, or significant changes in the institution
1440 or its operations. The office may use continuous, phase, or
1441 other flexible scheduling examination methods for very large or
1442 complex state financial institutions and financial institutions
1443 owned or controlled by a multi-financial institution holding
1444 company. The office shall consider examination guidelines from
1445 federal regulatory agencies in order to facilitate, coordinate,
1446 and standardize examination processes.

1447 (a) The office may accept an examination of a state
1448 financial institution made by an appropriate federal regulatory
1449 agency or may conduct a joint or concurrent examination of the
1450 institution with the federal agency. However, if the office

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1451 accepts an examination report in accordance with this paragraph,
1452 the office shall conduct at least once during each 36-month
1453 period beginning July 1, 2023 ~~2014~~, a subsequent ~~the office~~
1454 ~~shall conduct an~~ examination of each state financial institution
1455 in a manner that allows the preparation of a complete
1456 examination report not subject to the right of a federal or
1457 other non-Florida entity to limit access to the information
1458 contained therein. The office may furnish a copy of all
1459 examinations or reviews made of financial institutions or their
1460 affiliates to the state or federal agencies participating in the
1461 examination, investigation, or review, or as otherwise
1462 authorized under s. 655.057.

1463 (f) In coordinating an examination required under this
1464 section, if a federal agency suspends or cancels a previously
1465 scheduled examination of a state financial institution, the
1466 office has an additional 90 days to meet the examination
1467 requirement of this section.

1468 (4) A copy of the report of each examination must be
1469 furnished to the state financial institution ~~entity~~ examined and
1470 presented to the board of directors at its next regular or
1471 special meeting. Each board director shall review the report and
1472 acknowledge receipt of the report by signing and dating the
1473 prescribed signature page of the report and returning a copy of
1474 the signed page to the office.

1475 Section 36. Section 655.414, Florida Statutes, is amended

1476 to read:

1477 655.414 Acquisition of assets; assumption of liabilities.—
 1478 With prior approval of the office and upon such conditions as
 1479 the commission prescribes by rule, a financial institution
 1480 ~~entity~~ may acquire 50 percent or more ~~all or substantially all~~
 1481 of the assets or liabilities of, or assume all or any part of
 1482 the liabilities of, or a combination of assets and liabilities
 1483 of, any other financial institution in accordance with the
 1484 procedures and subject to the following conditions and
 1485 limitations:

1486 (1) CALCULATION OF ASSET OR LIABILITY PERCENTAGES.—
 1487 Percentages of assets or liabilities must be calculated based on
 1488 the most recent quarterly reporting date.

1489 (2)~~(1)~~ ADOPTION OF A PLAN.—The board of directors of the
 1490 acquiring or assuming financial entity and the board of
 1491 directors of the transferring financial institution must adopt,
 1492 by a majority vote, a plan for such acquisition, assumption, or
 1493 sale on terms that are mutually agreed upon. The plan must
 1494 include:

1495 (a) The names and types of financial institutions
 1496 involved.

1497 (b) A statement setting forth the material terms of the
 1498 proposed acquisition, assumption, or sale, including the plan
 1499 for disposition of all assets and liabilities not subject to the
 1500 plan.

1501 (c) A provision for liquidation, if applicable, of the
 1502 transferring financial institution upon execution of the plan,
 1503 or a provision setting forth the business plan for the continued
 1504 operation of each financial institution after the execution of
 1505 the plan.

1506 (d) A statement that the entire transaction is subject to
 1507 written approval of the office and approval of the members or
 1508 stockholders of the transferring financial institution.

1509 (e) If a stock financial institution is the transferring
 1510 financial institution and the proposed sale is not for cash, a
 1511 clear and concise statement that dissenting stockholders of the
 1512 institution are entitled to the rights set forth in s. 658.44(4)
 1513 and (5).

1514 (f) The proposed effective date of the acquisition,
 1515 assumption, or sale and such other information and provisions as
 1516 necessary to execute the transaction or as required by the
 1517 office.

1518 (3)~~(2)~~ APPROVAL OF OFFICE.—Following approval by the board
 1519 of directors of each participating financial institution, the
 1520 plan, together with certified copies of the authorizing
 1521 resolutions adopted by the boards and a completed application
 1522 with a nonrefundable filing fee, must be forwarded to the office
 1523 for approval or disapproval. The office shall approve the plan
 1524 of acquisition, assumption, or sale if it appears that:

1525 (a) The resulting financial entity or entities would have

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1526 an adequate capital structure in relation to their activities
1527 and their deposit liabilities;

1528 (b) The plan is fair to all parties; and

1529 (c) The plan is not contrary to the public interest.

1530

1531 If the office disapproves the plan, it shall state its
1532 objections and give the parties an opportunity to amend the plan
1533 to overcome such objections.

1534 (4)~~(3)~~ VOTE OF MEMBERS OR STOCKHOLDERS.—If the office
1535 approves the plan, it may be submitted to the members or
1536 stockholders of the transferring financial institution at an
1537 annual meeting or at a special meeting called to consider such
1538 action. Upon a majority vote of the total number of votes
1539 eligible to be cast or, in the case of a credit union, a
1540 majority vote of the members present at the meeting, the plan is
1541 adopted.

1542 (5)~~(4)~~ ADOPTED PLAN; CERTIFICATE; ABANDONMENT.—

1543 (a) If the plan is adopted by the members or stockholders
1544 of the transferring financial institution, the president or vice
1545 president and the cashier, manager, or corporate secretary of
1546 such institution shall submit the adopted plan to the office,
1547 together with a certified copy of the resolution of the members
1548 or stockholders approving it.

1549 (b) Upon receipt of the certified copies and evidence that
1550 the participating financial institutions have complied with all

1551 applicable state and federal law and rules, the office shall
 1552 certify, in writing, to the participants that the plan has been
 1553 approved.

1554 (c) Notwithstanding approval of the members or
 1555 stockholders or certification by the office, the board of
 1556 directors of the transferring financial institution may abandon
 1557 such a transaction without further action or approval by the
 1558 members or stockholders, subject to the rights of third parties
 1559 under any contracts relating thereto.

1560 (6)~~(5)~~ FEDERALLY CHARTERED OR OUT-OF-STATE INSTITUTION AS
 1561 A PARTICIPANT.—If one of the participants in a transaction under
 1562 this section is a federally chartered financial institution or
 1563 an out-of-state financial institution, all participants must
 1564 also comply with requirements imposed by federal and other state
 1565 law for the acquisition, assumption, or sale and provide
 1566 evidence of such compliance to the office as a condition
 1567 precedent to the issuance of a certificate authorizing the
 1568 transaction; however, if the purchasing or assuming financial
 1569 institution is a federal or out-of-state state-chartered
 1570 financial institution and the transferring state financial
 1571 entity will be liquidated, approval of the office is not
 1572 required.

1573 (7)~~(6)~~ STOCK INSTITUTION ACQUIRING MUTUAL INSTITUTION.—A
 1574 mutual financial institution may not sell 50 percent or more ~~all~~
 1575 ~~or substantially all~~ of its assets to a stock financial

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1576 institution until it has first converted into a capital stock
1577 financial institution in accordance with s. 665.033(1) and (2).
1578 For this purpose, references in s. 665.033(1) and (2) to
1579 associations also refer to credit unions but, in the case of a
1580 credit union, the provision concerning proxy statements does not
1581 apply.

1582 Section 37. Paragraph (c) of subsection (3) of section
1583 655.50, Florida Statutes, is amended to read:

1584 655.50 Florida Control of Money Laundering and Terrorist
1585 Financing in Financial Institutions Act.—

1586 (3) As used in this section, the term:

1587 (c) "Financial institution" has the same meaning as in s.
1588 655.005(1)(i), excluding an international representative office,
1589 an international administrative office, or a qualified limited
1590 service affiliate means a financial institution, as defined in
1591 31 U.S.C. s. 5312, as amended, including a credit card bank,
1592 located in this state.

1593 Section 38. Subsections (1) through (8) of section
1594 657.021, Florida Statutes, are renumbered as subsections (2)
1595 through (9), respectively, and a new subsection (1) is added to
1596 that section to read:

1597 657.021 Reports to the office; board of directors;
1598 executive committee; responsibilities; oaths.—

1599 (1) Within 30 days after an annual meeting or any other
1600 meeting at which a director, officer, member of the supervisory

1601 or audit committee, member of the credit committee, or credit
 1602 manager is elected or appointed, a credit union shall submit to
 1603 the office the name and residence address of the elected or
 1604 appointed person on a form prescribed by the commission and
 1605 provided by the office.

1606 Section 39. Subsection (6) of section 657.028, Florida
 1607 Statutes, is amended to read:

1608 657.028 Activities of directors, officers, committee
 1609 members, employees, and agents.—

1610 ~~(6) Within 30 days after election or appointment, a record~~
 1611 ~~of the names and addresses of the members of the board, members~~
 1612 ~~of committees, all officers of the credit union, and the credit~~
 1613 ~~manager shall be filed with the office on forms prescribed by~~
 1614 ~~the commission.~~

1615 Section 40. Subsections (20) through (24) of section
 1616 658.12, Florida Statutes, are renumbered as subsections (21)
 1617 through (25), respectively, and a new subsection (20) is added
 1618 to that section to read:

1619 658.12 Definitions.—Subject to other definitions contained
 1620 in the financial institutions codes and unless the context
 1621 otherwise requires:

1622 (20) "Target market" means the group of clients or
 1623 potential clients from whom:

1624 (a) A bank or proposed bank expects to draw deposits and
 1625 to whom the bank or proposed bank focuses or intends to focus

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1626 its marketing efforts.

1627 (b) A trust company, a trust department of a bank or
1628 association, a proposed trust company, or a proposed trust
1629 department of a bank or association expects to draw its
1630 fiduciary accounts and to whom the trust company, the trust
1631 department of a bank or association, the proposed trust company,
1632 or the proposed trust department of a bank or association
1633 focuses or intends to focus its marketing efforts.

1634 Section 41. Paragraphs (b) and (c) of subsection (1) of
1635 section 658.20, Florida Statutes, are amended to read:

1636 658.20 Investigation by office.—

1637 (1) Upon the filing of an application, the office shall
1638 make an investigation of:

1639 (b) The need for bank or trust facilities or additional
1640 bank or trust facilities, as the case may be, in the primary
1641 service area where the proposed bank or trust company is to be
1642 located or in the target market where the bank or trust company
1643 intends to engage in business.

1644 (c) The ability of the primary service area or target area
1645 to support the proposed bank or trust company and all other
1646 existing bank or trust facilities that serve the same primary
1647 service area or target market ~~in the primary service area.~~

1648 Section 42. Subsections (1) and (4) of section 658.21,
1649 Florida Statutes, are amended to read:

1650 658.21 Approval of application; findings required.—The

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1651 office shall approve the application if it finds that:

1652 (1) Local and target market conditions indicate reasonable
1653 promise of successful operation for the proposed state bank or
1654 trust company. In determining whether an applicant meets the
1655 requirements of this subsection, the office shall consider all
1656 materially relevant factors, including:

1657 (a) The purpose, objectives, and business philosophy of
1658 the proposed state bank or trust company.

1659 (b) The projected financial performance of the proposed
1660 bank or trust company.

1661 (c) The feasibility of the proposed bank or trust company,
1662 as stated in the business plan, particularly with respect to
1663 asset and liability growth and management.

1664 (4) The proposed officers have sufficient financial
1665 institution experience, ability, standing, and reputation and
1666 the proposed directors have sufficient business experience,
1667 ability, standing, and reputation to indicate reasonable promise
1668 of successful operation, and none of the proposed officers or
1669 directors has been convicted of, or pled guilty or nolo
1670 contendere to, any violation of s. 655.50, relating to the
1671 control of money laundering and terrorist financing; chapter
1672 896, relating to offenses related to financial institutions; or
1673 similar state or federal law. At least two of the proposed
1674 directors who are not also proposed officers must have had at
1675 least 1 year of direct experience as an executive officer,

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1676 regulator, or director of a financial institution within the 5
1677 years before the date of the application. However, if the
1678 applicant demonstrates that at least one of the proposed
1679 directors has very substantial experience as an executive
1680 officer, director, or regulator of a financial institution more
1681 than 5 years before the date of the application, the office may
1682 modify the requirement and allow the applicant to have only one
1683 director who has direct financial institution experience within
1684 the last 5 years. The proposed president or chief executive
1685 officer must have had at least 1 year of direct experience as an
1686 executive officer, director, or regulator of a financial
1687 institution ~~within the last 5 years.~~

1688 Section 43. Subsections (2), (3), and (4) of section
1689 658.28, Florida Statutes, are renumbered as subsections (3),
1690 (4), and (5), respectively, and a new subsection (2) is added to
1691 that section to read:

1692 658.28 Acquisition of control of a bank or trust company.—

1693 (2) If a person or a group of persons, directly or
1694 indirectly, acquires a controlling interest in a state bank or
1695 state trust company, as contemplated by this section, through
1696 probate or trust, the person or group of persons shall notify
1697 the office within 90 days after acquiring such an interest. Such
1698 an interest does not give rise to a presumption of control until
1699 the person or group of persons votes the shares or the office
1700 has issued a certificate of approval in response to an

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1701 application pursuant to subsection (1).

1702 Section 44. Paragraphs (a), (b), and (c) of subsection
1703 (11) of section 658.2953, Florida Statutes, are redesignated as
1704 paragraphs (b), (c), and (d), respectively, and a new paragraph
1705 (a) is added to that subsection to read:

1706 658.2953 Interstate branching.—

1707 (11) DE NOVO INTERSTATE BRANCHING BY STATE BANKS.—

1708 (a) As used in this subsection, the term "de novo branch"
1709 means a branch of a bank that is originally established by the
1710 bank as a branch and does not become a branch of such bank as a
1711 result of:

1712 1. An acquisition by the bank of a depository institution
1713 or a branch of a depository institution; or

1714 2. A conversion, merger, or consolidation of any
1715 depository institution or any branch of a depository
1716 institution.

1717 Section 45. Paragraph (d) of subsection (1) of section
1718 662.1225, Florida Statutes, is amended to read:

1719 662.1225 Requirements for a family trust company, licensed
1720 family trust company, or foreign licensed family trust company.—

1721 (1) A family trust company or a licensed family trust
1722 company shall maintain:

1723 (d) A deposit account with:

1724 1. A bank located in the United States and insured by the
1725 Federal Deposit Insurance Corporation; or

1726 2. A credit union located in the United States and insured
 1727 by the National Credit Union Administration ~~a state-chartered or~~
 1728 ~~national financial institution that has a principal or branch~~
 1729 ~~office in this state.~~

1730 Section 46. Subsection (1) of section 662.128, Florida
 1731 Statutes, is amended to read:

1732 662.128 Annual renewal.—

1733 (1) ~~Within 45 days after the end of each calendar year,~~ A
 1734 family trust company, licensed family trust company, or foreign
 1735 licensed family trust company shall file an ~~its~~ annual renewal
 1736 application with the office within 45 days after the anniversary
 1737 of the filing of either the initial application or the prior
 1738 year's renewal application.

1739 Section 47. Subsection (1) of section 663.07, Florida
 1740 Statutes, is amended to read:

1741 663.07 Asset maintenance or capital equivalency.—

1742 (1) Each international bank agency and international
 1743 branch shall:

1744 (a) Maintain with one or more banks insured by the Federal
 1745 Deposit Insurance Corporation and located within the United
 1746 States ~~in this state~~, in such amounts as the office specifies,
 1747 evidence of dollar deposits or investment securities of the type
 1748 that may be held by a state bank for its own account pursuant to
 1749 s. 658.67. The aggregate amount of dollar deposits and
 1750 investment securities for an international bank agency or

1751 international branch shall, at a minimum, equal the greater of:

1752 1. Four million dollars; or

1753 2. Seven percent of the total liabilities of the
 1754 international bank agency or international branch excluding
 1755 accrued expenses and amounts due and other liabilities to
 1756 affiliated branches, offices, agencies, or entities; or

1757 (b) Maintain other appropriate reserves, taking into
 1758 consideration the nature of the business being conducted by the
 1759 international bank agency or international branch.

1760
 1761 The commission shall prescribe, by rule, the deposit,
 1762 safekeeping, pledge, withdrawal, recordkeeping, and other
 1763 arrangements for funds and securities maintained under this
 1764 subsection. The deposits and securities used to satisfy the
 1765 capital equivalency requirements of this subsection shall be
 1766 held, to the extent feasible, in one or more state or national
 1767 banks located in this state or in a federal reserve bank.

1768 Section 48. Subsections (4), (5), and (6) of section
 1769 663.532, Florida Statutes, are renumbered as subsections (5),
 1770 (6), and (7), respectively, paragraphs (i) and (j) of subsection
 1771 (1) are amended, and a new subsection (4) is added to that
 1772 section, to read:

1773 663.532 Qualification.—

1774 (1) To qualify as a qualified limited service affiliate
 1775 under this part, a proposed qualified limited service affiliate

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1776 must file a written notice with the office, in the manner and on
1777 a form prescribed by the commission. Such written notice must
1778 include:

1779 (i) A declaration under penalty of perjury signed by the
1780 executive officer, manager, or managing member of the proposed
1781 qualified limited service affiliate that, to the best of his or
1782 her knowledge:

1783 1. No employee, representative, or agent provides, or will
1784 provide, banking services; promotes or sells, or will promote or
1785 sell, investments; or accepts, or will accept, custody of
1786 assets.

1787 2. No employee, representative, or agent acts, or will
1788 act, as a fiduciary in this state, which includes, but is not
1789 limited to, accepting the fiduciary appointment, executing the
1790 fiduciary documents that create the fiduciary relationship, or
1791 making discretionary decisions regarding the investment or
1792 distribution of fiduciary accounts.

1793 3. The jurisdiction of the international trust entity or
1794 its offices, subsidiaries, or any affiliates that are directly
1795 involved in or facilitate the financial services functions,
1796 banking, or fiduciary activities of the international trust
1797 entity is not listed on the Financial Action Task Force's list
1798 of High-Risk Jurisdictions subject to a Call for Action or list
1799 of Jurisdictions under Increased Monitoring ~~Force Public~~
1800 ~~Statement or on its list of jurisdictions with deficiencies in~~

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1801 ~~anti-money laundering or counterterrorism.~~

1802 (j) For each international trust entity that the proposed
1803 qualified limited service affiliate will provide services for in
1804 this state, the following:

1805 1. The name of the international trust entity;

1806 2. A list of the current officers and directors of the
1807 international trust entity;

1808 3. Any country where the international trust entity is
1809 organized or authorized to do business;

1810 4. The name of the home-country regulator;

1811 5. Proof that the international trust entity has been
1812 authorized by charter, license, or similar authorization by its
1813 home-country regulator to engage in trust business;

1814 6. Proof that the international trust entity lawfully
1815 exists and is in good standing under the laws of the
1816 jurisdiction where it is chartered, licensed, or organized;

1817 7. A statement that the international trust entity is not
1818 in bankruptcy, conservatorship, receivership, liquidation, or in
1819 a similar status under the laws of any country;

1820 8. Proof that the international trust entity is not
1821 operating under the direct control of the government or the
1822 regulatory or supervisory authority of the jurisdiction of its
1823 incorporation, through government intervention or any other
1824 extraordinary actions, and confirmation that it has not been in
1825 such a status or under such control at any time within the prior

1826 3 years;

1827 9. Proof and confirmation that the proposed qualified
 1828 limited service affiliate is affiliated with the international
 1829 trust entities provided in the notice; and

1830 10. Proof that the jurisdictions where the international
 1831 trust entity or its offices, subsidiaries, or any affiliates
 1832 that are directly involved in or that facilitate the financial
 1833 services functions, banking, or fiduciary activities of the
 1834 international trust entity are not listed on the Financial
 1835 Action Task Force's list of High-Risk Jurisdictions subject to a
 1836 Call for Action or list of Jurisdictions under Increased
 1837 Monitoring Force Public Statement or on its list of
 1838 ~~jurisdictions with deficiencies in anti-money laundering or~~
 1839 ~~counterterrorism.~~

1840
 1841 The proposed qualified limited service affiliate may provide
 1842 additional information in the form of exhibits when attempting
 1843 to satisfy any of the qualification requirements. All
 1844 information that the proposed qualified limited service
 1845 affiliate desires to present to support the written notice must
 1846 be submitted with the notice.

1847 (4) The qualified limited service affiliate shall suspend
 1848 the permissible activities provided in s. 663.531 relating to a
 1849 specific jurisdiction if the qualified limited service affiliate
 1850 becomes aware that the jurisdiction of an international trust

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1851 entity served by the qualified limited service affiliate is
1852 included on the Financial Action Task Force's list of High-Risk
1853 Jurisdictions subject to a Call for Action or list of
1854 Jurisdictions under Increased Monitoring. Suspensions under this
1855 subsection must remain in effect until the jurisdiction is
1856 removed from the Financial Action Task Force's list of High-Risk
1857 Jurisdictions subject to a Call for Action or list of
1858 Jurisdictions under Increased Monitoring.

1859 Section 49. Paragraph (a) of subsection (5) of section
1860 736.0802, Florida Statutes, is amended to read:

1861 736.0802 Duty of loyalty.—

1862 (5)(a) An investment by a trustee authorized by lawful
1863 authority to engage in trust business, as defined in s. 658.12
1864 ~~s. 658.12(20)~~, in investment instruments, as defined in s.
1865 660.25(6), that are owned or controlled by the trustee or its
1866 affiliate, or from which the trustee or its affiliate receives
1867 compensation for providing services in a capacity other than as
1868 trustee, is not presumed to be affected by a conflict between
1869 personal and fiduciary interests provided the investment
1870 otherwise complies with chapters 518 and 660 and the trustee
1871 complies with the requirements of this subsection.

1872 Section 50. For the 2022-2023 fiscal year, the sums of
1873 \$466,959 in recurring funds and \$350,832 in nonrecurring funds
1874 are appropriated from the Administrative Trust Fund to the
1875 Office of Financial Regulation to implement s. 20.121(3)(a),

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1876 | Florida Statutes, as amended by this act.

1877 | Section 51. This act shall take effect October 1, 2022.