

1 A bill to be entitled
2 An act relating to financial institutions; amending s.
3 120.80, F.S.; providing that the failure of foreign
4 nationals to participate through video conference in
5 certain hearings is grounds for denial of certain
6 applications; amending s. 475.01, F.S.; conforming a
7 cross-reference; amending s. 518.117, F.S.; conforming
8 a cross-reference; amending s. 655.045, F.S.; revising
9 the circumstances under which the Office of Financial
10 Regulation is required to conduct certain
11 examinations; authorizing the office to delay
12 examinations of state financial institutions under
13 certain circumstances; specifying that examination
14 requirements are deemed met under certain
15 circumstances; requiring copies of certain examination
16 reports to be furnished to state financial
17 institutions; requiring certain directors to review
18 such reports and acknowledge receipt of such reports
19 and reviews; amending s. 655.414, F.S.; revising the
20 entities that may acquire liabilities and assets, and
21 the liabilities and assets that may be acquired,
22 according to certain procedures, conditions, and
23 limitations; specifying the basis for calculating
24 percentages of assets or liabilities; specifying the
25 basis for calculating percentages of assets or

26 liabilities; revising the quantity of assets a mutual
27 financial institution may not sell to a stock
28 financial institution, subject to certain conditions;
29 amending s. 655.50, F.S.; revising the definition of
30 the term "financial institution"; amending s. 657.021,
31 F.S.; requiring credit unions to submit specified
32 information to the office within a specified timeframe
33 after certain meetings; amending s. 657.028, F.S.;

34 deleting a provision relating to filing specified
35 credit union information with the office; amending s.
36 658.12, F.S.; defining the term "target market";
37 amending s. 658.20, F.S.; requiring the office, upon
38 receiving applications for authority to organize a
39 bank or trust company, to investigate the need for a
40 target market and the ability of the primary service
41 area or target market to support proposed and existing
42 bank or trust facilities; amending s. 658.21, F.S.;

43 revising financial institution application approval
44 requirements to include consideration of target market
45 conditions; authorizing the office to waive a
46 requirement that certain proposed financial
47 institution presidents or chief executive officers
48 have certain experience within a specified timeframe
49 under certain circumstances; amending s. 658.28, F.S.;

50 requiring a person or group to notify the office

51 within a specified timeframe upon acquiring a
52 controlling interest in a state bank or state trust
53 company; amending s. 658.2953, F.S.; defining the term
54 "de novo branch"; amending s. 662.1225, F.S.; revising
55 the type of institution with which certain family
56 trust companies are required to maintain a deposit
57 account; amending s. 662.128, F.S.; revising the
58 timeframe for filing renewal applications for certain
59 family trust companies; amending s. 663.07, F.S.;
60 revising the banks with which international bank
61 agencies and international branches are required to
62 maintain certain deposits or investment securities;
63 amending s. 663.532, F.S.; revising references to
64 lists of jurisdictions used for qualifying qualified
65 limited service affiliates; requiring qualified
66 limited service affiliates to suspend certain
67 permissible activities under certain circumstances;
68 specifying that such suspensions remain in effect
69 until certain conditions are met; amending s.
70 736.0802, F.S.; conforming a cross-reference;
71 reenacting s. 658.165(1), F.S., relating to banker's
72 banks, for the purpose of incorporating amendments
73 made by the act; providing an effective date.

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

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

120.80 Exceptions and special requirements; agencies.—

(3) OFFICE OF FINANCIAL REGULATION.—

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

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

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

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

101 size of the notice.

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

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

126 120.569 and 120.57. Notice of such hearing shall be published by
127 the applicant as provided in subparagraph 2. The failure of such
128 foreign national to appear personally at or to participate
129 through video conference in the hearing shall be grounds for
130 denial of the application. Notwithstanding s. 120.60(1) and
131 subparagraph 3., every application involving a foreign national
132 shall be approved or denied within 1 year after receipt of the
133 original application or any timely requested additional
134 information or the correction of any errors or omissions, or
135 within 30 days after the conclusion of the public hearing on the
136 application, whichever is later.

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

139 475.01 Definitions.—

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

145 Section 3. Section 518.117, Florida Statutes, is amended
146 to read:

147 518.117 Permissible investments of fiduciary funds.—A
148 fiduciary that is authorized by lawful authority to engage in
149 trust business as defined in s. 658.12 ~~s. 658.12(20)~~ may invest
150 fiduciary funds in accordance with s. 660.417 so long as the

151 investment otherwise complies with this chapter.

152 Section 4. Paragraph (a) of subsection (1) and subsection
153 (4) of section 655.045, Florida Statutes, are amended, and
154 paragraph (f) is added to subsection (1) of that section, to
155 read:

156 655.045 Examinations, reports, and internal audits;
157 penalty.—

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

170 (a) The office may accept an examination of a state
171 financial institution made by an appropriate federal regulatory
172 agency or may conduct a joint or concurrent examination of the
173 institution with the federal agency. However, if the office
174 accepts an examination in accordance with this paragraph, the
175 office shall conduct at least once during each 36-month period

176 beginning July 1, 2023 ~~2014~~, a subsequent ~~the office shall~~
177 ~~conduct an~~ examination of each state financial institution in a
178 manner that allows the preparation of a complete examination
179 report not subject to the right of a federal or other non-
180 Florida entity to limit access to the information contained
181 therein. The office may furnish a copy of all examinations or
182 reviews made of financial institutions or their affiliates to
183 the state or federal agencies participating in the examination,
184 investigation, or review, or as otherwise authorized under s.
185 655.057.

186 (f) In coordinating an examination required under this
187 section, if a federal agency suspends or cancels a previously
188 scheduled examination of a state financial institution, the
189 office has an additional 90 days to meet the examination
190 requirement of this section. In such case, the requirement is
191 deemed met by the federal agency conducting the examination or
192 upon the office conducting the examination instead.

193 (4) A copy of the report of each examination must be
194 furnished to the state financial institution ~~entity~~ examined and
195 presented to the board of directors at its next regular or
196 special meeting. Each director shall review the report and
197 acknowledge receipt of the report and such review by signing and
198 dating the prescribed signature page of the report and returning
199 a copy of the signed page to the office.

200 Section 5. Section 655.414, Florida Statutes, is amended

201 to read:

202 655.414 Acquisition of assets; assumption of liabilities.—
 203 With prior approval of the office, and upon such conditions as
 204 the commission prescribes by rule, a financial institution
 205 entity may acquire 50 percent or more ~~all or substantially all~~
 206 of the assets of, liabilities of, or a combination of assets and
 207 ~~or assume all or any part of the liabilities of,~~ any other
 208 financial institution in accordance with the procedures and
 209 subject to the following conditions and limitations:

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

213 (2) ADOPTION OF A PLAN.—The board of directors of the
 214 acquiring or assuming financial entity and the board of
 215 directors of the transferring financial institution must adopt,
 216 by a majority vote, a plan for such acquisition, assumption, or
 217 sale on terms that are mutually agreed upon. The plan must
 218 include:

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

221 (b) A statement setting forth the material terms of the
 222 proposed acquisition, assumption, or sale, including the plan
 223 for disposition of all assets and liabilities not subject to the
 224 plan.

225 (c) A provision for liquidation, if applicable, of the

226 transferring financial institution upon execution of the plan,
227 or a provision setting forth the business plan for the continued
228 operation of each financial institution after the execution of
229 the plan.

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

233 (e) If a stock financial institution is the transferring
234 financial institution and the proposed sale is not for cash, a
235 clear and concise statement that dissenting stockholders of the
236 institution are entitled to the rights set forth in s. 658.44 (4)
237 and (5).

238 (f) The proposed effective date of the acquisition,
239 assumption, or sale and such other information and provisions as
240 necessary to execute the transaction or as required by the
241 office.

242 (3)~~(2)~~ APPROVAL OF OFFICE.—Following approval by the board
243 of directors of each participating financial institution, the
244 plan, together with certified copies of the authorizing
245 resolutions adopted by the boards and a completed application
246 with a nonrefundable filing fee, must be forwarded to the office
247 for approval or disapproval. The office shall approve the plan
248 of acquisition, assumption, or sale if it appears that:

249 (a) The resulting financial entity or entities would have
250 an adequate capital structure in relation to their activities

251 and their deposit liabilities;

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

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

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

258 (4)~~(3)~~ VOTE OF MEMBERS OR STOCKHOLDERS.—If the office
 259 approves the plan, it may be submitted to the members or
 260 stockholders of the transferring financial institution at an
 261 annual meeting or at a special meeting called to consider such
 262 action. Upon a majority vote of the total number of votes
 263 eligible to be cast or, in the case of a credit union, a
 264 majority vote of the members present at the meeting, the plan is
 265 adopted.

266 (5)~~(4)~~ ADOPTED PLAN; CERTIFICATE; ABANDONMENT.—

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

273 (b) Upon receipt of the certified copies and evidence that
 274 the participating financial institutions have complied with all
 275 applicable state and federal law and rules, the office shall

276 certify, in writing, to the participants that the plan has been
 277 approved.

278 (c) Notwithstanding approval of the members or
 279 stockholders or certification by the office, the board of
 280 directors of the transferring financial institution may abandon
 281 such a transaction without further action or approval by the
 282 members or stockholders, subject to the rights of third parties
 283 under any contracts relating thereto.

284 (6)~~(5)~~ FEDERALLY CHARTERED OR OUT-OF-STATE INSTITUTION AS
 285 A PARTICIPANT.—If one of the participants in a transaction under
 286 this section is a federally chartered financial institution or
 287 an out-of-state financial institution, all participants must
 288 also comply with requirements imposed by federal and other state
 289 law for the acquisition, assumption, or sale and provide
 290 evidence of such compliance to the office as a condition
 291 precedent to the issuance of a certificate authorizing the
 292 transaction; however, if the purchasing or assuming financial
 293 institution is a federal or out-of-state state-chartered
 294 financial institution and the transferring state financial
 295 entity will be liquidated, approval of the office is not
 296 required.

297 (7)~~(6)~~ STOCK INSTITUTION ACQUIRING MUTUAL INSTITUTION.—A
 298 mutual financial institution may not sell 50 percent or more ~~all~~
 299 ~~or substantially all~~ of its assets to a stock financial
 300 institution until it has first converted into a capital stock

301 financial institution in accordance with s. 665.033(1) and (2).
 302 For this purpose, references in s. 665.033(1) and (2) to
 303 associations also refer to credit unions but, in the case of a
 304 credit union, the provision concerning proxy statements does not
 305 apply.

306 Section 6. Paragraph (c) of subsection (3) of section
 307 655.50, Florida Statutes, is amended to read:

308 655.50 Florida Control of Money Laundering and Terrorist
 309 Financing in Financial Institutions Act.—

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

311 (c) "Financial institution" has the same meaning as in s.
 312 655.005(1)(i), excluding an international representative office,
 313 an international administrative office, or a qualified limited
 314 service affiliate ~~means a financial institution, as defined in~~
 315 ~~31 U.S.C. s. 5312, as amended, including a credit card bank,~~
 316 ~~located in this state.~~

317 Section 7. Present subsections (2) through (8) of section
 318 657.021, Florida Statutes, are redesignated as subsections (3)
 319 through (9), respectively, and a new subsection (2) is added to
 320 that section, to read:

321 657.021 Board of directors; executive committee
 322 responsibilities; oaths; reports to the office.—

323 (2) Within the 30 days following the annual meeting or any
 324 other meeting at which any director, officer, member of the
 325 supervisory or audit committee, member of the credit committee,

326 or credit manager is elected or appointed, the credit union
 327 shall submit to the office the names and residence addresses of
 328 the elected or appointed persons on a form adopted by the
 329 commission and provided by the office.

330 Section 8. Subsection (6) of section 657.028, Florida
 331 Statutes, is amended to read:

332 657.028 Activities of directors, officers, committee
 333 members, employees, and agents.-

334 ~~(6) Within 30 days after election or appointment, a record~~
 335 ~~of the names and addresses of the members of the board, members~~
 336 ~~of committees, all officers of the credit union, and the credit~~
 337 ~~manager shall be filed with the office on forms prescribed by~~
 338 ~~the commission.~~

339 Section 9. Present subsections (20) through (24) of
 340 section 658.12, Florida Statutes, are redesignated as
 341 subsections (21) through (25), respectively, and a new
 342 subsection (20) is added to that section, to read:

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

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

348 (a) A bank or proposed bank expects to draw deposits and
 349 to whom the bank or proposed bank focuses or intends to focus
 350 its marketing efforts; or

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

358 Section 10. Paragraphs (b) and (c) of subsection (1) of
 359 section 658.20, Florida Statutes, are amended to read:

360 658.20 Investigation by office.—

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

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

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

373 Section 11. Subsections (1) and (4) of section 658.21,
 374 Florida Statutes, are amended to read:

375 658.21 Approval of application; findings required.—The

376 office shall approve the application if it finds that:

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

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

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

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

389 (4) (a) The proposed officers have sufficient financial
390 institution experience, ability, standing, and reputation and
391 the proposed directors have sufficient business experience,
392 ability, standing, and reputation to indicate reasonable promise
393 of successful operation, and none of the proposed officers or
394 directors has been convicted of, or pled guilty or nolo
395 contendere to, any violation of s. 655.50, relating to the
396 control of money laundering and terrorist financing; chapter
397 896, relating to offenses related to financial institutions; or
398 similar state or federal law.

399 (b) At least two of the proposed directors who are not
400 also proposed officers must have had at least 1 year of direct

401 | experience as an executive officer, regulator, or director of a
 402 | financial institution within the 5 years before the date of the
 403 | application. However, if the applicant demonstrates that at
 404 | least one of the proposed directors has very substantial
 405 | experience as an executive officer, director, or regulator of a
 406 | financial institution more than 5 years before the date of the
 407 | application, the office may modify the requirement and allow the
 408 | applicant to have only one director who has direct financial
 409 | institution experience within the last 5 years.

410 | (c) The proposed president or chief executive officer must
 411 | have had at least 1 year of direct experience as an executive
 412 | officer, director, or regulator of a financial institution
 413 | within the last 5 years. The office may waive this requirement
 414 | after considering:

415 | 1. The adequacy of the overall experience and expertise of
 416 | the proposed president or chief executive officer;

417 | 2. The likelihood of successful operation of the proposed
 418 | state bank or trust company pursuant to subsection (1);

419 | 3. The adequacy of the proposed capitalization under
 420 | subsection (2);

421 | 4. The proposed capital structure under subsection (3);

422 | 5. The experience of the other proposed officers and
 423 | directors; and

424 | 6. Any other relevant data or information.

425 | Section 12. Present subsections (2), (3), and (4) of

426 section 658.28, Florida Statutes, are redesignated as
 427 subsections (3), (4), and (5), respectively, and a new
 428 subsection (2) is added to that section, to read:

429 658.28 Acquisition of control of a bank or trust company.—

430 (2) If a person or a group of persons, directly or
 431 indirectly, acquires a controlling interest in a state bank or
 432 state trust company, as contemplated by this section, through
 433 probate or trust, the person or group of persons shall notify
 434 the office within 90 days after acquiring such an interest. Such
 435 an interest does not give rise to a presumption of control until
 436 the person or group of persons votes the shares or the office
 437 has issued a certificate of approval in response to an
 438 application pursuant to subsection (1).

439 Section 13. Present paragraphs (a), (b), and (c) of
 440 subsection (11) of section 658.2953, Florida Statutes, are
 441 redesignated as paragraphs (b), (c), and (d), respectively, and
 442 a new paragraph (a) is added to that subsection, to read:

443 658.2953 Interstate branching.—

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

445 (a) As used in this subsection, the term "de novo branch"
 446 means a branch of a bank which is originally established by the
 447 bank as a branch and does not become a branch of such bank as a
 448 result of:

449 1. The bank's acquisition of another bank or of a branch
 450 of another bank; or

451 2. The conversion, merger, or consolidation of any bank or
 452 branch.

453 Section 14. Paragraph (d) of subsection (1) of section
 454 662.1225, Florida Statutes, is amended to read:

455 662.1225 Requirements for a family trust company, licensed
 456 family trust company, or foreign licensed family trust company.—

457 (1) A family trust company or a licensed family trust
 458 company shall maintain:

459 (d) A deposit account with:

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

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

466 Section 15. Subsection (1) of section 662.128, Florida
 467 Statutes, is amended to read:

468 662.128 Annual renewal.—

469 (1) ~~Within 45 days after the end of each calendar year,~~ A
 470 family trust company, licensed family trust company, or foreign
 471 licensed family trust company shall file an ~~its~~ annual renewal
 472 application with the office on an annual basis no later than 45
 473 days after the anniversary of the filing of either the initial
 474 application or the prior year's renewal application.

475 Section 16. Subsection (1) of section 663.07, Florida

476 Statutes, is amended to read:

477 663.07 Asset maintenance or capital equivalency.—

478 (1) Each international bank agency and international
479 branch shall:

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

- 488 1. Four million dollars; or
- 489 2. Seven percent of the total liabilities of the
490 international bank agency or international branch excluding
491 accrued expenses and amounts due and other liabilities to
492 affiliated branches, offices, agencies, or entities; or

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

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497 The commission shall prescribe, by rule, the deposit,
498 safekeeping, pledge, withdrawal, recordkeeping, and other
499 arrangements for funds and securities maintained under this
500 subsection. The deposits and securities used to satisfy the

501 capital equivalency requirements of this subsection shall be
 502 held, to the extent feasible, in one or more state or national
 503 banks located in this state or in a federal reserve bank.

504 Section 17. Present subsections (4), (5), and (6) of
 505 section 663.532, Florida Statutes, are redesignated as
 506 subsections (5), (6), and (7), respectively, paragraphs (i) and
 507 (j) of subsection (1) are amended, and a new subsection (4) is
 508 added to that section, to read:

509 663.532 Qualification.—

510 (1) To qualify as a qualified limited service affiliate
 511 under this part, a proposed qualified limited service affiliate
 512 must file a written notice with the office, in the manner and on
 513 a form prescribed by the commission. Such written notice must
 514 include:

515 (i) A declaration under penalty of perjury signed by the
 516 executive officer, manager, or managing member of the proposed
 517 qualified limited service affiliate that, to the best of his or
 518 her knowledge:

519 1. No employee, representative, or agent provides, or will
 520 provide, banking services; promotes or sells, or will promote or
 521 sell, investments; or accepts, or will accept, custody of
 522 assets.

523 2. No employee, representative, or agent acts, or will
 524 act, as a fiduciary in this state, which includes, but is not
 525 limited to, accepting the fiduciary appointment, executing the

526 fiduciary documents that create the fiduciary relationship, or
527 making discretionary decisions regarding the investment or
528 distribution of fiduciary accounts.

529 3. The jurisdiction of the international trust entity or
530 its offices, subsidiaries, or any affiliates that are directly
531 involved in or facilitate the financial services functions,
532 banking, or fiduciary activities of the international trust
533 entity is not listed on the Financial Action Task Force's list
534 of High-Risk Jurisdictions subject to a Call for Action or list
535 of Jurisdictions under Increased Monitoring ~~Force Public~~
536 ~~Statement or on its list of jurisdictions with deficiencies in~~
537 ~~anti-money laundering or counterterrorism.~~

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

- 541 1. The name of the international trust entity;
- 542 2. A list of the current officers and directors of the
543 international trust entity;
- 544 3. Any country where the international trust entity is
545 organized or authorized to do business;
- 546 4. The name of the home-country regulator;
- 547 5. Proof that the international trust entity has been
548 authorized by charter, license, or similar authorization by its
549 home-country regulator to engage in trust business;
- 550 6. Proof that the international trust entity lawfully

551 exists and is in good standing under the laws of the
552 jurisdiction where it is chartered, licensed, or organized;

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

556 8. Proof that the international trust entity is not
557 operating under the direct control of the government or the
558 regulatory or supervisory authority of the jurisdiction of its
559 incorporation, through government intervention or any other
560 extraordinary actions, and confirmation that it has not been in
561 such a status or under such control at any time within the prior
562 3 years;

563 9. Proof and confirmation that the proposed qualified
564 limited service affiliate is affiliated with the international
565 trust entities provided in the notice; and

566 10. Proof that the jurisdictions where the international
567 trust entity or its offices, subsidiaries, or any affiliates
568 that are directly involved in or that facilitate the financial
569 services functions, banking, or fiduciary activities of the
570 international trust entity are not listed on the Financial
571 Action Task Force's list of High-Risk Jurisdictions subject to a
572 Call for Action or list of Jurisdictions under Increased
573 Monitoring Force Public Statement or on its list of
574 jurisdictions with deficiencies in anti-money laundering or
575 counterterrorism.

576
577 The proposed qualified limited service affiliate may provide
578 additional information in the form of exhibits when attempting
579 to satisfy any of the qualification requirements. All
580 information that the proposed qualified limited service
581 affiliate desires to present to support the written notice must
582 be submitted with the notice.

583 (4) The qualified limited service affiliate shall suspend
584 the permissible activities provided in s. 663.531 relating to a
585 specific jurisdiction if the qualified limited service affiliate
586 becomes aware that the jurisdiction of an international trust
587 entity served by the qualified limited service affiliate is
588 included on the Financial Action Task Force's list of High-Risk
589 Jurisdictions subject to a Call for Action or list of
590 Jurisdictions under Increased Monitoring. Suspensions under this
591 subsection must remain in effect until the jurisdiction is
592 removed from the Financial Action Task Force's list of High-Risk
593 Jurisdictions subject to a Call for Action or list of
594 Jurisdictions under Increased Monitoring.

595 Section 18. Paragraph (a) of subsection (5) of section
596 736.0802, Florida Statutes, is amended to read:

597 736.0802 Duty of loyalty.—

598 (5)(a) An investment by a trustee authorized by lawful
599 authority to engage in trust business, as defined in s. 658.12
600 ~~s. 658.12(20)~~, in investment instruments, as defined in s.

601 660.25(6), that are owned or controlled by the trustee or its
 602 affiliate, or from which the trustee or its affiliate receives
 603 compensation for providing services in a capacity other than as
 604 trustee, is not presumed to be affected by a conflict between
 605 personal and fiduciary interests provided the investment
 606 otherwise complies with chapters 518 and 660 and the trustee
 607 complies with the requirements of this subsection.

608 Section 19. For the purpose of incorporating the amendment
 609 made by this act to section 658.20, Florida Statutes, in
 610 references thereto, subsection (1) of section 658.165, Florida
 611 Statutes, is reenacted to read:

612 658.165 Banker's banks; formation; applicability of
 613 financial institutions codes; exceptions.—

614 (1) If authorized by the office, a corporation may be
 615 formed under the laws of this state for the purpose of becoming
 616 a banker's bank. An application for authority to organize a
 617 banker's bank is subject to ss. 658.19, 658.20, and 658.21,
 618 except that s. 658.20(1)(b) and (c) and the minimum stock
 619 ownership requirements for the organizing directors provided in
 620 s. 658.21(2) do not apply.

621 Section 20. This act shall take effect July 1, 2022.