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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/31/2023	.	
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	.	
	.	

The Committee on Banking and Insurance (Gruters) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Section 517.021, Florida Statutes, is reordered
and amended to read:

517.021 Definitions.—When used in this chapter, unless the
context otherwise indicates, the following terms have the
following respective meanings:

(1) “Accredited investor” shall be defined by rule of the



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11 commission in accordance with the Securities and Exchange
12 Commission Rule 501, 17 C.F.R. s. 230.501.

13 (2) "Affiliate" means a person that directly, or indirectly
14 through one or more intermediaries, controls, is controlled by,
15 or is under common control with an applicant or registrant.

16 (3)~~(2)~~ "Associated person" means:

17 (a)1. With respect to a dealer, a natural person who is
18 employed, appointed, or authorized by a dealer and who
19 represents the dealer in effecting or attempting to effect
20 purchases or sales of securities.

21 2. The term does not include the following:

22 a. A dealer.

23 b. A partner, an officer, or a director of a dealer or a
24 person having a similar status or performing similar functions
25 as a dealer, unless such person is specified in subparagraph 1.

26 c. A dealer's employee whose function is only clerical or
27 ministerial.

28 d. A person whose transactions in this state are limited to
29 those transactions described in s. 15(i)(3) of the Securities
30 Exchange Act of 1934, as amended.

31 (b)1. With respect to an investment adviser, a natural
32 person, including, but not limited to, a partner, an officer, a
33 director, or a branch manager, or a person occupying a similar
34 status or performing similar functions, who:

35 a. Is employed by or associated with, or is subject to the
36 supervision and control of, an investment adviser registered or
37 required to be registered under this chapter; and

38 b. Does any of the following:

39 (I) Makes any recommendation or otherwise gives investment



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40 advice regarding securities.

41 (II) Manages accounts or portfolios of clients.

42 (III) Determines which recommendations or advice regarding
43 securities should be given.

44 (IV) Receives compensation to solicit, offer, or negotiate
45 for the sale of investment advisory services.

46 (V) Supervises employees who perform a function under this
47 sub-subparagraph.

48 2. The term does not include the following:

49 a. An investment adviser.

50 b. An employee whose function is only clerical or
51 ministerial ~~or investment adviser, any of the following:~~

52 ~~1. Any partner, officer, director, or branch manager of a~~
53 ~~dealer or investment adviser or any person occupying a similar~~
54 ~~status or performing similar functions;~~

55 ~~2. Any natural person directly or indirectly controlling or~~
56 ~~controlled by such dealer or investment adviser, other than an~~
57 ~~employee whose function is only clerical or ministerial; or~~

58 ~~3. Any natural person, other than a dealer, employed,~~
59 ~~appointed, or authorized by a dealer, investment adviser, or~~
60 ~~issuer to sell securities in any manner or act as an investment~~
61 ~~adviser as defined in this section.~~

62
63 ~~The partners of a partnership and the executive officers of a~~
64 ~~corporation or other association registered as a dealer, and any~~
65 ~~person whose transactions in this state are limited to those~~
66 ~~transactions described in s. 15(h)(2) of the Securities Exchange~~
67 ~~Act of 1934, are not "associated persons" within the meaning of~~
68 ~~this definition.~~



69 (c)~~(b)~~ With respect to a federal covered adviser, a natural
70 ~~any~~ person who is an investment adviser representative and who
71 has a place of business in this state, as such terms are defined
72 in Rule 203A-3 of the Securities and Exchange Commission adopted
73 under the Investment Advisers Act of 1940, as amended.

74 (4)~~(3)~~ "Boiler room" means an enterprise in which two or
75 more persons engage in telephone communications with members of
76 the public using two or more telephones at one location, or at
77 more than one location in a common scheme or enterprise.

78 (5)~~(4)~~ "Branch office" means any location in this state of
79 a dealer or investment adviser at which one or more associated
80 persons regularly conduct the business of rendering investment
81 advice or effecting any transactions in, or inducing or
82 attempting to induce the purchase or sale of, any security or
83 any location that is held out as such. The commission may adopt
84 by rule exceptions to this definition for dealers in order to
85 maintain consistency with the definition of a branch office used
86 by self-regulatory organizations authorized by the Securities
87 and Exchange Commission, including, but not limited to, the
88 Financial Industry Regulatory Authority. The commission may
89 adopt by rule exceptions to this definition for investment
90 advisers.

91 (6)~~(7)~~ "Commission" means the Financial Services
92 Commission.

93 (7)~~(5)~~ "Control," including the terms "controlling,"
94 "controlled by," and "under common control with," means the
95 possession, directly or indirectly, of the power to direct or
96 cause the direction of the management or policies of a person,
97 whether through the ownership of voting securities, by contract,



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98 or otherwise.

99 ~~(8)(6)(a)~~ "Dealer" includes, unless otherwise specified, a
100 person, other than an associated person of a dealer, that
101 engages, for all or part of the person's time, directly or
102 indirectly, as agent or principal in the business of offering,
103 buying, selling, or otherwise dealing or trading in securities
104 issued by another person any of the following:

105 ~~1. Any person, other than an associated person registered~~
106 ~~under this chapter, who engages, either for all or part of her~~
107 ~~or his time, directly or indirectly, as broker or principal in~~
108 ~~the business of offering, buying, selling, or otherwise dealing~~
109 ~~or trading in securities issued by another person.~~

110 ~~2. Any issuer who through persons directly compensated or~~
111 ~~controlled by the issuer engages, either for all or part of her~~
112 ~~or his time, directly or indirectly, in the business of offering~~
113 ~~or selling securities which are issued or are proposed to be~~
114 ~~issued by the issuer.~~

115 ~~(b)~~ The term "dealer" does not include the following:

116 (a) A licensed practicing attorney who renders or performs
117 any such services in connection with the regular practice of the
118 attorney's profession.

119 (b) A bank authorized to do business in this state, except
120 nonbank subsidiaries of a bank.

121 (c) A trust company having trust powers that it is
122 authorized to exercise in this state, which renders or performs
123 services in a fiduciary capacity incidental to the exercise of
124 its trust powers.

125 (d) A wholesaler selling exclusively to dealers.

126 (e) A person buying and selling for the person's own



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127 account exclusively through a registered dealer or stock
128 exchange.

129 (f) An issuer.

130 (g) A natural person representing an issuer in the
131 purchase, sale, or distribution of the issuer's own securities
132 if such person:

133 1. Is an officer, a director, a limited liability company
134 manager or managing member, or a bona fide employee of the
135 issuer;

136 2. Has not participated in the distribution or sale of
137 securities for any issuer for which such person was, within the
138 preceding 12 months, an officer, a director, a limited liability
139 company manager or managing member, or a bona fide employee;

140 3. Primarily performs, or is intended to perform at the end
141 of the distribution, substantial duties for, or on behalf of,
142 the issuer other than in connection with transactions in
143 securities; and

144 4. Does not receive a commission, compensation, or other
145 consideration for the completed sale of the issuer's securities
146 apart from the compensation received for regular duties to the
147 issuer.

148 ~~1. Any licensed practicing attorney who renders or performs~~
149 ~~any of such services in connection with the regular practice of~~
150 ~~her or his profession;~~

151 ~~2. Any bank authorized to do business in this state, except~~
152 ~~nonbank subsidiaries of a bank;~~

153 ~~3. Any trust company having trust powers which it is~~
154 ~~authorized to exercise in this state, which renders or performs~~
155 ~~services in a fiduciary capacity incidental to the exercise of~~



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156 ~~its trust powers;~~
157 ~~4. Any wholesaler selling exclusively to dealers;~~
158 ~~5. Any person buying and selling for her or his own account~~
159 ~~exclusively through a registered dealer or stock exchange; or~~
160 ~~6. Pursuant to s. 517.061(11), any person associated with~~
161 ~~an issuer of securities if such person is a bona fide employee~~
162 ~~of the issuer who has not participated in the distribution or~~
163 ~~sale of any securities within the preceding 12 months and who~~
164 ~~primarily performs, or is intended to perform at the end of the~~
165 ~~distribution, substantial duties for, or on behalf of, the~~
166 ~~issuer other than in connection with transactions in securities.~~
167 (9) "Federal covered adviser" means a person that ~~who~~ is
168 registered or required to be registered under s. 203 of the
169 Investment Advisers Act of 1940, as amended. The term "~~federal~~
170 ~~covered adviser~~" does not include any person that ~~who~~ is
171 excluded from the definition of investment adviser under
172 subparagraphs (14) (b) 1.-8.
173 (10) "Federal covered security" means a ~~any~~ security that
174 is a covered security under s. 18(b) of the Securities Act of
175 1933, as amended, or rules and regulations adopted thereunder.
176 (11) "Guarantor" means a person that ~~who~~ agrees in writing,
177 or that ~~who~~ holds itself out to the public as agreeing, to pay
178 the indebtedness of another when due, including, without
179 limitation, payments of principal and interest on a bond,
180 debenture, note, or other evidence of indebtedness, without
181 resort by the holder to any other obligor, whether or not such
182 writing expressly states that the person signing is signing as a
183 guarantor. The obligation of a guarantor hereunder shall be a
184 continuing, absolute, and unconditional guaranty of payment,



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185 without regard to the validity, regularity, or enforceability of
186 the underlying indebtedness.

187 (12) "Guaranty" means an agreement in a writing in which
188 one party either agrees, or holds itself out to the public as
189 agreeing, to pay the indebtedness of another when due,
190 including, without limitation, payments of principal and
191 interest on a bond, debenture, note, or other evidence of
192 indebtedness, without resort by the holder to any other obligor,
193 whether or not such writing expressly states that the person
194 signing is signing as a guarantor. An agreement that is not
195 specifically denominated as a guaranty shall nevertheless
196 constitute a guaranty if the holder of the underlying
197 indebtedness or the holder's ~~her or his~~ representative or
198 trustee has the right to sue to enforce the guarantor's
199 obligations under the guaranty. Words of guaranty or equivalent
200 words that ~~which~~ otherwise do not specify guaranty of payment
201 create a presumption that payment, rather than collection, is
202 guaranteed by the guarantor. Any guaranty in writing is
203 enforceable notwithstanding any statute of frauds.

204 (13) "Intermediary" means a natural person residing in this
205 ~~the~~ state or a corporation, trust, partnership, limited
206 liability company, association, or other legal entity registered
207 with the Secretary of State to do business in this ~~the~~ state,
208 which facilitates through its website the offer or sale of
209 securities of an issuer with a principal place of business in
210 this state ~~under s. 517.0611~~.

211 (14) (a) "Investment adviser" means a ~~includes any person,~~
212 other than an associated person of an investment adviser or a
213 federal covered adviser, that ~~who~~ receives compensation,



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214 directly or indirectly, and engages for all or part of the
215 person's ~~her or his~~ time, directly or indirectly, or through
216 publications or writings, in the business of advising others as
217 to the value of securities or as to the advisability of
218 investments in, purchasing of, or selling of securities, ~~except~~
219 ~~a dealer whose performance of these services is solely~~
220 ~~incidental to the conduct of her or his business as a dealer and~~
221 ~~who receives no special compensation for such services.~~

222 (b) The term ~~"investment adviser"~~ does not include the
223 following:

224 1. A dealer or an associated person of a dealer whose
225 performance of services in paragraph (a) is solely incidental to
226 the conduct of the dealer's or associated person's business as a
227 dealer and who does not receive special compensation for those
228 services.

229 2. A Any licensed practicing attorney or certified public
230 accountant whose performance of such services is solely
231 incidental to the practice of the attorney's or accountant's ~~her~~
232 ~~or his~~ profession.†

233 2. ~~Any licensed certified public accountant whose~~
234 ~~performance of such services is solely incidental to the~~
235 ~~practice of her or his profession;†~~

236 3. A Any bank authorized to do business in this state.†

237 4. A Any bank holding company as defined in the Bank
238 Holding Company Act of 1956, as amended, authorized to do
239 business in this state.†

240 5. A Any trust company having trust powers, as defined in
241 s. 658.12, which it is authorized to exercise in this ~~the~~ state,
242 which trust company renders or performs investment advisory



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243 services in a fiduciary capacity incidental to the exercise of
244 its trust powers.~~†~~

245 6. A Any person that ~~who~~ renders investment advice
246 exclusively to insurance or investment companies.~~†~~

247 7. A Any person that ~~who~~ does not hold itself ~~herself or~~
248 ~~himself~~ out to the general public as an investment adviser and
249 has no more than 15 clients within 12 consecutive months in this
250 state.~~†~~

251 8. A Any person whose transactions in this state are
252 limited to those transactions described in s. 222(d) of the
253 Investment Advisers Act of 1940, as amended. Those clients
254 listed in subparagraph 6. may not be included when determining
255 the number of clients of an investment adviser for purposes of
256 s. 222(d) of the Investment Advisers Act of 1940, as amended.~~†~~
257 ~~or~~

258 9. A federal covered adviser.

259 (15) "Issuer" means a any person that ~~who~~ proposes to
260 issue, has issued, or shall hereafter issue any security. A Any
261 person that ~~who~~ acts as a promoter for and on behalf of a
262 corporation, trust, ~~or unincorporated association or~~
263 partnership, limited liability company, association, or other
264 legal entity of any kind to be formed shall be deemed an issuer.

265 (16) "Offer to sell," "offer for sale," or "offer" means an
266 ~~any~~ attempt or offer to dispose of, or solicitation of an offer
267 to buy, a security or interest in a security, or an investment
268 or interest in an investment, for value.

269 ~~(17)-(8)~~ "Office" means the Office of Financial Regulation
270 of the commission.

271 ~~(18)-(17)~~ "Predecessor" means a person whose ~~the~~ major



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272 portion of ~~whose~~ assets has ~~have~~ been acquired directly or
273 indirectly by an issuer.

274 (19)~~(18)~~ "Principal" means an executive officer of a
275 corporation, partner of a partnership, sole proprietor of a sole
276 proprietorship, trustee of a trust, or any other person with
277 similar supervisory functions with respect to any organization,
278 whether incorporated or unincorporated.

279 (20)~~(19)~~ "Promoter" includes the following:

280 (a) A ~~Any~~ person that ~~who~~, acting alone or in conjunction
281 with one or more other persons, directly or indirectly takes the
282 initiative in founding and organizing the business or enterprise
283 of an issuer.

284 (b) A ~~Any~~ person that ~~who~~, in connection with the founding
285 or organizing of the business or enterprise of an issuer,
286 directly or indirectly receives in consideration of services or
287 property, or both services and property, 10 percent or more of
288 any class of securities of the issuer or 10 percent or more of
289 the proceeds from the sale of any class of securities. However,
290 a person that ~~who~~ receives such securities or proceeds either
291 solely as underwriting commissions or solely in connection with
292 property shall not be deemed a promoter if such person does not
293 otherwise take part in founding and organizing the enterprise.

294 (21)~~(20)~~ "Qualified institutional buyer" means a ~~any~~
295 qualified institutional buyer, as defined in ~~United States~~
296 Securities and Exchange Commission Rule 144A, 17 C.F.R. s.
297 230.144A(a), under the Securities Act of 1933, as amended, or
298 any foreign buyer that satisfies the minimum financial
299 requirements set forth in such rule.

300 (22)~~(21)~~ "Sale" or "sell" means a ~~any~~ contract of sale or



301 disposition of an ~~any~~ investment, security, or interest in a
302 security, for value. With respect to a security or interest in a
303 security, the term ~~defined in this subsection~~ does not include
304 preliminary negotiations or agreements between an issuer or any
305 person on whose behalf an offering is to be made and any
306 underwriter or among underwriters who are or are to be in
307 privity of contract with an issuer. Any security given or
308 delivered with, or as a bonus on account of, any purchase of
309 securities or any other thing shall be conclusively presumed to
310 constitute a part of the subject of such purchase and to have
311 been offered and sold for value. Every sale or offer of a
312 warrant or right to purchase or subscribe to another security of
313 the same or another issuer, as well as every sale or offer of a
314 security which gives the holder a present or future right or
315 privilege to convert into another security or another issuer, is
316 considered to include an offer of the other security.

317 (23)~~(22)~~ "Security" includes any of the following:

- 318 (a) A note.
- 319 (b) A stock.
- 320 (c) A treasury stock.
- 321 (d) A bond.
- 322 (e) A debenture.
- 323 (f) An evidence of indebtedness.
- 324 (g) A certificate of deposit.
- 325 (h) A certificate of deposit for a security.
- 326 (i) A certificate of interest or participation.
- 327 (j) A whiskey warehouse receipt or other commodity
328 warehouse receipt.
- 329 (k) A certificate of interest in a profit-sharing agreement



330 or the right to participate therein.

331 (l) A certificate of interest in an oil, gas, petroleum,
332 mineral, or mining title or lease or the right to participate
333 therein.

334 (m) A collateral trust certificate.

335 (n) A reorganization certificate.

336 (o) A preorganization subscription.

337 (p) A ~~Any~~ transferable share.

338 (q) An investment contract.

339 (r) A beneficial interest in title to property, profits, or
340 earnings.

341 (s) An interest in or under a profit-sharing or
342 participation agreement or scheme.

343 (t) An ~~Any~~ option contract that ~~which~~ entitles the holder
344 to purchase or sell a given amount of the underlying security at
345 a fixed price within a specified period of time.

346 (u) Any other instrument commonly known as a security,
347 including an interim or temporary bond, debenture, note, or
348 certificate.

349 (v) A ~~Any~~ receipt for a security, or for subscription to a
350 security, or a ~~any~~ right to subscribe to or purchase any
351 security.

352 (w) A viatical settlement investment.

353 (24) ~~(23)~~ "Underwriter" means a person that ~~who~~ has
354 purchased from an issuer or an affiliate of an issuer with a
355 view to, or offers or sells for an issuer or an affiliate of an
356 issuer in connection with, the distribution of any security, or
357 participates or has a direct or indirect participation in any
358 such undertaking, or participates or has a participation in the



359 direct or indirect underwriting of any such undertaking; except
360 that a person is ~~shall be~~ presumed not to be an underwriter with
361 respect to any security which it ~~she or he~~ has owned
362 beneficially for at least 1 year; and, further, a dealer is
363 ~~shall~~ not be considered an underwriter with respect to any
364 securities which do not represent part of an unsold allotment to
365 or subscription by the dealer as a participant in the
366 distribution of such securities by the issuer or an affiliate of
367 the issuer; and, further, in the case of securities acquired on
368 the conversion of another security without payment of additional
369 consideration, the length of time such securities have been
370 beneficially owned by a person includes the period during which
371 the convertible security was beneficially owned and the period
372 during which the security acquired on conversion has been
373 beneficially owned.

374 (25) ~~(24)~~ "Viatical settlement investment" means an
375 agreement for the purchase, sale, assignment, transfer, devise,
376 or bequest of all or any portion of a legal or equitable
377 interest in a viaticated policy as defined in chapter 626.

378 Section 2. Paragraph (d) of subsection (3) of section
379 517.072, Florida Statutes, is amended, and subsection (4) is
380 added to that section, to read:

381 517.072 Viatical settlement investments.—

382 (3) The registration provisions of ss. 517.07 and 517.12 do
383 not apply to any of the following transactions in viatical
384 settlement investments; however, such transactions in viatical
385 settlement investments are subject to the provisions of ss.
386 517.301, 517.311, and 517.312:

387 (d) The transfer or assignment of a viaticated policy to a



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388 bank, trust company, savings institution, insurance company,
389 dealer, investment company as defined in the Investment Company
390 Act of 1940, as amended, pension or profit-sharing trust, ~~or~~
391 ~~qualified institutional buyer as defined in United States~~
392 ~~Securities and Exchange Commission Rule 144A, 17 C.F.R. s.~~
393 ~~230.144A(a)~~, or ~~to~~ an accredited investor ~~as defined by Rule 501~~
394 ~~of Regulation D of the Securities Act Rules~~, provided such
395 transfer or assignment is not for the direct or indirect
396 promotion of any scheme or enterprise with the intent of
397 violating or evading any provision of this chapter.

398 (4) The commission may establish by rule requirements and
399 standards for disclosures to purchasers of viatical settlement
400 investments and recordkeeping requirements for sellers of
401 viatical settlement investments.

402 Section 3. Paragraphs (a), (g), and (n) of subsection (3)
403 and subsections (6) and (8) of section 517.081, Florida
404 Statutes, are amended to read:

405 517.081 Registration procedure.—

406 (3) The office may require the applicant to submit to the
407 office the following information concerning the issuer and such
408 other relevant information as the office may in its judgment
409 deem necessary to enable it to ascertain whether such securities
410 shall be registered pursuant to the provisions of this section:

411 (a) The names and addresses of:

412 1. All the directors, trustees, and officers, if the issuer
413 is ~~be~~ a corporation, association, or trust.

414 2. All the managers or managing members, if the issuer is a
415 limited liability company.

416 3. ~~of~~ All the partners, if the issuer ~~is~~ be a



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417 partnership.

418 4. ~~7~~ ~~or~~ ~~of~~ The issuer, if the issuer is a sole
419 proprietorship or natural person ~~be an individual.~~

420 (g)1. A specimen copy of the securities certificate, if
421 applicable, ~~security~~ and a copy of any circular, prospectus,
422 advertisement, or other description of such securities.

423 2. The commission shall adopt a form for a simplified
424 offering circular ~~to be used solely by corporations~~ to register,
425 under this section, securities ~~of the corporation~~ that are sold
426 in offerings in which the aggregate offering price in any
427 consecutive 12-month period does not exceed the amount provided
428 in s. 3(b) of the Securities Act of 1933, as amended. The
429 following issuers shall not be eligible to submit a simplified
430 offering circular adopted pursuant to this subparagraph:

431 a. An issuer seeking to register securities for resale by
432 persons other than the issuer.

433 b. An issuer that ~~who~~ is subject to any of the
434 disqualifications described in 17 C.F.R. s. 230.262, adopted
435 pursuant to the Securities Act of 1933, as amended, or that ~~who~~
436 has been or is engaged or is about to engage in an activity that
437 would be grounds for denial, revocation, or suspension under s.
438 517.111. For purposes of this subparagraph, an issuer includes
439 an issuer's director, officer, general partner, manager or
440 managing member, trustee, or equity owner ~~shareholder~~ who owns
441 at least 10 percent of the ownership interests ~~shares~~ of the
442 issuer, promoter, or selling agent of the securities to be
443 offered or any officer, director, ~~or~~ partner, or manager or
444 managing member of such selling agent.

445 c. An issuer that ~~who~~ is a development-stage company that



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446 either has no specific business plan or purpose or has indicated
447 that its business plan is to merge with an unidentified company
448 or companies.

449 d. An issuer of offerings in which the specific business or
450 properties cannot be described.

451 e. Any issuer the office determines is ineligible because
452 ~~if~~ the form does ~~would~~ not provide full and fair disclosure of
453 material information for the type of offering to be registered
454 by the issuer.

455 f. Any issuer that ~~corporation which~~ has failed to provide
456 the office the reports required for a previous offering
457 registered pursuant to this subparagraph.

458
459 As a condition precedent to qualifying for use of the simplified
460 offering circular, an issuer ~~a corporation~~ shall agree to
461 provide the office with an annual financial report containing a
462 balance sheet as of the end of the issuer's fiscal year and a
463 statement of income for such year, prepared in accordance with
464 United States generally accepted accounting principles and
465 accompanied by an independent accountant's report. If the issuer
466 has more than 100 security holders at the end of a fiscal year,
467 the financial statements must be audited. Annual financial
468 reports must be filed with the office within 90 days after the
469 close of the issuer's fiscal year for each of the first 5 years
470 following the effective date of the registration.

471 (n) If the issuer is a corporation, there shall be filed
472 with the application a copy of its articles of incorporation
473 with all amendments and of its existing bylaws, if not already
474 on file in the office. If the issuer is a limited liability



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475 company, there shall be filed with the application a copy of the
476 articles of organization with all the amendments and a copy of
477 the company's operating agreement as may be amended, if not
478 already on file with the office. If the issuer is a trustee,
479 there shall be filed with the application a copy of all
480 instruments by which the trust is created or declared and in
481 which it is accepted and acknowledged. If the issuer is a
482 partnership, unincorporated association, joint-stock company, or
483 any other form of organization whatsoever, there shall be filed
484 with the application a copy of its articles of partnership or
485 association and all other papers pertaining to its organization,
486 if not already on file in the office.

487 (6) An issuer filing an application under this section
488 shall, at the time of filing, pay the office a nonreturnable fee
489 of \$1,000 per application for each offering that exceeds the
490 amount provided in s. 3(b) of the Securities Act of 1933, as
491 amended, or \$200 per application for each offering that does not
492 exceed the amount provided in s. 3(b) of the Securities Act of
493 1933, as amended.

494 (8) The office shall deem an application to register
495 securities filed with the office abandoned if the issuer or any
496 person acting on behalf of the issuer has failed to timely
497 complete an application specified by commission rule ~~The~~
498 ~~commission may by rule establish requirements and standards for:~~

499 ~~(a) Disclosures to purchasers of viatical settlement~~
500 ~~investments.~~

501 ~~(b) Recordkeeping requirements for sellers of viatical~~
502 ~~settlement investments.~~

503 Section 4. Section 517.082, Florida Statutes, is amended to



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504 read:

505 517.082 ~~Notification~~ Registration by notification; federal
506 registration statements.—

507 (1) ~~Except as provided in subsection (3),~~ Securities
508 offered or sold pursuant to a registration statement filed under
509 the Securities Act of 1933, as amended, are ~~shall be~~ entitled to
510 registration by notification in the manner provided in
511 subsection (2), provided that before ~~prior to~~ the offer or sale
512 the registration statement has become effective.

513 (2) An application for registration by notification shall
514 be filed with the office, shall contain the following
515 information, and shall be accompanied by all of the following:

516 (a) An application to sell executed by the issuer, any
517 person on whose behalf the offering is made, a dealer registered
518 under this chapter, or any duly authorized agent of any such
519 person, setting forth the name and address of the applicant, the
520 name and address of the issuer, and the title of the securities
521 to be offered and sold.†

522 (b) Copies of such documents filed with the Securities and
523 Exchange Commission as the Financial Services Commission may by
524 rule require.†

525 (c) An irrevocable written consent to service as required
526 by s. 517.101.† ~~and~~

527 (d) A nonreturnable fee of \$1,000 per application.

528

529 A registration under this section becomes effective when the
530 federal registration statement becomes effective or as of the
531 date the application is filed with the office, whichever is
532 later, provided that, in addition to the items listed in



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533 paragraphs (a)-(d), the office has received written notification
534 of effective registration under the Securities Act of 1933, as
535 amended, or the Investment Company Act of 1940, as amended,
536 within 10 business days after ~~from~~ the date federal registration
537 is granted. Failure to provide all the information required by
538 this subsection to the office within 60 days after ~~of~~ the date
539 the registration statement becomes effective with the Securities
540 and Exchange Commission shall be a violation of this chapter.

541 (3) Except for units of limited partnership interests or
542 such other securities as the commission describes by rule as
543 exempt from this subsection due to high investment quality, the
544 provisions of this section may not be used to register
545 securities if the offering price at the time of effectiveness
546 with the Securities and Exchange Commission is \$5 or less per
547 share, unless such securities are listed or designated, or
548 approved for listing or designation upon notice of issuance, on
549 a stock exchange registered pursuant to the Securities Exchange
550 Act of 1934, as amended, or on the National Association of
551 Securities Dealers Automated Quotation (NASDAQ) System, or
552 unless such securities are of the same issuer and of senior or
553 substantially equal rank to securities so listed or designated.

554 (4) In lieu of filing with the office the application,
555 fees, and documents for registration required by subsection (2),
556 the commission may establish, by rule, procedures for depositing
557 fees and filing documents by electronic means, provided such
558 procedures provide the office with the information and data
559 required by this section.

560 (5) If the Securities and Exchange Commission has not
561 declared effective the applicant's federal registration



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562 statement within 180 days after the applicant's filing with the
563 office of an application for registration by notification, the
564 office must deem the application abandoned.

565 Section 5. Section 517.111, Florida Statutes, is amended to
566 read:

567 517.111 Revocation or denial of registration of
568 securities.-

569 (1) The office may revoke or suspend the registration of
570 any security, or may deny any application to register
571 securities, if, upon examination or investigation into the
572 affairs of the issuer of such security, the office determines it
573 ~~shall appear~~ that:

574 (a) The issuer cannot pay its debts as they become due in
575 the usual course of business is insolvent;

576 (b) The issuer or any officer, director, manager or
577 managing member, or control person of the issuer has violated
578 any provision of this chapter or any rule made hereunder or any
579 order of the office of which such issuer has notice;

580 (c) The issuer or any officer, director, manager or
581 managing member, or control person of the issuer has been or is
582 engaged or is about to engage in fraudulent transactions;

583 (d) The issuer or any officer, director, manager or
584 managing member, or control person of the issuer has been found
585 guilty of a fraudulent act in connection with any sale of
586 securities, has engaged, is engaged, or is about to engage, in
587 making a fictitious sale or purchase of any security, or in any
588 practice or sale of any security which is fraudulent or a
589 violation of any law;

590 (e) The issuer or any officer, director, manager or



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591 managing member, or control person of the issuer has had a final
592 judgment entered against such issuer or person in a civil action
593 on the grounds of fraud, embezzlement, misrepresentation, or
594 deceit;

595 (f) The issuer or any officer, director, manager or
596 managing member, or control person of the issuer has engaged in
597 any action that would be grounds for revocation, denial, or
598 suspension under s. 517.161(1) ~~demonstrated any evidence of~~
599 ~~unworthiness;~~

600 (g) The issuer or any officer, director, manager or
601 managing member, or control person of the issuer ~~is in any other~~
602 ~~way dishonest or~~ has made any fraudulent representations or
603 failed to disclose any material information in any prospectus or
604 in any circular or other literature that has been distributed
605 concerning the issuer or its securities;

606 (h) The security registered or sought to be registered is
607 the subject of an injunction entered by a court of competent
608 jurisdiction or is the subject of an administrative stop-order
609 or similar order prohibiting the offer or sale of the security;
610 or

611 (i) For any security for which registration has been
612 applied pursuant to s. 517.081, the terms of the offer or sale
613 of such securities would not be fair, just, or equitable; ~~or~~

614 ~~(j) The issuer or any person acting on behalf of the issuer~~
615 ~~has failed to timely complete any application for registration~~
616 ~~filed with the office pursuant to the provisions of s. 517.081~~
617 ~~or s. 517.082 or any rule adopted under such sections.~~

618 (2) In making such examination or investigation, the office
619 shall have access to and may compel the production of all the



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620 books and papers of such issuer and may administer oaths to and
621 examine the officers of such issuer or any other person
622 connected therewith as to its business and affairs and may also
623 require a balance sheet exhibiting the assets and liabilities of
624 any such issuer or its income statement, or both, to be
625 certified to by a public accountant either of this state or of
626 any other state where the issuer's business is located. Whenever
627 the office deems it necessary, it may also require such balance
628 sheet or income statement, or both, to be made more specific in
629 such particulars as the office may require.

630 (3)~~(2)~~ If any issuer refuses ~~shall refuse~~ to permit an
631 examination or investigation to be made by the office, it shall
632 be proper ground for revocation of registration.

633 (4)~~(3)~~ If the office deems it necessary, it may enter an
634 order suspending the right to sell securities pending any
635 examination or investigation, provided that the order shall
636 state the office's grounds for taking such action.

637 (5)~~(4)~~ Notice of the entry of such order shall be given
638 personally or by mail, ~~personally, by telephone confirmed in~~
639 ~~writing, or by telegraph~~ to the issuer. Before such order is
640 made final, the issuer ~~applying for registration~~ shall, on
641 application, be entitled to a hearing.

642 (6)~~(5)~~ The office may deny any request to terminate any
643 registration or to withdraw any application for registration if
644 the office believes that an act which would be grounds for
645 denial, suspension, or revocation under this chapter has been
646 committed.

647 Section 6. Subsections (3) through (22) of section 517.12,
648 Florida Statutes, are renumbered as subsections (2) through



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649 (21), respectively, and subsection (1), present subsections (2)
650 and (3), paragraph (b) of present subsection (6), present
651 subsections (7) and (11), paragraph (b) of present subsection
652 (15), and present subsections (20) and (21) of that section are
653 amended, to read:

654 517.12 Registration of dealers, associated persons,
655 intermediaries, and investment advisers.—

656 (1) No dealer ~~or~~ associated person, ~~or issuer of~~
657 ~~securities~~ shall sell or offer for sale any securities in or
658 from offices in this state, ~~or sell securities to persons in~~
659 this state from offices outside this state, by mail or
660 otherwise, unless the person is ~~has been~~ registered with the
661 office as a dealer or as an associated person of a dealer
662 pursuant to ~~the provisions of~~ this section. The office shall not
663 register any person as an associated person of a dealer unless
664 the dealer with which the applicant seeks registration is
665 lawfully registered with the office pursuant to this chapter.

666 ~~(2) The registration requirements of this section do not~~
667 ~~apply to the issuers of securities exempted by s. 517.051(1) (8)~~
668 ~~and (10).~~

669 ~~(2)(3) Except as otherwise provided in s. 517.061(11)(a)4.,~~
670 ~~(13), (16), (17), or (19),~~ The registration requirements of this
671 section do not apply in a transaction exempted by s. 517.061(1)-
672 (10) and (12), s. 517.061(1)-(12), (14), and (15).

673 ~~(5)(6)~~ A dealer, associated person, or investment adviser,
674 in order to obtain registration, must file with the office a
675 written application, on a form which the commission may by rule
676 prescribe. The commission may establish, by rule, procedures for
677 depositing fees and filing documents by electronic means



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678 provided such procedures provide the office with the information
679 and data required by this section. Each dealer or investment
680 adviser must also file an irrevocable written consent to service
681 of civil process similar to that provided for in s. 517.101. The
682 application shall contain such information as the commission or
683 office may require concerning such matters as:

684 (b) The applicant's form and place of organization; and, if
685 the applicant is:

686 1. A corporation, a copy of its articles of incorporation
687 and amendments to the articles of incorporation;

688 2. A limited liability company, a copy of its articles of
689 organization with amendments to its articles; or

690 3. ~~if~~ A partnership, a copy of the partnership agreement.

691 (6) ~~(7)~~ The application must also contain such information
692 as the commission or office may require about the applicant; any
693 member, principal, or director of the applicant or any person
694 having a similar status or performing similar functions; any
695 person directly or indirectly controlling the applicant; or any
696 employee of a dealer or of an investment adviser rendering
697 investment advisory services. Each applicant and any direct
698 owners, principals, or indirect owners that are required to be
699 reported on Form BD or Form ADV pursuant to subsection (14) ~~(15)~~
700 shall submit fingerprints for live-scan processing in accordance
701 with rules adopted by the commission. The fingerprints may be
702 submitted through a third-party vendor authorized by the
703 Department of Law Enforcement to provide live-scan
704 fingerprinting. The costs of fingerprint processing shall be
705 borne by the person subject to the background check. The
706 Department of Law Enforcement shall conduct a state criminal



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707 history background check, and a federal criminal history
708 background check must be conducted through the Federal Bureau of
709 Investigation. The office shall review the results of the state
710 and federal criminal history background checks and determine
711 whether the applicant meets licensure requirements. The
712 commission may waive, by rule, the requirement that applicants,
713 including any direct owners, principals, or indirect owners that
714 are required to be reported on Form BD or Form ADV pursuant to
715 subsection (14) ~~(15)~~, submit fingerprints or the requirement
716 that such fingerprints be processed by the Department of Law
717 Enforcement or the Federal Bureau of Investigation. The
718 commission or office may require information about any such
719 applicant or person concerning such matters as:

720 (a) The applicant's or person's ~~His or her~~ full name, and
721 any other names by which the applicant or person ~~he or she~~ may
722 have been known, and the applicant's or person's ~~his or her~~ age,
723 social security number, photograph, qualifications, and
724 educational and business history.

725 (b) Any injunction or administrative order by a state or
726 federal agency, national securities exchange, or national
727 securities association involving a security or any aspect of a
728 dealer's or investment adviser's regulated ~~the securities~~
729 business and any injunction or administrative order by a state
730 or federal agency regulating banking, insurance, finance, or
731 small loan companies, real estate, mortgage brokers, or other
732 related or similar industries, which injunctions or
733 administrative orders relate to such person.

734 (c) The applicant's or person's ~~His or her~~ conviction of,
735 or plea of nolo contendere to, a criminal offense or the



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736 applicant's or person's ~~his or her~~ commission of any acts which
737 would be grounds for refusal of an application under s. 517.161.

738 (d) The names and addresses of other persons of whom the
739 office may inquire as to the applicant's or person's ~~his or her~~
740 character, reputation, and financial responsibility.

741 (10) (a) ~~(11) (a)~~ If the office finds that the applicant ~~is of~~
742 ~~good repute and character and~~ has complied with the applicable
743 registration provisions of this chapter and the rules made
744 pursuant hereto, it shall register the applicant unless the
745 applicant is otherwise disqualified for registration pursuant to
746 law. The registration of each dealer, investment adviser, and
747 associated person expires on December 31 of the year the
748 registration became effective unless the registrant has renewed
749 its ~~his or her~~ registration on or before that date. Registration
750 may be renewed by furnishing such information as the commission
751 may require, together with payment of the fee required in
752 paragraph (9) (a) ~~(10) (a)~~ for dealers, investment advisers, or
753 associated persons and the payment of any amount lawfully due
754 and owing to the office pursuant to any order of the office or
755 pursuant to any agreement with the office. Any dealer,
756 investment adviser, or associated person who has not renewed a
757 registration by the time the current registration expires may
758 request reinstatement of such registration by filing with the
759 office, on or before January 31 of the year following the year
760 of expiration, such information as may be required by the
761 commission, together with payment of the fee required in
762 paragraph (9) (a) ~~(10) (a)~~ for dealers, investment advisers, or
763 associated persons and a late fee equal to the amount of such
764 fee. Any reinstatement of registration granted by the office



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765 during the month of January shall be deemed effective
766 retroactive to January 1 of that year.

767 (b) The office shall waive the \$50 assessment fee for an
768 associated person required by paragraph (9) (a) ~~(10) (a)~~ for a
769 registrant renewing his or her registration who:

770 1. Is an active duty member of the United States Armed
771 Forces or the spouse of such member;

772 2. Is or was a member of the United States Armed Forces and
773 served on active duty within the 2 years preceding the
774 expiration date of the registration pursuant to paragraph (a).

775 To qualify for the fee waiver, a registrant who is a former
776 member of the United States Armed Forces who served on active
777 duty within the 2 years preceding the expiration date of the
778 registration must have received an honorable discharge upon
779 separation or discharge from the United States Armed Forces; or

780 3. Is the surviving spouse of a member of the United States
781 Armed Forces if the member was serving on active duty at the
782 time of death and died within the 2 years preceding the
783 surviving spouse's registration expiration date pursuant to
784 paragraph (a).

785

786 A registrant seeking such fee waiver must submit proof, in a
787 form prescribed by commission rule, that the registrant meets
788 one of the qualifications in this paragraph.

789 (14) ~~(15)~~

790 (b) In lieu of filing with the office the applications
791 specified in subsection (5) ~~(6)~~, the fees required by subsection
792 (9) ~~(10)~~, the renewals required by subsection (10) ~~(11)~~, and the
793 termination notices required by subsection (11) ~~(12)~~, the



794 commission may by rule establish procedures for the deposit of
795 such fees and documents with the Central Registration Depository
796 or the Investment Adviser Registration Depository of the
797 Financial Industry Regulatory Authority, as developed under
798 contract with the North American Securities Administrators
799 Association, Inc.

800 ~~(19)-(20)~~ An intermediary may not engage in business in this
801 state unless the intermediary is registered as a dealer or as an
802 intermediary with the office pursuant to this section to
803 facilitate the offer or sale of securities in accordance with s.
804 517.0611. An intermediary, in order to obtain registration, must
805 file with the office a written application on a form prescribed
806 by commission rule and pay a registration fee of \$200. The fees
807 under this subsection shall be deposited into the Regulatory
808 Trust Fund of the office. The commission may establish by rule
809 procedures for depositing fees and filing documents by
810 electronic means if such procedures provide the office with the
811 information and data required by this section. Each intermediary
812 must also file an irrevocable written consent to service of
813 civil process, as provided in s. 517.101.

814 (a) The application must contain such information as the
815 commission or office may require concerning:

816 1. The name of the applicant and address of its principal
817 office and each office in this state.

818 2. The applicant's form and place of organization; and, if
819 the applicant is:

820 a. A corporation, a copy of its articles of incorporation
821 and amendments to the articles of incorporation;

822 b. A limited liability company, a copy of its articles of



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823 organization and amendments to the articles and a copy of the
824 company's operating agreement as may be amended; or
825 c., if A partnership, a copy of the partnership agreement.
826 3. The website address where securities of the issuer will
827 be offered.
828 4. Contact information.
829 (b) The application must also contain such information as
830 the commission may require by rule about the applicant; any
831 member, principal, or director of the applicant or any person
832 having a similar status or performing similar functions; or any
833 persons directly or indirectly controlling the applicant. Each
834 applicant and any direct owners, principals, or indirect owners
835 that are required to be reported on a form adopted by commission
836 rule shall submit fingerprints for live-scan processing in
837 accordance with rules adopted by the commission. The
838 fingerprints may be submitted through a third-party vendor
839 authorized by the Department of Law Enforcement to provide live-
840 scan fingerprinting. The costs of fingerprint processing shall
841 be borne by the person subject to the background check. The
842 Department of Law Enforcement shall conduct a state criminal
843 history background check, and a federal criminal history
844 background check must be conducted through the Federal Bureau of
845 Investigation. The office shall review the results of the state
846 and federal criminal history background checks and determine
847 whether the applicant meets registration requirements. The
848 commission may waive, by rule, the requirement that applicants,
849 including any direct owners, principals, or indirect owners,
850 which are required to be reported on a form adopted by
851 commission rule, submit fingerprints or the requirement that



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852 such fingerprints be processed by the Department of Law
853 Enforcement or the Federal Bureau of Investigation. The
854 commission, by rule, or the office may require information about
855 any applicant or person, including:

856 1. The applicant's or person's ~~His or her~~ full name and any
857 other names by which the applicant or person ~~he or she~~ may have
858 been known and the applicant's or person's ~~his or her~~ age,
859 social security number, photograph, qualifications, and
860 educational and business history.

861 2. Any injunction or administrative order by a state or
862 federal agency, national securities exchange, or national
863 securities association involving a security or any aspect of an
864 intermediary's regulated ~~the securities~~ business and any
865 injunction or administrative order by a state or federal agency
866 regulating banking, insurance, finance, ~~or small loan companies,~~
867 real estate, mortgage brokers, or other related or similar
868 industries, which relate to such person.

869 3. The applicant's or person's ~~His or her~~ conviction of, or
870 plea of nolo contendere to, a criminal offense or the
871 applicant's or person's ~~his or her~~ commission of any acts that
872 would be grounds for refusal of an application under s. 517.161.

873 (c) The application must be amended within 30 days if any
874 information contained in the form becomes inaccurate for any
875 reason.

876 (d) An intermediary or persons affiliated with the
877 intermediary are not subject to any disqualification described
878 in s. 517.1611 or ~~United States~~ Securities and Exchange
879 Commission Rule 506(d), 17 C.F.R. 230.506(d), adopted pursuant
880 to the Securities Act of 1933, as amended. Each director,



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881 officer, manager or managing member, control person of the
882 issuer, any person occupying a similar status or performing a
883 similar function, and each person holding more than 20 percent
884 of the ownership interests ~~shares~~ of the intermediary is subject
885 to this requirement.

886 (e) If the office finds that the applicant ~~is of good~~
887 ~~repute and character and~~ has complied with the applicable
888 registration provisions of this chapter and the rules adopted
889 thereunder, it shall register the applicant. The registration of
890 each intermediary expires on December 31 of the year the
891 registration became effective unless the registrant renews his
892 or her registration on or before that date. Registration may be
893 renewed by furnishing such information as the commission may
894 require by rule, together with payment of a \$200 fee and the
895 payment of any amount due to the office pursuant to any order of
896 the office or pursuant to any agreement with the office. An
897 intermediary who has not renewed a registration by the time that
898 the current registration expires may request reinstatement of
899 such registration by filing with the office, on or before
900 January 31 of the year following the year of expiration, such
901 information as required by the commission, together with payment
902 of the \$200 fee and a late fee of \$200. Any reinstatement of
903 registration granted by the office during the month of January
904 is deemed effective retroactive to January 1 of that year.

905 ~~(20)-(21)~~ The registration requirements of this section do
906 not apply to any general lines insurance agent or life insurance
907 agent licensed under chapter 626, for the sale of a security as
908 defined in s. 517.021(23)(g) ~~s. 517.021(22)(g)~~, if the
909 individual is directly authorized by the issuer to offer or sell



910 the security on behalf of the issuer and the issuer is a
911 federally chartered savings bank subject to regulation by the
912 Federal Deposit Insurance Corporation. Actions under this
913 subsection shall constitute activity under the insurance agent's
914 license for purposes of ss. 626.611 and 626.621.

915 Section 7. Section 517.1214, Florida Statutes, is created
916 to read:

917 517.1214 Continuing education requirements for associated
918 persons of investment advisers and federal covered advisers.—

919 (1) As used in this section, the term:

920 (a) "Approved continuing education content" means the
921 materials, written, oral, or otherwise, which have been approved
922 by NASAA or its designee and which make up the educational
923 program provided to an associated person under this section.

924 (b) "Credit" means a unit designated by NASAA or its
925 designee as at least 50 minutes of educational instruction.

926 (c) "Home state" means the state in which an associated
927 person of an investment adviser or a federal covered adviser has
928 his or her principal office and place of business.

929 (d) "NASAA" means the North American Securities
930 Administrators Association, Inc.

931 (e) "Reporting period" means one 12-month period beginning
932 January 1 and ending December 31. An associated person's initial
933 reporting period with this state commences the first day of the
934 first full reporting period after the individual is registered
935 or required to be registered with this state.

936 (2) By December 31, 2024, and each December 31 thereafter,
937 each associated person of an investment adviser or a federal
938 covered adviser shall complete the following continuing



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939 education content requirements offered by a person that NASAA or
940 its designee has authorized to provide the continuing education
941 content required by this section:

942 (a) Six credits of approved continuing education content
943 that addresses an associated person's ethical and regulatory
944 obligations, with at least 3 hours covering the topic of ethics;
945 and

946 (b) Six credits of approved continuing education content
947 that addresses an associated person's skills and knowledge
948 regarding financial products, investment features, and practices
949 in the investment advisory industry.

950 (3) An associated person of an investment adviser or
951 federal covered adviser who is also registered as an associated
952 person of a Financial Industry Regulatory Authority (FINRA)
953 member dealer and who complies with FINRA's continuing education
954 requirements is considered to be in compliance with this
955 section's products and practice requirement for each applicable
956 reporting period, provided that the FINRA continuing education
957 content is approved continuing education content.

958 (4) Credits of continuing education completed by an
959 associated person who was awarded and currently holds a
960 credential that qualifies for examination waiver by passing any
961 tests as prescribed in s. 15(b) (7) of the Securities Exchange
962 Act of 1934, as amended, comply with paragraphs (2) (a) and (b),
963 provided all of the following conditions are met:

964 (a) The associated person completes the credits of
965 continuing education as a condition of maintaining the
966 credential for the relevant reporting period.

967 (b) The credits of continuing education completed during



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968 the relevant reporting period by the associated person are
969 mandatory to maintain the credential.

970 (c) The continuing education content provided by the
971 credentialing organization during the relevant reporting period
972 is approved continuing education content.

973 (5) Each associated person is responsible for ensuring that
974 the authorized provider reports the associated person's
975 completion of the applicable continuing education requirements.

976 (6) An associated person who completes credits of
977 continuing education in excess of the credits required for the
978 reporting period may not carry forward excess credits to a
979 subsequent reporting period.

980 (7) An associated person who fails to comply with this
981 section by the end of a reporting period shall renew as "CE
982 inactive" at the close of the calendar year in this state until
983 the associated person completes and reports all required
984 continuing education credits for all reporting periods as
985 required by this section. An associated person who is "CE
986 inactive" at the close of the next calendar year is not eligible
987 for associated person registration or renewal of associated
988 person registration.

989 (8) An associated person registered or required to be
990 registered in this state who is registered as an associated
991 person of an investment adviser or federal covered adviser in
992 the individual's home state is considered to be in compliance
993 with this section if:

994 (a) The associated person's home state has a continuing
995 education requirement of at least 12 hours annually; and

996 (b) The associated person is in compliance with the home



997 state's associated person of an investment adviser or federal
998 covered adviser continuing education requirements.

999 (9) An associated person who was previously registered
1000 under s. 517.12 and became unregistered must complete continuing
1001 education for all reporting periods that occurred between the
1002 time that the associated person became unregistered and when the
1003 person became registered again under s. 517.12, unless the
1004 associated person takes and passes the required examinations or
1005 the examination requirements are waived in connection with the
1006 subsequent application for registration.

1007 Section 8. Section 517.1217, Florida Statutes, is amended
1008 to read:

1009 517.1217 Rules of conduct and prohibited business practices
1010 for dealers and their associated persons and for
1011 intermediaries.—The commission by rule may establish rules of
1012 conduct and prohibited business practices for dealers and their
1013 associated persons and for intermediaries. In adopting the
1014 rules, the commission shall consider general industry standards
1015 as expressed in the rules and regulations of the various federal
1016 and self-regulatory agencies and regulatory associations,
1017 including, but not limited to, the ~~United States~~ Securities and
1018 Exchange Commission, the Financial Industry Regulatory
1019 Authority, and the North American Securities Administrators
1020 Association, Inc.

1021 Section 9. Subsections (1), (4), and (5) of section
1022 517.161, Florida Statutes, are amended to read:

1023 517.161 Revocation, denial, or suspension of registration
1024 of dealer, investment adviser, intermediary, or associated
1025 person.—



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1026 (1) Registration under s. 517.12 may be denied or any
1027 registration granted may be revoked, restricted, or suspended by
1028 the office if the office determines that such applicant or
1029 registrant; any member, principal, or director of the applicant
1030 or registrant or any person having a similar status or
1031 performing similar functions; or any person directly or
1032 indirectly controlling the applicant or registrant:

1033 (a) Has violated any provision of this chapter or any rule
1034 or order made under this chapter;

1035 (b) Has made a material false statement in the application
1036 for registration;

1037 (c) Has been guilty of a fraudulent act in connection with
1038 rendering investment advice or in connection with any sale of
1039 securities, has been or is engaged or is about to engage in
1040 making fictitious or pretended sales or purchases of any such
1041 securities or in any practice involving the rendering of
1042 investment advice or the sale of securities which is fraudulent
1043 or in violation of the law;

1044 (d) Has made a misrepresentation or false statement to, or
1045 concealed any essential or material fact from, any person in the
1046 rendering of investment advice or the sale of a security to such
1047 person;

1048 (e) Has failed to account to persons interested for all
1049 money and property received;

1050 (f) Has not delivered, after a reasonable time, to persons
1051 entitled thereto securities held or agreed to be delivered by
1052 the dealer, ~~broker,~~ or investment adviser, as and when paid for,
1053 and due to be delivered;

1054 (g) Is rendering investment advice or selling or offering



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1055 for sale securities through any associated person not registered
1056 in compliance with ~~the provisions of~~ this chapter;

1057 ~~(h) Has demonstrated unworthiness to transact the business~~
1058 ~~of dealer, investment adviser, intermediary, or associated~~
1059 ~~person;~~

1060 ~~(i)~~ Has exercised management or policy control over or
1061 owned 10 percent or more of the securities of any dealer,
1062 intermediary, or investment adviser that has been declared
1063 bankrupt, or had a trustee appointed under the Securities
1064 Investor Protection Act; or is, in the case of a dealer,
1065 intermediary, or investment adviser, unable to pay its debts as
1066 they become due in the usual course of business insolvent;

1067 ~~(i)~~~~(j)~~ Has been convicted of, or has entered a plea of
1068 guilty or nolo contendere to, regardless of whether adjudication
1069 was withheld, a crime against the laws of this state or any
1070 other state or of the United States or of any other country or
1071 government which relates to registration as a dealer, investment
1072 adviser, issuer of securities, intermediary, or associated
1073 person; which relates to the application for such registration;
1074 or which involves moral turpitude or fraudulent or dishonest
1075 dealing;

1076 ~~(j)~~~~(k)~~ Has had a final judgment entered against her or him
1077 in a civil action upon grounds of fraud, embezzlement,
1078 misrepresentation, or deceit;

1079 ~~(l) Is of bad business repute;~~

1080 ~~(k)~~~~(m)~~ Has been the subject of any decision, finding,
1081 injunction, suspension, prohibition, revocation, denial,
1082 judgment, or administrative order by any court of competent
1083 jurisdiction, administrative law judge, or by any state or



1084 federal agency, national securities, commodities, or option
1085 exchange, or national securities, commodities, or option
1086 association, involving a violation of any federal or state
1087 securities or commodities law or any rule or regulation
1088 promulgated thereunder, or any rule or regulation of any
1089 national securities, commodities, or options exchange or
1090 national securities, commodities, or options association, or has
1091 been the subject of any injunction or adverse administrative
1092 order by a state or federal agency regulating banking,
1093 insurance, finance ~~or small loan companies~~, real estate,
1094 mortgage brokers or lenders, money transmitters, or other
1095 related or similar industries. For purposes of this subsection,
1096 the office may not deny registration to any applicant who has
1097 been continuously registered with the office for 5 years after
1098 the date of entry of such decision, finding, injunction,
1099 suspension, prohibition, revocation, denial, judgment, or
1100 administrative order provided such decision, finding,
1101 injunction, suspension, prohibition, revocation, denial,
1102 judgment, or administrative order has been timely reported to
1103 the office pursuant to the commission's rules; ~~or~~

1104 (l) ~~(n)~~ Made payment to the office for a registration with a
1105 check or electronic transmission of funds that is dishonored by
1106 the applicant's or registrant's financial institution;

1107 (m) Failed to pay and fully satisfy any final judgment or
1108 arbitration award resulting from an investment-related, client-
1109 or customer-initiated arbitration or court proceeding, unless
1110 alternative payment arrangements are agreed to in writing
1111 between the client or customer and the investment adviser,
1112 dealer, or associated person and the investment adviser, dealer,



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1113 or associated person complies with the terms of the alternative
1114 payment arrangement;

1115 (n) Attempted to avoid payment of any final judgment or
1116 arbitration award resulting from an investment-related, client-
1117 or customer-initiated arbitration or court proceeding, unless
1118 alternative payment arrangements are agreed to in writing
1119 between the client or customer and the investment adviser,
1120 dealer, or associated person and the investment adviser, dealer,
1121 or associated person complies with the terms of the alternative
1122 payment arrangements; or

1123 (o) Failed to pay and fully satisfy any fine, civil
1124 penalty, order of restitution, order of disgorgement, or similar
1125 monetary payment obligation imposed upon the investment adviser,
1126 dealer, or associated person by the Securities and Exchange
1127 Commission, the securities regulator or other financial services
1128 regulator of any state or province, or any securities industry
1129 self-regulatory organization.

1130 (4) It shall be sufficient cause for denial of an
1131 application or revocation of registration, in the case of a
1132 partnership, corporation, limited liability company, or
1133 unincorporated association, if any member of the partnership,
1134 any manager or managing member of the limited liability company,
1135 or any officer, director, or ultimate equitable owner of the
1136 corporation or association has committed any act or omission
1137 which would be cause for denying, revoking, restricting, or
1138 suspending the registration of an individual dealer, investment
1139 adviser, intermediary, or associated person. As used in this
1140 subsection, the term "ultimate equitable owner" means a natural
1141 person who directly or indirectly owns or controls an ownership



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1142 interest in the corporation, partnership, association, or other
1143 legal entity however organized, regardless of whether such
1144 natural person owns or controls such ownership interest through
1145 one or more proxies, powers of attorney, nominees, corporations,
1146 associations, partnerships, trusts, joint stock companies, or
1147 other entities or devices, or any combination thereof.

1148 (5) The office may deny any request to terminate or
1149 withdraw any application or registration if the office believes
1150 that an act that ~~which~~ would be a ground for denial, suspension,
1151 restriction, or revocation under this chapter has been
1152 committed.

1153 Section 10. Section 517.181, Florida Statutes, is repealed.

1154 Section 11. Paragraph (a) of subsection (4) of section
1155 517.201, Florida Statutes, is amended to read:

1156 517.201 Investigations; examinations; subpoenas; hearings;
1157 witnesses.—

1158 (4) (a) In the event of substantial noncompliance with a
1159 subpoena or subpoena duces tecum issued or caused to be issued
1160 by the office pursuant to this section, the office may petition
1161 the circuit court of the county in which the person subpoenaed
1162 resides or has its principal place of business for an order
1163 requiring the subpoenaed person to appear and testify and to
1164 produce such books, records, and documents as are specified in
1165 such subpoena duces tecum. The court may grant injunctive relief
1166 restraining the issuance, sale or offer for sale, purchase or
1167 offer to purchase, promotion, negotiation, advertisement, or
1168 distribution ~~in or from offices in this state~~ of securities or
1169 investments in or from this state by the noncompliant a person
1170 or its agent, employee, broker, partner, officer, director,



1171 manager, managing member, equity holder, or any person directly
1172 or indirectly controlling the noncompliant person ~~stockholder~~
1173 ~~thereof~~, and may grant such other relief, including, but not
1174 limited to, the restraint, by injunction or appointment of a
1175 receiver, of any transfer, pledge, assignment, or other
1176 disposition of such person's assets or any concealment,
1177 alteration, destruction, or other disposition of subpoenaed
1178 books, records, or documents, as the court deems appropriate,
1179 until such person has fully complied with such subpoena or
1180 subpoena duces tecum and the office has completed its
1181 investigation or examination. The office is entitled to the
1182 summary procedure provided in s. 51.011, and the court shall
1183 advance the cause on its calendar. Costs incurred by the office
1184 to obtain an order granting, in whole or in part, such petition
1185 for enforcement of a subpoena or subpoena duces tecum shall be
1186 taxed against the subpoenaed person, and failure to comply with
1187 such order shall be a contempt of court.

1188 Section 12. Paragraph (d) of subsection (3) of section
1189 921.0022, Florida Statutes, is amended to read:

1190 921.0022 Criminal Punishment Code; offense severity ranking
1191 chart.—

1192 (3) OFFENSE SEVERITY RANKING CHART

1193 (d) LEVEL 4

1194

1195

Florida Statute	Felony Degree	Description
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1196

316.1935 (3) (a)	2nd	Driving at high speed or with
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1197			wanton disregard for safety while fleeing or attempting to elude law enforcement officer who is in a patrol vehicle with siren and lights activated.
1198	499.0051 (1)	3rd	Failure to maintain or deliver transaction history, transaction information, or transaction statements.
1199	499.0051 (5)	2nd	Knowing sale or delivery, or possession with intent to sell, contraband prescription drugs.
1200	517.07 (1)	3rd	Failure to register securities.
1201	517.12 (1)	3rd	Failure of dealer or associated person <u>of a dealer</u> or issuer of securities to register.
1202	784.07 (2) (b)	3rd	Battery of law enforcement officer, firefighter, etc.
1203	784.074 (1) (c)	3rd	Battery of sexually violent predators facility staff.
	784.075	3rd	Battery on detention or



1204			commitment facility staff.
	784.078	3rd	Battery of facility employee by throwing, tossing, or expelling certain fluids or materials.
1205			
	784.08 (2) (c)	3rd	Battery on a person 65 years of age or older.
1206			
	784.081 (3)	3rd	Battery on specified official or employee.
1207			
	784.082 (3)	3rd	Battery by detained person on visitor or other detainee.
1208			
	784.083 (3)	3rd	Battery on code inspector.
1209			
	784.085	3rd	Battery of child by throwing, tossing, projecting, or expelling certain fluids or materials.
1210			
	787.03 (1)	3rd	Interference with custody; wrongly takes minor from appointed guardian.
1211			
	787.04 (2)	3rd	Take, entice, or remove child beyond state limits with criminal intent pending custody



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			proceedings.
1212	787.04 (3)	3rd	Carrying child beyond state lines with criminal intent to avoid producing child at custody hearing or delivering to designated person.
1213	787.07	3rd	Human smuggling.
1214	790.115 (1)	3rd	Exhibiting firearm or weapon within 1,000 feet of a school.
1215	790.115 (2) (b)	3rd	Possessing electric weapon or device, destructive device, or other weapon on school property.
1216	790.115 (2) (c)	3rd	Possessing firearm on school property.
1217	794.051 (1)	3rd	Indecent, lewd, or lascivious touching of certain minors.
1218	800.04 (7) (c)	3rd	Lewd or lascivious exhibition; offender less than 18 years.
1219	806.135	2nd	Destroying or demolishing a memorial or historic property.



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1220	810.02 (4) (a)	3rd	Burglary, or attempted burglary, of an unoccupied structure; unarmed; no assault or battery.
1221	810.02 (4) (b)	3rd	Burglary, or attempted burglary, of an unoccupied conveyance; unarmed; no assault or battery.
1222	810.06	3rd	Burglary; possession of tools.
1223	810.08 (2) (c)	3rd	Trespass on property, armed with firearm or dangerous weapon.
1224	812.014 (2) (c) 3.	3rd	Grand theft, 3rd degree \$10,000 or more but less than \$20,000.
1225	812.014 (2) (c) 4.-10.	3rd	Grand theft, 3rd degree; specified items.
1226	812.0195 (2)	3rd	Dealing in stolen property by use of the Internet; property stolen \$300 or more.
1227	817.505 (4) (a)	3rd	Patient brokering.
1228			



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1229	817.563(1)	3rd	Sell or deliver substance other than controlled substance agreed upon, excluding s. 893.03(5) drugs.
1230	817.568(2)(a)	3rd	Fraudulent use of personal identification information.
1231	817.625(2)(a)	3rd	Fraudulent use of scanning device, skimming device, or reencoder.
1232	817.625(2)(c)	3rd	Possess, sell, or deliver skimming device.
1233	828.125(1)	2nd	Kill, maim, or cause great bodily harm or permanent breeding disability to any registered horse or cattle.
1234	836.14(2)	3rd	Person who commits theft of a sexually explicit image with intent to promote it.
1235	836.14(3)	3rd	Person who willfully possesses a sexually explicit image with certain knowledge, intent, and purpose.



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1236	837.02 (1)	3rd	Perjury in official proceedings.
1237	837.021 (1)	3rd	Make contradictory statements in official proceedings.
1238	838.022	3rd	Official misconduct.
1239	839.13 (2) (a)	3rd	Falsifying records of an individual in the care and custody of a state agency.
1240	839.13 (2) (c)	3rd	Falsifying records of the Department of Children and Families.
1241	843.021	3rd	Possession of a concealed handcuff key by a person in custody.
1242	843.025	3rd	Deprive law enforcement, correctional, or correctional probation officer of means of protection or communication.
1243	843.15 (1) (a)	3rd	Failure to appear while on bail for felony (bond estreature or bond jumping).



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1244	847.0135 (5) (c)	3rd	Lewd or lascivious exhibition using computer; offender less than 18 years.
1245	870.01 (3)	2nd	Aggravated rioting.
1246	870.01 (5)	2nd	Aggravated inciting a riot.
1247	874.05 (1) (a)	3rd	Encouraging or recruiting another to join a criminal gang.
1248	893.13 (2) (a) 1.	2nd	Purchase of cocaine (or other s. 893.03(1) (a), (b), or (d), (2) (a), (2) (b), or (2) (c) 5. drugs).
1249	914.14 (2)	3rd	Witnesses accepting bribes.
1250	914.22 (1)	3rd	Force, threaten, etc., witness, victim, or informant.
1251	914.23 (2)	3rd	Retaliation against a witness, victim, or informant, no bodily injury.
	916.1085 (2) (c) 1.	3rd	Introduction of specified contraband into certain DCF facilities.



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1252

918.12 3rd Tampering with jurors.

1253

934.215 3rd Use of two-way communications device to facilitate commission of a crime.

1254

944.47(1)(a)6. 3rd Introduction of contraband (cellular telephone or other portable communication device) into correctional institution.

1255

951.22(1)(h), (j) & (k) 3rd Intoxicating drug, instrumentality or other device to aid escape, or cellular telephone or other portable communication device introduced into county detention facility.

1256

1257

1258 Section 13. Section 517.1215, Florida Statutes, is amended
1259 to read:

1260 517.1215 Requirements, rules of conduct, and prohibited
1261 business practices for investment advisers ~~advisors~~ and their
1262 associated persons.—

1263 (1) The commission shall specify by rule requirements for
1264 investment advisers ~~advisors~~ deemed to have custody of client
1265 funds which concern the following:

1266 (a) Notification of custody of, maintenance of, and



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1267 safeguards for client funds.

1268 (b) Communications with clients and independent
1269 representatives.

1270 (c) Requirements for investment advisers who have custody
1271 of pooled investments.

1272 (d) Exceptions to the custody requirements.

1273

1274 In adopting the rules, the commission shall consider the rules
1275 and regulations of the federal regulatory authority and the
1276 North American Securities Administrators Association, Inc.

1277 (2) The commission shall by rule establish rules of conduct
1278 and prohibited business practices for investment advisers and
1279 their associated persons. In adopting the rules, the commission
1280 shall consider general industry standards as expressed in the
1281 rules and regulations of the various federal and self-regulatory
1282 agencies and regulatory associations, including, but not limited
1283 to, the ~~United States~~ Securities and Exchange Commission, the
1284 Financial Industry Regulatory Authority, and the North American
1285 Securities Administrators Association, Inc.

1286 Section 14. Subsections (18) and (22) of section 517.061,
1287 Florida Statutes, are amended to read:

1288 517.061 Exempt transactions.—Except as otherwise provided
1289 in s. 517.0611 for a transaction listed in subsection (21), the
1290 exemption for each transaction listed below is self-executing
1291 and does not require any filing with the office before claiming
1292 the exemption. Any person who claims entitlement to any of the
1293 exemptions bears the burden of proving such entitlement in any
1294 proceeding brought under this chapter. The registration
1295 provisions of s. 517.07 do not apply to any of the following



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1296 transactions; however, such transactions are subject to the
1297 provisions of ss. 517.301, 517.311, and 517.312:

1298 (18) The offer or sale of any security effected by or
1299 through a person in compliance with s. 517.12(16) ~~s. 517.12(17)~~.

1300 (22) The offer or sale of securities, solely in connection
1301 with the transfer of ownership of an eligible privately held
1302 company, through a merger and acquisition broker in accordance
1303 with s. 517.12(21) ~~s. 517.12(22)~~.

1304 Section 15. Paragraph (b) of subsection (4) and subsection
1305 (14) of section 517.0611, Florida Statutes, are amended to read:
1306 517.0611 Intrastate crowdfunding.—

1307 (4) An issuer must:

1308 (b) Conduct transactions for the offering through a dealer
1309 registered with the office or an intermediary registered under
1310 s. 517.12(19) ~~s. 517.12(20)~~.

1311 (14) An intermediary not registered as a dealer under s.
1312 517.12(5) ~~s. 517.12(6)~~ may not:

1313 (a) Offer investment advice or recommendations. A refusal
1314 by an intermediary to post an offering that it deems not
1315 credible or that represents a potential for fraud may not be
1316 construed as an offer of investment advice or recommendation.

1317 (b) Solicit purchases, sales, or offers to buy securities
1318 offered or displayed on its website.

1319 (c) Compensate employees, agents, or other persons for the
1320 solicitation of, or based on the sale of, securities offered or
1321 displayed on its website.

1322 (d) Hold, manage, possess, or otherwise handle investor
1323 funds or securities.

1324 (e) Compensate promoters, finders, or lead generators for



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1325 providing the intermediary with the personal identifying
1326 information of any potential investor.

1327 (f) Engage in any other activities set forth by commission
1328 rule.

1329 Section 16. Subsection (1) of section 517.075, Florida
1330 Statutes, is amended to read:

1331 517.075 Cuba, prospectus disclosure of doing business with,
1332 required.—

1333 (1) Any issuer of securities that will be sold in this
1334 state pursuant to a prospectus must disclose in the prospectus
1335 if the issuer or any affiliate thereof, ~~as defined in s.~~
1336 ~~517.021(1),~~ does business with the government of Cuba or with
1337 any person or affiliate located in Cuba. The prospectus
1338 disclosure required by this subsection does not apply with
1339 respect to prospectuses prepared before April 10, 1992.

1340 Section 17. Paragraph (a) of subsection (1) of section
1341 517.131, Florida Statutes, is amended to read:

1342 517.131 Securities Guaranty Fund.—

1343 (1) (a) The Chief Financial Officer shall establish a
1344 Securities Guaranty Fund. An amount not exceeding 20 percent of
1345 all revenues received as assessment fees pursuant to s.
1346 517.12(9) and (10) ~~s. 517.12(10) and (11)~~ for dealers and
1347 investment advisers or s. 517.1201 for federal covered advisers
1348 and an amount not exceeding 10 percent of all revenues received
1349 as assessment fees pursuant to s. 517.12(9) and (10) ~~s.~~
1350 ~~517.12(10) and (11)~~ for associated persons shall be part of the
1351 regular license fee and shall be transferred to or deposited in
1352 the Securities Guaranty Fund.

1353 Section 18. Subsection (1) of section 517.211, Florida



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1354 Statutes, is amended to read:

1355 517.211 Remedies available in cases of unlawful sale.—

1356 (1) Every sale made in violation of either s. 517.07 or s.
1357 517.12(1), (3), (4), (8), (10), (12), (15), or (17) ~~(4), (5),~~
1358 ~~(9), (11), (13), (16), or (18)~~ may be rescinded at the election
1359 of the purchaser, except a sale made in violation of the
1360 provisions of s. 517.1202(3) relating to a renewal of a branch
1361 office notification shall not be subject to this section, and a
1362 sale made in violation of the provisions of s. 517.12(12) ~~s.~~
1363 ~~517.12(13)~~ relating to filing a change of address amendment
1364 shall not be subject to this section. Each person making the
1365 sale and every director, officer, partner, or agent of or for
1366 the seller, if the director, officer, partner, or agent has
1367 personally participated or aided in making the sale, is jointly
1368 and severally liable to the purchaser in an action for
1369 rescission, if the purchaser still owns the security, or for
1370 damages, if the purchaser has sold the security. No purchaser
1371 otherwise entitled will have the benefit of this subsection who
1372 has refused or failed, within 30 days of receipt, to accept an
1373 offer made in writing by the seller, if the purchaser has not
1374 sold the security, to take back the security in question and to
1375 refund the full amount paid by the purchaser or, if the
1376 purchaser has sold the security, to pay the purchaser an amount
1377 equal to the difference between the amount paid for the security
1378 and the amount received by the purchaser on the sale of the
1379 security, together, in either case, with interest on the full
1380 amount paid for the security by the purchaser at the legal rate,
1381 pursuant to s. 55.03, for the period from the date of payment by
1382 the purchaser to the date of repayment, less the amount of any



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1383 income received by the purchaser on the security.

1384 Section 19. Section 517.315, Florida Statutes, is amended
1385 to read:

1386 517.315 Fees.—All fees of any nature collected by the
1387 office pursuant to this chapter shall be disbursed as follows:

1388 (1) The office shall transfer the amount of fees required
1389 to be deposited into the Securities Guaranty Fund pursuant to s.
1390 517.131.~~7~~

1391 (2) After the transfer required in subsection (1), the
1392 office shall transfer the \$50 assessment fee collected from each
1393 associated person under s. 517.12(9) and (10) ~~s. 517.12(10) and~~
1394 ~~(11)~~ and 30.44 percent of the \$100 assessment fee paid by
1395 dealers and investment advisers ~~advisors~~ for each office in the
1396 state under s. 517.12(9) and (10) ~~s. 517.12(10) and (11)~~ to the
1397 Regulatory Trust Fund.~~7~~ ~~and~~

1398 (3) All remaining fees shall be deposited into the General
1399 Revenue Fund.

1400 Section 20. Subsection (5) of section 626.9911, Florida
1401 Statutes, is amended to read:

1402 626.9911 Definitions.—As used in this act, the term:

1403 (5) "Life expectancy provider" means a person who
1404 determines, or holds himself or herself out as determining, life
1405 expectancies or mortality ratings used to determine life
1406 expectancies:

1407 (a) On behalf of a viatical settlement provider, viatical
1408 settlement broker, life agent, or person engaged in the business
1409 of viatical settlements;

1410 (b) In connection with a viatical settlement investment as
1411 defined in s. 517.021, ~~pursuant to s. 517.021(24)~~; or



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1412 (c) On residents of this state in connection with a
1413 viatical settlement contract or viatical settlement investment.

1414 Section 21. Subsection (6) of section 744.351, Florida
1415 Statutes, is amended to read:

1416 744.351 Bond of guardian.—

1417 (6) When it is expedient in the judgment of any court
1418 having jurisdiction of any guardianship property, because the
1419 size of the bond required of the guardian is burdensome, or for
1420 other cause, the court may order, in lieu of a bond or in
1421 addition to a lesser bond, that the guardian place all or part
1422 of the property of the ward in a designated financial
1423 institution under the same conditions and limitations as are
1424 contained in s. 69.031. A designated financial institution shall
1425 also include a dealer~~7~~ as defined in s. 517.021 ~~s. 517.021(6)~~~~7~~,
1426 if the dealer is a member of the Security Investment Protection
1427 Corporation and is doing business in the state.

1428 Section 22. Section 517.1205, Florida Statutes, is amended
1429 to read:

1430 517.1205 Registration of associated persons specific as to
1431 securities dealer, investment adviser, or federal covered
1432 adviser identified at time of registration approval.—Inasmuch as
1433 this chapter is intended to protect investors in securities
1434 offerings and other investment transactions regulated by that
1435 chapter, its provisions are to be construed to require full and
1436 fair disclosure of all, but only, those matters material to the
1437 investor's evaluation of the offering or other transaction. It
1438 should, furthermore, be construed to impose the standards
1439 provided by law on all those seeking to participate in the
1440 state's securities industry through registration as a securities



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1441 dealer, investment adviser, or associated person. To this end,
1442 it is declared to be the intent of the Legislature that the
1443 registration of associated persons required by law is specific
1444 to the securities dealer, investment adviser, or federal covered
1445 adviser identified at the time such registration is approved.
1446 Notwithstanding any interpretation of law to the contrary, the
1447 historical practice of the Department of Banking and Finance,
1448 reflected in its rules, that requires a new application for
1449 registration from a previously registered associated person when
1450 that person seeks to be associated with a new securities dealer
1451 or investment adviser is hereby ratified and approved as
1452 consistent with legislative intent. It is, finally, declared to
1453 be the intent of the Legislature that while approval of an
1454 application for registration of a securities dealer, investment
1455 adviser, or associated person requires a finding of compliance
1456 with the applicable registration provisions of this chapter and
1457 applicable rules ~~the applicant's good repute and character~~, such
1458 finding is precluded by a determination that the applicant may
1459 be denied registration on grounds provided by law.

1460 Section 23. This act shall take effect October 1, 2023.

1461
1462 ===== T I T L E A M E N D M E N T =====

1463 And the title is amended as follows:

1464 Delete everything before the enacting clause
1465 and insert:

1466 A bill to be entitled
1467 An act relating to regulation of securities;
1468 reordering and amending s. 517.021, F.S.; requiring
1469 the Financial Services Commission to define the term



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1470 "accredited investor" by rule; revising definitions;
1471 amending s. 517.072, F.S.; authorizing the commission
1472 to adopt certain rules relating to viatical settlement
1473 investments; making technical changes; amending s.
1474 517.081, F.S.; revising requirements for the
1475 registration of securities; revising application fees
1476 for certain securities registrations; requiring the
1477 Office of Financial Regulation to deem an application
1478 abandoned under certain circumstances; conforming
1479 provisions to changes made by the act; amending s.
1480 517.082, F.S.; making technical changes; requiring the
1481 office to deem an application for registration by
1482 notification abandoned under certain circumstances;
1483 amending s. 517.111, F.S.; revising grounds on which
1484 the office may revoke, suspend, or deny the
1485 registration of securities; specifying the office's
1486 powers in investigations of issuers; revising the
1487 methods by which the office may enter an order
1488 suspending an issuer's right to sell securities;
1489 amending s. 517.12, F.S.; revising applicability of
1490 registration requirements; revising requirements for
1491 applying for registration as a dealer, an associated
1492 person of a dealer, or an investment adviser;
1493 conforming a cross-reference and provisions to changes
1494 made by the act; making technical changes; creating s.
1495 517.1214, F.S.; defining terms; specifying continuing
1496 education requirements for associated persons of
1497 investment advisers and federal covered advisers;
1498 providing that certain education credits satisfy such



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1499 requirements if certain conditions are met;
1500 prohibiting associated persons from carrying forward
1501 credits to subsequent reporting periods; specifying a
1502 restriction on associated persons who fail to meet
1503 such requirements; specifying requirements for certain
1504 previously registered associated persons; amending s.
1505 517.1217, F.S.; authorizing the commission to
1506 establish rules of conduct and prohibited business
1507 practices for intermediaries; amending s. 517.161,
1508 F.S.; revising grounds on which the office may deny,
1509 revoke, restrict, or suspend registrations of dealers,
1510 investment advisers, intermediaries, and associated
1511 persons; providing causes for denial of applications
1512 or revocation of registrations of certain entities and
1513 persons under certain circumstances; repealing s.
1514 517.181, F.S., relating to escrow agreements; amending
1515 s. 517.201, F.S.; conforming a provision to changes
1516 made by the act; amending s. 921.0022, F.S.; revising
1517 applicability of a criminal penalty for certain
1518 registration violations; amending s. 517.1215, F.S.;
1519 making technical changes; amending ss. 517.061,
1520 517.0611, 517.075, 517.131, 517.211, 517.315,
1521 626.9911, and 744.351, F.S.; conforming cross-
1522 references and making technical changes; amending s.
1523 517.1205, F.S.; revising legislative intent; providing
1524 an effective date.