By the Committees on Rules; and Commerce and Tourism; and Senator Grall

595-03372-25 20251666c2 1 A bill to be entitled 2 An act relating to the Uniform Commercial Code; 3 providing a directive to the Division of Law Revision; 4 creating part I of ch. 669, F.S., relating to 5 controllable electronic records; creating s. 669.101, 6 F.S.; providing a short title; creating s. 669.102, 7 F.S.; defining terms; providing construction; creating 8 s. 669.103, F.S.; providing construction; creating s. 9 669.104, F.S.; providing applicability; specifying 10 when a purchaser of a controllable account or 11 controllable payment intangible is a qualifying 12 purchaser; specifying rights acquired relating to 13 controllable electronic records; prohibiting actions from being asserted against qualifying purchasers 14 15 under certain circumstances; specifying that filing a 16 certain financing statement is not notice of a claim 17 of a property right in a controllable electronic 18 record; creating s. 669.105, F.S.; specifying when a person has control of a controllable electronic 19 20 record; providing when a person's power relating to controllable electronic records is or is not 21 22 exclusive; providing that a person who has control of 23 a controllable electronic record is not required to 24 acknowledge such control; specifying that a person 25 that acknowledges control of a controllable electronic 2.6 record does not owe any duty to the other person and 27 is not required to confirm the acknowledgment to any 28 other person; creating s. 669.106, F.S.; authorizing 29 account debtors on a controllable account or

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30	controllable payment intangible to discharge
31	obligations under certain circumstances; providing
32	requirements for such discharge; prohibiting account
33	debtors from waiving or varying certain rights and
34	options; providing construction; creating s. 669.107,
35	F.S.; specifying the governing laws and jurisdictions
36	relating to controllable electronic records; creating
37	part II of ch. 669, F.S., relating to transitional
38	provisions; creating s. 669.501, F.S.; providing a
39	short title; creating s. 669.502, F.S.; defining
40	terms; creating ss. 669.601 and 669.701, F.S.;
41	providing saving clauses for certain transactions;
42	providing applicability; providing construction;
43	creating s. 669.702, F.S.; specifying requirements for
44	perfecting security interests that are enforceable and
45	perfected before a specified date; creating s.
46	669.703, F.S.; specifying requirements for security
47	interests that were unperfected before a specified
48	date; creating s. 669.704, F.S.; specifying the
49	effectiveness of certain actions relating to security
50	interests taken before a specified date; creating ss.
51	669.705 and 669.706, F.S.; providing priority for
52	conflicting claims to collateral; amending s. 670.103,
53	F.S.; revising the definition of the term "payment
54	order"; amending s. 670.201, F.S.; revising
55	authorizations and requirements relating to security
56	procedures; amending s. 670.202, F.S.; revising the
57	circumstances under which payment orders received by
58	banks are effective as the order of a customer; making

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59	technical changes; amending s. 670.203, F.S.; revising
60	rules that apply to payment orders that are not
61	authorized orders of certain customers; amending ss.
62	670.207, 670.208, 670.21, and 670.211, F.S.; making
63	technical changes; amending s. 670.305, F.S.; revising
64	liability requirements relating to payment orders;
65	creating part VI of ch. 670, F.S., relating to
66	transitional provisions; creating s. 670.601, F.S.;
67	providing applicability; amending s. 671.101, F.S.;
68	making technical changes; amending s. 671.105, F.S.;
69	revising applicability; amending s. 671.107, F.S.;
70	making a technical change; amending s. 671.201, F.S.;
71	revising definitions; defining terms; amending s.
72	671.211, F.S.; conforming a cross-reference; creating
73	part IV of ch. 671, F.S., relating to transitional
74	provisions; creating s. 671.401, F.S.; providing
75	applicability; amending s. 672.102, F.S.; revising
76	applicability; amending s. 672.106, F.S.; defining the
77	term "hybrid transaction"; making technical changes;
78	amending ss. 672.201, 672.202, 672.203, and 672.205,
79	F.S.; making technical changes; amending s. 672.209,
80	F.S.; revising a prohibition on modifying or
81	rescinding a signed agreement that excludes
82	modification or rescission; creating part VIII of ch.
83	672, F.S., relating to transitional provisions;
84	creating s. 672.801, F.S.; providing applicability;
85	amending s. 673.1041, F.S.; revising the definition of
86	the term "negotiable instrument"; amending s.
87	673.1051, F.S.; revising the definition of the term

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88	"issue"; amending s. 673.4011, F.S.; conforming
89	provisions to changes made by the act; amending s.
90	673.6041, F.S.; specifying that the obligation of a
91	party to pay a check is not discharged solely by
92	destruction of the check in connection with a
93	specified process; creating part VII of ch. 673, F.S.,
94	relating to transitional provisions; creating s.
95	673.702, F.S.; providing applicability; amending s.
96	675.104, F.S.; conforming provisions to changes made
97	by the act; amending s. 675.116, F.S.; providing that
98	a branch of a bank is considered to be located at the
99	address indicated in the branch's undertaking or, if
100	more than one address is indicated, the address from
101	which the undertaking was issued; making technical
102	changes; creating s. 675.119, F.S.; providing
103	applicability; amending s. 677.102, F.S.; deleting
104	definitions of the terms "record" and "sign"; amending
105	s. 677.106, F.S.; specifying when a system satisfies
106	certain requirements and a person has control of an
107	electronic document of title; specifying when certain
108	powers are or are not exclusive; providing that a
109	person that has control of an electronic document or
110	title does not need to acknowledge that it has control
111	on behalf of another person; specifying that a person
112	does not owe any duty to another person under certain
113	circumstances; creating part VII of ch. 677, F.S.,
114	related to transitional provisions; creating s.
115	677.701, F.S.; providing applicability; amending s.
116	678.1021, F.S.; revising definitions; revising the

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117	applicability of definitions; amending s. 678.1031,
118	F.S.; specifying that a controllable account,
119	controllable electronic record, or controllable
120	payment intangible is not a financial asset under
121	certain circumstances; conforming a cross-reference;
122	amending s. 678.1061, F.S.; revising the circumstances
123	under which purchasers have control of security
124	entitlements; specifying that a person that has such
125	control is not required to acknowledge such control on
126	behalf of a purchaser; specifying that certain persons
127	do not owe any duty to purchasers and are not required
128	to confirm certain acknowledgment under certain
129	circumstances; amending s. 678.1101, F.S.; providing
130	applicability; amending s. 678.3031, F.S; specifying
131	that protected purchasers acquire interest in a
132	security free of any adverse claim; creating part VI
133	of ch. 678, F.S., relating to transitional provisions;
134	creating s. 678.601, F.S.; providing applicability;
135	amending s. 679.1021, F.S.; defining terms; revising
136	and deleting definitions; revising the applicability
137	of definitions; amending s. 679.1041, F.S.; revising
138	the circumstances under which a secured party has
139	control of a deposit account; making a technical
140	change; amending s. 679.1051, F.S.; revising when a
141	person has control of electronic chattel paper;
142	specifying when power of such control is or is not
143	exclusive; creating s. 679.1052, F.S.; specifying when
144	a person has control of electronic money; specifying
145	when power of such control is or is not exclusive;

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146	creating s. 679.1053, F.S.; specifying when a person
147	has control of controllable electronic records,
148	controllable accounts, or controllable payment
149	intangibles; creating s. 679.1054, F.S.; providing
150	that specified persons with certain control are not
151	required to acknowledge such control; specifying that
152	such persons do not owe any duty to certain persons
153	and are not required to confirm acknowledgment to any
154	other person; amending s. 679.2031, F.S.; revising the
155	circumstances under which a security interest is
156	enforceable against a debtor and third parties;
157	conforming provisions to changes made by the act;
158	amending s. 679.2041, F.S.; revising the circumstances
159	under which a security interest does not attach under
160	a term constituting an after-acquired property clause;
161	amending s. 679.2071, F.S.; conforming a provision to
162	changes made by the act; amending s. 679.2081, F.S.;
163	revising duties relating to secured parties having
164	control of collateral; amending s. 679.209, F.S.;
165	revising duties relating to secured parties if an
166	account debtor has been notified of an assignment;
167	revising cross-references; amending s. 679.210, F.S.;
168	conforming provisions to changes made by the act;
169	amending s. 679.3011, F.S.; revising requirements
170	relating to laws governing perfection and priority of
171	security interests; revising a cross-reference;
172	amending s. 679.3041, F.S.; specifying that the local
173	law of a bank's jurisdiction governs even if a
174	transaction does not bear any relation to the bank's

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175	jurisdiction; amending s. 679.3051, F.S.; revising
176	applicability; creating s. 679.3062, F.S.; specifying
177	which laws govern the perfection and priority of
178	security interests in chattel paper; creating s.
179	679.3063, F.S.; specifying which laws govern the
180	perfection and priority of security interests in
181	controllable accounts, controllable electronic
182	records, and controllable payment intangibles;
183	amending s. 679.3101, F.S.; revising the circumstances
184	under which the filing of a financing statement is not
185	necessary to perfect a security interest; amending s.
186	679.3121, F.S.; providing requirements for perfecting
187	a security interest in controllable accounts,
188	controllable electronic records, and controllable
189	payment intangibles; amending s. 679.3131, F.S.;
190	conforming provisions to changes made by the act;
191	amending s. 679.3141, F.S.; revising requirements for
192	perfection by control; creating s. 679.3152, F.S.;
193	providing requirements for perfecting a security
194	interest in chattel paper by possession and control;
195	amending s. 679.3161, F.S.; revising requirements
196	relating to maintaining perfection of security
197	interests following a change in governing law;
198	revising cross-references; amending s. 679.3171, F.S.;
199	revising the circumstances under which persons take
200	free of a security interest or agricultural lien;
201	amending s. 679.323, F.S.; revising the circumstances
202	under which a buyer or lessee of goods takes free of a
203	security interest or leasehold; amending s. 679.324,

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204	F.S.; conforming provisions to changes made by the
205	act; creating s. 679.3251, F.S.; specifying that
206	certain security interests in controllable accounts,
207	controllable electronic records, or controllable
208	payment intangibles have priority over conflicting
209	security interests; amending s. 679.330, F.S.;
210	revising the circumstances under which purchasers of
211	chattel paper have priority over certain security
212	interests in the chattel paper; revising
213	applicability; making a technical change; amending s.
214	679.331, F.S.; revising construction; amending s.
215	679.332, F.S.; revising the circumstances under which
216	a transferee takes money or funds free of a security
217	interest; amending ss. 679.341 and 679.4041, F.S.;
218	conforming provisions to changes made by the act;
219	amending s. 679.4061, F.S.; defining the term
220	"promissory note"; conforming provisions to changes
221	made by the act; revising applicability; amending s.
222	679.4081, F.S.; defining the term "promissory note";
223	amending ss. 679.509, 679.513, 679.601, and 679.604,
224	F.S.; conforming provisions to changes made by the
225	act; amending s. 679.605, F.S.; specifying when a
226	secured party owes a duty to a person based on the
227	party's status as a secured party; amending ss.
228	679.608 and 679.611, F.S.; conforming provisions to
229	changes made by the act; making technical changes;
230	amending s. 679.613, F.S.; revising the form for
231	notification of the disposition of collateral;
232	providing requirements relating to such form; amending

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233	s. 679.614, F.S.; revising form requirements for
234	notice of a plan to sell property; providing
235	requirements relating to such form; amending ss.
236	679.615, 679.616, 679.619, 679.620, 679.621, 679.624,
237	and 679.625, F.S.; conforming provisions to changes
238	made by the act; amending s. 679.628, F.S.; providing
239	applicability; creating part IX of ch. 679, F.S.,
240	relating to transitional provisions; creating ss.
241	679.901 and 679.902, F.S.; providing construction;
242	amending s. 680.1021, F.S.; revising applicability;
243	amending s. 680.1031, F.S.; defining the term "hybrid
244	lease"; conforming cross-references; amending ss.
245	680.1071, 680.201, 680.202, 680.203, 680.205, and
246	680.208, F.S.; conforming provisions to changes made
247	by the act; creating part VI of ch. 680, F.S.,
248	relating to transitional provisions; creating s.
249	680.601, F.S.; providing applicability; amending ss.
250	55.205, 319.27, 328.0015, 517.061, 559.9232, 563.022,
251	and 668.50, F.S.; conforming cross-references;
252	reenacting ss. 655.55(1) and (2) and 685.101(2), F.S.,
253	relating to law applicable to deposits in and
254	contracts relating to extensions of credit by a
255	deposit or lending institution located in this state
256	and choice of law, respectively, to incorporate the
257	amendment made to s. 671.105, F.S., in references
258	thereto; reenacting ss. 90.953(1), 673.1061(1), (3),
259	and (4), and 673.1151(2), F.S., relating to
260	admissibility of duplicates, unconditional promise or
261	order, and incomplete instruments, respectively, to

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262	incorporate the amendment made to s. 673.1041, F.S.,
263	in references thereto; reenacting s. 673.6051(2),
264	F.S., relating to discharge of indorsers and
265	accommodation parties, to incorporate the amendment
266	made to s. 673.6041, F.S., in a reference thereto;
267	reenacting s. 673.1031(2), F.S., relating to
268	definitions, to incorporate the amendments made to ss.
269	673.1041 and 673.1051, F.S., in references thereto;
270	reenacting s. 675.103(1)(j), F.S., relating to
271	definitions, to incorporate the amendment made to s.
272	675.104, F.S., in a reference thereto; reenacting s.
273	679.3061(2), F.S., relating to law governing
274	perfection and priority of security interests in
275	letter-of-credit rights, to incorporate the amendment
276	made to s. 675.116, F.S., in a reference thereto;
277	reenacting ss. 672.103(3) and 674.104(3), F.S.,
278	relating to definitions and index of definitions, to
279	incorporate the amendment made to s. 677.106, F.S., in
280	references thereto; reenacting ss. 678.5101(3) and
281	679.1061(1), F.S., relating to rights of purchaser of
282	security entitlement from entitlement holder and
283	control of investment property, respectively, to
284	incorporate the amendment made to s. 678.1061, F.S.,
285	in references thereto; reenacting ss. 674.2101(3),
286	675.1181(2), and 679.1101, F.S., relating to security
287	interest of collecting bank in items, accompanying
288	documents, and proceeds; security interest of issuer
289	or nominated person; and security interests arising
290	under ch. 672, F.S., or ch. 680, F.S., respectively,

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291	to incorporate the amendment made to s. 679.2031,
292	F.S., in references thereto; reenacting s. 679.709(2),
293	F.S., relating to priority, to incorporate the
294	amendment made to s. 679.2031, F.S., in a reference
295	thereto; reenacting s. 679.602(2), F.S., relating to
296	waiver and variance of rights and duties, to
297	incorporate the amendment made to s. 679.210, F.S., in
298	a reference thereto; reenacting s. 679.329(2), F.S.,
299	relating to priority of security interests in letter-
300	of-credit right, to incorporate the amendment made to
301	s. 679.3141, F.S., in a reference thereto; reenacting
302	s. 679.320(3), F.S., relating to buyer of goods, to
303	incorporate the amendment made to s. 679.3161, F.S.,
304	in a reference thereto; reenacting s. 727.109(8)(b),
305	F.S., relating to power of the court, to incorporate
306	the amendment made to s. 679.3171, F.S., in a
307	reference thereto; reenacting s. 680.307(3), F.S.,
308	relating to priority of liens arising by attachment or
309	levy on, security interests in, and other claims to
310	goods, to incorporate the amendments made to ss.
311	679.3171 and 679.323, F.S., in references thereto;
312	reenacting s. 679.328(2), (5), and (7), F.S., relating
313	to priority of security interests in investment
314	property, to incorporate the amendments made to ss.
315	678.1061, 679.3131, 679.3141, and 679.323, F.S., in
316	references thereto; reenacting s. 679.327(1) and (2),
317	F.S., relating to priority of security interests in
318	deposit account, to incorporate the amendments made to
319	ss. 679.1041 and 679.3141, F.S., in references

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320	thereto; reenacting s. 679.1091(4), F.S., relating to
321	scope, to incorporate the amendments made to ss.
322	679.2031 and 679.4041, F.S., in references thereto;
323	reenacting s. 679.626(3), F.S., relating to action in
324	which deficiency or surplus is in issue, to
325	incorporate the amendment made to s. 679.628, F.S., in
326	a reference thereto; providing an effective date.
327	
328	Be It Enacted by the Legislature of the State of Florida:
329	
330	Section 1. The Division of Law Revision is directed to
331	create chapter 669, Florida Statutes, to be entitled "Uniform
332	Commercial Code: Controllable Electronic Records and
333	Transitional Provisions."
334	Section 2. Part I of chapter 669, Florida Statutes,
335	consisting of ss. 669.101-669.107, Florida Statutes, is created
336	and entitled "Controllable Electronic Records."
337	Section 3. Section 669.101, Florida Statutes, is created to
338	read:
339	669.101 Short titleThis part may be cited as "Uniform
340	Commercial Code-Controllable Electronic Records."
341	Section 4. Section 669.102, Florida Statutes, is created to
342	read:
343	669.102 Definitions
344	(1) As used in this part, the term:
345	(a) "Central bank digital currency" has the same meaning as
346	provided in s. 671.201.
347	(b) "Controllable electronic record" means a record in an
348	electronic medium, subject to control under s. 669.105. The term
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349	does not include a central bank digital currency, a controllable
350	account, a controllable payment intangible, a deposit account,
351	an electronic chattel paper, an electronic document of title,
352	electronic money, investment property, or a transferable record.
353	(c) "Qualifying purchaser" means a purchaser of a
354	controllable electronic record or an interest in a controllable
355	electronic record which obtains control of the controllable
356	electronic record for value, in good faith, and without notice
357	of a claim of a property right in the controllable electronic
358	record.
359	(d) "Transferable record" has the same meaning as provided
360	<u>in:</u>
361	1. Section 201(a)(1) of the Electronic Signatures in Global
362	and National Commerce Act, 15 U.S.C. s. 7021(a)(1); or
363	2. Section 668.50(16)(a).
364	(e) "Value" has the meaning provided in s. 673.3031(1), as
365	if references in that subsection to an "instrument" were
366	references to a controllable account, controllable electronic
367	record, or controllable payment intangible. A controllable
368	electronic record is subject to control as specified in s.
369	<u>669.105.</u>
370	(2) The definitions in s. 679.1021 for the terms "account
371	<pre>debtor," "chattel paper," "controllable account," "controllable</pre>
372	payment intangible," "deposit account," "electronic money," and
373	"investment property" apply to this part.
374	(3) Chapter 671 contains general definitions and principles
375	of construction and interpretation applicable throughout this
376	part.
377	Section 5. Section 669.103, Florida Statutes, is created to
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378	read:
379	669.103 Relation to chapter 679 and consumer laws
380	(1) If there is conflict between this part and chapter 679,
381	chapter 679 governs.
382	(2) A transaction subject to this part is subject to any
383	applicable rule of law that establishes a different rule for
384	consumers; any other law or regulation that regulates the rates,
385	charges, agreements, and practices for loans, credit sales, or
386	other extensions of credit; and chapter 501.
387	Section 6. Section 669.104, Florida Statutes, is created to
388	read:
389	669.104 Rights in controllable account, controllable
390	electronic record, and controllable payment intangible
391	(1) This section applies to the acquisition and purchase of
392	rights in a controllable account or controllable payment
393	intangible, including the rights and benefits under subsections
394	(3), (4), (5), (7), and (8) of a purchaser and qualifying
395	purchaser, in the same manner in which this section applies to a
396	controllable electronic record.
397	(2) In determining whether a purchaser of a controllable
398	account or a controllable payment intangible is a qualifying
399	purchaser, the purchaser obtains control of the account or
400	payment intangible if it obtains control of the controllable
401	electronic record that evidences the account or payment
402	intangible.
403	(3) Except as provided in this section, law other than this
404	part determines whether a person acquires a right in a
405	controllable electronic record and the right that the person
406	acquires.
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407	(4) A purchaser of a controllable electronic record
408	acquires all rights in the controllable electronic record which
409	the transferor had, or had power to transfer, except that a
410	purchaser of a limited interest in a controllable electronic
411	record acquires rights only to the extent of the interest
412	purchased.
413	(5) A qualifying purchaser acquires its rights in the
414	controllable electronic record free of a claim of a property
415	right in the controllable electronic record.
416	(6) Except as provided in subsections (1) and (5) for a
417	controllable account and a controllable payment intangible or in
418	law other than this part, a qualifying purchaser takes a right
419	to payment, right to performance, or other interest in property
420	evidenced by the controllable electronic record subject to a
421	claim of a property right in the right to payment, right to
422	performance, or other interest in property.
423	(7) An action may not be asserted against a qualifying
424	purchaser based on both a purchase by the qualifying purchaser
425	of a controllable electronic record and a claim of a property
426	right in another controllable electronic record, regardless of
427	whether the action is framed in conversion, replevin,
428	constructive trust, equitable lien, or other theory.
429	(8) Filing of a financing statement under chapter 679 is
430	not notice of a claim of a property right in a controllable
431	electronic record.
432	Section 7. Section 669.105, Florida Statutes, is created to
433	read:
434	669.105 Control of controllable electronic record
435	(1) A person has control of a controllable electronic
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436	record if the electronic record, a record attached to or
437	logically associated with the electronic record, or a system in
438	which the electronic record is recorded:
439	(a) Gives the person:
440	1. Power to avail itself of substantially all of the
441	benefit from the electronic record; and
442	2. Exclusive power, subject to paragraph (b), to:
443	a. Prevent others from availing themselves of substantially
444	all of the benefit from the electronic record; and
445	b. Transfer control of the electronic record to another
446	person or cause another person to obtain control of another
447	controllable electronic record as a result of the transfer of
448	the electronic record; and
449	(b) Enables the person to identify itself readily in any
450	way, including by name, identifying number, cryptographic key,
451	office, or account number, as having the powers specified in
452	paragraph (a).
453	(2) Except as provided in subsection (3), a power is
454	exclusive under sub-subparagraphs (1)(a)2.a. and b. even if:
455	(a) The controllable electronic record, a record attached
456	to or logically associated with the electronic record, or a
457	system in which the electronic record is recorded limits the use
458	of the electronic record or has a protocol programmed to cause a
459	change, including a transfer or loss of control or a
460	modification of benefits afforded by the electronic record; or
461	(b) The power is shared with another person.
462	(3) A power of a person is not shared with another person
463	under paragraph (2)(b) and the person's power is not exclusive
464	<u>if:</u>

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465	(a) The person can exercise the power only if the power
466	also is exercised by the other person; and
467	(b) The other person:
468	1. Can exercise the power without exercise of the power by
469	the person; or
470	2. Is the transferor to the person of an interest in the
471	controllable electronic record or a controllable account or
472	controllable payment intangible evidenced by the controllable
473	electronic record.
474	(4) If a person has the powers specified in sub-
475	subparagraphs (1)(a)2.a. and b., the powers are presumed to be
476	exclusive.
477	(5) A person has control of a controllable electronic
478	record if another person, other than the transferor to the
479	person of an interest in the controllable electronic record or a
480	controllable account or controllable payment intangible
481	evidenced by the controllable electronic record:
482	(a) Has control of the electronic record and acknowledges
483	that it has control on behalf of the person; or
484	(b) Obtains control of the electronic record after having
485	acknowledged that it will obtain control of the electronic
486	record on behalf of the person.
487	(6) A person that has control under this section is not
488	required to acknowledge that it has control on behalf of another
489	person unless the person otherwise agrees or law other than this
490	part or chapter 679 provides otherwise.
491	(7) If a person acknowledges that it has or will obtain
492	control on behalf of another person, the person does not owe any
493	duty to the other person and is not required to confirm the

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494	acknowledgment to any other person.
495	Section 8. Section 669.106, Florida Statutes, is created to
496	read:
497	669.106 Discharge of account debtor on controllable account
498	or controllable payment intangible
499	(1) An account debtor on a controllable account or
500	controllable payment intangible may discharge its obligation by
501	paying:
502	(a) The person having control of the controllable
503	electronic record that evidences the controllable account or
504	controllable payment intangible; or
505	(b) Except as provided in subsection (2), a person that
506	formerly had control of the controllable electronic record.
507	(2) Subject to subsection (4), the account debtor may not
508	discharge its obligation by paying a person that formerly had
509	control of the controllable electronic record if the account
510	debtor receives a notification that:
511	(a) Is signed by a person that formerly had control or the
512	person to which control was transferred;
513	(b) Reasonably identifies the controllable account or
514	controllable payment intangible;
515	(c) Notifies the account debtor that control of the
516	controllable electronic record that evidences the controllable
517	account or controllable payment intangible was transferred;
518	(d) Identifies the transferee, in any reasonable way,
519	including by name, identifying number, cryptographic key,
520	office, or account number; and
521	(e) Provides a commercially reasonable method by which the
522	account debtor is to pay the transferee.

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523(3) After receipt of a notification that complies with524subsection (2), the account debtor may discharge its obligation525by paying in accordance with the notification and may not526discharge the obligation by paying a person that formerly had527control.528(4) Subject to subsection (8), notification is ineffective529under subsection (2):530(a) Unless, before the notification is sent, the account541debtor and the person that, at that time, had control of the523controllable electronic record that evidences the controllable534record to a commercially reasonable method by which a person may535furnish reasonable proof that control has been transferred;536(b) To the extent an agreement between the account debtor537and seller of a payment intangible limits the account debtor's538duty to pay a person other than this part; or540(c) At the option of the account debtor to:5411. Divide a payment;5422. Make less than the full amount of an installment or544other periodic payment; or5453. Pay any part of a payment by more than one method or to546more than one person.547(5) Subject to subsection (8), if requested by the account548must seasonably furnish reasonable proof that, using the method549in the agreement referred to in paragraph (4) (a), control of the540con trollable electronic record has been transferred. Unless the		595-03372-25 20251666c2
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549 <u>must seasonably furnish reasonable proof that, using the method</u> 550 <u>in the agreement referred to in paragraph (4)(a), control of the</u>	547	(5) Subject to subsection (8), if requested by the account
550 in the agreement referred to in paragraph (4)(a), control of the	548	debtor, the person giving the notification under subsection (2)
	549	must seasonably furnish reasonable proof that, using the method
551 <u>controllable electronic record has been transferred. Unless the</u>	550	in the agreement referred to in paragraph (4)(a), control of the
	551	controllable electronic record has been transferred. Unless the

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552	person complies with the request, the account debtor may
553	discharge its obligation by paying a person that formerly had
554	control, even if the account debtor has received a notification
555	under subsection (2).
556	(6) A person furnishes reasonable proof under subsection
557	(5) that control has been transferred if the person demonstrates
558	that, using the method in an agreement made under paragraph
559	(4)(a), the transferee has the power to:
560	(a) Avail itself of substantially all the benefit from the
561	controllable electronic record;
562	(b) Prevent others from availing themselves of
563	substantially all the benefit from the controllable electronic
564	record; and
565	(c) Transfer the powers specified in paragraphs (a) and (b)
566	to another person.
567	(7) Subject to subsection (8), an account debtor may not
568	waive or vary its rights under paragraph (4)(a) and subsection
569	(5) or its option under paragraph (4)(c).
570	(8) This section is subject to law other than this part
571	which establishes a different rule for an account debtor who is
572	an individual and who incurred the obligation primarily for
573	personal, family, or household purposes.
574	Section 9. Section 669.107, Florida Statutes, is created to
575	read:
576	669.107 Governing law.—
577	(1) Except as provided in subsection (2), the local law of
578	a controllable electronic record's jurisdiction governs a matter
579	covered by this part.
580	(2) For a controllable electronic record that evidences a
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581	controllable account or controllable payment intangible, the
582	local law of the controllable electronic record's jurisdiction
583	governs a matter covered by s. 669.106 unless an effective
584	agreement determines that the local law of another jurisdiction
585	governs.
586	(3) The following rules determine a controllable electronic
587	record's jurisdiction under this section:
588	(a) If the controllable electronic record, or a record
589	attached to or logically associated with the controllable
590	electronic record and readily available for review, expressly
591	provides that a particular jurisdiction is the controllable
592	electronic record's jurisdiction for purposes of this part or
593	the Uniform Commercial Code, that jurisdiction is the
594	controllable electronic record's jurisdiction.
595	(b) If paragraph (a) does not apply and the rules of the
596	system in which the controllable electronic record is recorded
597	are readily available for review and expressly provide that a
598	particular jurisdiction is the controllable electronic record's
599	jurisdiction for purposes of this part or the Uniform Commercial
600	Code, that jurisdiction is the controllable electronic record's
601	jurisdiction.
602	(c) If paragraphs (a) and (b) do not apply and the
603	controllable electronic record, or a record attached to or
604	logically associated with the controllable electronic record and
605	readily available for review, expressly provides that the
606	controllable electronic record is governed by the law of a
607	particular jurisdiction, that jurisdiction is the controllable
608	electronic record's jurisdiction.
609	(d) If paragraphs (a), (b), and (c) do not apply and the
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610	rules of the system in which the controllable electronic record
611	is recorded are readily available for review and expressly
612	provide that the controllable electronic record or the system is
613	governed by the law of a particular jurisdiction, that
614	jurisdiction is the controllable electronic record's
615	jurisdiction.
616	(e) If paragraphs (a)-(d) do not apply, the controllable
617	electronic record's jurisdiction is the District of Columbia.
618	(4) If paragraph (3)(e) applies, and Article 12 is not in
619	effect without material modification in the District of
620	Columbia, the governing law for a matter subject to this part is
621	the law of the District of Columbia as though Article 12 were in
622	effect without material modification in the District of
623	Columbia. For the purposes of this subsection, the term "Article
624	12" means Article 12 of the Uniform Commercial Code Amendments
625	(2022).
626	(5) To the extent subsections (1) and (2) provide that the
627	local law of the controllable electronic record's jurisdiction
628	governs a matter covered by this part, that law governs even if
629	the matter or a transaction to which the matter relates does not
630	bear any relation to the controllable electronic record's
631	jurisdiction.
632	(6) The rights acquired under s. 669.104 by a purchaser or
633	qualifying purchaser are governed by the law applicable under
634	this section at the time of purchase.
635	Section 10. Part II of chapter 669, Florida Statutes,
636	consisting of ss. 669.501-669.706, Florida Statutes, is created
637	and entitled "Transitional Provisions."
638	Section 11. Section 669.501, Florida Statutes, is created
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639	to read:
640	669.501 Short titleThis part may be cited as "Uniform
641	Commercial Code-Transitional Provisions."
642	Section 12. Section 669.502, Florida Statutes, is created
643	to read:
644	669.502 DefinitionsAs used in this part:
645	(1)(a) "Adjustment date" means July 1, 2026.
646	(b) "Article 12" means Article 12 of the Uniform Commercial
647	Code.
648	(c) "Article 12 property" means a controllable account,
649	controllable electronic record, or controllable payment
650	intangible.
651	(2) Other definitions applying to this chapter and the
652	sections in which they appear are:
653	"Controllable account," s. 679.1021.
654	"Controllable electronic record," s. 669.102.
655	"Controllable payment intangible," s. 679.1021.
656	"Electronic money," s. 679.1021.
657	"Financing statement," s. 679.1021.
658	(3) The general definitions and principles of construction
659	and interpretation contained in chapter 671 apply to this part.
660	Section 13. Section 669.601, Florida Statutes, is created
661	to read:
662	669.601 Saving clauseExcept as otherwise provided in this
663	part, a transaction validly entered into before July 1, 2025,
664	and the rights, duties, and interests flowing from such
665	transaction remain valid thereafter and may be terminated,
666	completed, consummated, or enforced as required or permitted by
667	law other than the Uniform Commercial Code or, if applicable, by

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668	the Uniform Commercial Code as though this act had not taken
669	effect.
670	Section 14. Section 669.701, Florida Statutes, is created
671	to read:
672	669.701 Saving clause
673	(1) Except as provided in this part, chapter 679 as it
674	existed on July 1, 2025, and Article 12 apply to a transaction,
675	lien, or other interest in property, even if the transaction,
676	lien, or interest was entered into, created, or acquired before
677	July 1, 2025.
678	(2) Except as provided in subsection (3) and ss. 669.702-
679	669.706, both of the following apply:
680	(a) A transaction, lien, or interest in property that was
681	validly entered into, created, or transferred before July 1,
682	2025, and that was not governed by the Uniform Commercial Code
683	but would be subject to chapter 679 as it existed on July 1,
684	2025, or to Article 12 if the transaction had been entered into,
685	created, or transferred on or after July 1, 2025, including the
686	rights, duties, and interests flowing from the transaction,
687	lien, or interest, remains valid on and after July 1, 2025.
688	(b) The transaction, lien, or interest may be terminated,
689	completed, consummated, and enforced as required or permitted by
690	this part or by the law that would apply if this part had not
691	taken effect.
692	(3) This section does not affect an action, a case, or a
693	proceeding commenced before July 1, 2025.
694	Section 15. Section 669.702, Florida Statutes, is created
695	to read:
696	669.702 Security interest perfected before effective date
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697	(1) A security interest that is enforceable and perfected
698	immediately before July 1, 2025, is a perfected security
699	interest under this act if, on July 1, 2025, the requirements
700	for enforceability and perfection under this section are fully
701	satisfied without further action.
702	(2) If a security interest is enforceable and perfected
703	immediately before July 1, 2025, but the requirements for
704	enforceability or perfection under this act are not satisfied by
705	July 1, 2025, all of the following apply to the security
706	interest:
707	(a) It is a perfected security interest until the earlier
708	of the time perfection would have ceased under the law in effect
709	immediately before July 1, 2025, or the adjustment date.
710	(b) It remains enforceable thereafter only if the security
711	interest satisfies the requirements for enforceability under s.
712	679.2031, as it existed on July 1, 2025, before the adjustment
713	date.
714	(c) It remains perfected thereafter only if the
715	requirements for perfection under this section are satisfied
716	immediately before July 1, 2025.
717	Section 16. Section 669.703, Florida Statutes, is created
718	to read:
719	669.703 Security interest unperfected before effective
720	date.—A security interest that is enforceable immediately before
721	July 1, 2025, but is unperfected by that date:
722	(1) Remains an enforceable security interest until the
723	adjustment date;
724	(2) Remains enforceable thereafter if the security interest
725	becomes enforceable under s. 679.2031, as it existed on July 1,
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726	2025, or before the adjustment date; and
727	(3) Becomes perfected:
728	(a) Without further action, by July 1, 2025, if the
729	requirements for perfection under this act are satisfied on or
730	before that date; or
731	(b) When the requirements for perfection are satisfied, if
732	satisfaction occurs after July 1, 2025.
733	Section 17. Section 669.704, Florida Statutes, is created
734	to read:
735	669.704 Effectiveness of actions taken before effective
736	date
737	(1) If action, other than the filing of a financing
738	statement, is taken before July 1, 2025, and the action would
739	have resulted in perfection of the security interest had the
740	security interest become enforceable before July 1, 2025, the
741	action is effective to perfect a security interest that attaches
742	under this part before the adjustment date. An attached security
743	interest becomes unperfected on the adjustment date unless the
744	security interest becomes a perfected security interest under
745	this part before the adjustment date.
746	(2) The filing of a financing statement before July 1,
747	2025, is effective to perfect a security interest on July 1,
748	2025, to the extent the filing would satisfy the requirements
749	for perfection under this part.
750	(3) Action taken before July 1, 2025, is sufficient for the
751	enforceability of a security interest as of July 1, 2025, if the
752	action satisfies the requirements for enforceability under this
753	part.
754	Section 18. Section 669.705, Florida Statutes, is created

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595-03372-25 20251666c2 755 to read: 756 669.705 Priority.-757 (1) Subject to subsections (2) and (3), this section 758 determines the priority of conflicting claims to collateral. 759 (2) Subject to subsection (3), if the priority of claims to 760 collateral was established before July 1, 2025, chapter 679 as 761 in effect before July 1, 2025, determines priority. 762 (3) On the adjustment date, to the extent the priorities 763 determined by chapter 679 as amended by this part modify the 764 priorities established before July 1, 2025, the priorities of 765 claims to Article 12 property and electronic money established 766 before July 1, 2025, cease to apply. 767 Section 19. Section 669.706, Florida Statutes, is created 768 to read: 769 669.706 Priority of claims when priority rules of chapter 770 679 do not apply.-771 (1) Subject to subsections (2) and (3), Article 12 772 determines the priority of conflicting claims to Article 12 773 property when the priority rules of chapter 679 as amended by 774 this act do not apply. 775 (2) Subject to subsection (3), when the priority rules of 776 chapter 679 as amended by this act do not apply and the 777 priorities of claims to Article 12 property were established 778 before July 1, 2025, law other than Article 12 determines 779 priority. (3) When the priority rules of chapter 679 as amended by 780 781 this part do not apply, to the extent the priorities determined 782 by this act modify the priorities established as of July 1, 783 2025, the priorities of claims to Article 12 property

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595-03372-25 20251666c2 784 established before July 1, 2025, cease to apply on the 785 adjustment date. 786 Section 20. Paragraph (c) of subsection (1) of section 787 670.103, Florida Statutes, is amended to read: 788 670.103 Payment order: definitions.-789 (1) In this chapter, the term: 790 (c) "Payment order" means an instruction of a sender to a 791 receiving bank, transmitted orally or in a record, 792 electronically, or in writing, to pay, or to cause another bank 793 to pay, a fixed or determinable amount of money to a beneficiary 794 if: 795 1. The instruction does not state a condition to payment to 796 the beneficiary other than time of payment; 797 2. The receiving bank is to be reimbursed by debiting an account of, or otherwise receiving payment from, the sender; and 798 799 3. The instruction is transmitted by the sender directly to 800 the receiving bank or to an agent, funds-transfer system, or 801 communication system for transmittal to the receiving bank. 802 Section 21. Section 670.201, Florida Statutes, is amended 803 to read: 804 670.201 Security procedure.-For purposes of this section, 805 the term "security procedure" means a procedure established by 806 agreement of a customer and a receiving bank for the purpose of: 807 (1) Verifying that a payment order or communication 808 amending or canceling a payment order is that of the customer; 809 or 810 (2) Detecting error in the transmission or the content of 811 the payment order or communication. 812

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595-03372-25 20251666c2 813 A security procedure may impose an obligation on the receiving 814 bank or the customer and may require the use of algorithms or 815 other codes, identifying words, or numbers, symbols, sounds, 816 biometrics, encryption, callback procedures, or similar security 817 devices. Comparison of a signature on a payment order or 818 communication with an authorized specimen signature of the 819 customer or requiring a payment order to be sent from a known email address, Internet protocol address, or telephone number is 820 821 not by itself a security procedure. 822 Section 22. Subsections (2) and (3) of section 670.202, 823 Florida Statutes, are amended, and subsection (6) of that 824 section is republished, to read: 825 670.202 Authorized and verified payment orders.-826 (2) If a bank and its customer have agreed that the 827 authenticity of payment orders issued to the bank in the name of 828 the customer as sender will be verified pursuant to a security 829 procedure, a payment order received by the receiving bank is 830 effective as the order of the customer, whether or not 831 authorized, if the security procedure is a commercially 832 reasonable method of providing security against unauthorized 833 payment orders and the bank proves that it accepted the payment 834 order in good faith and in compliance with the bank's 835 obligations under the security procedure and any written agreement or instruction of the customer, evidenced by a record, 836 837 restricting acceptance of payment orders issued in the name of 838 the customer. The bank is not required to follow an instruction 839 that violates an a written agreement with the customer, 840 evidenced by a record, or notice of which is not received at a time and in a manner affording the bank a reasonable opportunity 841

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595-03372-25 20251666c2 842 to act on it before the payment order is accepted. 843 (3) The commercial reasonableness of a security procedure 844 is a question of law to be determined by considering the wishes 845 of the customer expressed to the bank; the circumstances of the 846 customer known to the bank, including the size, type, and 847 frequency of payment orders normally issued by the customer to 848 the bank; alternative security procedures offered to the 849 customer; and security procedures in general use by customers 850 and receiving banks similarly situated. A security procedure is 851 deemed to be commercially reasonable if: 852 (a) The security procedure was chosen by the customer after 853 the bank offered, and the customer refused, a security procedure 854 that was commercially reasonable for that customer; and 855 The customer expressly agreed in a record writing to be (b) 856 bound by any payment order, whether or not authorized, issued in 857 its name and accepted by the bank in compliance with the bank's 858 obligations under the security procedure chosen by the customer. 859 (6) Except as provided in this section and in s. 860 670.203(1)(a), rights and obligations arising under this section 861 or s. 670.203 may not be varied by agreement. 862 Section 23. Paragraph (a) of subsection (1) of section 863 670.203, Florida Statutes, is amended to read: 864 670.203 Unenforceability of certain verified payment 865 orders.-(1) If an accepted payment order is not, under s. 866 867 670.202(1), an authorized order of a customer identified as 868 sender, but is effective as an order of the customer pursuant to s. 670.202(2), the following rules apply: 869 870 (a) By express written agreement evidenced by a record, the

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595-03372-25 20251666c2 871 receiving bank may limit the extent to which it is entitled to 872 enforce or retain payment of the payment order. 873 Section 24. Paragraph (b) of subsection (3) of section 874 670.207, Florida Statutes, is amended to read: 875 670.207 Misdescription of beneficiary.-876 (3) If a payment order described in subsection (2) is 877 accepted, the originator's payment order described the 878 beneficiary inconsistently by name and number, and the 879 beneficiary's bank pays the person identified by number as 880 permitted by paragraph (2)(a), the following rules apply: 881 (b) If the originator is not a bank and proves that the 882 person identified by number was not entitled to receive payment 883 from the originator, the originator is not obliged to pay its 884 order unless the originator's bank proves that the originator, before acceptance of the originator's order, had notice that 885 886 payment of a payment order issued by the originator might be 887 made by the beneficiary's bank on the basis of an identifying or 888 bank account number even if it identifies a person different 889 from the named beneficiary. Proof of notice may be made by any 890 admissible evidence. The originator's bank satisfies the burden 891 of proof if it proves that the originator, before the payment 892 order was accepted, signed a record writing stating the 893 information to which the notice relates.

894 Section 25. Paragraph (b) of subsection (2) of section895 670.208, Florida Statutes, is amended to read:

896 670.208 Misdescription of intermediary bank or897 beneficiary's bank.-

898 (2) This subsection applies to a payment order identifying899 an intermediary bank or the beneficiary's bank both by name and

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595-03372-2520251666c2900an identifying number if the name and number identify different901persons.

902 If the sender is not a bank and the receiving bank (b) 903 proves that the sender, before the payment order was accepted, 904 had notice that the receiving bank might rely on the number as 905 the proper identification of the intermediary or beneficiary's 906 bank even if it identifies a person different from the bank 907 identified by name, the rights and obligations of the sender and 908 the receiving bank are governed by paragraph (a), as though the 909 sender were a bank. Proof of notice may be made by any 910 admissible evidence. The receiving bank satisfies the burden of 911 proof if it proves that the sender, before the payment order was 912 accepted, signed a record writing stating the information to which the notice relates. 913

914 Section 26. Subsection (1) of section 670.21, Florida 915 Statutes, is amended to read:

916

670.21 Rejection of payment order.-

917 (1) A payment order is rejected by the receiving bank by a 918 notice of rejection transmitted to the sender orally $_{\mathcal{T}}$ 919 electronically, or in a record writing. A notice of rejection 920 need not use any particular words and is sufficient if it 921 indicates that the receiving bank is rejecting the order or will 922 not execute or pay the order. Rejection is effective when the 923 notice is given if transmission is by a means that is reasonable 924 in the circumstances. If notice of rejection is given by a means 925 that is not reasonable, rejection is effective when the notice 926 is received. If an agreement of the sender and receiving bank 927 establishes the means to be used to reject a payment order: 928 (a) Any means complying with the agreement is reasonable;

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595-03372-25 20251666c2 929 and 930 (b) Any means not complying is not reasonable unless no 931 significant delay in receipt of the notice resulted from the use 932 of the noncomplying means. 933 Section 27. Subsection (1) of section 670.211, Florida 934 Statutes, is amended to read: 935 670.211 Cancellation and amendment of payment order.-936 (1) A communication of the sender of a payment order 937 canceling or amending the order may be transmitted to the 938 receiving bank orally, electronically, or in a record writing. 939 If a security procedure is in effect between the sender and the 940 receiving bank, the communication is not effective to cancel or 941 amend the order unless the communication is verified pursuant to 942 the security procedure or the bank agrees to the cancellation or 943 amendment. 944 Section 28. Subsections (3) and (4) of section 670.305, 945 Florida Statutes, are amended to read: 946 670.305 Liability for late or improper execution or failure 947 to execute payment order.-948 (3) In addition to the amounts payable under subsections 949 (1) and (2), damages, including consequential damages, are 950 recoverable to the extent provided in an express written 951 agreement of the receiving bank, evidenced by a record. 952 (4) If a receiving bank fails to execute a payment order it 953 was obliged by express agreement to execute, the receiving bank 954 is liable to the sender for its expenses in the transaction and 955 for incidental expenses and interest losses resulting from the 956 failure to execute. Additional damages, including consequential 957 damages, are recoverable to the extent provided in an express

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CODING: Words stricken are deletions; words underlined are additions.

CS for CS for SB 1666

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958	written agreement of the receiving bank, evidenced by a record,
959	but are not otherwise recoverable.
960	Section 29. Part VI of chapter 670, Florida Statutes,
961	consisting of s. 670.601, Florida Statutes, is created and
962	entitled "Transitional Provisions."
963	Section 30. Section 670.601, Florida Statutes, is created
964	to read:
965	670.601 Saving clauseExcept as provided in ss. 669.501-
966	669.706, a transaction validly entered into before July 1, 2025,
967	and the rights, duties, and interests flowing from such
968	transaction remain valid thereafter and may be terminated,
969	completed, consummated, or enforced as required or permitted by
970	law other than the Uniform Commercial Code or, if applicable,
971	the Uniform Commercial Code as though this act had not taken
972	effect.
973	Section 31. Subsection (1) of section 671.101, Florida
974	Statutes, is amended to read:
975	671.101 Short title; scope of chapter
976	(1) Chapters $\underline{669-680}$ $\underline{670-680}$ may be cited as the "Uniform
977	Commercial Code <u>" or "code</u> ."
978	Section 32. Present paragraphs (a) through (g) of
979	subsection (2) of section 671.105, Florida Statutes, are
980	redesignated as paragraphs (b) through (h), respectively, a new
981	paragraph (a) is added to that subsection, and present
982	paragraphs (d) and (e) of that subsection are reenacted, to
983	read:
984	671.105 Territorial application of the code; parties' power
985	to choose applicable law
986	(2) When one of the following provisions of this code

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987	specifies the applicable law, that provision governs; and a
988	contrary agreement is effective only to the extent permitted by
989	the law (including the conflict-of-laws rules) so specified:
990	(a) Governing law in the chapter on controllable electronic
991	records. (s. 669.107).
992	<u>(e)</u> Applicability of the chapter on letters of credit.
993	(s. 675.116)
994	(f) (e) Applicability of the chapter on investment
995	securities. (s. 678.1101)
996	Section 33. Section 671.107, Florida Statutes, is amended
997	to read:
998	671.107 Waiver or renunciation of claim or right after
999	breach.—A claim or right arising out of an alleged breach can be
1000	discharged in whole or in part without consideration by
1001	agreement of the aggrieved party in <u>a signed</u> an authenticated
1002	record.
1003	Section 34. Present subsections (18) through (47) of
1004	section 671.201, Florida Statutes, are redesignated as
1005	subsections (19) through (48), respectively, a new subsection
1006	(18) is added to that section, and subsections (11) and (16) and
1007	present subsections (22), (26), (27), (31), (40), and (41) of
1008	that section are amended, to read:
1009	671.201 General definitions.—Unless the context otherwise
1010	requires, words or phrases defined in this section, or in the
1011	additional definitions contained in other chapters of this code
1012	which apply to particular chapters or parts thereof, have the
1013	meanings stated. Subject to definitions contained in other
1014	chapters of this code which apply to particular chapters or
1015	parts thereof, the term:

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1016	(11) "Conspicuous," with reference to a term, means so
1017	written, displayed, or presented that, based on the totality of
1018	the circumstances, a reasonable person against which it is to
1019	operate ought to have noticed it. Whether a term is
1020	"conspicuous" is a decision for the court. Conspicuous terms
1021	include the following:
1022	(a) A heading in capitals equal to or greater in size than
1023	the surrounding text, or in contrasting type, font, or color to
1024	the surrounding text of the same or lesser size; and
1025	(b) Language in the body of a record or display in larger
1026	type than the surrounding text or set off from surrounding text
1027	of the same size by symbols or other marks that call attention
1028	to the language.
1029	(16) "Delivery," with respect to an electronic document of
1030	title, means voluntary transfer of control and <u>,</u>
1031	respect to instruments, tangible document of title, <u>or an</u>
1032	authoritative tangible copy of a record evidencing chattel
1033	paper, or certificated securities, means voluntary transfer of
1034	possession.
1035	(18) "Electronic" means relating to technology having
1036	electrical, digital, magnetic, wireless, optical,
1037	electromagnetic, or similar capabilities.
1038	<u>(23)</u> "Holder" means:
1039	(a) The person in possession of a negotiable instrument
1040	that is payable either to bearer or to an identified person that
1041	is the person in possession;
1042	(b) The person in possession of a negotiable tangible
1043	document of title if the goods are deliverable either to bearer
1044	or to the order of the person in possession; or

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595-03372-25 20251666c2 1045 (c) The person in control, other than pursuant to s. 1046 677.106(7), of a negotiable electronic document of title. 1047 (27) (26) Subject to subsection (29) (28), a person has 1048 "notice" of a fact if the person: 1049 (a) Has actual knowledge of it; 1050 (b) Has received a notice or notification of it; or 1051 (c) From all the facts and circumstances known to the 1052 person at the time in question, has reason to know that it exists. A person "knows" or has "knowledge" of a fact when the 1053 1054 person has actual knowledge of it. "Discover" or "learn" or a 1055 word or phrase of similar import refers to knowledge rather than 1056 to reason to know. The time and circumstances under which a 1057 notice or notification may cease to be effective are not 1058 determined by this section. (28) (27) A person "notifies" or "gives" a notice or 1059

notification to another person by taking such steps as may be reasonably required to inform the other person in ordinary course, whether or not the other person actually comes to know of it. Subject to subsection (29) (28), a person "receives" a notice or notification when:

1065

(a) It comes to that person's attention; or

(b) It is duly delivered in a form reasonable under the circumstances at the place of business through which the contract was made or at another location held out by that person as the place for receipt of such communications.

1070 (32)(31) "Person" means an individual; corporation; 1071 business trust; estate; trust; partnership; limited liability 1072 company; association; joint venture; government; governmental 1073 subdivision, agency, or instrumentality; public corporation; or

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1074	any other legal or commercial entity. <u>The term includes a</u>
1075	protected series, however denominated, of an entity if the
1076	protected series is established under law other than the Uniform
1077	Commercial Code which limits, or conditionally limits if
1078	conditions specified under the law are satisfied, the ability of
1079	a creditor of the entity or of any other protected series of the
1080	entity to satisfy a claim from assets of the protected series.
1081	(41) (40) "Send," in connection with a writing, record, or
1082	notification notice, means:
1083	(a) To deposit in the mail, $\frac{1}{2}$ deliver for transmission, or
1084	transmit by any other usual means of communication, with postage
1085	or cost of transmission provided for and properly addressed and,
1086	in the case of an instrument, to an address specified thereon or
1087	otherwise agreed or, if there be none, to any address reasonable
1088	under the circumstances; or
1089	(b) To cause the record or notification to be received
1090	within the time it would have been received if properly sent
1091	<u>under paragraph (a)</u> In any other way to cause to be received any
1092	record or notice within the time it would have arrived if
1093	properly sent.
1094	(42) (41)
1095	with present intent to authenticate or adopt a record, to:
1096	(a) Execute or adopt a tangible symbol; or
1097	(b) Attach to or logically associate with the record an
1098	electronic symbol, sound, or process means bearing any symbol
1099	executed or adopted by a party with present intention to adopt
1100	or accept a writing.
1101	Section 35. Section 671.211, Florida Statutes, is amended
1102	to read:

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1103	671.211 ValueExcept as otherwise provided with respect to
1104	negotiable instruments and bank collections as provided in
1105	<u>chapter 669 and</u> ss. 673.3031, 674.2101, and 674.2111, a person
1106	gives value for rights if the person acquires them:
1107	(1) In return for a binding commitment to extend credit or
1108	for the extension of immediately available credit whether or not
1109	drawn upon and whether or not a charge-back is provided for in
1110	the event of difficulties in collection;
1111	(2) As security for, or in total or partial satisfaction
1112	of, a preexisting claim;
1113	(3) By accepting delivery under a preexisting contract for
1114	purchase; or
1115	(4) In return for any consideration sufficient to support a
1116	simple contract.
1117	Section 36. Part IV of chapter 671, Florida Statutes,
1118	consisting of s. 671.401, Florida Statutes, is created and
1118 1119	<u>consisting of s. 671.401, Florida Statutes, is created and</u> <u>entitled "Transitional Provisions."</u>
1119	entitled "Transitional Provisions."
1119 1120	entitled "Transitional Provisions." Section 37. Section 671.401, Florida Statutes, is created
1119 1120 1121	entitled "Transitional Provisions." Section 37. Section 671.401, Florida Statutes, is created to read:
1119 1120 1121 1122	entitled "Transitional Provisions." Section 37. Section 671.401, Florida Statutes, is created to read: <u>671.401 Saving clauseExcept as provided in ss. 669.501-</u>
1119 1120 1121 1122 1123	entitled "Transitional Provisions." Section 37. Section 671.401, Florida Statutes, is created to read: <u>671.401 Saving clauseExcept as provided in ss. 669.501-</u> 669.706, a transaction validly entered into before July 1, 2025,
1119 1120 1121 1122 1123 1124	<pre>entitled "Transitional Provisions." Section 37. Section 671.401, Florida Statutes, is created to read: <u>671.401 Saving clauseExcept as provided in ss. 669.501-</u> <u>669.706, a transaction validly entered into before July 1, 2025,</u> and the rights, duties, and interests flowing from such</pre>
1119 1120 1121 1122 1123 1124 1125	<pre>entitled "Transitional Provisions." Section 37. Section 671.401, Florida Statutes, is created to read:</pre>
1119 1120 1121 1122 1123 1124 1125 1126	<pre>entitled "Transitional Provisions." Section 37. Section 671.401, Florida Statutes, is created to read:</pre>
1119 1120 1121 1122 1123 1124 1125 1126 1127	<pre>entitled "Transitional Provisions." Section 37. Section 671.401, Florida Statutes, is created to read:</pre>
1119 1120 1121 1122 1123 1124 1125 1126 1127 1128	<pre>entitled "Transitional Provisions." Section 37. Section 671.401, Florida Statutes, is created to read:</pre>

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1132	672.102 Scope; certain security and other transactions
1133	excluded from this chapter
1134	(1) Unless the context otherwise requires, and except as
1135	provided in subsection (2), this chapter applies to transactions
1136	in goods and, in the case of a hybrid transaction:
1137	(a) If the sale-of-goods aspects do not predominate, only
1138	those provisions of this chapter which relate primarily to the
1139	sale-of-goods aspects of the transaction apply, and those
1140	provisions that relate primarily to the transaction as a whole
1141	do not apply.
1142	(b) If the sale-of-goods aspects predominate, this chapter
1143	applies to the transaction but does not preclude application in
1144	appropriate circumstances of other law to aspects of the
1145	transaction which do not relate to the sale of goods.
1146	(2) This chapter does not do the following:
1147	(a) Apply to a transaction that, even though in the form of
1148	an unconditional contract to sell or present sale, operates only
1149	to create a security interest.
1150	(b) Impair or repeal a statute regulating sales to
1151	consumers, farmers, or other specified classes of buyers ; it
1152	does not apply to any transaction which although in the form of
1153	an unconditional contract to sell or present sale is intended to
1154	operate only as a security transaction nor does this chapter
1155	impair or repeal any statute regulating sales to consumers,
1156	farmers or other specified classes of buyers.
1157	Section 39. Section 672.106, Florida Statutes, is amended
1158	to read:
1159	672.106 Definitions: "contract"; "agreement"; "contract for
1160	<pre>sale"; "sale"; "present sale"; "conforming" to contract;</pre>

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595-03372-25 20251666c2 1161 "termination"; "cancellation-"; "hybrid transaction."-(1) In this chapter, unless the context clearly requires 1162 otherwise, the meaning of the terms requires "contract" and 1163 1164 "agreement" is are limited to those contracts and agreements 1165 relating to the present or future sale of goods. The term 1166 "contract for sale" includes both a present sale of goods and a 1167 contract to sell goods at a future time. A "sale" consists in the passing of title from the seller to the buyer for a price 1168 (s. 672.401). A "present sale" means a sale which is 1169 1170 accomplished by the making of the contract. 1171 (2) Goods or conduct including any part of a performance 1172 are "conforming" or conform to the contract when they are in 1173 accordance with the obligations under the contract. 1174 (3) "Termination" occurs when either party pursuant to a 1175 power created by agreement or law puts an end to the contract 1176 otherwise than for its breach. Upon On termination, all 1177 obligations that which are still executory on both sides are 1178 discharged but any right based on prior breach or performance 1179 survives. 1180 (4) "Cancellation" occurs when either party puts an end to 1181 the contract for breach by the other and its effect is the same 1182 as that of "termination" except that the canceling party also 1183 retains any remedy for breach of the whole contract or any unperformed balance. 1184 1185 (5) The term "hybrid transaction" means a single 1186 transaction involving a sale of goods and any of the following: 1187 (a) The provision of services. 1188 (b) A lease of other goods. 1189 (c) A sale, lease, or license of property other than goods.

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595-03372-25 20251666c2 1190 Section 40. Subsections (1) and (2) of section 672.201, 1191 Florida Statutes, are amended to read: 1192 672.201 Formal requirements; statute of frauds.-Except as otherwise provided in this section a contract 1193 (1) 1194 for the sale of goods for the price of \$500 or more is not 1195 enforceable by way of action or defense unless there is a record 1196 some writing sufficient to indicate that a contract for sale has 1197 been made between the parties and signed by the party against whom enforcement is sought or by the party's his or her 1198 1199 authorized agent or broker. A record writing is not insufficient 1200 because it omits or incorrectly states a term agreed upon but 1201 the contract is not enforceable under this subsection paragraph 1202 beyond the quantity of goods shown in the record such writing. 1203 (2) Between merchants if within a reasonable time a record 1204 writing in confirmation of the contract and sufficient against 1205 the sender is received and the party receiving it has reason to 1206 know its contents, it satisfies the requirements of subsection 1207 (1) against the such party unless written notice in a record of 1208 objection to its contents is given within 10 days after it is 1209 received. Section 41. Section 672.202, Florida Statutes, is amended 1210 1211 to read: 1212 672.202 Final written expression; parol or extrinsic evidence.-Terms with respect to which the confirmatory memoranda 1213 1214 of the parties agree or which are otherwise set forth in a 1215 record writing intended by the parties as a final expression of 1216 their agreement with respect to such terms as are included 1217 therein may not be contradicted by evidence of any prior agreement or of a contemporaneous oral agreement but may be 1218

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595-03372-25 20251666c2 1219 explained or supplemented: 1220 (1) By course of dealing or usage of trade (s. 671.205) or 1221 by course of performance (s. 672.208); and (2) By evidence of consistent additional terms unless the 1222 1223 court finds the record writing to have been intended also as a 1224 complete and exclusive statement of the terms of the agreement. 1225 Section 42. Section 672.203, Florida Statutes, is amended 1226 to read: 1227 672.203 Seals inoperative.-The affixing of a seal to a 1228 record writing evidencing a contract for sale or an offer to buy 1229 or sell goods does not constitute a record the writing a sealed 1230 instrument and the law with respect to sealed instruments does 1231 not apply to such a contract or offer. 1232 Section 43. Section 672.205, Florida Statutes, is amended to read: 1233 1234 672.205 Firm offers.-An offer by a merchant to buy or sell 1235 goods in a signed record writing which by its terms gives 1236 assurance that it will be held open is not revocable, for lack 1237 of consideration, during the time stated or if no time is stated 1238 for a reasonable time, but in no event may such period of 1239 irrevocability exceed 3 months; but any such term of assurance 1240 on a form supplied by the offeree must be separately signed by 1241 the offeror. 1242 Section 44. Subsection (2) of section 672.209, Florida 1243 Statutes, is amended to read: 1244 672.209 Modification, rescission, and waiver.-1245 (2) A signed agreement which excludes modification or 1246 rescission except by a signed writing or other signed record

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cannot be otherwise modified or rescinded, but except as between

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1248	merchants such a requirement on a form supplied by the merchant
1249	must be separately signed by the other party.
1250	Section 45. Part VIII of chapter 672, Florida Statutes,
1251	consisting of s. 672.801, Florida Statutes, is created and
1252	entitled "Transitional Provisions."
1253	Section 46. Section 672.801, Florida Statutes, is created
1254	to read:
1255	672.801 Saving clauseExcept as provided in ss. 669.501-
1256	669.706, a transaction validly entered into before July 1, 2025,
1257	and the rights, duties, and interests flowing from such
1258	transaction remain valid thereafter and may be terminated,
1259	completed, consummated, or enforced as required or permitted by
1260	law other than the Uniform Commercial Code or, if applicable, by
1261	the Uniform Commercial Code as though this act had not taken
1262	effect.
1263	Section 47. Subsection (1) of section 673.1041, Florida
1264	Statutes, is amended to read:
1265	673.1041 Negotiable instrument
1266	(1) Except as provided in subsections (3), (4), and (11),
1267	the term "negotiable instrument" means an unconditional promise
1268	or order to pay a fixed amount of money, with or without
1269	interest or other charges described in the promise or order, if
1270	it:
1271	(a) Is payable to bearer or to order at the time it is
1272	issued or first comes into possession of a holder;
1273	(b) Is payable on demand or at a definite time; and
1274	(c) Does not state any other undertaking or instruction by
1275	the person promising or ordering payment to do any act in
1276	addition to the payment of money, but the promise or order may
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1277	contain:
1278	1. An undertaking or power to give, maintain, or protect
1279	collateral to secure payment;
1280	2. An authorization or power to the holder to confess
1281	judgment or realize on or dispose of collateral; or
1282	3. A waiver of the benefit of any law intended for the
1283	advantage or protection of an obligor <u>;</u>
1284	4. A term that specifies the law that governs the promise
1285	or order; or
1286	5. An undertaking to resolve, in a specified forum, a
1287	dispute concerning the promise or order.
1288	Section 48. Subsection (1) of section 673.1051, Florida
1289	Statutes, is amended to read:
1290	673.1051 Issue of instrument
1291	(1) The term "issue" means <u>:</u>
1292	(a) The first delivery of an instrument by the maker or
1293	drawer, whether to a holder or nonholder, for the purpose of
1294	giving rights on the instrument to any person <u>; or</u>
1295	(b) If agreed to by the payee, the first transmission by
1296	the drawer to the payee of an image of an item and information
1297	derived from the item which enables the depositary bank to
1298	collect the item under federal law by transferring or presenting
1299	an electronic check.
1300	Section 49. Section 673.4011, Florida Statutes, is amended
1301	to read:
1302	673.4011 Signature
1303	(1) A person is not liable on an instrument unless \div
1304	(a) the person signed the instrument $ au$ or
1305	(b) the person is represented by an agent or representative
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1306	who signed the instrument, and the signature is binding on the
1307	represented person under s. 673.4021.
1308	(2) A signature may be made:
1309	(a) Manually or by means of a device or machine; and
1310	(b) By the use of any name, including a trade or assumed
1311	name, or by a word, mark, or symbol executed or adopted by a
1312	person with present intention to authenticate a writing.
1313	Section 50. Subsection (1) of section 673.6041, Florida
1314	Statutes, is amended to read:
1315	673.6041 Discharge by cancellation or renunciation
1316	(1) A person entitled to enforce an instrument, with or
1317	without consideration, may discharge the obligation of a party
1318	to pay the instrument:
1319	(a) By an intentional voluntary act, such as:
1320	1. Surrender of the instrument to the party;
1321	2. Destruction, mutilation, or cancellation of the
1322	instrument;
1323	3. Cancellation or striking out of the party's signature;
1324	or
1325	4. Addition of words to the instrument indicating
1326	discharge; or
1327	(b) By agreeing not to sue or otherwise renouncing rights
1328	against the party by a signed writing.
1329	
1330	The obligation of a party to pay a check is not discharged
1331	solely by destruction of the check in connection with a process
1332	that involves the extraction of information from the check and
1333	an image of the check is made and, subsequently, the information
1334	and image are transmitted for payment.

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1335	Section 51. Part VII of chapter 673, Florida Statutes,
1336	consisting of s. 673.702, Florida Statutes, is created and
1337	entitled "Transitional Provisions."
1338	Section 52. Section 673.702, Florida Statutes, is created
1339	to read:
1340	673.702 Savings clauseExcept as provided in ss. 669.501-
1341	669.706, a transaction validly entered into before July 1, 2025,
1342	and the rights, duties, and interests flowing from such
1343	transaction remain valid thereafter and may be terminated,
1344	completed, consummated, or enforced as required or permitted by
1345	law other than the Uniform Commercial Code or, if applicable, by
1346	the Uniform Commercial Code as though this act had not taken
1347	effect.
1348	Section 53. Section 675.104, Florida Statutes, is amended
1349	to read:
1350	675.104 Formal requirements.—A letter of credit,
1351	confirmation, advice, transfer, amendment, or cancellation may
1352	be issued in any form that is a <u>signed</u> record and is
1353	authenticated by a signature or in accordance with the agreement
1354	of the parties or the standard practice referred to in s.
1355	675.108(5) .
1356	Section 54. Section 675.116, Florida Statutes, is amended
1357	to read:
1358	675.116 Choice of law and forum
1359	(1) The liability of an issuer, nominated person, or
1360	adviser for action or omission is governed by the law of the
1361	jurisdiction chosen by an agreement in the form of a record
1362	signed or otherwise authenticated by the affected parties in the
1363	manner provided in s. 675.104 or by a provision in the person's
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595-03372-25 20251666c2 1364 letter of credit, confirmation, or other undertaking. The 1365 jurisdiction whose law is chosen need not bear any relation to 1366 the transaction. 1367 (2) Unless subsection (1) applies, the liability of an 1368 issuer, nominated person, or adviser for action or omission is 1369 governed by the law of the jurisdiction in which the person is 1370 located. The person is considered to be located at the address 1371 indicated in the person's undertaking. If more than one address 1372 is indicated, the person is considered to be located at the 1373 address from which the person's undertaking was issued. 1374 (a) For the purpose of jurisdiction, choice of law, and 1375 recognition of interbranch letters of credit, but not enforcement of a judgment, all branches of a bank are considered 1376 1377 separate juridical entities and a bank is considered to be 1378 located at the place where its relevant branch is considered to 1379 be located under paragraph (b) this subsection. 1380 (b) A bank branch is considered to be located at the 1381 address indicated in the branch's undertaking. If more than one 1382 address is indicated, the branch is considered to be located at 1383 the address from which the undertaking was issued. 1384 (c) (3) Except as otherwise provided in this paragraph 1385 subsection, the liability of an issuer, nominated person, or 1386 adviser is governed by any rules of custom or practice, such as 1387 the Uniform Customs and Practice for Documentary Credits, to which the letter of credit, confirmation, or other undertaking 1388

is expressly made subject. If this chapter governs the liability of an issuer, nominated person, or adviser under subsection (1) or <u>this</u> subsection (2), the relevant undertaking incorporates rules of custom or practice, and there is conflict between this

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1393	chapter and such rules as applied to that undertaking, such
1394	rules govern except to the extent of any conflict with the
1395	nonvariable provisions specified in s. 675.102(3).
1396	(3)(4) This chapter governs to the extent of any conflict
1397	between this chapter and chapter 670, chapter 673, chapter 674,
1398	or chapter 679.
1399	(4) (5) The forum for settling disputes arising out of an
1400	undertaking within this chapter may be chosen in the manner and
1401	with the binding effect that governing law may be chosen in
1402	accordance with subsection (1).
1403	Section 55. Section 675.119, Florida Statutes, is created
1404	to read:
1405	675.119 Saving clauseExcept as provided in ss. 669.501-
1406	669.706, a transaction validly entered into before July 1, 2025,
1407	and the rights, duties, and interests flowing from such
1408	transaction remain valid thereafter and may be terminated,
1409	completed, consummated, or enforced as required or permitted by
1410	law other than the Uniform Commercial Code or, if applicable, by
1411	the Uniform Commercial Code as though this act had not taken
1412	effect.
1413	Section 56. Paragraphs (j) and (l) of subsection (1) of
1414	section 677.102, Florida Statutes, are amended to read:
1415	677.102 Definitions and index of definitions
1416	(1) In this chapter, unless the context otherwise requires:
1417	(j) "Record" means information that is inscribed on a
1418	tangible medium or that is stored in an electronic or other
1419	medium and is retrievable in perceivable form.
1420	(1) "Sign" means, with present intent to authenticate or
1421	adopt a record:

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595-03372-25 20251666c2 1422 1. To execute or adopt a tangible symbol; or 1423 2. To attach to or logically associate with the record an electronic sound, symbol, or process. 1424 1425 Section 57. Subsection (2) of section 677.106, Florida 1426 Statutes, is amended, and subsections (3) through (9) are added 1427 to that section, to read: 1428 677.106 Control of electronic document of title.-1429 (2) A system satisfies subsection (1), and a person has $\frac{1}{100}$ deemed to have control of an electronic document of title, if 1430 the document is created, stored, and transferred assigned in a 1431 1432 manner that: 1433 (a) A single authoritative copy of the document exists 1434 which is unique, identifiable, and, except as otherwise provided 1435 in paragraphs (d), (e), and (f), unalterable; 1436 (b) The authoritative copy identifies the person asserting 1437 control as: 1438 1. The person to which the document was issued; or 1439 2. If the authoritative copy indicates that the document 1440 has been transferred, the person to which the document was most 1441 recently transferred; (c) The authoritative copy is communicated to and 1442 1443 maintained by the person asserting control or its designated 1444 custodian; 1445 (d) Copies or amendments that add or change an identified 1446 transferee assignee of the authoritative copy can be made only with the consent of the person asserting control; 1447 1448 (e) Each copy of the authoritative copy and any copy of a 1449 copy is readily identifiable as a copy that is not the authoritative copy; and 1450

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1451	(f) Any amendment of the authoritative copy is readily
1452	identifiable as authorized or unauthorized.
1453	(3) A system satisfies subsection (1), and a person has
1454	control of an electronic document of title, if an authoritative
1455	electronic copy of the document, a record attached to or
1456	logically associated with the electronic copy, or a system in
1457	which the electronic copy is recorded:
1458	(a) Enables the person to readily identify each electronic
1459	copy as either an authoritative copy or a nonauthoritative copy;
1460	(b) Enables the person to readily identify itself in any
1461	way, including by name, identifying number, cryptographic key,
1462	office, or account number, as the person to which each
1463	authoritative electronic copy was issued or transferred; and
1464	(c) Gives the person exclusive power, subject to subsection
1465	(4), to:
1466	1. Prevent others from adding or changing the person to
1467	which each authoritative electronic copy has been issued or
1468	transferred; and
1469	2. Transfer control of each authoritative electronic copy.
1470	(4) Subject to subsection (5), a power is exclusive under
1471	subparagraphs (3)(c)1. and 2. even if:
1472	(a) The authoritative electronic copy, a record attached to
1473	or logically associated with the authoritative electronic copy,
1474	or a system in which the authoritative electronic copy is
1475	recorded limits the use of the document of title or has a
1476	protocol that is programmed to cause a change, including a
1477	transfer or loss of control; or
1478	(b) The power is shared with another person.
1479	(5) A power of a person is not shared with another person

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1480	under paragraph (4)(b) and the person's power is not exclusive
1481	<u>if:</u>
1482	(a) The person can exercise the power only if the power
1483	also is exercised by the other person; and
1484	(b) The other person:
1485	1. Can exercise the power without exercise of the power by
1486	the person; or
1487	2. Is the transferor to the person of an interest in the
1488	document of title.
1489	(6) If a person has the powers specified in subparagraphs
1490	(3)(c)1. and 2., the powers are presumed to be exclusive.
1491	(7) A person has control of an electronic document of title
1492	if another person, other than the transferor to the person of an
1493	interest in the document:
1494	(a) Has control of the document and acknowledges that it
1495	has control on behalf of the person; or
1496	(b) Obtains control of the document after having
1497	acknowledged that it will obtain control of the document on
1498	behalf of the person.
1499	(8) A person that has control as provided under this
1500	section is not required to acknowledge that it has control on
1501	behalf of another person.
1502	(9) If a person acknowledges that it has or will obtain
1503	control on behalf of another person, unless the person otherwise
1504	agrees or law other than this chapter or chapter 679 otherwise
1505	provides, the person does not owe any duty to the other person
1506	and is not required to confirm the acknowledgment to any other
1507	person.
1508	Section 58. Part VII of chapter 677, Florida Statutes,

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1509	consisting of s. 677.701, Florida Statutes, is created and
1510	entitled "Transitional Provisions."
1511	Section 59. Section 677.701, Florida Statutes, is created
1512	to read:
1513	677.701 Saving clauseExcept as provided in ss. 669.501-
1514	669.706, a transaction validly entered into before July 1, 2025,
1515	and the rights, duties, and interests flowing from such
1516	transaction remain valid thereafter and may be terminated,
1517	completed, consummated, or enforced as required or permitted by
1518	law other than the Uniform Commercial Code or, if applicable, by
1519	the Uniform Commercial Code as though this act had not have
1520	taken effect.
1521	Section 60. Paragraph (f) of subsection (1) and subsection
1522	(2) of section 678.1021, Florida Statutes, are amended, and
1523	paragraph (i) of subsection (1) of that section is republished,
1524	to read:
1525	678.1021 Definitions
1526	(1) In this chapter:
1527	(f) "Communicate" means to:
1528	1. Send a signed <u>record</u> writing ; or
1529	2. Transmit information by any mechanism agreed upon by the
1530	persons transmitting and receiving the information.
1531	(i) "Financial asset," except as otherwise provided in s.
1532	678.1031, means:
1533	1. A security;
1534	2. An obligation of a person or a share, participation, or
1535	other interest in a person or in property or an enterprise of a
1536	person, which is, or is of a type, dealt in or traded on
1537	financial markets, or which is recognized in any area in which

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1540	
1541	intermediary has expressly agreed with the other person that the
1542	property is to be treated as a financial asset under this
1543	chapter. As context requires, the term means either the interest
1544	itself or the means by which a person's claim to it is
1545	evidenced, including a certificated or uncertificated security,
1546	a security certificate, or a security entitlement.
1547	(2) <u>The following</u> Other definitions <u>in</u> applying to this
1548	chapter and <u>other chapters apply to this section</u> the sections in
1549	which they appear are:
1550	"Appropriate person," s. 678.1071.
1551	"Control," s. 678.1061.
1552	"Controllable account," s. 679.1021.
1553	"Controllable electronic record," s. 669.102.
1554	"Controllable payment intangible," s. 679.1021.
1555	"Delivery," s. 678.3011.
1556	"Investment company security," s. 678.1031(2).
1557	"Issuer," s. 678.2011.
1558	"Overissue," s. 678.2101.
1559	"Protected purchaser," s. 678.3031.
1560	"Securities account," s. 678.5011.
1561	Section 61. Subsection (6) of section 678.1031, Florida
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	Statutes, is amended, and subsection (8) is added to that
1562	Statutes, is amended, and subsection (8) is added to that section, to read:
1562 1563	Statutes, is amended, and subsection (8) is added to that section, to read: 678.1031 Rules for determining whether certain obligations
1562 1563 1564	Statutes, is amended, and subsection (8) is added to that section, to read: 678.1031 Rules for determining whether certain obligations

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1567	679.1021(1)(o) , is not a security or a financial asset.
1568	(8) A controllable account, controllable electronic record,
1569	or controllable payment intangible is not a financial asset
1570	unless s. 678.1021(1)(i) applies.
1571	Section 62. Subsection (4) of section 678.1061, Florida
1572	Statutes, is amended, and subsections (8) and (9) are added to
1573	that section, to read:
1574	678.1061 Control
1575	(4) A purchaser has "control" of a security entitlement if:
1576	(a) The purchaser becomes the entitlement holder;
1577	(b) The securities intermediary has agreed that it will
1578	comply with entitlement orders originated by the purchaser
1579	without further consent by the entitlement holder; or
1580	(c) Another person, other than the transferor to the
1581	purchaser of an interest in the security entitlement:
1582	1. Has control of the security entitlement and acknowledges
1583	that it has control on behalf of the purchaser; or
1584	2. Obtains control of the security entitlement after having
1585	acknowledged that it will obtain control of the security
1586	entitlement on behalf of the purchaser has control of the
1587	security entitlement on behalf of the purchaser or, having
1588	previously acquired control of the security entitlement,
1589	acknowledges that the person has control on behalf of the
1590	purchaser.
1591	(8) A person that has control under this section is not
1592	required to acknowledge that it has control on behalf of a
1593	purchaser.
1594	(9) If a person acknowledges that it has or will obtain
1595	control on behalf of a purchaser unless the person otherwise
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1596	agrees, or law other than this section or chapter 679 otherwise
1597	provides, the person does not owe any duty to the purchaser and
1598	is not required to confirm the acknowledgment to any other
1599	person.
1600	Section 63. Subsection (7) is added to section 678.1101,
1601	Florida Statutes, to read:
1602	678.1101 Applicability; choice of law
1603	(7) The local law of the issuer's jurisdiction or the
1604	securities intermediary's jurisdiction governs a matter or
1605	transaction specified in subsection (1) or subsection (2) even
1606	if the matter or transaction does not bear any relation to the
1607	jurisdiction.
1608	Section 64. Subsection (2) of section 678.3031, Florida
1609	Statutes, is amended to read:
1610	678.3031 Protected purchaser
1611	(2) In addition to acquiring the rights of a purchaser, A
1612	protected purchaser also acquires its interest in the security
1613	free of any adverse claim.
1614	Section 65. Part VI of chapter 678, Florida Statutes,
1615	consisting of s. 678.601, Florida Statutes, is created and
1616	entitled "Transitional Provisions."
1617	Section 66. Section 678.601, Florida Statutes, is created
1618	to read:
1619	678.601 Saving clauseExcept as provided in ss. 669.501-
1620	669.706, a transaction validly entered into before July 1, 2025,
1621	and the rights, duties, and interests flowing from such
1622	transaction remain valid thereafter and may be terminated,
1623	completed, consummated, or enforced as required or permitted by
1624	law other than the Uniform Commercial Code, or if applicable, by

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595-03372-25 20251666c2 1625 the Uniform Commercial Code as though this act had not taken 1626 effect. 1627 Section 67. Present paragraphs (h) through (aa), (bb) 1628 through (bbb), (ccc) through (uuu), and (www) through (bbbb) of 1629 subsection (1) of section 679.1021, Florida Statutes, are 1630 redesignated as paragraphs (i) through (bb), (ee) through (eee), 1631 (ggg) through (yyy), and (zzz) through (eeee), respectively, new 1632 paragraphs (h), (cc), (dd), and (fff) are added to that subsection, and paragraphs (b), (c), (d), and (g) and present 1633 1634 paragraphs (k), (ee), (pp), (uu), (iii), (nnn), (vvv), and (zzz) 1635 of subsection (1) and subsection (2) of that section are 1636 amended, to read: 679.1021 Definitions and index of definitions.-1637 1638 (1) In this chapter, the term: 1639 (b) "Account," except as used in "account for," "account statement," "account to," "commodity account" as used in 1640 paragraph (o), "customer account," "deposit account" as used in 1641 paragraph (ff), "on account of," and "statement of account," 1642 1643 means a right to payment of a monetary obligation, regardless of 1644 whether or not earned by performance, for property that has been 1645 or is to be sold, leased, licensed, assigned, or otherwise 1646 disposed of; for services rendered or to be rendered; for a 1647 policy of insurance issued or to be issued; for a secondary 1648 obligation incurred or to be incurred; for energy provided or to 1649 be provided; for the use or hire of a vessel under a charter or 1650 other contract; arising out of the use of a credit or charge 1651 card or information contained on or for use with the card; or as 1652 winnings in a lottery or other game of chance operated or 1653 sponsored by a state, governmental unit of a state, or person

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595-03372-25 20251666c2 1654 licensed or authorized to operate the game by a state or 1655 governmental unit of a state. The term includes controllable 1656 accounts and health-care-insurance receivables. The term does 1657 not include rights to payment evidenced by chattel paper or an 1658 instrument; commercial tort claims; deposit accounts; investment 1659 property; letter-of-credit rights or letters of credit; or 1660 rights to payment for money or funds advanced or sold, other 1661 than rights arising out of the use of a credit or charge card or 1662 information contained on or for use with the card; or rights to 1663 payment evidenced by an instrument. 1664 (c) "Account debtor" means a person obligated on an 1665 account, chattel paper, or general intangible. The term does not 1666 include persons obligated to pay a negotiable instrument, even 1667 if the negotiable instrument evidences constitutes part of 1668 chattel paper. 1669 (d) "Accounting," except as used in the term "accounting 1670 for, " means a record: 1671 Signed Authenticated by a secured party; 1. 1672 2. Indicating the aggregate unpaid secured obligations as 1673 of a date not more than 35 days earlier or 35 days later than 1674 the date of the record; and 1675 3. Identifying the components of the obligations in 1676 reasonable detail. 1677 (g) "Assignee," except as used in "assignee for benefit of creditors," means a person: 1678 1679 1. In whose favor a security interest that secures an 1680 obligation is created or provided for under a security 1681 agreement, regardless of whether the obligation is outstanding; 1682 or

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i	595-03372-25 20251666c2
1683	2. To which an account, chattel paper, payment intangible,
1684	or promissory note has been sold.
1685	
1686	The term includes a person to which a security interest has been
1687	transferred by a secured party.
1688	(h) "Assignor" means a person that:
1689	1. Under a security agreement creates or provides for a
1690	security interest that secures an obligation; or
1691	2. Sells an account, chattel paper, payment intangible, or
1692	promissory note.
1693	
1694	The term includes a secured party that has transferred a
1695	security interest to another person "Authenticate" means:
1696	1.—To sign; or
1697	2. With the present intent to adopt or accept a record, to
1698	attach to or logically associate with the record an electronic
1699	sound, symbol, or process.
1700	<u>(1)</u> "Chattel paper" means <u>:</u>
1701	1. A right to payment of a monetary obligation secured by
1702	specific goods, if the right to payment and security agreement
1703	are evidenced by a record; or
1704	2. A right to payment of a monetary obligation owed by a
1705	lessee under a lease agreement with respect to specific goods
1706	and a monetary obligation owed by the lessee in connection with
1707	the transaction giving rise to the lease, if:
1708	a. The right to payment and lease agreement are evidenced
1709	by a record; and
1710	b. The predominant purpose of the transaction giving rise
1711	to the lease was to give the lessee the right to possession and

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1712	use of the goods.
1713	
1714	The term does not include a right to payment arising out of a
1715	charter or other contract involving the use or hire of a vessel
1716	or a right to payment arising out of the use of a credit or
1717	charge card or information contained on or for use with the card
1718	a record or records that evidence both a monetary obligation and
1719	a security interest in specific goods, a security interest in
1720	specific goods and software used in the goods, a security
1721	interest in specific goods and license of software used in the
1722	goods, a lease of specific goods, or a lease of specific goods
1723	and license of software used in the goods. In this paragraph,
1724	"monetary obligation" means a monetary obligation secured by the
1725	goods or owed under a lease of the goods and includes a monetary
1726	obligation with respect to software used in the goods. The term
1727	does not include charters or other contracts involving the use
1728	or hire of a vessel or records that evidence a right to payment
1729	arising out of the use of a credit or charge card or information
1730	contained on or for use with the card. If a transaction is
1731	evidenced by records that include an instrument or series of
1732	instruments, the group of records taken together constitutes
1733	chattel paper.
1734	(cc) "Controllable account" means an account evidenced by a
1735	controllable electronic record that provides that the account
1736	debtor undertakes to pay the person that has control under s.
1737	669.105 of the controllable electronic record.
1738	(dd) "Controllable payment intangible" means a payment
1739	intangible evidenced by a controllable electronic record that
1740	provides that the account debtor undertakes to pay the person

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595-03372-25 20251666c2 1741 that has control under s. 669.105 of the controllable electronic 1742 record. (hh) (ce) "Electronic money" means money in an electronic 1743 1744 form chattel paper" means chattel paper evidenced by a record or 1745 records consisting of information stored in an electronic 1746 medium. 1747 (ss) (pp) "General intangible" means any personal property, 1748 including things in action, other than accounts, chattel paper, 1749 commercial tort claims, deposit accounts, documents, goods, 1750 instruments, investment property, letter-of-credit rights, 1751 letters of credit, money, and oil, gas, or other minerals before 1752 extraction. The term includes controllable electronic records, 1753 payment intangibles, and software. 1754 (xx) (uu) "Instrument" means a negotiable instrument or any 1755 other writing that evidences a right to the payment of a 1756 monetary obligation, is not itself a security agreement or 1757 lease, and is of a type that in the ordinary course of business 1758 is transferred by delivery with any necessary indorsement or 1759 assignment. The term does not include investment property, 1760 letters of credit, or writings that evidence a right to payment 1761 arising out of the use of a credit or charge card or information 1762 contained on or for use with the card, or writings that evidence 1763 chattel paper. 1764 (fff) "Money" has the same meaning as in s. 671.201. The 1765 term does not include a deposit account, a central bank digital 1766 currency, or money in an electronic form that cannot be 1767 subjected to control under s. 679.1052. (mmm) (iii) "Payment intangible" means a general intangible 1768 1769 under which the account debtor's principal obligation is a

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1770
      monetary obligation. The term includes a controllable payment
1771
      intangible.
1772
           (rrr) (nnn) "Proposal" means a record signed authenticated
1773
      by a secured party which includes the terms on which the secured
1774
      party is willing to accept collateral in full or partial
1775
      satisfaction of the obligation it secures pursuant to ss.
1776
      679.620, 679.621, and 679.622.
1777
           (vvv) "Send," in connection with a record or notification,
1778
      means:
1779
           1. To deposit in the mail, deliver for transmission, or
1780
      transmit by any other usual means of communication, with postage
1781
      or cost of transmission provided for, addressed to any address
1782
      reasonable under the circumstances; or
           2. To cause the record or notification to be received
1783
1784
      within the time that it would have been received if properly
1785
      sent under subparagraph 1.
1786
           (cccc) (zzz) "Tangible money chattel paper" means money in
1787
      tangible form chattel paper evidenced by a record or records
1788
      consisting of information that is inscribed on a tangible
1789
      medium.
1790
            (2) The following definitions in other chapters apply to
1791
      this chapter:
1792
           "Applicant," s. 675.103.
           "Beneficiary," s. 675.103.
1793
           "Broker," s. 678.1021.
1794
1795
           "Certificated security," s. 678.1021.
1796
           "Check," s. 673.1041.
1797
           "Clearing corporation," s. 678.1021.
1798
           "Contract for sale," s. 672.106.
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1799	"Control," s. 677.106.
1800	"Controllable electronic record," s. 669.102.
1801	"Customer," s. 674.104.
1802	"Entitlement holder," s. 678.1021.
1803	"Financial asset," s. 678.1021.
1804	"Holder in due course," s. 673.3021.
1805	"Issuer" (with respect to a letter of credit
1806	or letter-of-credit right), s. 675.103.
1807	"Issuer" (with respect to a security), s. 678.2011.
1808	"Issuer" (with respect to documents
1809	of title), s. 677.102.
1810	"Lease," s. 680.1031.
1811	"Lease agreement," s. 680.1031.
1812	"Lease contract," s. 680.1031.
1813	"Leasehold interest," s. 680.1031.
1814	"Lessee," s. 680.1031.
1815	"Lessee in ordinary course of
1816	business," s. 680.1031.
1817	"Lessor," s. 680.1031.
1818	"Lessor's residual interest," s. 680.1031.
1819	"Letter of credit," s. 675.103.
1820	"Merchant," s. 672.104.
1821	"Negotiable instrument," s. 673.1041.
1822	"Nominated person," s. 675.103.
1823	"Note," s. 673.1041.
1824	"Proceeds of a letter of credit," s. 675.114.
1825	"Protected purchaser," s. 678.3031.
1826	"Prove," s. 673.1031.
1827	"Qualifying purchaser," s. 669.102.
I	

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1828	"Sale," s. 672.106.
1829	"Securities account," s. 678.5011.
1830	"Securities intermediary," s. 678.1021.
1831	"Security," s. 678.1021.
1832	"Security certificate," s. 678.1021.
1833	"Security entitlement," s. 678.1021.
1834	"Uncertificated security," s. 678.1021.
1835	Section 68. Subsection (1) of section 679.1041, Florida
1836	Statutes, is amended to read:
1837	679.1041 Control of deposit account
1838	(1) A secured party has control of a deposit account if <u>any</u>
1839	of the following applies:
1840	(a) The secured party is the bank with which the deposit
1841	account is maintained.+
1842	(b) The debtor, secured party, and bank have agreed in \underline{a}
1843	signed an authenticated record that the bank will comply with
1844	instructions originated by the secured party directing
1845	disposition of the funds in the deposit account without further
1846	consent by the debtor .; or
1847	(c) The secured party becomes the bank's customer with
1848	respect to the deposit account.
1849	(d) Another person, other than the debtor:
1850	1. Has control of the deposit account and acknowledges that
1851	it has control on behalf of the secured party; or
1852	2. Obtains control of the deposit account after having
1853	acknowledged that it will obtain control of the deposit account
1854	on behalf of the secured party.
1855	Section 69. Section 679.1051, Florida Statutes, is amended
1856	to read:
I	

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1857	679.1051 Control of electronic chattel paper
1858	(1) <u>A purchaser has control of an authoritative electronic</u>
1859	copy of a record evidencing chattel paper if a system employed
1860	for evidencing the assignment of interests in the chattel paper
1861	reliably establishes the purchaser as the person to which the
1862	authoritative electronic copy was assigned.
1863	(2) A system satisfies subsection (1) if the record or
1864	records evidencing the chattel paper are created, stored, and
1865	assigned in a manner that:
1866	(a) A single authoritative copy of the record or records
1867	exists which is unique, identifiable, and, except as otherwise
1868	provided in paragraphs (d), (e), and (f), unalterable;
1869	(b) The authoritative copy identifies the purchaser as the
1870	assignee of the record or records;
1871	(c) The authoritative copy is communicated to and
1872	maintained by the purchaser or its designated custodian;
1873	(d) Copies or amendments that add or change an identified
1874	assignee of the authoritative copy can be made only with the
1875	consent of the purchaser;
1876	(e) Each copy of the authoritative copy and any copy of a
1877	copy is readily identifiable as a copy that is not the
1878	authoritative copy; and
1879	(f) Any amendment of the authoritative copy is readily
1880	identifiable as authorized or unauthorized.
1881	(3) A system satisfies subsection (1), and a purchaser has
1882	control of an authoritative electronic copy of a record
1883	evidencing chattel paper, if the electronic copy, a record
1884	attached to or logically associated with the electronic copy, or
1885	a system in which the electronic copy is recorded:

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1886	(a) Enables the purchaser to readily identify each
1887	electronic copy as either an authoritative copy or a
1888	nonauthoritative copy;
1889	(b) Enables the purchaser to readily identify itself in any
1890	way, including by name, identifying number, cryptographic key,
1891	office, or account number, as the assignee of the authoritative
1892	electronic copy; and
1893	(c) Gives the purchaser exclusive power, subject to
1894	subsection (4), to:
1895	1. Prevent others from adding or changing an identified
1896	assignee of the authoritative electronic copy; and
1897	2. Transfer control of the authoritative electronic copy.
1898	(4) Subject to subsection (5), a power is exclusive under
1899	subparagraphs (3)(c)1. and 2. even if:
1900	(a) The authoritative electronic copy, a record attached to
1901	or logically associated with the authoritative electronic copy,
1902	or a system in which the authoritative electronic copy is
1903	recorded limits the use of the authoritative electronic copy or
1904	has a protocol programmed to cause a change, including a
1905	transfer or loss of control; or
1906	(b) The power is shared with another person.
1907	(5) A power of a purchaser is not shared with another
1908	person as provided in paragraph (4)(b) and the purchaser's power
1909	is not exclusive if:
1910	(a) The purchaser can exercise the power only if the power
1911	also is exercised by the other person; and
1912	(b) The other person:
1913	1. Can exercise the power without exercise of the power by
1914	the purchaser; or

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1915	2. Is the transferor to the purchaser of an interest in the
1916	chattel paper.
1917	(6) If a purchaser has the powers specified in
1918	subparagraphs (3)(c)1. and 2., the powers are presumed to be
1919	exclusive.
1920	(7) A purchaser has control of an authoritative electronic
1921	copy of a record evidencing chattel paper if another person,
1922	other than the transferor to the purchaser of an interest in the
1923	chattel paper:
1924	(a) Has control of the authoritative electronic copy and
1925	acknowledges that it has control on behalf of the purchaser; or
1926	(b) Obtains control of the authoritative electronic copy
1927	after having acknowledged that it will obtain control of the
1928	electronic copy on behalf of the purchaser A secured party has
1929	control of electronic chattel paper if a system employed for
1930	evidencing the transfer of interests in the chattel paper
1931	reliably establishes the secured party as the person to which
1932	the chattel paper was assigned.
1933	(2) A system satisfies subsection (1), and a secured party
1934	has control of electronic chattel paper, if the record or
1935	records comprising the chattel paper are created, stored, and
1936	assigned in such a manner that:
1937	(a) A single authoritative copy of the record or records
1938	exists which is unique, identifiable and, except as otherwise
1939	provided in paragraphs (d), (e), and (f), unalterable;
1940	(b) The authoritative copy identifies the secured party as
1941	the assignee of the record or records;
1942	(c) The authoritative copy is communicated to and
1943	maintained by the secured party or its designated custodian;

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1944	(d) Copies or amendments that add or change an identified
1945	assignee of the authoritative copy can be made only with the
1946	consent of the secured party;
1947	(e) Each copy of the authoritative copy and any copy of a
1948	copy is readily identifiable as a copy that is not the
1949	authoritative copy; and
1950	(f) Any amendment of the authoritative copy is readily
1951	identifiable as authorized or unauthorized.
1952	Section 70. Section 679.1052, Florida Statutes, is created
1953	to read:
1954	679.1052 Control of electronic money
1955	(1) A person has control of electronic money if both of the
1956	following apply:
1957	(a) The electronic money, a record attached to or logically
1958	associated with the electronic money, or a system in which the
1959	electronic money is recorded gives the person:
1960	1. Power to avail itself of substantially all the benefit
1961	from the electronic money; and
1962	2. Exclusive power, subject to subsection (2), to:
1963	a. Prevent others from availing themselves of substantially
1964	all the benefit from the electronic money; and
1965	b. Transfer control of the electronic money to another
1966	person or cause another person to obtain control of other
1967	electronic money as a result of the transfer of the electronic
1968	money.
1969	(b) The electronic money, a record attached to or logically
1970	associated with the electronic money, or a system in which the
1971	electronic money is recorded enables the person readily to
1972	identify itself in any way, including by name, identifying

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1973	number, cryptographic key, office, or account number, as having
1974	the powers under paragraph (a).
1975	(2) Subject to subsection (3), a power is exclusive under
1976	sub-subparagraphs (1)(a)2.a. and b. even if:
1977	(a) The electronic money, a record attached to or logically
1978	associated with the electronic money, or a system in which the
1979	electronic money is recorded limits the use of the electronic
1980	money or has a protocol programmed to cause a change, including
1981	a transfer or loss of control; or
1982	(b) The power is shared with another person.
1983	(3) A power of a person is not shared with another person
1984	under paragraph (2)(b) and the person's power is not exclusive
1985	<u>if:</u>
1986	(a) The person can exercise the power only if the power
1987	also is exercised by the other person; and
1988	(b) The other person:
1989	1. Can exercise the power without exercise of the power by
1990	the person; or
1991	2. Is the transferor to the person of an interest in the
1992	electronic money.
1993	(4) If a person has the powers specified in sub-
1994	subparagraphs (1)(a)2.a. and b., the powers are presumed to be
1995	exclusive.
1996	(5) A person has control of electronic money if another
1997	person, other than the transferor to the person of an interest
1998	in the electronic money:
1999	(a) Has control of the electronic money and acknowledges
2000	that it has control on behalf of the person; or
2001	(b) Obtains control of the electronic money after having

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2002	acknowledged that it will obtain control of the electronic money
2003	on behalf of the person.
2004	Section 71. Section 679.1053, Florida Statutes, is created
2005	to read:
2006	679.1053 Control of controllable electronic record,
2007	controllable account, or controllable payment intangible
2008	(1) A secured party has control of a controllable
2009	electronic record as provided in s. 669.105.
2010	(2) A secured party has control of a controllable account
2011	or controllable payment intangible if the secured party has
2012	control of the controllable electronic record that evidences the
2013	controllable account or controllable payment intangible.
2014	Section 72. Section 679.1054, Florida Statutes, is created
2015	to read:
2016	679.1054 No requirement to acknowledge or confirm; no
2017	duties
2018	(1) A person that has control under s. 679.1051, s.
2019	679.1052, or s. 679.1053 is not required to acknowledge that it
2020	has control on behalf of another person.
2021	(2) If a person acknowledges that it has or will obtain
2022	control on behalf of another person, unless the person otherwise
2023	agrees, or law other than this chapter otherwise provides, the
2024	person does not owe any duty to the other person and is not
2025	required to confirm the acknowledgment to any other person.
2026	Section 73. Subsections (2) and (10) of section 679.2031,
2027	Florida Statutes, are amended to read:
2028	679.2031 Attachment and enforceability of security
2029	interest; proceeds; supporting obligations; formal requisites
2030	(2) Except as otherwise provided in subsections (3) through

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595-03372-25 20251666c2 2031 (10), a security interest is enforceable against the debtor and 2032 third parties with respect to the collateral only if: 2033 (a) Value has been given; 2034 The debtor has rights in the collateral or the power to (b) 2035 transfer rights in the collateral to a secured party; and 2036 (c) One of the following conditions is met: 2037 1. The debtor has signed authenticated a security agreement 2038 that provides a description of the collateral and, if the 2039 security interest covers timber to be cut, a description of the 2040 land concerned; 2041 2. The collateral is not a certificated security and is in 2042 the possession of the secured party under s. 679.3131 pursuant 2043 to the debtor's security agreement; 2044 3. The collateral is a certificated security in registered 2045 form and the security certificate has been delivered to the 2046 secured party under s. 678.3011 pursuant to the debtor's 2047 security agreement; or 2048 4. The collateral is controllable accounts, controllable 2049 electronic records, controllable payment intangibles, deposit 2050 accounts, electronic documents, electronic money chattel paper, 2051 investment property, or letter-of-credit rights, or electronic 2052 documents, and the secured party has control under s. 669.105, 2053 s. 677.106, s. 679.1041, s. 679.1051, s. 679.1061, or s. 2054 679.1071 pursuant to the debtor's security agreement; or 2055 5. The collateral is chattel paper and the secured party 2056 has possession and control under s. 679.3152 pursuant to the 2057 debtor's security agreement. 2058

2058 (10) A security interest in an account consisting of a2059 right to payment of a monetary obligation for the sale of real

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2088

595-03372-25 20251666c2 2060 property that is the debtor's homestead under the laws of this 2061 state is not enforceable unless: 2062 (a) The description of the account in the security 2063 agreement conspicuously states that the collateral includes the 2064 debtor's right to payment of a monetary obligation for the sale 2065 of real property; 2066 (b) The description of the account in the security 2067 agreement includes a legal description of the real property; 2068 (c) The description of the account in the security 2069 agreement conspicuously states that the real property is the 2070 debtor's homestead; and 2071 The security agreement is also signed authenticated by (d) 2072 the debtor's spouse, if the debtor is married; if the debtor's 2073 spouse is incompetent, then the method of signature 2074 authentication by the debtor's spouse is the same as provided by 2075 the laws of this state, other than this chapter, which apply to 2076 the alienation or encumbrance of homestead property by an 2077 incompetent person. 2078 Section 74. Present subsection (3) of section 679.2041, 2079 Florida Statutes, is redesignated as subsection (4), a new 2080 subsection (3) is added to that section, and subsection (2) of 2081 that section is amended, to read: 2082 679.2041 After-acquired property; future advances.-2083 (2) Subject to subsection (3), a security interest does not 2084 attach under a term constituting an after-acquired property 2085 clause to: 2086 (a) Consumer goods, other than an accession when given as 2087 additional security, unless the debtor acquires rights in them

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within 10 days after the secured party gives value; or
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2089	(b) A commercial tort claim.
2090	(3) Subsection (2) does not prevent a security interest
2091	from attaching:
2092	(a) To a consumer good as proceeds under s. 679.3151(1) or
2093	commingled goods under s. 679.336(3);
2094	(b) To a commercial tort claim as proceeds under s.
2095	679.3151(1); or
2096	(c) Under an after-acquired property clause to property
2097	that is proceeds of consumer goods or a commercial tort claim.
2098	Section 75. Subsection (3) of section 679.2071, Florida
2099	Statutes, is amended to read:
2100	679.2071 Rights and duties of secured party having
2101	possession or control of collateral
2102	(3) Except as otherwise provided in subsection (4), a
2103	secured party having possession of collateral or control of
2104	collateral under s. 677.106, s. 679.1041, s. 679.1051, <u>s.</u>
2105	<u>679.1052,</u> s. 679.1061, or s. 679.1071:
2106	(a) May hold as additional security any proceeds, except
2107	money or funds, received from the collateral;
2108	(b) Shall apply money or funds received from the collateral
2109	to reduce the secured obligation, unless remitted to the debtor;
2110	and
2111	(c) May create a security interest in the collateral.
2112	Section 76. Subsection (2) of section 679.2081, Florida
2113	Statutes, is amended to read:
2114	679.2081 Additional duties of secured party having control
2115	of collateral
2116	(2) Within 10 days after receiving <u>a signed</u> an
2117	authenticated demand by the debtor:
1	

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2118	(a) A secured party having control of a deposit account
2119	under s. 679.1041(1)(b) shall send to the bank with which the
2120	deposit account is maintained <u>a signed record</u> an authenticated
2121	statement that releases the bank from any further obligation to
2122	comply with instructions originated by the secured party;
2123	(b) A secured party having control of a deposit account
2124	under s. 679.1041(1)(c) shall:
2125	1. Pay the debtor the balance on deposit in the deposit
2126	account; or
2127	2. Transfer the balance on deposit into a deposit account
2128	in the debtor's name;
2129	(c) <u>A secured party</u> , other than a buyer, having control
2130	under s. 679.1051 of an authoritative electronic copy of a
2131	record evidencing chattel paper shall transfer control of the
2132	electronic copy to the debtor or a person designated by the
2133	debtor a secured party, other than a buyer, having control of
2134	electronic chattel paper under s. 679.1051 shall:
2135	1. Communicate the authoritative copy of the electronic
2136	chattel paper to the debtor or its designated custodian;
2137	2. If the debtor designates a custodian that is the
2138	designated custodian with which the authoritative copy of the
2139	${ m electronic}$ chattel paper is maintained for the secured party,
2140	communicate to the custodian an authenticated record releasing
2141	the designated custodian from any further obligation to comply
2142	with instructions originated by the secured party and
2143	instructing the custodian to comply with instructions originated
2144	by the debtor; and
2145	3. Take appropriate action to enable the debtor or the
2146	debtor's designated custodian to make copies of or revisions to

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2147 the authoritative copy which add or change an identified 2148 assignee of the authoritative copy without the consent of the 2149 secured party;

2150 (d) A secured party having control of investment property 2151 under s. 678.1061(4)(b) or s. 679.1061(2) shall send to the securities intermediary or commodity intermediary with which the 2152 2153 security entitlement or commodity contract is maintained a 2154 signed an authenticated record that releases the securities 2155 intermediary or commodity intermediary from any further 2156 obligation to comply with entitlement orders or directions 2157 originated by the secured party;

2158 (e) A secured party having control of a letter-of-credit 2159 right under s. 679.1071 shall send to each person having an 2160 unfulfilled obligation to pay or deliver proceeds of the letter 2161 of credit to the secured party a signed an authenticated release from any further obligation to pay or deliver proceeds of the 2162 2163 letter of credit to the secured party; and

(f) A secured party having control under s. 677.106 of an 2165 authoritative electronic copy of an electronic document of title shall transfer control of the electronic copy to the debtor or a person designated by the debtor;

(g) A secured party having control under s. 679.1052 of electronic money shall transfer control of the electronic money to the debtor or a person designated by the debtor; and

2171 (h) A secured party having control under s. 669.105 of a 2172 controllable electronic record, other than a buyer of a 2173 controllable account or controllable payment intangible 2174 evidenced by the controllable electronic record, shall transfer 2175 control of the controllable electronic record to the debtor or a

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595-03372-25 20251666c2 2176 person designated by the debtor of an electronic document shall: 2177 1. Give control of the electronic document to the debtor or 2178 its designated custodian; 2179 2. If the debtor designates a custodian that is the 2180 designated custodian with which the authoritative copy of the 2181 electronic document is maintained for the secured party, 2182 communicate to the custodian an authenticated record releasing the designated custodian from any further obligation to comply 2183 2184 with instructions originated by the secured party and instructing the custodian to comply with instructions originated 2185 2186 by the debtor; and 2187 3. Take appropriate action to enable the debtor or its 2188 designated custodian to make copies of or revisions to the authenticated copy which add or change an identified assignee of 2189 2190 the authoritative copy without the consent of the secured party. 2191 Section 77. Subsection (2) of section 679.209, Florida 2192 Statutes, is amended to read: 2193 679.209 Duties of secured party if account debtor has been 2194 notified of assignment.-2195 (2) Within 10 days after receiving a signed an 2196 authenticated demand by the debtor, a secured party shall send 2197 to an account debtor that has received notification under s. 669.106(2) or s. 679.4061(1) of an assignment to the secured 2198 2199 party as assignee a signed under s. 679.4061(1) an authenticated 2200 record that releases the account debtor from any further 2201 obligation to the secured party. 2202 Section 78. Section 679.210, Florida Statutes, is amended 2203 to read: 679.210 Request for accounting; request regarding list of 2204

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595-03372-25 20251666c2 2205 collateral or statement of account.-2206 (1)In this section, the term: 2207 (a) "Request" means a record of a type described in 2208 paragraph (b), paragraph (c), or paragraph (d). 2209 (b) "Request for an accounting" means a record signed 2210 authenticated by a debtor requesting that the recipient provide 2211 an accounting of the unpaid obligations secured by collateral 2212 and reasonably identifying the transaction or relationship that is the subject of the request. 2213 2214 (c) "Request regarding a list of collateral" means a record 2215 signed authenticated by a debtor requesting that the recipient 2216 approve or correct a list of what the debtor believes to be the 2217 collateral securing an obligation and reasonably identifying the 2218 transaction or relationship that is the subject of the request. 2219 (d) "Request regarding a statement of account" means a record signed authenticated by a debtor requesting that the 2220 2221 recipient approve or correct a statement indicating what the 2222 debtor believes to be the aggregate amount of unpaid obligations 2223 secured by collateral as of a specified date and reasonably 2224 identifying the transaction or relationship that is the subject 2225 of the request.

(e) "Reasonably identifying the transaction or relationship" means that the request provides information sufficient for the person to identify the transaction or relationship and respond to the request. Pursuant to s. 679.603(1), a secured party and debtor may determine by agreement the standards for measuring fulfillment of this duty.

2232 (f) "Person" means a person or entity that is or was a 2233 secured party or otherwise claims or has claimed an interest in

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595-03372-25 20251666c2 2234 the collateral. Subject to subsections $(3)-(6) \quad (3), \quad (4), \quad (5), \text{ and } (6),$ 2235 (2)2236 a secured party, other than a buyer of accounts, chattel paper, 2237 payment intangibles, or promissory notes or a consignor, shall 2238 comply with a request within 14 days after receipt: 2239 In the case of a request for an accounting, by signing (a) 2240 authenticating and sending to the debtor an accounting; and 2241 (b) In the case of a request regarding a list of collateral 2242 or a request regarding a statement of account, by signing 2243 authenticating and sending to the debtor an approval or 2244 correction. 2245 (3) A secured party that claims a security interest in all 2246 of a particular type of collateral owned by the debtor may 2247 comply with a request regarding a list of collateral by sending 2248 to the debtor a signed an authenticated record including a 2249 statement to that effect within 14 days after receipt. 2250 (4) A person who receives a request regarding a list of 2251 collateral, claims no interest in the collateral when the 2252 request is received, and claimed an interest in the collateral 2253 at an earlier time shall comply with the request within 14 days 2254 after receipt by sending to the debtor a signed an authenticated 2255 record: 2256 Disclaiming any interest in the collateral; and (a) 2257 (b) If known to the recipient, providing the name and

2258 mailing address of any assignee of or successor to the 2259 recipient's interest in the collateral.

(5) A person who receives a request for an accounting or a request regarding a statement of account, claims no interest in the obligations when the request is received, and claimed an

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595-03372-25 20251666c2 2263 interest in the obligations at an earlier time shall comply with 2264 the request within 14 days after receipt by sending to the 2265 debtor a signed an authenticated record: 2266 Disclaiming any interest in the obligations; and (a) 2267 (b) If known to the recipient, providing the name and 2268 mailing address of any assignee of or successor to the 2269 recipient's interest in the obligations. 2270 (6) A debtor is entitled under this section without charge 2271 to one response to a request for an accounting or a request 2272 regarding a statement of account for each secured obligation 2273 during any 6-month period. A debtor in a consumer transaction is 2274 entitled to a single response to a request regarding a list of 2275 collateral without charge during any 6-month period. The secured 2276 party may require payment of a charge not exceeding \$25 for each 2277 additional response to a request for an accounting, a request 2278 regarding a statement of account, or a request regarding a list 2279 of collateral for a consumer transaction. To the extent provided 2280 in a signed an authenticated record, the secured party may 2281 require the payment of reasonable expenses, including attorney's 2282 fees, reasonably incurred in providing a response to a request 2283 regarding a list of collateral for a transaction other than a consumer transaction under this section; otherwise, the secured 2284 2285 party may not charge more than \$25 for each request regarding a 2286 list of collateral. Excluding a request related to a proposed 2287 satisfaction of the secured obligation, a secured party is not 2288 required to respond to more than 12 of each of the permitted 2289 requests in any 12-month period. 2290

2290 Section 79. Section 679.3011, Florida Statutes, is amended 2291 to read:

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595-03372-25 20251666c2 2292 679.3011 Law governing perfection and priority of security 2293 interests.-Except as otherwise provided in ss. 679.1091, 2294 679.3031, 679.3041, 679.3051, and 679.3061, and 679.3062, the 2295 following rules determine the law governing perfection, the 2296 effect of perfection or nonperfection, and the priority of a 2297 security interest in collateral: 2298 (1) Except as otherwise provided in this section, while a 2299 debtor is located in a jurisdiction, the local law of that jurisdiction governs perfection, the effect of perfection or 2300 2301 nonperfection, and the priority of a security interest in 2302 collateral. 2303 (2) While collateral is located in a jurisdiction, the 2304 local law of that jurisdiction governs perfection, the effect of 2305 perfection or nonperfection, and the priority of a possessory 2306 security interest in that collateral. 2307 (3) Except as otherwise provided in subsections (4) and 2308 (5), while tangible negotiable documents, goods, instruments, or 2309 tangible money, or tangible chattel paper is located in a 2310 jurisdiction, the local law of that jurisdiction governs: 2311 (a) Perfection of a security interest in the goods by 2312 filing a fixture filing; 2313 (b) Perfection of a security interest in timber to be cut; 2314 and 2315 (C) The effect of perfection or nonperfection and the 2316 priority of a nonpossessory security interest in the collateral. 2317 (4) The local law of the jurisdiction in which the wellhead or minehead is located governs perfection, the effect of 2318 2319 perfection or nonperfection, and the priority of a security 2320 interest in as-extracted collateral.

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595-03372-25 20251666c2 2321 (5) The law of this state governs: 2322 (a) The perfection of a security interest in goods that are 2323 or are to become fixtures in this state by the filing of a 2324 fixture filing. 2325 The effect of perfection or nonperfection and the (b) 2326 priority of a security interest in goods that are or are to 2327 become fixtures in this state. 2328 Section 80. Subsection (1) of section 679.3041, Florida 2329 Statutes, is amended to read: 2330 679.3041 Law governing perfection and priority of security 2331 interests in deposit accounts.-2332 (1) The local law of a bank's jurisdiction governs 2333 perfection, the effect of perfection or nonperfection, and the 2334 priority of a security interest in a deposit account maintained 2335 with that bank even if the transaction does not bear any 2336 relation to the bank's jurisdiction. 2337 Section 81. Paragraph (e) is added to subsection (1) of 2338 section 679.3051, Florida Statutes, to read: 2339 679.3051 Law governing perfection and priority of security 2340 interests in investment property.-2341 (1) Except as otherwise provided in subsection (3), the 2342 following rules apply: 2343 (e) Paragraphs (b), (c), and (d) apply even if the 2344 transaction does not bear any relation to the jurisdiction. 2345 Section 82. Section 679.3062, Florida Statutes, is created 2346 to read: 2347 679.3062 Law governing perfection and priority of security 2348 interests in chattel paper.-2349 (1) Except as provided in subsection (4), if chattel paper

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2350	is evidenced only by an authoritative electronic copy of the
2351	chattel paper or is evidenced by an authoritative electronic
2352	copy and an authoritative tangible copy, the local law of the
2353	chattel paper's jurisdiction governs perfection, the effect of
2354	perfection or nonperfection, and the priority of a security
2355	interest in the chattel paper, even if the transaction does not
2356	bear any relation to the chattel paper's jurisdiction.
2357	(2) The following rules determine the chattel paper's
2358	jurisdiction under this section:
2359	(a) If the authoritative electronic copy of the record
2360	evidencing chattel paper, or a record attached to or logically
2361	associated with the electronic copy and readily available for
2362	review, expressly provides that a particular jurisdiction is the
2363	chattel paper's jurisdiction for purposes of s. 679.3061, this
2364	chapter, or the Uniform Commercial Code, that jurisdiction is
2365	the chattel paper's jurisdiction.
2366	(b) If paragraph (a) does not apply and the rules of the
2367	system in which the authoritative electronic copy is recorded
2368	are readily available for review and expressly provide that a
2369	particular jurisdiction is the chattel paper's jurisdiction for
2370	purposes of s. 679.3061, this chapter, or the Uniform Commercial
2371	Code, that jurisdiction is the chattel paper's jurisdiction.
2372	(c) If paragraphs (a) and (b) do not apply and the
2373	authoritative electronic copy, or a record attached to or
2374	logically associated with the electronic copy and readily
2375	available for review, expressly provides that the chattel paper
2376	is governed by the law of a particular jurisdiction, that
2377	jurisdiction is the chattel paper's jurisdiction.
2378	(d) If paragraphs (a), (b), and (c) do not apply and the

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2379	rules of the system in which the authoritative electronic copy
2380	is recorded are readily available for review and expressly
2381	provide that the chattel paper or the system is governed by the
2382	law of a particular jurisdiction, that jurisdiction is the
2383	chattel paper's jurisdiction.
2384	(e) If paragraphs (a)-(d) do not apply, the chattel paper's
2385	jurisdiction is the jurisdiction in which the debtor is located.
2386	(3) If an authoritative tangible copy of a record evidences
2387	chattel paper and the chattel paper is not evidenced by an
2388	authoritative electronic copy, while the authoritative tangible
2389	copy of the record evidencing chattel paper is located in a
2390	jurisdiction, the local law of that jurisdiction governs:
2391	(a) Perfection of a security interest in the chattel paper
2392	by possession under s. 679.3152; and
2393	(b) The effect of perfection or nonperfection and the
2394	priority of a security interest in the chattel paper.
2395	(4) The local law of the jurisdiction in which the debtor
2396	is located governs perfection of a security interest in chattel
2397	paper by filing.
2398	Section 83. Section 679.3063, Florida Statutes, is created
2399	to read:
2400	679.3063 Law governing perfection and priority of security
2401	interests in controllable accounts, controllable electronic
2402	records, and controllable payment intangibles
2403	(1) Except as provided in subsection (2), the local law of
2404	the controllable electronic record's jurisdiction specified in
2405	s. 669.107(3) and (4) governs perfection, the effect of
2406	perfection or nonperfection, and the priority of a security
2407	interest in a controllable electronic record and a security

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2408	interest in a controllable account or controllable payment
2409	intangible evidenced by the controllable electronic record.
2410	(2) The local law of the jurisdiction in which the debtor
2411	is located governs:
2412	(a) Perfection of a security interest in a controllable
2413	account, controllable electronic record, or controllable payment
2414	intangible by filing; and
2415	(b) Automatic perfection of a security interest in a
2416	controllable payment intangible created by a sale of the
2417	controllable payment intangible.
2418	Section 84. Subsection (2) of section 679.3101, Florida
2419	Statutes, is amended, and subsection (1) of that section is
2420	republished, to read:
2421	679.3101 When filing required to perfect security interest
2422	or agricultural lien; security interests and agricultural liens
2423	to which filing provisions do not apply
2424	(1) Except as otherwise provided in subsection (2) and s.
2425	679.3121(2), a financing statement must be filed to perfect all
2426	security interests and agricultural liens.
2427	(2) The filing of a financing statement is not necessary to
2428	perfect a security interest:
2429	(a) That is perfected under s. 679.3081(4), (5), (6), or
2430	(7);
2431	(b) That is perfected under s. 679.3091 when it attaches;
2432	(c) In property subject to a statute, regulation, or treaty
2433	described in s. 679.3111(1);
2434	(d) In goods in possession of a bailee which is perfected
2435	under s. 679.3121(4)(a) or (b);
2436	(e) In certificated securities, documents, goods, or
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2437	instruments which is perfected without filing, control, or
2438	possession under s. 679.3121(5), (6), or (7);
2439	(f) In collateral in the secured party's possession under
2440	s. 679.3131;
2441	(g) In a certificated security which is perfected by
2442	delivery of the security certificate to the secured party under
2443	s. 679.3131;
2444	(h) In controllable accounts, controllable electronic
2445	records, controllable payment intangibles, deposit accounts,
2446	electronic chattel paper, electronic documents, investment
2447	property, or letter-of-credit rights which is perfected by
2448	control under <u>s. 679.3141(1)</u> s. 679.3141 ;
2449	(i) In proceeds which is perfected under s. 679.3151; or
2450	(j) That is perfected under s. 679.3161.
2451	Section 85. Section 679.3121, Florida Statutes, is amended
2452	to read:
2453	679.3121 Perfection of security interests in chattel paper,
2454	controllable accounts, controllable electronic records,
2455	controllable payment intangibles, deposit accounts, documents,
2456	goods covered by documents, instruments, investment property,
2457	letter-of-credit rights, and money; perfection by permissive
2458	filing; temporary perfection without filing or transfer of
2459	possession
2460	(1) A security interest in chattel paper, <u>controllable</u>
2461	accounts, controllable electronic records, controllable payment
2462	<u>intangibles</u> negotiable documents , instruments, or investment
2463	property, or negotiable documents may be perfected by filing.
2464	(2) Except as otherwise provided in s. 679.3151(3) and (4)
2465	for proceeds:

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2466	(a) A security interest in a deposit account may be
2467	perfected only by control under s. 679.3141.
2468	(b) And except as otherwise provided in s. 679.3081(4), a
2469	security interest in a letter-of-credit right may be perfected
2470	only by control under s. 679.3141.
2471	(c) A security interest in <u>tangible</u> money may be perfected
2472	only by the secured party's taking possession under s. 679.3131.
2473	(d) A security interest in electronic money may be
2474	perfected only by control under s. 679.3141.
2475	(3) While goods are in the possession of a bailee that has
2476	issued a negotiable document covering the goods:
2477	(a) A security interest in the goods may be perfected by
2478	perfecting a security interest in the document; and
2479	(b) A security interest perfected in the document has
2480	priority over any security interest that becomes perfected in
2481	the goods by another method during that time.
2482	(4) While goods are in the possession of a bailee that has
2483	issued a nonnegotiable document covering the goods, a security
2484	interest in the goods may be perfected by:
2485	(a) Issuance of a document in the name of the secured
2486	party;
2487	(b) The bailee's receipt of notification of the secured
2488	party's interest; or
2489	(c) Filing as to the goods.
2490	(5) A security interest in certificated securities,
2491	negotiable documents, or instruments is perfected without filing
2492	or the taking of possession or control for a period of 20 days
2493	from the time it attaches to the extent that it arises for new
2494	value given under <u>a signed</u> an authenticated security agreement.

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2495	(6) A perfected security interest in a negotiable document
2496	or goods in possession of a bailee, other than one that has
2497	issued a negotiable document for the goods, remains perfected
2498	for 20 days without filing if the secured party makes available
2499	to the debtor the goods or documents representing the goods for
2500	the purpose of:
2501	(a) Ultimate sale or exchange; or
2502	(b) Loading, unloading, storing, shipping, transshipping,
2503	manufacturing, processing, or otherwise dealing with them in a
2504	manner preliminary to their sale or exchange.
2505	(7) A perfected security interest in a certificated
2506	security or instrument remains perfected for 20 days without
2507	filing if the secured party delivers the security certificate or
2508	instrument to the debtor for the purpose of:
2509	(a) Ultimate sale or exchange; or
2510	(b) Presentation, collection, enforcement, renewal, or
2511	registration of transfer.
2512	(8) After the 20-day period specified in subsection (5),
2513	subsection (6), or subsection (7) expires, perfection depends
2514	upon compliance with this chapter.
2515	Section 86. Subsections (1), (3), and (4) of section
2516	679.3131, Florida Statutes, are amended to read:
2517	679.3131 When possession by or delivery to secured party
2518	perfects security interest without filing
2519	(1) Except as otherwise provided in subsection (2), a
2520	secured party may perfect a security interest in tangible
2521	negotiable documents, goods, instruments, negotiable tangible
2522	documents, or tangible money , or tangible chattel paper by
2523	taking possession of the collateral. A secured party may perfect

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595-03372-25 20251666c2 2524 a security interest in certificated securities by taking 2525 delivery of the certificated securities under s. 678.3011. 2526 (3) With respect to collateral other than certificated 2527 securities and goods covered by a document, a secured party 2528 takes possession of collateral in the possession of a person 2529 other than the debtor, the secured party, or a lessee of the 2530 collateral from the debtor in the ordinary course of the 2531 debtor's business, when: 2532 (a) The person in possession signs authenticates a record 2533 acknowledging that it holds possession of the collateral for the 2534 secured party's benefit; or 2535 (b) The person takes possession of the collateral after 2536 having signed authenticated a record acknowledging that the 2537 person will hold possession of the collateral for the secured 2538 party's benefit. 2539 (4) If perfection of a security interest depends upon 2540 possession of the collateral by a secured party, perfection 2541 occurs not no earlier than the time the secured party takes 2542 possession and continues only while the secured party retains 2543 possession. 2544 Section 87. Section 679.3141, Florida Statutes, is amended 2545 to read: 2546 679.3141 Perfection by control.-2547 (1) A security interest in controllable accounts, 2548 controllable electronic records, controllable payment 2549 intangibles, deposit accounts, electronic documents, electronic 2550 money, investment property, or letter-of-credit rights 2551 investment property, deposit accounts, letter-of-credit rights, 2552 electronic chattel paper, or electronic documents may be

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595-03372-25 20251666c2 2553 perfected by control of the collateral under s. 677.106, s. 2554 679.1041, s. 679.1052, s. 679.1053 s. 679.1051, s. 679.1061, or 2555 s. 679.1071. 2556 (2) A security interest in controllable accounts, 2557 controllable electronic records, controllable payment 2558 intangibles, deposit accounts, electronic documents, electronic 2559 money, or letter-of-credit rights deposit accounts, electronic 2560 chattel paper, letter-of-credit rights, or electronic documents 2561 is perfected by control under s. 677.106, s. 679.1041, s. 2562 679.1052, s. 679.1053 s. 679.1051, or s. 679.1071 not earlier 2563 than the time when the secured party obtains control and remains 2564 perfected by control only while the secured party retains 2565 control. 2566 (3) A security interest in investment property is perfected 2567 by control under s. 679.1061 not earlier than from the time the 2568 secured party obtains control and remains perfected by control 2569 until: 2570 (a) The secured party does not have control; and 2571 (b) One of the following occurs: 2572 1. If the collateral is a certificated security, the debtor 2573 has or acquires possession of the security certificate; 2574 2. If the collateral is an uncertificated security, the 2575 issuer has registered or registers the debtor as the registered 2576 owner; or 2577 3. If the collateral is a security entitlement, the debtor 2578 is or becomes the entitlement holder. 2579 Section 88. Section 679.3152, Florida Statutes, is created 2580 to read: 2581 679.3152 Perfection by possession and control of chattel

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595-03372-25 20251666c2 2582 paper.-2583 (1) A secured party may perfect a security interest in 2584 chattel paper by taking possession of each authoritative 2585 tangible copy of the record evidencing the chattel paper and 2586 obtaining control of each authoritative electronic copy of the 2587 electronic record evidencing the chattel paper. 2588 (2) A security interest is perfected under subsection (1) 2589 not earlier than the time the secured party takes possession and 2590 obtains control and remains perfected under subsection (1) only 2591 while the secured party retains possession and control. 2592 (3) Section 679.3131(3) and (5) - (8) applies to perfection 2593 by possession of an authoritative tangible copy of a record 2594 evidencing chattel paper. 2595 Section 89. Subsections (1) and (6) of section 679.3161, 2596 Florida Statutes, are amended to read: 2597 679.3161 Continued perfection of security interest 2598 following change in governing law.-2599 (1) A security interest perfected pursuant to the law of 2600 the jurisdiction designated in s. 679.3011(1), or s. 2601 679.3051(3), s. 679.3062(4), or s. 679.3063(2) remains perfected 2602 until the earliest of: 2603 (a) The time perfection would have ceased under the law of 2604 that jurisdiction; 2605 (b) The expiration of 4 months after a change of the 2606 debtor's location to another jurisdiction; or 2607 (c) The expiration of 1 year after a transfer of collateral 2608 to a person who thereby becomes a debtor and is located in 2609 another jurisdiction. 2610 (6) A security interest in chattel paper, controllable

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595-03372-25 20251666c2 2611 accounts, controllable electronic records, controllable payment 2612 intangibles, deposit accounts, letter-of-credit rights, or 2613 investment property which is perfected under the law of the 2614 chattel paper's jurisdiction, the controllable electronic 2615 record's jurisdiction, the bank's jurisdiction, the issuer's 2616 jurisdiction, a nominated person's jurisdiction, the securities 2617 intermediary's jurisdiction, or the commodity intermediary's 2618 jurisdiction, as applicable, remains perfected until the earlier 2619 of: 2620 (a) The time the security interest would have become 2621 unperfected under the law of that jurisdiction; or 2622 (b) The expiration of 4 months after a change of the applicable jurisdiction to another jurisdiction. 2623 2624 Section 90. Subsections (2) and (4) of section 679.3171, 2625 Florida Statutes, are amended, subsections (8) through (11) are 2626 added to that section, and subsection (1) of that section is 2627 republished, to read: 2628 679.3171 Interests that take priority over or take free of 2629 security interest or agricultural lien.-2630 (1) A security interest or agricultural lien is subordinate 2631 to the rights of: 2632 (a) A person entitled to priority under s. 679.322; and 2633 (b) Except as otherwise provided in subsection (5), a 2634 person who becomes a lien creditor before the earlier of the 2635 time: 2636 1. The security interest or agricultural lien is perfected; 2637 or 2638 2. One of the conditions specified in s. 679.2031(2)(c) is 2639 met and a financing statement covering the collateral is filed.

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2640	(2) Except as otherwise provided in subsection (5), a
2641	buyer, other than a secured party, of tangible chattel paper,
2642	tangible documents, goods, instruments, tangible documents, or a
2643	certificated security takes free of a security interest or
2644	agricultural lien if the buyer gives value and receives delivery
2645	of the collateral without knowledge of the security interest or
2646	agricultural lien and before it is perfected.
2647	(4) Subject to subsections (6), (7), and (8), a licensee of
2648	a general intangible or a buyer, other than a secured party, of
2649	collateral other than <u>electronic money</u> tangible chattel paper,
2650	tangible documents, goods, instruments, <u>tangible documents,</u> or a
2651	certificated security takes free of a security interest if the
2652	licensee or buyer gives value without knowledge of the security
2653	interest and before it is perfected.
2654	(8) A buyer, other than a secured party, of chattel paper
2655	takes free of a security interest if, without knowledge of the
2656	security interest and before it is perfected, the buyer gives
2657	value and:
2658	(a) Receives delivery of each authoritative tangible copy
2659	of the record evidencing the chattel paper; and
2660	(b) If each authoritative electronic copy of the record
2661	evidencing the chattel paper can be subjected to control under
2662	s. 679.1052, obtains control of each authoritative electronic
2663	copy.
2664	(9) A buyer of an electronic document takes free of a
2665	security interest if, without knowledge of the security interest
2666	and before it is perfected, the buyer gives value and, if each
2667	authoritative electronic copy of the document can be subjected
2668	to control under s. 677.106, obtains control of each

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595-03372-25 20251666c2 2669 authoritative electronic copy. 2670 (10) A buyer of a controllable electronic record takes free 2671 of a security interest if, without knowledge of the security 2672 interest and before it is perfected, the buyer gives value and 2673 obtains control of the controllable electronic record. 2674 (11) A buyer, other than a secured party, of a controllable 2675 account or a controllable payment intangible takes free of a 2676 security interest if, without knowledge of the security interest 2677 and before it is perfected, the buyer gives value and obtains 2678 control of the controllable account or controllable payment 2679 intangible. 2680 Section 91. Subsections (4) and (6) of section 679.323, Florida Statutes, are amended, and subsection (1) of that 2681 2682 section is republished, to read: 679.323 Future advances.-2683 2684 (1) Except as otherwise provided in subsection (3), for 2685 purposes of determining the priority of a perfected security 2686 interest under s. 679.322(1)(a), perfection of the security 2687 interest dates from the time an advance is made to the extent 2688 that the security interest secures an advance that: 2689 (a) Is made while the security interest is perfected only: 2690 1. Under s. 679.3091 when it attaches; or 2691 Temporarily under s. 679.3121(5), (6), or (7); and 2. 2692 (b) Is not made pursuant to a commitment entered into 2693 before or while the security interest is perfected by a method 2694 other than under s. 679.3091 or s. 679.3121(5), (6), or (7). 2695 (4) Except as otherwise provided in subsection (5), a buyer 2696 of goods other than a buyer in ordinary course of business takes 2697 free of a security interest to the extent that it secures

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2698	advances made after the earlier of:
2699	(a) The time the secured party acquires knowledge of the
2700	buyer's purchase; or
2701	(b) Forty-five days after the purchase.
2702	(6) Except as otherwise provided in subsection (7), a
2703	lessee of goods , other than a lessee in ordinary course of
2704	$rac{business_{m{r}}}{}$ takes the leasehold interest free of a security
2705	interest to the extent that it secures advances made after the
2706	earlier of:
2707	(a) The time the secured party acquires knowledge of the
2708	lease; or
2709	(b) Forty-five days after the lease contract becomes
2710	enforceable.
2711	Section 92. Subsections (2) and (4) of section 679.324,
2712	Florida Statutes, are amended to read:
2713	679.324 Priority of purchase-money security interests
2714	(2) Subject to subsection (3) and except as otherwise
2715	provided in subsection (7), a perfected purchase-money security
2716	interest in inventory has priority over a conflicting security
2717	interest in the same inventory, has priority over a conflicting
2718	security interest in chattel paper or an instrument constituting
2719	proceeds of the inventory and in proceeds of the chattel paper,
2720	if so provided in s. 679.330, and, except as otherwise provided
2721	in s. 679.327, also has priority in identifiable cash proceeds
2722	of the inventory to the extent the identifiable cash proceeds
2723	are received on or before the delivery of the inventory to a
2724	buyer, if:
2725	(a) The purchase-money security interest is perfected when

the debtor receives possession of the inventory;

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595-03372-25 20251666c2 2727 (b) The purchase-money secured party sends a signed an 2728 authenticated notification to the holder of the conflicting 2729 security interest; 2730 (c) The holder of the conflicting security interest 2731 receives the notification within 5 years before the debtor 2732 receives possession of the inventory; and 2733 (d) The notification states that the person sending the 2734 notification has or expects to acquire a purchase-money security interest in inventory of the debtor and describes the inventory. 2735 2736 (4) Subject to subsection (5) and except as otherwise 2737 provided in subsection (7), a perfected purchase-money security 2738 interest in livestock that are farm products has priority over a 2739 conflicting security interest in the same livestock, and, except 2740 as otherwise provided in s. 679.327, a perfected security 2741 interest in their identifiable proceeds and identifiable 2742 products in their unmanufactured states also has priority, if: 2743 (a) The purchase-money security interest is perfected when 2744 the debtor receives possession of the livestock; 2745 (b) The purchase-money secured party sends a signed an 2746 authenticated notification to the holder of the conflicting 2747 security interest; 2748 (c) The holder of the conflicting security interest

2749 receives the notification within 6 months before the debtor 2750 receives possession of the livestock; and

(d) The notification states that the person sending the notification has or expects to acquire a purchase-money security interest in livestock of the debtor and describes the livestock.

2754 Section 93. Section 679.3251, Florida Statutes, is created 2755 to read:

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2756	679.3251 Priority of security interest in controllable
2757	account, controllable electronic record, and controllable
2758	payment intangibleA security interest in a controllable
2759	account, controllable electronic record, or controllable payment
2760	intangible held by a secured party having control of the
2761	account, electronic record, or payment intangible has priority
2762	over a conflicting security interest held by a secured party
2763	that does not have control.
2764	Section 94. Subsections (1), (2), and (6) of section
2765	679.330, Florida Statutes, are amended, and subsection (4) of
2766	that section is republished, to read:
2767	679.330 Priority of purchaser of chattel paper or
2768	instrument
2769	(1) A purchaser of chattel paper has priority over a
2770	security interest in the chattel paper which is claimed merely
2771	as proceeds of inventory subject to a security interest if:
2772	(a) In good faith and in the ordinary course of the
2773	purchaser's business, the purchaser gives new value <u>,</u> and takes
2774	possession of each authoritative tangible copy of the record
2775	evidencing the chattel paper, and or obtains control <u>under s.</u>
2776	679.1051 of each authoritative electronic copy of the record
2777	evidencing chattel paper under s. 679.1051; and
2778	(b) The authoritative copies of the record evidencing the
2779	chattel paper <u>do</u> does not indicate that <u>the chattel paper</u> it has
2780	been assigned to an identified assignee other than the
2781	purchaser.
2782	(2) A purchaser of chattel paper has priority over a
2783	security interest in the chattel paper which is claimed other
2784	than merely as proceeds of inventory subject to a security

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595-03372-25 20251666c2 2785 interest if the purchaser gives new value, and takes possession 2786 of each authoritative copy of the record evidencing the chattel 2787 paper, and or obtains control under s. 679.1051 of each 2788 authoritative electronic copy of the record evidencing the 2789 chattel paper under s. 679.1051 in good faith, in the ordinary 2790 course of the purchaser's business, and without knowledge that 2791 the purchase violates the rights of the secured party. 2792 (4) Except as otherwise provided in s. 679.331(1), a purchaser of an instrument has priority over a security interest 2793 2794 in the instrument perfected by a method other than possession if 2795 the purchaser gives value and takes possession of the instrument 2796 in good faith and without knowledge that the purchase violates 2797 the rights of the secured party. 2798 (6) For purposes of subsections (2) and (4), if the 2799 authoritative copies of the record evidencing chattel paper or 2800 an instrument indicate indicates that the chattel paper or 2801 instrument it has been assigned to an identified secured party 2802 other than the purchaser, a purchaser of the chattel paper or 2803 instrument has knowledge that the purchase violates the rights 2804 of the secured party. 2805 Section 95. Section 679.331, Florida Statutes, is amended 2806 to read: 2807 679.331 Priority of rights of purchasers of controllable 2808 accounts, controllable electronic records, controllable payment 2809 intangibles instruments, documents, instruments, and securities under other articles; priority of interests in financial assets 2810 2811 and security entitlements and protection against assertion of 2812 claim under chapters 669 and chapter 678.-2813 (1) This chapter does not limit the rights of a holder in

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595-03372-25 20251666c2 2814 due course of a negotiable instrument, a holder to which a 2815 negotiable document of title has been duly negotiated, or a 2816 protected purchaser of a security, or a qualifying purchase of a 2817 controllable account, controllable electronic record, or 2818 controllable payment intangible. These holders or purchasers 2819 take priority over an earlier security interest, even if 2820 perfected, to the extent provided in chapters 669, 673, 677, and 2821 678. 2822 (2) This chapter does not limit the rights of or impose 2823 liability on a person to the extent that the person is protected 2824 against the assertion of an adverse claim under chapter 669 or 2825 chapter 678. 2826 (3) Filing under this chapter does not constitute notice of 2827 a claim or defense to the holders, purchasers, or persons 2828 described in subsections (1) and (2). 2829 Section 96. Section 679.332, Florida Statutes, is amended 2830 to read: 2831 679.332 Transfer of money; transfer of funds from deposit 2832 account; transfer of electronic money.-2833 (1) A transferee of tangible money takes the money free of 2834 a security interest if the transferee receives possession of the 2835 money without acting unless the transferee acts in collusion 2836 with the debtor in violating the rights of the secured party. 2837 (2) A transferee of funds from a deposit account takes the 2838 funds free of a security interest in the deposit account if the 2839 transferee receives the funds without acting unless the 2840 transferee acts in collusion with the debtor in violating the 2841 rights of the secured party. 2842 (3) A transferee of electronic money takes the money free

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2843	of a security interest if the transferee obtains control of the
2844	money without acting in collusion with the debtor in violating
2845	the rights of the secured party.
2846	Section 97. Section 679.341, Florida Statutes, is amended
2847	to read:
2848	679.341 Bank's rights and duties with respect to deposit
2849	accountExcept as otherwise provided in s. 679.340(3), and
2850	unless the bank otherwise agrees in <u>a signed</u> an authenticated
2851	record, a bank's rights and duties with respect to a deposit
2852	account maintained with the bank are not terminated, suspended,
2853	or modified by:
2854	(1) The creation, attachment, or perfection of a security
2855	interest in the deposit account;
2856	(2) The bank's knowledge of the security interest; or
2857	(3) The bank's receipt of instructions from the secured
2858	party.
2859	Section 98. Subsection (1) of section 679.4041, Florida
2860	Statutes, is amended to read:
2861	679.4041 Rights acquired by assignee; claims and defenses
2862	against assignee
2863	(1) Unless an account debtor has made an enforceable
2864	agreement not to assert defenses or claims, and subject to
2865	subsections $(2)-(5)$ (2) through (5) , the rights of an assignee
2866	are subject to:
2867	(a) All terms of the agreement between the account debtor
2868	and assignor and any defense or claim in recoupment arising from
2869	the transaction that gave rise to the contract; and
2870	(b) Any other defense or claim of the account debtor
2871	against the assignor which accrues before the account debtor

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595-03372-25 20251666c2 2872 receives a notification of the assignment signed authenticated 2873 by the assignor or the assignee. 2874 Section 99. Subsections (1) through (4) and (7) of section 2875 679.4061, Florida Statutes, are amended, and subsection (13) is 2876 added to that section, to read: 2877 679.4061 Discharge of account debtor; notification of 2878 assignment; identification and proof of assignment; restrictions 2879 on assignment of accounts, chattel paper, payment intangibles, 2880 and promissory notes ineffective.-2881 Subject to subsections (2) - (9) + (2) +(1)2882 (13), an account debtor on an account, chattel paper, or a 2883 payment intangible may discharge its obligation by paying the assignor until, but not after, the account debtor receives a 2884 2885 notification, signed authenticated by the assignor or the 2886 assignee, that the amount due or to become due has been assigned 2887 and that payment is to be made to the assignee. After receipt of 2888 the notification, the account debtor may discharge its 2889 obligation by paying the assignee and may not discharge the 2890 obligation by paying the assignor. 2891 Subject to subsections (8) and (13) subsection (8), (2) 2892 notification is ineffective under subsection (1):

(a) If it does not reasonably identify the rights assigned;
(b) To the extent that an agreement between an account
debtor and a seller of a payment intangible limits the account
debtor's duty to pay a person other than the seller and the
limitation is effective under law other than this chapter; or

(c) At the option of an account debtor, if the notification notifies the account debtor to make less than the full amount of any installment or other periodic payment to the assignee, even

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2901
      if:
2902
           1. Only a portion of the account, chattel paper, or payment
2903
      intangible has been assigned to that assignee;
2904
           2. A portion has been assigned to another assignee; or
2905
           3.
               The account debtor knows that the assignment to that
2906
      assignee is limited.
2907
            (3) Subject to subsections (8) and (13) subsection (8), if
2908
      requested by the account debtor, an assignee shall seasonably
2909
      furnish reasonable proof that the assignment has been made.
2910
      Unless the assignee complies, the account debtor may discharge
2911
      its obligation by paying the assignor, even if the account
2912
      debtor has received a notification under subsection (1).
2913
            (4) For the purposes of this subsection, the term
2914
      "promissory note" includes a negotiable instrument that
2915
      evidences chattel paper. Except as otherwise provided in
2916
      subsections (5) and (12) and ss. 680.303 and 679.4071, and
2917
      subject to subsection (8), a term in an agreement between an
2918
      account debtor and an assignor or in a promissory note is
2919
      ineffective to the extent that it:
2920
            (a) Prohibits, restricts, or requires the consent of the
2921
      account debtor or person obligated on the promissory note to the
2922
      assignment or transfer of, or the creation, attachment,
2923
      perfection, or enforcement of a security interest in, the
2924
      account, chattel paper, payment intangible, or promissory note;
2925
      or
2926
            (b) Provides that the assignment or transfer or the
2927
      creation, attachment, perfection, or enforcement of the security
2928
      interest may give rise to a default, breach, right of
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2929 recoupment, claim, defense, termination, right of termination,

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CODING: Words stricken are deletions; words underlined are additions.

CS for CS for SB 1666

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2930	or remedy under the account, chattel paper, payment intangible,
2931	or promissory note.
2932	(7) Subject to <u>subsections (8) and (13)</u> subsection (8), an
2933	account debtor may not waive or vary its option under paragraph
2934	(2)(c).
2935	(13) Subsections (1), (2), (3), and (7) do not apply to a
2936	controllable account or controllable payment intangible.
2937	Section 100. Subsection (9) is added to section 679.4081,
2938	Florida Statutes, to read:
2939	679.4081 Restrictions on assignment of promissory notes,
2940	health-care-insurance receivables, and certain general
2941	intangibles ineffective
2942	(9) For the purposes of this section, the term "promissory
2943	note" includes a negotiable instrument that evidences chattel
2944	paper.
2945	Section 101. Subsections (1) and (2) of section 679.509,
2946	Florida Statutes, are amended to read:
2947	679.509 Persons entitled to file a record
2948	(1) A person may file an initial financing statement,
2949	amendment that adds collateral covered by a financing statement,
2950	or amendment that adds a debtor to a financing statement only
2951	if:
2952	(a) The debtor authorizes the filing in <u>a signed</u> an
2953	authenticated record or pursuant to subsection (2) or subsection
2954	(3); or
2955	(b) The person holds an agricultural lien that has become
2956	effective at the time of filing and the financing statement
2957	covers only collateral in which the person holds an agricultural
2958	lien.

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595-03372-25 20251666c2 2959 (2) By signing authenticating or becoming bound as a debtor 2960 by a security agreement, a debtor or new debtor authorizes the 2961 filing of an initial financing statement, and an amendment, 2962 covering: 2963 (a) The collateral described in the security agreement; and 2964 (b) Property that becomes collateral under s. 2965 679.3151(1)(b), whether or not the security agreement expressly 2966 covers proceeds. 2967 Section 102. Subsections (2) and (3) of section 679.513, 2968 Florida Statutes, are amended to read: 2969 679.513 Termination statement.-2970 (2) To comply with subsection (1), a secured party shall 2971 cause the secured party of record to file the termination 2972 statement: 2973 (a) Within 1 month after there is no obligation secured by 2974 the collateral covered by the financing statement and no 2975 commitment to make an advance, incur an obligation, or otherwise 2976 give value; or 2977 (b) If earlier, within 20 days after the secured party 2978 receives a signed an authenticated demand from a debtor. 2979 (3) In cases not governed by subsection (1), within 20 days after a secured party receives a signed an authenticated demand 2980 2981 from a debtor, the secured party shall cause the secured party 2982 of record for a financing statement to send to the debtor a 2983 termination statement for the financing statement or file the 2984 termination statement in the filing office if: 2985 (a) Except in the case of a financing statement covering 2986 accounts or chattel paper that has been sold or goods that are 2987 the subject of a consignment, there is no obligation secured by

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595-03372-25 20251666c2 2988 the collateral covered by the financing statement and no 2989 commitment to make an advance, incur an obligation, or otherwise 2990 give value; 2991 (b) The financing statement covers accounts or chattel 2992 paper that has been sold but as to which the account debtor or 2993 other person obligated has discharged its obligation; 2994 (c) The financing statement covers goods that were the 2995 subject of a consignment to the debtor but are not in the 2996 debtor's possession; or 2997 (d) The debtor did not authorize the filing of the initial 2998 financing statement. 2999 Section 103. Subsection (2) of section 679.601, Florida 3000 Statutes, is amended, and subsection (4) of that section is 3001 republished, to read: 3002 679.601 Rights after default; judicial enforcement; 3003 consignor or buyer of accounts, chattel paper, payment 3004 intangibles, or promissory notes.-3005 (2) A secured party in possession of collateral or control 3006 of collateral under s. 679.1041, s. 679.1051, s. 679.1052, s. 3007 679.1053, s. 679.1061, or s. 679.1071 has the rights and duties 3008 provided in s. 679.2071. 3009 (4) Except as otherwise provided in subsection (7) and s. 3010 679.605, after default, a debtor and an obligor have the rights 3011 provided in this part and by agreement of the parties. 3012 Section 104. Subsection (4) of section 679.604, Florida 3013 Statutes, is amended to read: 3014 679.604 Procedure if security agreement covers real 3015 property or fixtures.-3016 (4) A secured party that removes collateral shall promptly

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3017	reimburse any encumbrancer or owner of the real property, other
3018	than the debtor, for the cost of repair of any physical injury
3019	caused by the removal. The secured party need not reimburse the
3020	encumbrancer or owner for any diminution in value of the real
3021	property caused by the absence of the goods removed or by any
3022	necessity of replacing them. A person entitled to reimbursement
3023	may refuse permission to remove until the secured party gives
3024	adequate assurance for the performance of the obligation to
3025	reimburse. This subsection does not prohibit a secured party and
3026	the person entitled to reimbursement from entering into <u>a signed</u>
3027	an authenticated record providing for the removal of fixtures
3028	and reimbursement for any damage caused thereby.
3029	Section 105. Section 679.605, Florida Statutes, is amended
3030	to read:
3031	679.605 Unknown debtor or secondary obligor
3032	(1) Except as provided in subsection (2), a secured party
3033	does not owe a duty based on its status as secured party:
3034	<u>(a)</u> To a person who is a debtor or obligor, unless the
3035	secured party knows:
3036	<u>1.(a)</u> That the person is a debtor or obligor;
3037	2.(b) The identity of the person; and
3038	3.(c) How to communicate with the person; or
3039	<u>(b)(2)</u> To a secured party or lienholder that has filed a
3040	financing statement against a person, unless the secured party
3041	knows:
3042	1.(a) That the person is a debtor; and
3043	2.(b) The identity of the person.
3044	(2) A secured party owes a duty based on its status as a
3045	secured party to a person if, at the time the secured party

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3046	obtains control of collateral that is a controllable account,
3047	controllable electronic record, or controllable payment
3048	intangible or at the time the security interest attaches to the
3049	collateral, whichever is later:
3050	(a) The person is a debtor or obligor; and
3051	(b) The secured party knows that the information relating
3052	to the person in subparagraph (1)(a)1., subparagraph (1)(a)2.,
3053	or subparagraph (1)(a)3. is not provided by the collateral, a
3054	record attached to or logically associated with the collateral,
3055	or the system in which the collateral is recorded.
3056	Section 106. Paragraph (a) of subsection (1) and subsection
3057	(3) of section 679.608, Florida Statutes, are amended to read:
3058	679.608 Application of proceeds of collection or
3059	enforcement; liability for deficiency and right to surplus
3060	(1) If a security interest or agricultural lien secures
3061	payment or performance of an obligation, the following rules
3062	apply:
3063	(a) A secured party shall apply or pay over for application
3064	the cash proceeds of collection or enforcement under s. 679.607
3065	in the following order to:
3066	1. The reasonable expenses of collection and enforcement
3067	and, to the extent provided for by agreement and not prohibited
3068	by law, reasonable attorney's fees and legal expenses incurred
3069	by the secured party;
3070	2. The satisfaction of obligations secured by the security
3071	interest or agricultural lien under which the collection or
3072	enforcement is made; and
3073	3. The satisfaction of obligations secured by any
3074	subordinate security interest in or other lien on the collateral
Į	

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595-03372-25 20251666c2 3075 subject to the security interest or agricultural lien under 3076 which the collection or enforcement is made if the secured party 3077 receives a signed an authenticated demand for proceeds before 3078 distribution of the proceeds is completed. 3079 (3) If the secured party in good faith cannot determine the 3080 validity, extent, or priority of a subordinate security interest 3081 or other lien or there are conflicting claims of subordinate 3082 interests or liens, the secured party may commence an 3083 interpleader action with respect to remaining proceeds in excess 3084 of \$2,500 in the circuit or county court, as applicable based 3085 upon the amount to be deposited, where the collateral was 3086 located or collected or in the county where the debtor has its 3087 chief executive office or principal residence in this state, as 3088 applicable. If authorized in a signed an authenticated record, 3089 the interpleading secured party is entitled to be paid from the 3090 remaining proceeds the actual costs of the filing fee and an 3091 attorney attorney's fee in the amount of \$250 incurred in 3092 connection with filing the interpleader action and obtaining an 3093 order approving the interpleader of funds. The debtor in a 3094 consumer transaction may not be assessed for the reasonable 3095 attorney attorney's fees and costs incurred in the interpleader 3096 action by the holders of subordinate security interests or other 3097 liens based upon disputes among said holders, and a debtor in a 3098 transaction other than a consumer transaction may only recover 3099 such fees and costs to the extent provided for in a signed an 3100 authenticated record. If authorized in a signed an authenticated 3101 record, the court in the interpleader action may award 3102 reasonable attorney attorney's fees and costs to the prevailing 3103 party in a dispute between the debtor and a holder of a security

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3104	interest or lien which claims an interest in the remaining
3105	interplead proceeds, but only if the debtor challenges the
3106	validity, priority, or extent of said security interest or lien.
3107	Except as provided in this subsection, a debtor may not be
3108	assessed <u>reasonable attorney</u> attorney's fees and costs incurred
3109	by any party in an interpleader action commenced under this
3110	section.
3111	Section 107. Subsections (1), (2), (3), (5), and (6) of
3112	section 679.611, Florida Statutes, are amended to read:
3113	679.611 Notification before disposition of collateral
3114	(1) In this section, the term "notification date" means the
3115	earlier of the date on which:
3116	(a) A secured party sends to the debtor and any secondary
3117	obligor <u>a signed</u> an authenticated notification of disposition;
3118	or
3119	(b) The debtor and any secondary obligor waive the right to
3120	notification.
3121	(2) Except as otherwise provided in subsection (4), a
3122	secured party that disposes of collateral under s. 679.610 shall
3123	send to the persons specified in subsection (3) a reasonable
3124	signed authenticated notification of disposition.
3125	(3) To comply with subsection (2), the secured party shall
3126	send <u>a signed</u> an authenticated notification of disposition to:
3127	(a) The debtor;
3128	(b) Any secondary obligor; and
3129	(c) If the collateral is other than consumer goods:
3130	1. Any other person from whom the secured party has
3131	received, before the notification date, <u>a signed</u> an
3132	authenticated notification of a claim of an interest in the
I	

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3133	collateral;
3134	2. Any other secured party or lienholder that, 10 days
3135	before the notification date, held a security interest in or
3136	other lien on the collateral perfected by the filing of a
3137	financing statement that:
3138	a. Identified the collateral;
3139	b. Was indexed under the debtor's name as of that date; and
3140	c. Was filed in the office in which to file a financing
3141	statement against the debtor covering the collateral as of that
3142	date; and
3143	3. Any other secured party that, 10 days before the
3144	notification date, held a security interest in the collateral
3145	perfected by compliance with a statute, regulation, or treaty
3146	described in s. 679.3111(1).
3147	(5) A secured party complies with the requirement for
3148	notification prescribed by subparagraph (3)(c)2. if:
3149	(a) Not later than 20 days or earlier than 30 days before
3150	the notification date, the secured party requests, in a
3151	commercially reasonable manner, information concerning financing
3152	statements indexed under the debtor's name in the office
3153	indicated in subparagraph (3)(c)2.; and
3154	(b) Before the notification date, the secured party:
3155	1. Did not receive a response to the request for
3156	information; or
3157	2. Received a response to the request for information and
3158	sent <u>a signed</u> an authenticated notification of disposition to
3159	each secured party or other lienholder named in that response
3160	whose financing statement covered the collateral.
3161	(6) For purposes of subsection (3), the secured party may

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3162 send the signed authenticated notification as follows:

3163 (a) If the collateral is other than consumer goods, to the 3164 debtor at the address in the financing statement, unless the secured party has received a signed an authenticated record from 3165 3166 the debtor notifying the secured party of a different address 3167 for such notification purposes or the secured party has actual knowledge of the address of the debtor's chief executive office 3168 3169 or principal residence, as applicable, at the time the notification is sent; 3170

3171 (b) If the collateral is other than consumer goods, to any 3172 secondary obligor at the address, if any, in the signed 3173 authenticated agreement, unless the secured party has received a signed an authenticated record from the secondary obligor 3174 3175 notifying the secured party of a different address for such 3176 notification purposes or the secured party has actual knowledge 3177 of the address of the secondary obligor's chief executive office 3178 or principal residence, as applicable, at the time the 3179 notification is sent; and

3180

(c) If the collateral is other than consumer goods:

3181 1. To the person described in subparagraph (3)(c)1., at the 3182 address stated in the notification;

3183 2. To the person described in subparagraph (3)(c)2., at the 3184 address stated in the financing statement;

3185 3. To the person described in subparagraph (3)(c)3., at the 3186 address stated in the official records of the recording or 3187 registration agency.

3188 Section 108. Subsection (5) of section 679.613, Florida 3189 Statutes, is amended to read:

3190

679.613 Contents and form of notification before

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3191	disposition of collateral; generalExcept in a consumer-goods			
3192	transaction, the following rules apply:			
3193	(5) <u>(a)</u> The following form of notification and the form			
3194	appearing in <u>s. 679.614(3)(a)</u> s. 679.614(3) , when completed <u>in</u>			
3195	accordance with the instructions in paragraph (b), each provides			
3196	sufficient information:			
3197				
3198	NOTIFICATION OF DISPOSITION			
3199	OF COLLATERAL			
3200				
3201	To:(Name of debtor, obligor, or other person to which the			
3202	notification is sent)			
3203	From:(Name, address, and telephone number of secured			
3204	party)			
3205	Item 1. Name of any debtor that is not an addressee			
3206	Debtor(s):(Name of each debtor Include only if debtor(s) are			
3207	not an addressee)			
3208	<pre>[For a public disposition:]</pre>			
3209	Item 2. We will sell [or lease or license, as applicable]			
3210	the(describe collateral)to the highest qualified bidder			
3211	at public sale. A sale could include a lease or a license. The			
3212	sale will be held in public as follows:			
3213	Day and Date:			
3214	Time:			
3215	Place:			
3216	<pre>[For a private disposition:]</pre>			
3217	Item 3. We will sell [or lease or license, as applicable]			
3218	the(describe collateral) <u>at a private sale</u> privately			
3219	sometime after(day and date) <u>A sale could include a</u>			

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3220	lease or a license.			
3221	Item 4. You are entitled to an accounting of the unpaid			
3222	indebtedness secured by the property that we intend to sell <u>or,</u>			
3223	<u>as applicable, [or lease or license.</u>			
3224	Item 5. If you request an accounting, you must pay , as			
3225	applicable] for a charge of \$			
3226	Item 6. You may request an accounting by calling us at			
3227	(telephone number)			
3228	(b) The following instructions apply to the form set forth			
3229	in paragraph (a):			
3230	1. Do not include the item numbers in the notification, as			
3231	they are used only for the purpose of clarification.			
3232	2. Include and complete Item 1 only if there is a debtor			
3233	that is not an addressee of the notification and list the name			
3234	or names.			
3235	3. Include and complete either Item 2, if the notification			
3236	relates to a public disposition of the collateral, or Item 3, if			
3237	the notification relates to a private disposition of the			
3238	collateral. If Item 2 is completed, include the words "to the			
3239	highest qualified bidder" only if applicable.			
3240	4. Include and complete Items 4 and 6.			
3241	5. Include and complete Item 5 only if the sender will			
3242	charge the recipient for an accounting.			
3243	Section 109. Subsection (3) of section 679.614, Florida			
3244	Statutes, is amended to read:			
3245	679.614 Contents and form of notification before			
3246	disposition of collateral; consumer-goods transaction.—In a			
3247	consumer-goods transaction, the following rules apply:			
3248	(3) (a) The following form of notification, when completed			
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                                                                20251666c2
3249
      in accordance with the instructions set forth in paragraph (b),
3250
      provides sufficient information:
3251
3252
      ... (Name and address of secured party)...
3253
      ... (Date) ...
3254
3255
                      NOTICE OF OUR PLAN TO SELL PROPERTY
3256
3257
       ... (Name and address of any obligor who is also a debtor)...
3258
      Subject:... (Identify Identification of Transaction) ...
3259
            We have your ... (describe collateral) ..., because you broke
3260
      promises in our agreement.
3261
           [For a public disposition:]
3262
            Item 1. We will sell ... (describe collateral) ... at public
3263
      sale. A sale could include a lease or license. The sale will be
3264
      held as follows:
3265
           Date:
3266
            Time:
3267
            Place:
3268
3269
           You may attend the sale and bring bidders if you want.
3270
           [For a private disposition:]
3271
            Item 2. We will sell ... (describe collateral) ... at private
3272
      sale sometime after ... (date) .... A sale could include a lease
3273
      or license.
3274
            Item 3. The money that we get from the sale (after paying
3275
      our costs) will reduce the amount you owe. If we get less money
3276
      than you owe, you ... (will or will not, as applicable)... still
3277
      owe us the difference. If we get more money than you owe, you
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1	595-03372-25 20251666c2			
3278	will get the extra money, unless we must pay it to someone else.			
3279	Item 4. You can get the property back at any time before we			
3280	sell it by paying us the full amount you owe <u>,</u> (not just the past			
3281	due payments) , including our expenses. To learn the exact amount			
3282	you must pay, call us at(telephone number)			
3283	<u>Item 5.</u> If you want us to explain to you <u>(</u> in writing <u>or</u>			
3284	in description of electronic record) how we have figured the			
3285	amount that you owe us, <u>Item 6.</u> you may call us at(telephone			
3286	number) <u>,</u> or write us at(secured party's address) <u>, or</u>			
3287	contact us by (description of electronic communication			
3288	method) Item 7. and request a written explanation, an			
3289	explanation in (description of electronic record)			
3290	Item 8. We will charge you \$ for the explanation if we			
3291	sent you another written explanation of the amount you owe us			
3292	within the last 6 months.			
3293	Item 9. If you need more information about the sale, call			
3294	us at(telephone number) <u>,</u> or write us at(secured			
3295	party's address), or contact us by(description of			
3296	electronic communication method)			
3297	Item 10. We are sending this notice to the following other			
3298	people who have an interest in(describe collateral) or			
3299	who owe money under your agreement:			
3300	(Names of all other debtors and obligors, if any)			
3301	(b) The following instructions apply to the form of			
3302	notification in paragraph (a):			
3303	1. The instructions in this paragraph refer to the numbers			
3304	before items in the form of notification in paragraph (a). Do			
3305	not include the numbers in the notification. The numbers are			
3306	used only for the purpose of these instructions.			

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3307	2. Include and complete either Item 1, if the notification					
3308	relates to a public disposition of the collateral, or Item 2, if					
3309	the notification relates to a private disposition of the					
3310	collateral.					
3311	3. Include and complete Items 3, 4, 5, 6, and 7.					
3312	4. In Item 5, include and complete any one of the three					
3313	alternative methods for the explanation identified in paragraph					
3314	<u>(a).</u>					
3315	5. In Item 6, include the telephone number. In addition,					
3316	the sender may include and complete either or both of the two					
3317	additional alternative methods of communication identified in					
3318	paragraph (a) for the recipient of the notification to					
3319	communicate with the sender. Neither of the two additional					
3320	methods of communication is required to be included.					
3321	6. In Item 7, include and complete the method or methods					
3322	for the explanation-writing, writing or electronic record, or					
3323	electronic record-included in Item 5.					
3324	7. Include and complete Item 8 only if a written					
3325	explanation is included in Item 5 as a method for communicating					
3326	the explanation and the sender will charge the recipient for					
3327	another written explanation.					
3328	8. In Item 9, include either the telephone number or the					
3329	address, or both. In addition, the sender may include and					
3330	complete the additional method of communication identified in					
3331	paragraph (a) for the recipient of the notification to					
3332	communicate with the sender. The additional method of electronic					
3333	communication is not required to be included.					
3334	9. If Item 10 does not apply, insert "None" after					
3335	"agreement:."					

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595-03372-25 20251666c2 3336 Section 110. Subsection (1) of section 679.615, Florida 3337 Statutes, is amended to read: 679.615 Application of proceeds of disposition; liability 3338 3339 for deficiency and right to surplus.-3340 (1) A secured party shall apply or pay over for application 3341 the cash proceeds of disposition under s. 679.610 in the 3342 following order to: 3343 (a) The reasonable expenses of retaking, holding, preparing 3344 for disposition, processing, and disposing, and, to the extent 3345 provided for by agreement and not prohibited by law, reasonable 3346 attorney's fees and legal expenses incurred by the secured 3347 party; 3348 (b) The satisfaction of obligations secured by the security 3349 interest or agricultural lien under which the disposition is 3350 made; 3351 (c) The satisfaction of obligations secured by any 3352 subordinate security interest in or other subordinate lien on 3353 the collateral if: 3354 1. The secured party receives from the holder of the 3355 subordinate security interest or other lien a signed an 3356 authenticated demand for proceeds before distribution of the 3357 proceeds is completed; and 3358 2. In a case in which a consignor has an interest in the 3359 collateral, the subordinate security interest or other lien is 3360 senior to the interest of the consignor; and 3361 (d) A secured party that is a consignor of the collateral 3362 if the secured party receives from the consignor a signed an 3363 authenticated demand for proceeds before distribution of the 3364 proceeds is completed.

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595-03372-25 20251666c2 3365 Section 111. Subsections (1), (2), and (3) of section 679.616, Florida Statutes, are amended to read: 3366 3367 679.616 Explanation of calculation of surplus or 3368 deficiency.-3369 (1) In this section, the term: 3370 (a) "Explanation" means a record writing that: 3371 1. States the amount of the surplus or deficiency; 3372 2. Provides an explanation in accordance with subsection 3373 (3) of how the secured party calculated the surplus or 3374 deficiency; 3375 3. States, if applicable, that future debits, credits, 3376 charges, including additional credit service charges or 3377 interest, rebates, and expenses may affect the amount of the 3378 surplus or deficiency; and 3379 4. Provides a telephone number or mailing address from 3380 which additional information concerning the transaction is 3381 available. (b) "Request" means a record: 3382 3383 Signed Authenticated by a debtor or consumer obligor; 1. 3384 2. Requesting that the recipient provide an explanation; 3385 and 3386 3. Sent after disposition of the collateral under s. 3387 679.610. 3388 (2)In a consumer-goods transaction in which the debtor is 3389 entitled to a surplus or a consumer obligor is liable for a deficiency under s. 679.615, the secured party shall: 3390 3391 (a) Send an explanation to the debtor or consumer obligor, 3392 as applicable, after the disposition and: 3393 1. Before or when the secured party accounts to the debtor

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595-03372-25 20251666c2 3394 and pays any surplus or first makes written demand in a record 3395 on the consumer obligor after the disposition for payment of the 3396 deficiency; and 3397 2. Within 14 days after receipt of a request; or 3398 In the case of a consumer obligor who is liable for a (b) 3399 deficiency, within 14 days after receipt of a request, send to 3400 the consumer obligor a record waiving the secured party's right 3401 to a deficiency. 3402 (3) To comply with subparagraph (1)(a)2., an explanation a3403 writing must provide the following information in the following 3404 order: 3405 The aggregate amount of obligations secured by the (a) 3406 security interest under which the disposition was made, and, if 3407 the amount reflects a rebate of unearned interest or credit 3408 service charge, an indication of that fact, calculated as of a 3409 specified date: 3410 1. If the secured party takes or receives possession of the 3411 collateral after default, not more than 35 days before the 3412 secured party takes or receives possession; or 3413 2. If the secured party takes or receives possession of the 3414 collateral before default or does not take possession of the 3415 collateral, not more than 35 days before the disposition; 3416 (b) The amount of proceeds of the disposition; (c) The aggregate amount of the obligations after deducting 3417 3418 the amount of proceeds; 3419 The amount, in the aggregate or by type, and types of (d) 3420 expenses, including expenses of retaking, holding, preparing for disposition, processing, and disposing of the collateral, and 3421 3422 attorney's fees secured by the collateral which are known to the

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595-03372-25 20251666c2 3423 secured party and relate to the current disposition; 3424 (e) The amount, in the aggregate or by type, and types of 3425 credits, including rebates of interest or credit service 3426 charges, to which the obligor is known to be entitled and which 3427 are not reflected in the amount in paragraph (a); and 3428 (f) The amount of the surplus or deficiency. 3429 Section 112. Subsection (1) of section 679.619, Florida 3430 Statutes, is amended to read: 679.619 Transfer of record or legal title.-3431 3432 (1) In this section, the term "transfer statement" means a 3433 record signed authenticated by a secured party stating: 3434 (a) That the debtor has defaulted in connection with an 3435 obligation secured by specified collateral; 3436 (b) That the secured party has exercised its post-default 3437 remedies with respect to the collateral; 3438 (c) That, by reason of the exercise, a transferee has 3439 acquired the rights of the debtor in the collateral; and 3440 (d) The name and mailing address of the secured party, 3441 debtor, and transferee. 3442 Section 113. Subsections (1), (2), (3), and (6) of section 3443 679.620, Florida Statutes, are amended to read: 3444 679.620 Acceptance of collateral in full or partial 3445 satisfaction of obligation; compulsory disposition of 3446 collateral.-3447 (1) Except as otherwise provided in subsection (7), a secured party may accept collateral in full or partial 3448 3449 satisfaction of the obligation it secures only if: 3450 (a) The debtor consents to the acceptance under subsection 3451 (3);

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595-03372-25 20251666c2 3452 (b) The secured party does not receive, within the time set 3453 forth in subsection (4), a notification of objection to the 3454 proposal signed authenticated by: 1. A person to whom the secured party was required to send 3455 3456 a proposal under s. 679.621; or 3457 2. Any other person, other than the debtor, holding an 3458 interest in the collateral subordinate to the security interest 3459 that is the subject of the proposal; 3460 (c) If the collateral is consumer goods, the collateral is 3461 not in the possession of the debtor when the debtor consents to 3462 the acceptance; and 3463 (d) Subsection (5) does not require the secured party to 3464 dispose of the collateral or the debtor waives the requirement 3465 pursuant to s. 679.624. 3466 (2) A purported or apparent acceptance of collateral under 3467 this section is ineffective unless: 3468 (a) The secured party consents to the acceptance in a 3469 signed an authenticated record or sends a proposal to the 3470 debtor; and 3471 (b) The conditions of subsection (1) are met. 3472 (3) For purposes of this section: 3473 (a) A debtor consents to an acceptance of collateral in 3474 partial satisfaction of the obligation it secures only if the 3475 debtor agrees to the terms of the acceptance in a record signed authenticated after default; and 3476 3477 (b) A debtor consents to an acceptance of collateral in 3478 full satisfaction of the obligation it secures only if the 3479 debtor agrees to the terms of the acceptance in a record signed 3480 authenticated after default or the secured party:

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595-03372-25 20251666c2 3481 1. Sends to the debtor after default a proposal that is 3482 unconditional or subject only to a condition that collateral not 3483 in the possession of the secured party be preserved or 3484 maintained; 3485 2. In the proposal, proposes to accept collateral in full 3486 satisfaction of the obligation it secures, and, in a consumer 3487 transaction, provides notice that the proposal will be deemed 3488 accepted if it is not objected to by an authenticated notice 3489 within 30 days after the date the proposal is sent by the 3490 secured party; and 3. Does not receive a notification of objection signed 3491 3492 authenticated by the debtor within 30 days after the proposal is 3493 sent. 3494 To comply with subsection (5), the secured party shall (6) 3495 dispose of the collateral: 3496 (a) Within 90 days after taking possession; or 3497 (b) Within any longer period to which the debtor and all 3498 secondary obligors have agreed in an agreement to that effect 3499 entered into and signed authenticated after default. 3500 Section 114. Subsection (1) of section 679.621, Florida 3501 Statutes, is amended to read: 3502 679.621 Notification of proposal to accept collateral.-3503 (1) A secured party that desires to accept collateral in full or partial satisfaction of the obligation it secures shall 3504 3505 send its proposal to: 3506 (a) Any person from whom the secured party has received, 3507 before the debtor consented to the acceptance, a signed an authenticated notification of a claim of an interest in the 3508 3509 collateral;

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3510	(b) Any other secured party or lienholder that, 10 days				
3511	before the debtor consented to the acceptance, held a security				
3512	interest in or other lien on the collateral perfected by the				
3513	filing of a financing statement that:				
3514	1. Identified the collateral;				
3515	2. Was indexed under the debtor's name as of that date; and				
3516	3. Was filed in the office or offices in which to file a				
3517	financing statement against the debtor covering the collateral				
3518	as of that date; and				
3519	(c) Any other secured party that, 10 days before the debtor				
3520	consented to the acceptance, held a security interest in the				
3521	collateral perfected by compliance with a statute, regulation,				
3522	or treaty described in s. 679.3111(1).				
3523	Section 115. Section 679.624, Florida Statutes, is amended				
3524	to read:				
3525	679.624 Waiver.—				
3526	(1) A debtor or secondary obligor may waive the right to				
3527	notification of disposition of collateral under s. 679.611 only				
3528	by an agreement to that effect entered into and <u>signed</u>				
3529	authenticated after default.				
3530	(2) A debtor may waive the right to require disposition of				
3531	collateral under s. 679.620(5) only by an agreement to that				
3532	effect entered into and <u>signed</u> authenticated after default.				
3533	(3) Except in a consumer-goods transaction, a debtor or				
3534	secondary obligor may waive the right to redeem collateral under				
3535	s. 679.623 only by an agreement to that effect entered into and				
3536	signed authenticated after default.				
3537	Section 116. Subsections (1) and (5) of section 679.625,				
3538	Florida Statutes, are amended, and subsections (3), (6), and (7)				

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595-03372-25 20251666c2 3539 of that section are republished, to read: 3540 679.625 Remedies for failure to comply with article.-3541 (1) If it is established that a secured party is not 3542 proceeding in accordance with this chapter, a court may order or 3543 restrain collection, enforcement, or disposition of collateral 3544 on appropriate terms and conditions. This subsection does shall 3545 not preclude a debtor other than a consumer and a secured party, 3546 or two or more secured parties in other than a consumer 3547 transaction, from agreeing in a signed an authenticated record 3548 that the debtor or secured party must first provide to the 3549 alleged offending secured party notice of a violation of this 3550 chapter and opportunity to cure before commencing any legal 3551 proceeding under this section.

3552

(3) Except as otherwise provided in s. 679.628:

(a) A person who, at the time of the failure, was a debtor, was an obligor, or held a security interest in or other lien on the collateral may recover damages under subsection (2) for the person's loss; and

3557 (b) If the collateral is consumer goods, a person who was a 3558 debtor or a secondary obligor at the time a secured party failed 3559 to comply with this part may recover for that failure in any 3560 event an amount not less than the credit service charge plus 10 3561 percent of the principal amount of the obligation or the time-3562 price differential plus 10 percent of the cash price.

(5) In lieu of damages recoverable under subsection (2), the debtor, consumer obligor, or person named as a debtor in a filed record, as applicable, may recover \$500 in each case from a person who:

3567

(a) Fails to comply with s. 679.2081;

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595-03372-25 20251666c2 3568 (b) Fails to comply with s. 679.209; 3569 (c) Files a record that the person is not entitled to file 3570 under s. 679.509(1); 3571 Fails to cause the secured party of record to file or (d) 3572 send a termination statement as required by s. 679.513(1) or (3) 3573 after receipt of a signed an authenticated record notifying the 3574 person of such noncompliance; 3575 (e) Fails to comply with s. 679.616(2)(a) and whose failure 3576 is part of a pattern, or consistent with a practice, of 3577 noncompliance; or 3578 (f) Fails to comply with s. 679.616(2)(b). 3579 (6) A debtor or consumer obligor may recover damages under 3580 subsection (2) and, in addition, \$500 in each case from a person 3581 who, without reasonable cause, fails to comply with a request 3582 under s. 679.210. A recipient of a request under s. 679.210 3583 which never claimed an interest in the collateral or obligations 3584 that are the subject of a request under that section has a 3585 reasonable excuse for failure to comply with the request within 3586 the meaning of this subsection. 3587 (7) If a secured party fails to comply with a request 3588 regarding a list of collateral or a statement of account under 3589 s. 679.210, the secured party may claim a security interest only 3590 as shown in the list or statement included in the request as 3591 against a person who is reasonably misled by the failure. 3592 Section 117. Subsections (1) and (2) of section 679.628, 3593 Florida Statutes, are amended, and subsection (6) is added to 3594 that section, to read:

3595 679.628 Nonliability and limitation on liability of secured 3596 party; liability of secondary obligor.-

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3597	(1) Subject to subsection (6), unless a secured party knows				
3598					
3599	that a person is a debtor or obligor, knows the identity of the				
3600	person, and knows how to communicate with the person: (a) The secured party is not liable to the person, or to a				
3601	secured party or lienholder that has filed a financing statement				
3602	against the person, for failure to comply with this chapter; and				
3603	(b) The secured party's failure to comply with this chapter				
3604	does not affect the liability of the person for a deficiency.				
3605	(2) Subject to subsection (6), a secured party is not				
3606	liable because of its status as a secured party:				
3607	(a) To a person who is a debtor or obligor, unless the				
3608	secured party knows:				
3609	1. That the person is a debtor or obligor;				
3610	2. The identity of the person; and				
3611	3. How to communicate with the person; or				
3612	(b) To a secured party or lienholder that has filed a				
3613	financing statement against a person, unless the secured party				
3614	knows:				
3615	1. That the person is a debtor; and				
3616	2. The identity of the person.				
3617	(6) Subsections (1) and (2) do not apply to limit the				
3618	liability of a secured party to a person if, at the time the				
3619	secured party obtains control of collateral that is a				
3620	controllable account, controllable electronic record, or				
3621	controllable payment intangible or at the time the security				
3622	interest attaches to the collateral, whichever is later:				
3623	(a) The person is a debtor or obligor; and				
3624	(b) The secured party knows that the information in				
3625	subparagraph (2)(a)1., subparagraph (2)(a)2., or subparagraph				

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3626	(2) (a) 3., relating to the person is not provided by the				
3627	collateral, a record attached to or logically associated with				
3628	the collateral, or the system in which the collateral is				
3629	recorded.				
3630	Section 118. Part IX of chapter 679, Florida Statutes,				
3631	consisting of ss. 679.901 and 679.902, Florida Statutes, is				
3632	created and entitled "Transitional Provisions."				
3633	Section 119. Section 679.901, Florida Statutes, is created				
3634	to read:				
3635	679.901 Saving clauseExcept as otherwise provided in ss.				
3636	669.501-669.706, a transaction validly entered into before July				
3637	1, 2025, and the rights, duties, and interests flowing from such				
3638	transaction remain valid thereafter and may be terminated,				
3639	completed, consummated, or enforced as required or permitted by				
3640	law other than the Uniform Commercial Code or, if applicable, by				
3641	the Uniform Commercial Code as though this act had not taken				
3642	effect.				
3643	Section 120. Section 679.902, Florida Statutes, is created				
3644	to read:				
3645	679.902 Transitional provisionsEffective July 1, 2025,				
3646	chapter 679 shall be amended by this act, including the				
3647	transitional provisions for chapters 669 and 679, as amended by				
3648	this act, as provided in part II of chapter 669.				
3649	Section 121. Section 680.1021, Florida Statutes, is amended				
3650	to read:				
3651	680.1021 Scope				
3652	(1) This chapter applies to any transaction, regardless of				
3653	form, that creates a lease and, in the case of a hybrid lease,				
3654	applies to the extent provided in subsection (2).				
·					

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3655	(2) In a hybrid lease, both of the following apply:			
3656	(a) If the lease-of-goods aspects do not predominate:			
3657	1. Only the provisions of this chapter which relate			
3658	primarily to the lease-of-goods aspects of the transaction			
3659	apply, and the provisions that relate primarily to the			
3660	transaction as a whole do not apply;			
3661	2. Section 608.209 applies if the lease is a finance lease;			
3662	and			
3663	3. Section 608.407 applies to the promises of the lessee in			
3664	a finance lease to the extent that the promises are			
3665	consideration for the right to possession and use of the leased			
3666	goods.			
3667	(b) If the lease-of-goods aspects predominate, this chapter			
3668	applies to the transaction, but does not preclude application in			
3669	appropriate circumstances of other law to aspects of the lease			
3670	which do not relate to the lease of goods.			
3671	Section 122. Present paragraphs (i) through (z) of			
3672	subsection (1) of section 680.1031, Florida Statutes, are			
3673	redesignated as paragraphs (j) through (aa), respectively, a new			
3674	paragraph (i) is added to that subsection, and paragraphs (a),			
3675	(d), (e), (f), (h), (j), (l), and (m) of subsection (3) of that			
3676	section are amended, to read:			
3677	680.1031 Definitions and index of definitions			
3678	(1) In this chapter, unless the context otherwise requires:			
3679	(i) "Hybrid lease" means a single transaction involving a			
3680	lease of goods and:			
3681	1. The provision of services;			
3682	2. A sale of other goods; or			
3683	3. A sale, lease, or license of property other than goods.			

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3684	(3) The following definitions in other chapters of this				
3685	code apply to this chapter:				
3686	(a) "Account," <u>s. 679.1021(1)</u> s. 679.1021(1)(b) .				
3687	(d) "Chattel paper," <u>s. 679.1021(1)</u> s. 679.1021(1)(k) .				
3688	(e) "Consumer goods," <u>s. 679.1021(1)</u> s. 679.1021(1)(w) .				
3689	(f) "Document," <u>s. 679.1021(1)</u> s. 679.1021(1)(dd) .				
3690	(h) "General intangible," <u>s. 679.1021(1)</u> s.				
3691	679.1021(1)(pp) .				
3692	(j) "Instrument," <u>s. 679.1021(1)</u> s. 679.1021(1)(uu) .				
3693	(l) "Mortgage," <u>s. 679.1021(1)</u> s. 679.1021(1)(ccc) .				
3694	(m) "Pursuant to a commitment," <u>s. 679.1021(1)</u> s.				
3695	679.1021(1)(ppp) .				
3696	Section 123. Section 680.1071, Florida Statutes, is amended				
3697	to read:				
3698	680.1071 Waiver or renunciation of claim or right after				
3699	default.—Any claim or right arising out of an alleged default or				
3700	breach of warranty may be discharged in whole or in part without				
3701	consideration by a written waiver or renunciation <u>in a</u> signed				
3702	record and delivered by the aggrieved party.				
3703	Section 124. Subsections (1), (3), and (5) of section				
3704	680.201, Florida Statutes, are amended to read:				
3705	680.201 Statute of frauds				
3706	(1) A lease contract is not enforceable by way of action or				
3707	defense unless:				
3708	(a) In a lease contract that is not a consumer lease, the				
3709	total payments to be made under the lease contract, excluding				
3710	payments for options to renew or buy, are less than \$1,000; or				
3711	(b) There is a <u>record</u> writing , signed by the party against				
3712	whom enforcement is sought or by that party's authorized agent,				

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595-03372-25 20251666c2 3713 sufficient to indicate that a lease contract has been made 3714 between the parties and to describe the goods leased and the 3715 lease term. 3716 (3) A record writing is not insufficient because it omits 3717 or incorrectly states a term agreed upon, but the lease contract 3718 is not enforceable under paragraph (1)(b) beyond the lease term 3719 and the quantity of goods shown in the record writing. 3720 (5) The lease term under a lease contract referred to in 3721 subsection (4) is: 3722 (a) If there is a record writing signed by the party against whom enforcement is sought or by that party's authorized 3723 3724 agent specifying the lease term, the term so specified; 3725 If the party against whom enforcement is sought admits (b) in that party's pleading, testimony, or otherwise in court a 3726 3727 lease term, the term so admitted; or 3728 (c) A reasonable lease term. 3729 Section 125. Section 680.202, Florida Statutes, is amended 3730 to read: 3731 680.202 Final written expression: parol or extrinsic 3732 evidence.-Terms with respect to which the confirmatory memoranda 3733 of the parties agree or which are otherwise set forth in a 3734 record writing intended by the parties as a final expression of 3735 their agreement with respect to such terms as are included 3736 therein may not be contradicted by evidence of any prior 3737 agreement or of a contemporaneous oral agreement but may be 3738 explained or supplemented: 3739 (1) By course of dealing or usage of trade or by course of performance; and 3740

3741

(2) By evidence of consistent additional terms unless the

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595-03372-25 20251666c2 court finds the record writing to have been intended also as a 3742 3743 complete and exclusive statement of the terms of the agreement. 3744 Section 126. Section 680.203, Florida Statutes, is amended 3745 to read: 3746 680.203 Seals inoperative.-The affixing of a seal to a 3747 record writing evidencing a lease contract or an offer to enter 3748 into a lease contract does not render the record writing a sealed instrument, and the law with respect to sealed 3749 3750 instruments does not apply to the lease contract or offer. 3751 Section 127. Section 680.205, Florida Statutes, is amended 3752 to read: 3753 680.205 Firm offers.-An offer by a merchant to lease goods 3754 to or from another person in a signed record writing that by its 3755 terms gives assurance it will be held open is not revocable, for 3756 lack of consideration, during the time stated or, if no time is 3757 stated, for a reasonable time, but in no event may the period of 3758 irrevocability exceed 3 months. Any such term of assurance on a 3759 form supplied by the offeree must be separately signed by the 3760 offeror. 3761 Section 128. Subsection (2) of section 680.208, Florida 3762 Statutes, is amended to read: 3763 680.208 Modification, rescission, and waiver.-3764 (2) A signed lease agreement that excludes modification or 3765 rescission except by a signed record writing may not be 3766 otherwise modified or rescinded, but, except as between 3767 merchants, such a requirement on a form supplied by a merchant 3768 must be separately signed by the other party. 3769 Section 129. Part VI of chapter 680, Florida Statutes, consisting of s. 680.601, Florida Statutes, is created and 3770

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3771	entitled "Transitional Provisions."				
3772	Section 130. Section 680.601, Florida Statutes, is created				
3773	to read:				
3774	680.601 Saving clauseExcept as provided in ss. 669.501-				
3775	669.706, a transaction validly entered into before July 1, 2025,				
3776	and the rights, duties, and interests flowing from such				
3777	transaction remain valid thereafter and may be terminated,				
3778	completed, consummated, or enforced as required or permitted by				
3779	law other than the Uniform Commercial Code or, if applicable, by				
3780	the Uniform Commercial Code as though this act had not taken				
3781	effect.				
3782	Section 131. Subsection (6) of section 55.205, Florida				
3783	Statutes, is amended to read:				
3784	55.205 Effect of judgment lien				
3785	(6) A judgment lien acquired under s. 55.202 may be				
3786	enforced only through judicial process, including attachment				
3787	under chapter 76; execution under chapter 56; garnishment under				
3788	chapter 77; a charging order under s. 605.0503, s. 620.1703, or				
3789	s. 620.8504; or proceedings supplementary to execution under s.				
3790	56.29. A holder of a judgment lien acquired under s. 55.202, who				
3791	is not enforcing separate lien rights in a judgment debtor's				
3792	property, may not enforce his or her rights under this section				
3793	through self-help repossession or replevin without a court order				
3794	or without the express consent of the judgment debtor contained				
3795	in a record authenticated in accordance with s. 668.50 or <u>s.</u>				
3796	<u>679.1021(1)</u> s. 679.1021(1)(g) after the judgment lien attaches.				
3797	Section 132. Subsection (2) and paragraph (b) of subsection				
3798	(3) of section 319.27, Florida Statutes, are amended to read:				
3799	319.27 Notice of lien on motor vehicles or mobile homes;				

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3800 notation on certificate; recording of lien.-

3801 (2) No lien for purchase money or as security for a debt in 3802 the form of a security agreement, retain title contract, 3803 conditional bill of sale, chattel mortgage, or other similar 3804 instrument or any other nonpossessory lien, including a lien for 3805 child support, upon a motor vehicle or mobile home upon which a 3806 Florida certificate of title has been issued shall be 3807 enforceable in any of the courts of this state against creditors or subsequent purchasers for a valuable consideration and 3808 3809 without notice, unless a sworn notice of such lien has been 3810 filed in the department and such lien has been noted upon the 3811 certificate of title of the motor vehicle or mobile home. Such 3812 notice shall be effective as constructive notice when filed. The 3813 interest of a statutory nonpossessory lienor; the interest of a 3814 nonpossessory execution, attachment, or equitable lienor; or the interest of a lien creditor as defined in s. 679.1021(1) $\frac{1}{3}$ 3815 3816 679.1021(1)(zz), if nonpossessory, is shall not be enforceable 3817 against creditors or subsequent purchasers for a valuable 3818 consideration unless such interest becomes a possessory lien or 3819 is noted upon the certificate of title for the subject motor 3820 vehicle or mobile home prior to the occurrence of the subsequent 3821 transaction. Provided the provisions of this subsection relating 3822 to a nonpossessory statutory lienor; a nonpossessory execution, 3823 attachment, or equitable lienor; or the interest of a lien 3824 creditor as defined in s. 679.1021(1) does s. 679.1021(1)(zz) 3825 shall not apply to liens validly perfected before prior to 3826 October 1, 1988. The notice of lien must shall provide the 3827 following information:

3828

(a) The date of the lien if a security agreement, retain

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595-03372-25 20251666c2 3829 title contract, conditional bill of sale, chattel mortgage, or 3830 other similar instrument was executed prior to the filing of the 3831 notice of lien; 3832 (b) The name and address of the registered owner; 3833 (c) A description of the motor vehicle or mobile home, 3834 showing the make, type, and vehicle identification number; and 3835 The name and address of the lienholder. (d) 3836 (3) 3837 As applied to a determination of the respective rights (b) 3838 of a secured party under this chapter and a lien creditor as 3839 defined by s. 679.1021(1) s. 679.1021(1)(zz), or a nonpossessory 3840 statutory lienor, a security interest under this chapter shall 3841 be perfected upon the filing of the notice of lien with the 3842 department, the county tax collector, or their agents. Provided, 3843 however, the date of perfection of a security interest of such 3844 secured party shall be the same date as the execution of the 3845 security agreement or other similar instrument if the notice of 3846 lien is filed in accordance with this subsection within 15 days 3847 after the debtor receives possession of the motor vehicle or 3848 mobile home and executes such security agreement or other 3849 similar instrument. The date of filing of the notice of lien 3850 shall be the date of its receipt by the department central office in Tallahassee, if first filed there, or otherwise by the 3851 3852 office of the county tax collector, or their agents. 3853 Section 133. Subsection (2) of section 328.0015, Florida 3854 Statutes, is amended to read:

3855

328.0015 Definitions.-

3856 (2) The following definitions and terms also apply to this 3857 part:

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3858	(a)	"Agreement" as defined in <u>s. 671.201</u> s.	671.201(3) .	
3859	(b)) "Buyer in ordinary course of business" as defined in <u>s.</u>		
3860	<u>671.201</u> s	<u>671.201</u> s. 671.201(9) .		
3861	(C)	"Conspicuous" as defined in <u>s. 671.201</u> s	. 671.201(11) .	
3862	(d)	"Consumer goods" as defined in <u>s. 679.1021(1)</u> s.		
3863	679.1021(1)(w) .			
3864	(e)	"Debtor" as defined in <u>s. 679.1021(1)</u> s.	"Debtor" as defined in <u>s. 679.1021(1)</u> s.	
3865	679.1021(1)(bb) .			
3866	(f)	"Knowledge" as defined in s. 671.209.		
3867	(g)	"Lease" as defined in <u>s. 680.1031(1)</u> s.	680.1031(1)(j) .	
3868	(h)	"Lessor" as defined in <u>s. 680.1031(1)</u> s.		
3869	680.1031(1)(p) .			
3870	(i)	"Notice" as defined s. 671.209.		
3871	(j)	"Representative" as defined in <u>s. 671.201</u> s.		
3872	671.201(37) .			
3873	(k)	"Sale" as defined in s. 672.106(1).		
3874	(1)	"Security agreement" as defined in <u>s. 67</u>	9.1021(1) s.	
3875	679.1021((1) (uuu) .		
3876	(m)	"Seller" as defined in <u>s. 672.103(1)</u> s.	672.103(1)(d) .	
3877	(n)	"Send" as defined in <u>s. 671.201</u> s. 671.2	01(40) .	
3878	(0)	(o) "Value" as defined in s. 671.211.		
3879	Section 134. Subsection (13) of section 517.061, Florida			
3880	Statutes,	, is amended to read:		
3881	517.	.061 Exempt transactionsExcept as other	wise provided	
3882	in subsec	ction (11), the exemptions provided hereir	n from the	
3883	registrat	tion requirements of s. 517.07 are self-ex	cecuting and do	
3884	not requi	ire any filing with the office before beir	ng claimed. Any	
3885	person wh	no claims entitlement to an exemption unde	er this section	
3886	bears the	e burden of proving such entitlement in ar	ly proceeding	

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595-03372-25 20251666c2 3887 brought under this chapter. The registration provisions of s. 3888 517.07 do not apply to any of the following transactions; 3889 however, such transactions are subject to s. 517.301: 3890 (13) By or for the account of a pledgeholder, a secured 3891 party as defined in s. 679.1021(1) s. 679.1021(1)(ttt), or a 3892 mortgagee selling or offering for sale or delivery in the 3893 ordinary course of business and not for the purposes of avoiding 3894 the provisions of this chapter, to liquidate a bona fide debt, a 3895 security pledged in good faith as security for such debt. Section 135. Subsection (2) of section 559.9232, Florida 3896 3897 Statutes, is amended to read: 3898 559.9232 Definitions; exclusion of rental-purchase 3899 agreements from certain regulations.-3900 (2) A rental-purchase agreement that complies with this act 3901 may shall not be construed to be, nor be governed by, any of the 3902 following: 3903 (a) A lease or agreement that constitutes a credit sale as 3904 defined in 12 C.F.R. s. 226.2(a)(16) and s. 1602(g) of the 3905 federal Truth in Lending Act, 15 U.S.C. ss. 1601 et seq.; 3906 (b) A lease that constitutes a "consumer lease" as defined 3907 in 12 C.F.R. s. 213.2(a)(6); 3908 (c) Any lease for agricultural, business, or commercial 3909 purposes; 3910 (d) Any lease made to an organization; 3911 (e) A lease or agreement that constitutes a "retail 3912 installment contract" or "retail installment transaction" as 3913 those terms are defined in s. 520.31; or 3914 (f) A security interest as defined in s. 671.201 s. 3915 671.201(39).

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595-03372-25 20251666c2 3916 Section 136. Paragraph (g) of subsection (2) of section 3917 563.022, Florida Statutes, is amended to read: 3918 563.022 Relations between beer distributors and 3919 manufacturers.-3920 (2) DEFINITIONS.-In construing this section, unless the 3921 context otherwise requires, the word, phrase, or term: 3922 (g) "Good faith" means honesty in fact in the conduct or 3923 transaction concerned as defined and interpreted under s. 3924 671.201 s. 671.201(21). 3925 Section 137. Paragraph (d) of subsection (16) of section 3926 668.50, Florida Statutes, is amended, and paragraph (b) of 3927 subsection (3) of that section is republished, to read: 668.50 Uniform Electronic Transaction Act.-3928 3929 (3) SCOPE.-3930 (b) This section does not apply to a transaction to the 3931 extent the transaction is governed by: 3932 1. A provision of law governing the creation and execution 3933 of wills, codicils, or testamentary trusts; 3934 2. The Uniform Commercial Code other than s. 671.107 and 3935 chapters 672 and 680; or 3936 3. The Uniform Computer Information Transactions Act. 3937 (16) TRANSFERABLE RECORDS.-(d) Except as otherwise agreed, a person having control of 3938 3939 a transferable record is the holder, as defined in s. 671.201 s. 3940 671.201(22), of the transferable record and has the same rights 3941 and defenses as a holder of an equivalent record or writing 3942 under the Uniform Commercial Code, including, if the applicable 3943 statutory requirements under s. 673.3021, s. 677.501, or s. 3944 679.330 are satisfied, the rights and defenses of a holder in

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595-03372-25 20251666c2 3945 due course, a holder to which a negotiable document of title has 3946 been duly negotiated, or a purchaser, respectively. Delivery, 3947 possession, and indorsement are not required to obtain or 3948 exercise any of the rights under this paragraph. 3949 Section 138. For the purpose of incorporating the amendment made by this act to section 671.105, Florida Statutes, in 3950 3951 references thereto, subsections (1) and (2) of section 655.55, 3952 Florida Statutes, are reenacted to read: 3953 655.55 Law applicable to deposits in and contracts relating 3954 to extensions of credit by a deposit or lending institution 3955 located in this state.-3956 (1) The law of this state, excluding its law regarding 3957 comity and conflict of laws, governs all aspects, including 3958 without limitation the validity and effect, of any deposit 3959 account in a branch or office in this state of a deposit or 3960 lending institution, including a deposit account otherwise 3961 covered by s. 671.105(1), regardless of the citizenship, 3962 residence, location, or domicile of any other party to the 3963 contract or agreement governing such deposit account, and 3964 regardless of any provision of any law of the jurisdiction of 3965 the residence, location, or domicile of such other party, 3966 whether or not such deposit account bears any other relation to 3967 this state, except that this section does not apply to any such 3968 deposit account:

3969 (a) To the extent provided to the contrary in s.3970 671.105(2); or

(b) To the extent that all parties to the contract or agreement governing such deposit account have agreed in writing that the law of another jurisdiction will govern it.

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595-03372-25 20251666c2 3974 (2) The law of this state, excluding its law regarding 3975 comity and conflict of laws, governs all aspects, including 3976 without limitation the validity and effect, of any contract 3977 relating to an extension of credit made by a branch or office in 3978 this state of a deposit or lending institution, including a 3979 contract otherwise covered by s. 671.105(1), if the contract 3980 expressly provides that it will be governed by the law of this 3981 state, regardless of the citizenship, residence, location, or 3982 domicile of any other party to such contract and regardless of 3983 any provision of any law of the jurisdiction of the residence, 3984 location, or domicile of such other party, whether or not such 3985 contract bears any other relation to this state, except that 3986 this section does not apply to any such contract to the extent 3987 provided to the contrary in s. 671.105(2). 3988 Section 139. For the purpose of incorporating the amendment 3989 made by this act to section 671.105, Florida Statutes, in a 3990 reference thereto, subsection (2) of section 685.101, Florida 3991 Statutes, is reenacted to read: 3992 685.101 Choice of law.-3993 (2) This section does not apply to any contract, agreement, 3994 or undertaking: 3995 Regarding any transaction which does not bear a (a) 3996 substantial or reasonable relation to this state in which every 3997 party is either or a combination of: 3998 1. A resident and citizen of the United States, but not of 3999 this state; or 4000 Incorporated or organized under the laws of another 2. 4001 state and does not maintain a place of business in this state; 4002 (b) For labor or employment;

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4031 states:

i.	595-03372-25 20251666c2
4003	(c) Relating to any transaction for personal, family, or
4004	household purposes, unless such contract, agreement, or
4005	undertaking concerns a trust at least one trustee of which
4006	resides or transacts business as a trustee in this state, in
4007	which case this section applies;
4008	(d) To the extent provided to the contrary in s.
4009	671.105(2); or
4010	(e) To the extent such contract, agreement, or undertaking
4011	is otherwise covered or affected by s. 655.55.
4012	Section 140. For the purpose of incorporating the amendment
4013	made by this act to section 673.1041, Florida Statutes, in a
4014	reference thereto, subsection (1) of section 90.953, Florida
4015	Statutes, is reenacted to read:
4016	90.953 Admissibility of duplicates.—A duplicate is
4017	admissible to the same extent as an original, unless:
4018	(1) The document or writing is a negotiable instrument as
4019	defined in s. 673.1041, a security as defined in s. 678.1021, or
4020	any other writing that evidences a right to the payment of
4021	money, is not itself a security agreement or lease, and is of a
4022	type that is transferred by delivery in the ordinary course of
4023	business with any necessary endorsement or assignment.
4024	Section 141. For the purpose of incorporating the amendment
4025	made by this act to section 673.1041, Florida Statutes, in
4026	references thereto, subsections (1), (3), and (4) of section
4027	673.1061, Florida Statutes, are reenacted to read:
4028	673.1061 Unconditional promise or order
4029	(1) Except as provided in this section, for the purposes of
4030	s. 673.1041(1), a promise or order is unconditional unless it

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595-03372-25 20251666c2 4032 (a) An express condition to payment; 4033 (b) That the promise or order is subject to or governed by 4034 another writing; or 4035 (c) That rights or obligations with respect to the promise 4036 or order are stated in another writing. 4037 4038 A reference to another writing does not of itself make the 4039 promise or order conditional. 4040 (3) If a promise or order requires, as a condition to 4041 payment, a countersignature by a person whose specimen signature 4042 appears on the promise or order, the condition does not make the 4043 promise or order conditional for the purposes of s. 673.1041(1). 4044 If the person whose specimen signature appears on an instrument 4045 fails to countersign the instrument, the failure to countersign 4046 is a defense to the obligation of the issuer, but the failure 4047 does not prevent a transferee of the instrument from becoming a 4048 holder of the instrument. 4049 (4) If a promise or order at the time it is issued or first 4050 comes into possession of a holder contains a statement, required 4051 by applicable statutory or administrative law, to the effect 4052 that the rights of a holder or transferee are subject to claims 4053 or defenses that the issuer could assert against the original 4054 payee, the promise or order is not thereby made conditional for 4055 the purposes of s. 673.1041(1); but if the promise or order is 4056 an instrument, there cannot be a holder in due course of the 4057 instrument. 4058

4058 Section 142. For the purpose of incorporating the amendment 4059 made by this act to section 673.1041, Florida Statutes, in a 4060 reference thereto, subsection (2) of section 673.1151, Florida

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4061
      Statutes, is reenacted to read:
           673.1151 Incomplete instrument.-
4062
4063
            (2) Subject to subsection (3), if an incomplete instrument
4064
      is an instrument under s. 673.1041, it may be enforced according
4065
      to its terms if it is not completed, or according to its terms
4066
      as augmented by completion. If an incomplete instrument is not
4067
      an instrument under s. 673.1041, but, after completion, the
4068
      requirements of s. 673.1041 are met, the instrument may be
4069
      enforced according to its terms as augmented by completion.
4070
           Section 143. For the purpose of incorporating the amendment
4071
      made by this act to section 673.6041, Florida Statutes, in a
4072
      reference thereto, subsection (2) of section 673.6051, Florida
4073
      Statutes, is reenacted to read:
4074
           673.6051 Discharge of indorsers and accommodation parties.-
4075
            (2) Discharge, under s. 673.6041, of the obligation of a
4076
      party to pay an instrument does not discharge the obligation of
4077
      an indorser or accommodation party having a right of recourse
4078
      against the discharged party.
4079
           Section 144. For the purpose of incorporating the
4080
      amendments made by this act to sections 673.1041 and 673.1051,
4081
      Florida Statutes, in references thereto, subsection (2) of
      section 673.1031, Florida Statutes, is reenacted to read:
4082
4083
           673.1031 Definitions.-
4084
            (2) Other definitions applying to this chapter and the
4085
      sections in which they appear are:
4086
           "Acceptance," s. 673.4091.
4087
           "Accommodated party," s. 673.4191.
4088
           "Accommodation party," s. 673.4191.
           "Alteration," s. 673.4071.
4089
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4090	"Anomalous indorsement," s. 673.2051.	
4091	"Blank indorsement," s. 673.2051.	
4092	"Cashier's check," s. 673.1041.	
4093	"Certificate of deposit," s. 673.1041.	
4094	"Certified check," s. 673.4091.	
4095	"Check," s. 673.1041.	
4096	"Consideration," s. 673.3031.	
4097	"Draft," s. 673.1041.	
4098	"Holder in due course," s. 673.3021.	
4099	"Incomplete instrument," s. 673.1151.	
4100	"Indorsement," s. 673.2041.	
4101	"Indorser," s. 673.2041.	
4102	"Instrument," s. 673.1041.	
4103	"Issue," s. 673.1051.	
4104	"Issuer," s. 673.1051.	
4105	"Negotiable instrument," s. 673.1041.	
4106	"Negotiation," s. 673.2011.	
4107	"Note," s. 673.1041.	
4108	"Payable at a definite time," s. 673.1081.	
4109	"Payable on demand," s. 673.1081.	
4110	"Payable to bearer," s. 673.1091.	
4111	"Payable to order," s. 673.1091.	
4112	"Payment," s. 673.6021.	
4113	"Person entitled to enforce," s. 673.3011.	
4114	"Presentment," s. 673.5011.	
4115	"Reacquisition," s. 673.2071.	
4116	"Special indorsement," s. 673.2051.	
4117	"Teller's check," s. 673.1041.	
4118	"Transfer of instrument," s. 673.2031.	
I		I

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595-03372-25 20251666c2 4119 "Traveler's check," s. 673.1041. 4120 "Value," s. 673.3031. 4121 Section 145. For the purpose of incorporating the amendment made by this act to section 675.104, Florida Statutes, in a 4122 4123 reference thereto, paragraph (j) of subsection (1) of section 4124 675.103, Florida Statutes, is reenacted to read: 4125 675.103 Definitions.-4126 (1) For purposes of this chapter: (j) "Letter of credit" means a definite undertaking that 4127 4128 satisfies the requirements of s. 675.104 by an issuer to a 4129 beneficiary at the request or for the account of an applicant 4130 or, in the case of a financial institution, to itself or for its 4131 own account, to honor a documentary presentation by payment or 4132 delivery of an item of value. 4133 Section 146. For the purpose of incorporating the amendment 4134 made by this act to section 675.116, Florida Statutes, in a 4135 reference thereto, subsection (2) of section 679.3061, Florida 4136 Statutes, is reenacted to read: 4137 679.3061 Law governing perfection and priority of security 4138 interests in letter-of-credit rights.-(2) For purposes of this part, an issuer's jurisdiction or 4139 4140 nominated person's jurisdiction is the jurisdiction whose law 4141 governs the liability of the issuer or nominated person with 4142 respect to the letter-of-credit right as provided in s. 675.116. 4143 Section 147. For the purpose of incorporating the amendment made by this act to section 677.106, Florida Statutes, in a 4144 4145 reference thereto, subsection (3) of section 672.103, Florida 4146 Statutes, is reenacted to read: 672.103 Definitions and index of definitions.-4147

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            (3) The following definitions in other chapters apply to
4148
4149
      this chapter:
4150
            "Check," s. 673.1041.
            "Consignee," s. 677.102.
4151
4152
            "Consignor," s. 677.102.
            "Consumer goods," s. 679.1021.
4153
4154
           "Control," s. 677.106.
            "Dishonor," s. 673.5021.
4155
            "Draft," s. 673.1041.
4156
4157
            Section 148. For the purpose of incorporating the amendment
4158
      made by this act to section 677.106, Florida Statutes, in a
      reference thereto, subsection (3) of section 674.104, Florida
4159
4160
      Statutes, is reenacted to read:
            674.104 Definitions and index of definitions.-
4161
4162
            (3) The following definitions in other chapters apply to
4163
      this chapter:
4164
            "Acceptance," s. 673.4091.
            "Alteration," s. 673.4071.
4165
4166
            "Cashier's check," s. 673.1041.
4167
            "Certificate of deposit," s. 673.1041.
            "Certified check," s. 673.4091.
4168
4169
            "Check," s. 673.1041.
4170
            "Control," s. 677.106.
4171
            "Good faith," s. 673.1031.
4172
            "Holder in due course," s. 673.3021.
4173
            "Instrument," s. 673.1041.
4174
            "Notice of dishonor," s. 673.5031.
            "Order," s. 673.1031.
4175
4176
            "Ordinary care," s. 673.1031.
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595-03372-25 20251666c2 4177 "Person entitled to enforce," s. 673.3011. 4178 "Presentment," s. 673.5011. "Promise," s. 673.1031. 4179 4180 "Prove," s. 673.1031. 4181 "Teller's check," s. 673.1041. 4182 "Unauthorized signature," s. 673.4031. 4183 Section 149. For the purpose of incorporating the amendment 4184 made by this act to section 678.1061, Florida Statutes, in a 4185 reference thereto, subsection (3) of section 678.5101, Florida 4186 Statutes, is reenacted to read: 4187 678.5101 Rights of purchaser of security entitlement from 4188 entitlement holder.-4189 (3) In a case not covered by the priority rules in chapter 4190 679, a purchaser for value of a security entitlement, or an 4191 interest therein, who obtains control has priority over a 4192 purchaser of a security entitlement, or an interest therein, who 4193 does not obtain control. Except as otherwise provided in 4194 subsection (4), purchasers who have control rank according to 4195 priority in time of: 4196 (a) The purchaser's becoming the person for whom the 4197 securities account, in which the security entitlement is 4198 carried, is maintained, if the purchaser obtained control under 4199 s. 678.1061(4)(a); 4200 The securities intermediary's agreement to comply with (b) 4201 the purchaser's entitlement orders with respect to security 4202 entitlements carried or to be carried in the securities account 4203 in which the security entitlement is carried, if the purchaser 4204 obtained control under s. 678.1061(4)(b); or 4205 (c) If the purchaser obtained control through another

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4234

and

595-03372-25 20251666c2 4206 person under s. 678.1061(4)(c), the time on which priority would 4207 be based under this subsection if the other person were the 4208 secured party. 4209 Section 150. For the purpose of incorporating the amendment 4210 made by this act to section 678.1061, Florida Statutes, in a 4211 reference thereto, subsection (1) of section 679.1061, Florida 4212 Statutes, is reenacted to read: 4213 679.1061 Control of investment property.-4214 (1) A person has control of a certificated security, 4215 uncertificated security, or security entitlement as provided in 4216 s. 678.1061. 4217 Section 151. For the purpose of incorporating the amendment 4218 made by this act to section 679.2031, Florida Statutes, in a 4219 reference thereto, subsection (3) of section 674.2101, Florida 4220 Statutes, is reenacted to read: 4221 674.2101 Security interest of collecting bank in items, 4222 accompanying documents, and proceeds.-4223 (3) Receipt by a collecting bank of a final settlement for 4224 an item is a realization on its security interest in the item, 4225 accompanying documents, and proceeds. So long as the bank does 4226 not receive final settlement for the item or give up possession 4227 of the item or possession or control of the accompanying or 4228 associated documents for purposes other than collection, the security interest continues to that extent and is subject to 4229 4230 chapter 679, but: 4231 (a) No security agreement is necessary to make the security 4232 interest enforceable (s. 679.2031(2)(c)1.); 4233 (b) No filing is required to perfect the security interest;

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595-03372-25 20251666c2 4235 (c) The security interest has priority over conflicting 4236 perfected security interests in the item, accompanying 4237 documents, or proceeds. 4238 Section 152. For the purpose of incorporating the amendment 4239 made by this act to section 679.2031, Florida Statutes, in a 4240 reference thereto, subsection (2) of section 675.1181, Florida 4241 Statutes, is reenacted to read: 4242 675.1181 Security interest of issuer or nominated person.-4243 (2) As long as and to the extent that an issuer or 4244 nominated person has not been reimbursed or has not otherwise 4245 recovered the value given with respect to a security interest in 4246 a document under subsection (1), the security interest continues 4247 and is subject to chapter 679, but a security agreement is not 4248 necessary to make the security interest enforceable under s. 679.2031(2)(c): 4249 4250 (a) If the document is presented in a medium other than a 4251 written or other tangible medium, the security interest is 4252 perfected; and 4253 (b) If the document is presented in a written or other 4254 tangible medium and is not a certificated security, chattel 4255 paper, a document of title, an instrument, or a letter of 4256 credit, the security interest is perfected and has priority over 4257 a conflicting security interest in the document so long as the 4258 debtor does not have possession of the document. 4259 Section 153. For the purpose of incorporating the amendment 4260 made by this act to section 679.2031, Florida Statutes, in a

4261 reference thereto, section 679.1101, Florida Statutes, is 4262 reenacted to read:

4263

679.1101 Security interests arising under chapter 672 or

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595-03372-25 20251666c2 4264 chapter 680.-A security interest arising under s. 672.401, s. 4265 672.505, s. 672.711(3), or s. 680.508(5) is subject to this 4266 chapter. However, until the debtor obtains possession of the 4267 qoods: 4268 The security interest is enforceable, even if s. (1)4269 679.2031(2)(c) has not been satisfied; 4270 (2) Filing is not required to perfect the security 4271 interest; 4272 (3) The rights of the secured party after default by the 4273 debtor are governed by chapter 672 or chapter 680; and 4274 (4) The security interest has priority over a conflicting 4275 security interest created by the debtor. 4276 Section 154. For the purpose of incorporating the amendment 4277 made by this act to section 679.2031, Florida Statutes, in a 4278 reference thereto, subsection (2) of section 679.709, Florida 4279 Statutes, is reenacted to read: 4280 679.709 Priority.-4281 (2) For purposes of s. 679.322(1), the priority of a 4282 security interest that becomes enforceable under s. 679.2031 of 4283 this act dates from the time this act takes effect if the 4284 security interest is perfected under this act by the filing of a 4285 financing statement before this act takes effect which would not 4286 have been effective to perfect the security interest under 4287 chapter 679, Florida Statutes 2000. This subsection does not 4288 apply to conflicting security interests each of which is 4289 perfected by the filing of such a financing statement. 4290 Section 155. For the purpose of incorporating the amendment

4291 made by this act to section 679.210, Florida Statutes, in a 4292 reference thereto, subsection (2) of section 679.602, Florida

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595-03372-25 20251666c2 4293 Statutes, is reenacted to read: 4294 679.602 Waiver and variance of rights and duties.-Except as 4295 otherwise provided in s. 679.624, to the extent that they give 4296 rights to a debtor or obligor and impose duties on a secured 4297 party, the debtor or obligor may not waive or vary the rules 4298 stated in the following listed sections: 4299 (2) Section 679.210, which deals with requests for an 4300 accounting and requests concerning a list of collateral and 4301 statement of account; 4302 Section 156. For the purpose of incorporating the amendment 4303 made by this act to section 679.3141, Florida Statutes, in a 4304 reference thereto, subsection (2) of section 679.329, Florida 4305 Statutes, is reenacted to read: 4306 679.329 Priority of security interests in letter-of-credit 4307 right.-The following rules govern priority among conflicting 4308 security interests in the same letter-of-credit right: 4309 (2) Security interests perfected by control under s. 4310 679.3141 rank according to priority in time of obtaining 4311 control. 4312 Section 157. For the purpose of incorporating the amendment 4313 made by this act to section 679.3161, Florida Statutes, in a 4314 reference thereto, subsection (3) of section 679.320, Florida 4315 Statutes, is reenacted to read: 4316 679.320 Buyer of goods.-4317 (3) To the extent that it affects the priority of a 4318 security interest over a buyer of goods under subsection (2), 4319 the period of effectiveness of a filing made in the jurisdiction 4320 in which the seller is located is governed by s. 679.3161(1) and 4321 (2).

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595-03372-25 20251666c2 4322 Section 158. For the purpose of incorporating the amendment 4323 made by this act to section 679.3171, Florida Statutes, in a 4324 reference thereto, paragraph (b) of subsection (8) of section 4325 727.109, Florida Statutes, is reenacted to read: 4326 727.109 Power of the court.-The court shall have power to: 4327 (8) Hear and determine any of the following actions brought 4328 by the assignee, which she or he is empowered to maintain: 4329 (b) Determine the validity, priority, and extent of a lien 4330 or other interests in assets of the estate, or to subordinate or 4331 avoid an unperfected security interest pursuant to the 4332 assignee's rights as a lien creditor under s. 679.3171. 4333 Section 159. For the purpose of incorporating the 4334 amendments made by this act to sections 679.3171 and 679.323, 4335 Florida Statutes, in references thereto, subsection (3) of 4336 section 680.307, Florida Statutes, is reenacted to read: 4337 680.307 Priority of liens arising by attachment or levy on, 4338 security interests in, and other claims to goods.-4339 (3) Except as otherwise provided in ss. 679.3171, 679.321, 4340 and 679.323, a lessee takes a leasehold interest subject to a 4341 security interest held by a creditor or lessor. 4342 Section 160. For the purpose of incorporating the 4343 amendments made by this act to sections 678.1061, 679.3131, 4344 679.3141, and 679.323, Florida Statutes, in references thereto, 4345 subsections (2), (5), and (7) of section 679.328, Florida Statutes, are reenacted to read: 4346 4347 679.328 Priority of security interests in investment 4348 property.-The following rules govern priority among conflicting 4349 security interests in the same investment property: 4350 (2) Except as otherwise provided in subsections (3) and Page 150 of 155

595-03372-25 20251666c2 4351 (4), conflicting security interests held by secured parties each 4352 of which has control under s. 679.1061 rank according to 4353 priority in time of: 4354 (a) If the collateral is a security, obtaining control; 4355 (b) If the collateral is a security entitlement carried in 4356 a securities account and: 4357 1. If the secured party obtained control under s. 4358 678.1061(4)(a), the secured party's becoming the person for 4359 which the securities account is maintained; 4360 2. If the secured party obtained control under s. 4361 678.1061(4)(b), the securities intermediary's agreement to 4362 comply with the secured party's entitlement orders with respect 4363 to security entitlements carried or to be carried in the securities account; or 4364 4365 3. If the secured party obtained control through another person under s. 678.1061(4)(c), the time on which priority would 4366 4367 be based under this paragraph if the other person were the 4368 secured party; or 4369 (c) If the collateral is a commodity contract carried with 4370 a commodity intermediary, the satisfaction of the requirement 4371 for control specified in s. 679.1061(2)(b) with respect to 4372 commodity contracts carried or to be carried with the commodity 4373 intermediary. 4374 (5) A security interest in a certificated security in 4375 registered form which is perfected by taking delivery under s. 4376 679.3131(1) and not by control under s. 679.3141 has priority 4377 over a conflicting security interest perfected by a method other than control. 4378

4379

(7) In all other cases, priority among conflicting security

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595-03372-25 20251666c2 4380 interests in investment property is governed by ss. 679.322 and 4381 679.323. 4382 Section 161. For the purpose of incorporating the 4383 amendments made by this act to sections 679.1041 and 679.3141, 4384 Florida Statutes, in references thereto, subsections (1) and (2) 4385 of section 679.327, Florida Statutes, are reenacted to read: 4386 679.327 Priority of security interests in deposit account.-4387 The following rules govern priority among conflicting security interests in the same deposit account: 4388 4389 (1) A security interest held by a secured party having 4390 control of the deposit account under s. 679.1041 has priority 4391 over a conflicting security interest held by a secured party 4392 that does not have control. 4393 (2) Except as otherwise provided in subsections (3) and 4394 (4), security interests perfected by control under s. 679.3141 4395 rank according to priority in time of obtaining control. 4396 Section 162. For the purpose of incorporating the 4397 amendments made by this act to sections 679.2031 and 679.4041, 4398 Florida Statutes, in a reference thereto, subsection (4) of 4399 section 679.1091, Florida Statutes, is reenacted to read: 4400 679.1091 Scope.-4401 (4) This chapter does not apply to: 4402 (a) A landlord's lien, other than an agricultural lien; (b) A lien, other than an agricultural lien, given by 4403 statute or other rule of law for services or materials, but s. 4404 4405 679.333 applies with respect to priority of the lien; 4406 (c) An assignment of a claim for wages, salary, or other 4407 compensation of an employee; 4408 (d) A sale of accounts, chattel paper, payment intangibles,

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595-03372-25 20251666c2 4409 or promissory notes as part of a sale of the business out of 4410 which they arose; (e) An assignment of accounts, chattel paper, payment 4411 4412 intangibles, or promissory notes which is for the purpose of 4413 collection only; 4414 (f) An assignment of a right to payment under a contract to 4415 an assignee that is also obligated to perform under the 4416 contract; (g) An assignment of a single account, payment intangible, 4417 4418 or promissory note to an assignee in full or partial 4419 satisfaction of a preexisting indebtedness; 4420 (h) A transfer of an interest in or an assignment of a 4421 claim under a policy of insurance, other than an assignment by 4422 or to a health-care provider of a health-care-insurance 4423 receivable and any subsequent assignment of the right to 4424 payment, but ss. 679.3151 and 679.322 apply with respect to 4425 proceeds and priorities in proceeds; 4426 (i) An assignment of a right represented by a judgment, 4427 other than a judgment taken on a right to payment that was 4428 collateral; 4429 (j) A right of recoupment or set-off, but: 4430 1. Section 679.340 applies with respect to the 4431 effectiveness of rights of recoupment or set-off against deposit 4432 accounts; and 2. Section 679.4041 applies with respect to defenses or 4433 4434 claims of an account debtor; 4435 The creation or transfer of an interest in or lien on (k) 4436 real property, including a lease or rents thereunder, except to 4437 the extent that provision is made for:

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595-03372-25 20251666c2 4438 1. Liens on real property in ss. 679.2031 and 679.3081; 4439 2. Fixtures in s. 679.334; 3. Fixture filings in ss. 679.5011, 679.5021, 679.512, 4440 4441 679.516, and 679.519; and 4442 4. Security agreements covering personal and real property in s. 679.604; 4443 4444 (1) An assignment of a claim arising in tort, other than a 4445 commercial tort claim, but ss. 679.3151 and 679.322 apply with respect to proceeds and priorities in proceeds; 4446 4447 (m) An assignment of a deposit account, other than a nonnegotiable certificate of deposit, in a consumer transaction, 4448 4449 but ss. 679.3151 and 679.322 apply with respect to proceeds and 4450 priorities in proceeds; 4451 (n) Any transfer by a government or governmental unit; or 4452 (o) A transfer or pledge of, or creation of a security 4453 interest in, any interest or right or portion of any interest or 4454 right in any storm-recovery property as defined in s. 366.8260. 4455 Section 163. For the purpose of incorporating the amendment 4456 made by this act to section 679.628, Florida Statutes, in a 4457 reference thereto, subsection (3) of section 679.626, Florida 4458 Statutes, is reenacted to read: 4459 679.626 Action in which deficiency or surplus is in issue.-4460 In an action arising from a transaction in which the amount of a 4461 deficiency or surplus is in issue, the following rules apply: 4462 (3) Except as otherwise provided in s. 679.628, if a 4463 secured party fails to prove that the collection, enforcement, 4464 disposition, or acceptance was conducted in accordance with the 4465 provisions of this part relating to collection, enforcement,

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disposition, or acceptance, the liability of a debtor or a

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4467	secondary obligor for a deficiency is limited to an amount by
4468	which the sum of the secured obligation, reasonable expenses,
4469	and, to the extent provided for by agreement and not prohibited
4470	by law, attorney's fees exceeds the greater of:
4471	(a) The proceeds of the collection, enforcement,
4472	disposition, or acceptance; or
4473	(b) The amount of proceeds that would have been realized
4474	had the noncomplying secured party proceeded in accordance with
4475	the provisions of this part relating to collection, enforcement,
4476	disposition, or acceptance.
4477	Section 164. This act shall take effect July 1, 2025.