

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u> </u>	(Y/N)
ADOPTED AS AMENDED	<u> </u>	(Y/N)
ADOPTED W/O OBJECTION	<u> </u>	(Y/N)
FAILED TO ADOPT	<u> </u>	(Y/N)
WITHDRAWN	<u> </u>	(Y/N)
OTHER	<u> </u>	

Committee/Subcommittee hearing bill: Commerce Committee
Representative Barnaby offered the following:

Amendment (with title amendment)

Remove everything after the enacting clause and insert:

Section 1. Present subsections (6) through (9), (10), (11), (12), (13) through (17), (18), (19), (20) through (25), (26), and (27) of section 517.021, Florida Statutes, are redesignated as subsections (7) through (10), (12), (14), (15), (17) through (21), (25), (26), (28) through (33), (36), and (37), respectively, new subsections (6), (11), (13), (16), (22), (23), (24), (27), (34), and (35) are added to that section, and present subsections (11) and (15) of that section are amended, to read:

Amendment No. 1

15 517.021 Definitions.—When used in this chapter, unless the
16 context otherwise indicates, the following terms have the
17 following respective meanings:

18 (6) "Branch manager" means a natural person who
19 administers or supervises the affairs or operations of a branch
20 office.

21 (11) "Corporation" has the same meaning as "corporation,"
22 "domestic corporation," or "foreign corporation" in s.
23 607.01401.

24 (13) "Director" means a person appointed or elected to sit
25 on a board that manages the affairs of a corporation or other
26 organization by electing or exercising control over its
27 officers.

28 (14)~~(11)~~ "Federal covered adviser" means a person that is
29 registered or required to be registered under s. 203 of the
30 Investment Advisers Act of 1940, as amended. The term does not
31 include any person that is excluded from the definition of
32 investment adviser under subparagraphs (20) (b) 1.-7. ~~(16) (b) 1.-7.~~
33 and 9.

34 (16) "General partner" has the same meaning as in s.
35 620.1102 and includes a co-owner or manager of a partnership who
36 has unlimited liability for the partnership's debts.

37 (19)~~(15)~~ "Intermediary" means a ~~natural~~ person that
38 ~~residing in this state or a corporation, trust, partnership,~~
39 ~~limited liability company, association, or other legal entity~~

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

~~registered with the Secretary of State to do business in this~~
~~state, which~~ facilitates through its website the offer or sale
of securities of an issuer with a principal place of business in
this state.

(22) "Limited liability company" has the same meaning as
in s. 605.0102, including a "foreign limited liability company,"
as that term is defined in that section.

(23) "Limited liability company manager" or "limited
liability managing member" means a person who is responsible
alone, or in concert with others, for performing the management
functions of a limited liability company.

(24) "Limited partner" has the same meaning as in s.
620.1102 and includes a co-owner of a partnership who has
limited liability for the partnership's debts.

(27) "Partnership" means two or more persons who are the
co-owners of a business, including those operating as a "foreign
limited liability limited partnership," a "foreign limited
partnership," a "limited liability limited partnership," or a
"limited partnership" as those terms are defined in s. 620.1102.

(34) "Trust" has the same meaning as in s. 731.201.

Section 2. Subsections (7) and (9), paragraph (f) of
subsection (11), and subsections (18), (19), and (20) of section
517.061, Florida Statutes, are amended to read:

517.061 Exempt transactions.—Except as otherwise provided
in subsection (11), the exemptions provided herein from the

Amendment No. 1

65 registration requirements of s. 517.07 are self-executing and do
66 not require any filing with the office before being claimed. Any
67 person who claims entitlement to an exemption under this section
68 bears the burden of proving such entitlement in any proceeding
69 brought under this chapter. The registration provisions of s.
70 517.07 do not apply to any of the following transactions;
71 however, such transactions are subject to s. 517.301:

72 (7) The offer or sale of securities, solely in connection
73 with the transfer of ownership of an eligible privately held
74 company, through a merger and acquisition broker in accordance
75 with s. 517.12(22) ~~s. 517.12(21)~~.

76 (9) The offer or sale of securities to:

77 (a) A bank, trust company, savings institution, insurance
78 company, dealer, investment company as defined in the Investment
79 Company Act of 1940, 15 U.S.C. s. 80a-3, as amended, pension or
80 profit-sharing trust, or qualified institutional buyer, whether
81 any of such entities is acting in its individual or fiduciary
82 capacity.

83 (b) A savings and loan association, building and loan
84 association, cooperative bank, or credit union, which is
85 supervised and examined by a state or federal authority having
86 supervision over any such institution.

87 (c) A federal covered adviser, investment adviser
88 registered pursuant to the laws of a state, exempt reporting
89 adviser or private fund adviser as those terms are defined in s.

Amendment No. 1

517.12(23)(a)2. and 3., respectively, investment adviser relying on the exemption from registering with the Securities and Exchange Commission under s. 203(1) or (m) of the Investment Advisers Act of 1940, as amended, business development company as defined in s. 2(a)(48) of the Investment Company Act of 1940, as amended, or business development company as defined in s. 202(a)(22) of the Investment Advisers Act of 1940, as amended.

(d) A small business investment company licensed by the Small Business Administration under s. 301(c) of the Small Business Investment Act of 1958, as amended, or rural business investment company as defined in s. 384A of the Consolidated Farm and Rural Development Act.

(e) A plan established and maintained by a state, a political subdivision thereof, or any agency or instrumentality of a state or a political subdivision, for the benefit of its employees, if such plan has total assets in excess of \$5 million, an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as described in s. 3(21) of such act, which is a bank, savings and loan association, insurance company, or federal covered adviser, or if the employee benefit plan has total assets in excess of \$5 million or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors.

Amendment No. 1

114 (f) An organization described in s. 501(c)(3) of the
115 Internal Revenue Code, corporation, Massachusetts trust or
116 similar business trust, partnership, or limited liability
117 company, not formed for the specific purpose of acquiring the
118 securities offered, with total assets in excess of \$5 million.

119 (g) A trust, with total assets in excess of \$5 million,
120 not formed for the specific purpose of acquiring the securities
121 offered, whose purchase is directed by a sophisticated person as
122 described in Securities and Exchange Commission Rule
123 506(b)(2)(ii), 17 C.F.R. s. 230.506(b)(2)(ii), as amended.

124 (h) An entity of a type not listed in paragraphs (a)-(g)
125 or paragraph (j) which owns investments as defined in Securities
126 and Exchange Commission Rule 2a51-1(b), 17 C.F.R. s. 270.2a51-
127 1(b), as amended, in excess of \$5 million and is not formed for
128 the specific purpose of acquiring the securities offered.

129 (i) A family office as defined in Securities and Exchange
130 Commission Rule 202(a)(11)(G)-1 under the Investment Advisers
131 Act of 1940, 17 C.F.R. s. 275.202(a)(11)(G)-1, as amended,
132 provided that:

133 1. The family office has assets under management in excess
134 of \$5 million;

135 2. The family office is not formed for the specific
136 purpose of acquiring the securities offered; and

137 3. The prospective investment of the family office is
138 directed by a person who has knowledge and experience in

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Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

139 financial and business matters that the family office is capable
140 of evaluating the merits and risks of the prospective
141 investment.

142 (j) An entity in which all of the equity owners are
143 described in paragraphs (a)-(i).

144 (11) Offers or sales of securities by an issuer in a
145 transaction that meets all of the following conditions:

146 (f) The issuer files with the office a notice of
147 transaction on a form prescribed by commission rule, an
148 irrevocable written, a consent to service of civil process in
149 accordance with s. 517.101, and a copy of the general
150 announcement within 15 days after the first sale is made in this
151 state. The commission may adopt by rule procedures for filing
152 documents by electronic means.

153 (18) Any nonissuer transaction by a registered dealer, and
154 any resale transaction by a sponsor of a unit investment trust
155 registered under the Investment Company Act of 1940, as amended,
156 in a security of a class that has been outstanding in the hands
157 of the public for at least 90 days; provided that, at the time
158 of the transaction, the following conditions in paragraphs (a),
159 (b), and (c) and either paragraph (d) or paragraph (e) are met:

160 (a) The issuer of the security is actually engaged in
161 business and is not in the organizational stage or in bankruptcy
162 or receivership and is not a blank check, blind pool, or shell
163 company whose primary plan of business is to engage in a merger

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

164 or combination of the business with, or an acquisition of, an
165 unidentified person.

166 (b) The security is sold at a price reasonably related to
167 the current market price of the security.

168 (c) The security does not constitute the whole or part of
169 an unsold allotment to, or a subscription or participation by,
170 the dealer as an underwriter of the security.

171 (d) The security is listed in a nationally recognized
172 securities manual designated by rule of the commission or a
173 document filed with and publicly viewable through the Securities
174 and Exchange Commission electronic data gathering and retrieval
175 system and contains:

176 1. A description of the business and operations of the
177 issuer.~~+~~

178 2. The names of the issuer's officers and directors, if
179 any, or, in the case of an issuer not domiciled in the United
180 States, the corporate equivalents of such persons in the
181 issuer's country of domicile.~~+~~

182 3. An audited balance sheet of the issuer as of a date
183 within 18 months before such transaction or, in the case of a
184 reorganization or merger in which parties to the reorganization
185 or merger had such audited balance sheet, a pro forma balance
186 sheet.~~+~~~~and~~

187 4. An audited income statement for each of the issuer's
188 immediately preceding 2 fiscal years, or for the period of

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

189 existence of the issuer, if in existence for less than 2 years
190 or, in the case of a reorganization or merger in which the
191 parties to the reorganization or merger had such audited income
192 statement, a pro forma income statement.

193 (e)1. The issuer of the security has a class of equity
194 securities listed on a national securities exchange registered
195 under the Securities Exchange Act of 1934, as amended;

196 2. The class of security is quoted, offered, purchased, or
197 sold through an alternative trading system registered under
198 Securities and Exchange Commission Regulation ATS, 17 C.F.R. s.
199 242.301, as amended, and the issuer of the security has made
200 current information publicly available in accordance with
201 Securities and Exchange Commission Rule 15c2-11, 17 C.F.R. s.
202 240.15c2-11, as amended;

203 3. The issuer of the security is a unit investment trust
204 registered under the Investment Company Act of 1940, as amended;

205 4. The issuer of the security has been engaged in
206 continuous business, including predecessors, for at least 3
207 years; or

208 5. The issuer of the security has total assets of at least
209 \$2 million based on an audited balance sheet as of a date within
210 18 months before such transaction or, in the case of a
211 reorganization or merger in which parties to the reorganization
212 or merger had such audited balance sheet, a pro forma balance
213 sheet.

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

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

(20) (a) A nonissuer transaction in an outstanding security by or through a dealer registered or exempt from registration under this chapter, if, at the time of the transaction, all of the following conditions are met ~~true~~:

1. ~~(a)~~ The issuer is a reporting issuer in a foreign jurisdiction ~~designated by this subsection or by commission rule~~, and the issuer has been subject to continuous reporting requirements in such foreign jurisdiction for not less than 180 days before the transaction.

2. ~~(b)~~ The security is listed on a foreign securities exchange or foreign securities market ~~the securities exchange~~ ~~designated by this subsection or by commission rule~~, is a security of the same issuer which is of senior or substantially equal rank to the listed security, or is a warrant or right to purchase or subscribe to any such security.

(b) The commission shall consider all of the following in designating a foreign securities exchange or foreign securities market for purposes of this subsection:

1. Organization under foreign law.

2. Association with a community of dealers, financial institutions, or other professional intermediaries with an established operating history.

3. Oversight by a governmental or self-regulatory body.

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

239 4. Oversight standards set by general law.

240 5. Reporting of securities transactions on a regular basis
241 to a governmental or self-regulatory body.

242 6. A system for exchange of price quotations through
243 common communications media.

244 7. An organized clearance and settlement system.

245 8. Listing in Securities and Exchange Commission
246 Regulation S Rule 902, 17 C.F.R. s. 230.902, as amended.

247
248 ~~For purposes of this subsection, Canada, together with its~~
249 ~~provinces and territories, is designated as a foreign~~
250 ~~jurisdiction, and Toronto Stock Exchange, Inc., is designated as~~
251 ~~a securities exchange. If, after an administrative hearing in~~
252 ~~compliance with ss. 120.569 and 120.57, the office finds that~~
253 ~~revocation is necessary or appropriate in furtherance of the~~
254 ~~public interest and for the protection of investors, it may~~
255 ~~revoke the designation of a foreign securities exchange or~~
256 ~~foreign securities market under this subsection.~~

257 **Section 3. Subsection (10) of section 517.0612, Florida**
258 **Statutes, is amended to read:**

259 517.0612 Florida Invest Local Exemption.—

260 (10) The issuer must file with the office a notice of
261 transaction on a form prescribed by commission rule, an
262 irrevocable written consent to service of civil process in
263 accordance with s. 517.101, and a copy of the disclosure

Amendment No. 1

statement described in subsection (8) at least ~~the offering with~~
~~the office, in writing or in electronic form, in a format~~
~~prescribed by commission rule, no less than~~ 5 business days
before the offering commences, ~~along with the disclosure~~
~~statement described in subsection (8)~~. If there are any material
changes to the information previously submitted, the issuer
must, within 3 business days after such material change, file an
amended notice.

**Section 4. Paragraph (b) of subsection (2) of section
517.0614, Florida Statutes, is amended to read:**

517.0614 Integration of offerings.—

(2) The integration analysis required by subsection (1) is
not required if any of the following nonexclusive safe harbors
apply:

(b) Offers and sales made in compliance with any of the
following provisions are not subject to integration with other
offerings:

1. Section 517.051 or s. 517.061, except s. 517.061(10) or
(11) ~~s. 517.061(9), (10), or (11)~~.

2. Section 517.0611 or s. 517.0612.

**Section 5. Section 517.0616, Florida Statutes, is amended
to read:**

517.0616 Disqualification.—

(1) A registration exemption under s. 517.061(11) ~~s.~~
~~517.061(9), (10), and (11)~~, s. 517.0611, or s. 517.0612 is not

Amendment No. 1

289 available to an issuer if, at the time the issuer makes an offer
290 for the sale of a security, the issuer; a predecessor of the
291 issuer; an affiliated issuer; a director, executive officer, or
292 other officer of the issuer participating in the offering; a
293 general partner or managing member of the issuer; a beneficial
294 owner of 20 percent or more of the issuer's outstanding voting
295 equity securities, calculated on the basis of voting power; or a
296 promoter connected with the issuer in any capacity at the time
297 of such sale ~~that~~ would be disqualified under Securities and
298 Exchange Commission Rule 506(d), 17 C.F.R. s. 230.506(d), as
299 amended, ~~at the time the issuer makes an offer for the sale of a~~
300 ~~security.~~

301 (2) The disqualification under Securities and Exchange
302 Commission Rule 506(d), 17 C.F.R. s. 230.506(d), as amended,
303 does not apply to any other person or entity listed in such
304 rule.

305 **Section 6. Subsection (2) of section 517.075, Florida**
306 **Statutes, is amended to read:**

307 517.075 Cuba, prospectus disclosure of doing business
308 with, required.—

309 (2) Any disclosure required by subsection (1) must
310 include:

311 (a) The name of such person, affiliate, or government with
312 which the issuer does business and the nature of that business.+

Amendment No. 1

(b) A statement that the information is accurate as of the date the securities were effective with the ~~United States~~ Securities and Exchange Commission or with the office, whichever date is later. ~~;~~ and

(c) A statement that current information concerning the issuer's business dealings with the government of Cuba or with any person or affiliate located in Cuba may be obtained from the office, which statement must include the address and phone number of the office.

Section 7. Subsection (5) and paragraph (a) of subsection (9) of section 517.081, Florida Statutes, are amended to read:

517.081 Registration procedure.—

(5) ~~All of~~ The following issuers are not eligible to submit a simplified offering circular:

(a) An issuer that is subject to any of the disqualifications described in Securities and Exchange Commission Rule 262, 17 C.F.R. s. 230.262, as amended, or that has been or is engaged or is about to engage in an activity that would be grounds for denial, revocation, or suspension under s. 517.111. For purposes of this paragraph, an issuer includes an issuer's director, officer, general partner, manager or managing member, trustee, or a person owning at least 10 percent of the ownership interests of the issuer; a promoter or selling agent of the securities to be offered; or any officer, director, partner, or manager or managing member of such selling agent.

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

(b) An issuer that is a development-stage company that either has no specific business plan or purpose or has indicated that its business plan is to merge with an unidentified business entity or entities.

(c) An issuer of offerings in which the specific business or properties cannot be described.

(d) An issuer that the office determines is ineligible because the simplified circular does not provide full and fair disclosure of material information for the type of offering to be registered by the issuer.

(9)(a) The office shall record the registration of a security in the register of securities if, upon examination of an application, it finds that all of the following requirements are met:

1. The application is complete.

2. The fee imposed in subsection (8) has been paid.

3. The sale of the security would not be fraudulent and would not work or tend to work a fraud upon the purchaser.

4. The terms of the sale of such securities would be fair, just, and equitable.

~~5. The enterprise or business of the issuer is not based upon unsound business principles.~~

Section 8. Present subsections (7) through (22) of section 517.12, Florida Statutes, are redesignated as subsections (8) through (23), respectively, a new subsection (7) is added to

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

363 **that section, and subsection (6), present subsection (10),**
364 **paragraph (b) of present subsection (14), and present**
365 **subsections (19), (20), and (21) of that section are amended, to**
366 **read:**

367 517.12 Registration of dealers, associated persons,
368 intermediaries, and investment advisers.—

369 (6) The application must also contain such information as
370 the commission or office may require about the applicant; any
371 member, principal, or director of the applicant or any person
372 having a similar status or performing similar functions; any
373 person directly or indirectly controlling the applicant; or any
374 employee of a dealer or of an investment adviser rendering
375 investment advisory services. ~~Each applicant and any direct~~
376 ~~owners, principals, or indirect owners that are required to be~~
377 ~~reported on Form BD or Form ADV pursuant to subsection (14)~~
378 ~~shall submit fingerprints for live-scan processing in accordance~~
379 ~~with rules adopted by the commission. The fingerprints may be~~
380 ~~submitted through a third-party vendor authorized by the~~
381 ~~Department of Law Enforcement to provide live-scan~~
382 ~~fingerprinting. The costs of fingerprint processing shall be~~
383 ~~borne by the person subject to the background check. The~~
384 ~~Department of Law Enforcement shall conduct a state criminal~~
385 ~~history background check, and a federal criminal history~~
386 ~~background check must be conducted through the Federal Bureau of~~
387 ~~Investigation. The office shall review the results of the state~~

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

~~and federal criminal history background checks and determine whether the applicant meets licensure requirements. The commission may waive, by rule, the requirement that applicants, including any direct owners, principals, or indirect owners that are required to be reported on Form BD or Form ADV pursuant to subsection (14), submit fingerprints or the requirement that such fingerprints be processed by the Department of Law Enforcement or the Federal Bureau of Investigation. The~~ commission or office may require information about any such applicant or person concerning such matters as:

(a) The applicant's or person's full name, and any other names by which the applicant or person may have been known, and the applicant's or person's age, social security number, photograph, qualifications, and educational and business history.

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

Amendment No. 1

(c) The applicant's or person's conviction of, or plea of nolo contendere to, a criminal offense or the applicant's or person's commission of any acts which would be grounds for refusal of an application under s. 517.161.

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

(7)(a)1. The following natural persons shall submit a full set of fingerprints to the Department of Law Enforcement or to a vendor, entity, or agency authorized under s. 943.053(13) for live-scan processing in accordance with rules adopted by the commission:

a. A natural person who files an application with the office for registration as an associated person.

b. A natural person who holds the title of president, treasurer, chief executive officer, chief financial officer, chief operations officer, chief legal officer, chief compliance officer, or director for a dealer or investment adviser applicant.

c. A natural person who owns at least 5 percent of a dealer or investment adviser applicant.

d. With respect to each owner who owns at least 5 percent of a dealer or investment adviser applicant which is a corporation, partnership, trust, or limited liability company, each natural person who is a 25 percent or more owner or trustee

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

437 of such entity, and each natural person who is a 25 percent or
438 more owner or trustee at each level up the chain of ownership up
439 to, but not including, an entity subject to s. 12 or s. 15(d) of
440 the Securities Exchange Act of 1934, as amended.

441 2. For purposes of this subsection, the term "owner"
442 means:

443 a. A shareholder who owns a percentage of a class of
444 voting securities of a dealer or an investment adviser
445 applicant, and includes any person who owns, beneficially owns,
446 has the right to vote on, or has the power to sell or direct the
447 sale of, the percentage of a class of a voting security of the
448 dealer or investment adviser applicant specified in sub-
449 subparagraph 1.c. or 1.d. For purposes of this sub-subparagraph,
450 a person beneficially owns any securities:

451 (I) That are owned by the shareholder's child, stepchild,
452 grandchild, parent, stepparent, grandparent, spouse, sibling,
453 mother-in-law, father-in-law, son-in-law, daughter-in-law,
454 brother-in-law, or sister-in-law, sharing the same residence; or

455 (II) That the shareholder has the right to acquire, within
456 60 days, through the exercise of any option, warrant, or right
457 to purchase the securities.

458 b. A general partner of a partnership, and a limited
459 partner of a partnership who has the right to receive upon
460 dissolution, or has contributed, a percentage of the capital of
461 a dealer or investment adviser applicant.

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

462 c. A trustee of a trust that owns a percentage of a class
463 of a voting security of a dealer or investment adviser
464 applicant, or that has the right to receive upon dissolution, or
465 has contributed, a percentage of the capital of a dealer or
466 investment adviser applicant.

467 d. A member of a limited liability company who has the
468 right to receive upon dissolution, or has contributed, a
469 percentage of the capital of a dealer or investment adviser
470 applicant, and all limited liability company managers of a
471 dealer or investment adviser applicant.

472 3. For purposes of this subsection, the term "shareholder"
473 means a person who owns at least one share of a corporation and
474 whose ownership is reflected in the records of the corporation.

475 (b) A vendor, entity, or agency authorized under s.
476 943.053(13) to submit fingerprints electronically to the
477 Department of Law Enforcement shall submit the fingerprints to
478 the department for state processing, and the department shall
479 forward the fingerprints to the Federal Bureau of Investigation
480 for national processing.

481 (c) Fees for state and federal fingerprint processing
482 shall be borne by the person subject to the criminal history
483 record check. The state cost for fingerprint processing shall be
484 as provided in s. 943.053(3)(e).

485 (d) The office shall review the results of the state and
486 federal criminal history record checks and determine whether the

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

applicant is disqualified from registration. The commission may waive by rule the requirement that the persons listed in this subsection submit fingerprints or the requirement that such fingerprints be processed by the Department of Law Enforcement or the Federal Bureau of Investigation. In waiving the requirement, the commission may consider the rules and regulations of the Securities and Exchange Commission, the model rules and acts of the North American Securities Administrators Association, Inc., and the rules and regulations of the Financial Industry Regulatory Authority.

(11) (a) ~~(10) (a)~~ If the office finds that the applicant has complied with the applicable registration provisions of this chapter and the rules made pursuant hereto, it shall register the applicant unless the applicant is otherwise disqualified for registration pursuant to law. The registration of each dealer, investment adviser, and associated person expires on December 31 of the year the registration became effective unless the registrant has renewed its registration on or before that date. Registration may be renewed by furnishing such information as the commission may require, together with payment of the fee required in paragraph (10) (a) ~~(9) (a)~~ for dealers, investment advisers, or associated persons and the payment of any amount lawfully due and owing to the office pursuant to any order of the office or pursuant to any agreement with the office. Any dealer, investment adviser, or associated person who has not

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

renewed a registration by the time the current registration expires may request reinstatement of such registration by filing with the office, on or before January 31 of the year following the year of expiration, such information as may be required by the commission, together with payment of the fee required in paragraph (10)(a) ~~(9)(a)~~ for dealers, investment advisers, or associated persons and a late fee equal to the amount of such fee. Any reinstatement of registration granted by the office during the month of January shall be deemed effective retroactive to January 1 of that year.

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

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

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

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

3. Is the surviving spouse of a member of the United States Armed Forces if the member was serving on active duty at

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

the time of death and died within the 2 years preceding the surviving spouse's registration expiration date pursuant to paragraph (a).

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

~~(15)-(14)~~

(b) In lieu of filing with the office the applications specified in subsection (5), the fees required by subsection ~~(10) (9)~~, the renewals required by subsection ~~(11) (10)~~, and the termination notices required by subsection ~~(12) (11)~~, the commission may by rule establish procedures for the deposit of such fees and documents with the Central Registration Depository or the Investment Adviser Registration Depository of the Financial Industry Regulatory Authority, as developed under contract with the North American Securities Administrators Association, Inc.

~~(20)(19)~~ An intermediary may not engage in business in this state unless the intermediary is registered as a dealer or as an intermediary with the office pursuant to this section to facilitate the offer or sale of securities in accordance with s. 517.0611. An intermediary, in order to obtain registration, must file with the office a written application on a form prescribed by commission rule and pay a registration fee of \$200. The fees

Amendment No. 1

under this subsection shall be deposited into the Regulatory Trust Fund of the office. The commission may establish by rule procedures for depositing fees and filing documents by electronic means if such procedures provide the office with the information and data required by this section. Each intermediary must also file an irrevocable written consent to service of civil process, as provided in s. 517.101.

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

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

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

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

b. A limited liability company, a copy of its articles of organization and amendments to the articles and a copy of the company's operating agreement as may be amended; or

c. A partnership, a copy of the partnership agreement.

3. The website address where securities of the issuer will be offered.

4. Contact information.

(b) The application must also contain such information as the commission may require by rule about the applicant; any member, principal, or director of the applicant or any person

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Published On: 4/4/2025 4:38:27 PM

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 379 (2025)

Amendment No. 1

587 having a similar status or performing similar functions; or any
588 persons directly or indirectly controlling the applicant. ~~Each~~
589 ~~applicant and any direct owners, principals, or indirect owners~~
590 ~~that are required to be reported on a form adopted by commission~~
591 ~~rule shall submit fingerprints for live-scan processing in~~
592 ~~accordance with rules adopted by the commission. The~~
593 ~~fingerprints may be submitted through a third-party vendor~~
594 ~~authorized by the Department of Law Enforcement to provide live-~~
595 ~~scan fingerprinting. The costs of fingerprint processing shall~~
596 ~~be borne by the person subject to the background check. The~~
597 ~~Department of Law Enforcement shall conduct a state criminal~~
598 ~~history background check, and a federal criminal history~~
599 ~~background check must be conducted through the Federal Bureau of~~
600 ~~Investigation. The office shall review the results of the state~~
601 ~~and federal criminal history background checks and determine~~
602 ~~whether the applicant meets registration requirements. The~~
603 ~~commission may waive, by rule, the requirement that applicants,~~
604 ~~including any direct owners, principals, or indirect owners,~~
605 ~~which are required to be reported on a form adopted by~~
606 ~~commission rule, submit fingerprints or the requirement that~~
607 ~~such fingerprints be processed by the Department of Law~~
608 ~~Enforcement or the Federal Bureau of Investigation. The~~
609 commission, by rule, or the office may require information about
610 any applicant or person, including:

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

611 1. The applicant's or person's full name and any other
612 names by which the applicant or person may have been known and
613 the applicant's or person's age, social security number,
614 photograph, qualifications, and educational and business
615 history.

616 2. Any injunction or administrative order by a state or
617 federal agency, national securities exchange, or national
618 securities association involving a security or any aspect of an
619 intermediary's regulated business and any injunction or
620 administrative order by a state or federal agency regulating
621 banking, insurance, finance, real estate, mortgage brokers, or
622 other related or similar industries, which relate to such
623 person.

624 3. The applicant's or person's conviction of, or plea of
625 nolo contendere to, a criminal offense or the applicant's or
626 person's commission of any acts that would be grounds for
627 refusal of an application under s. 517.161.

628 (c)1. The following natural persons must submit a full set
629 of fingerprints to the Department of Law Enforcement or to a
630 vendor, entity, or agency authorized under s. 943.053(13) for
631 live-scan processing in accordance with rules adopted by the
632 commission:

633 a. A natural person filing an application with the office
634 for registration as an intermediary.

Amendment No. 1

b. A natural person who holds the title of president, treasurer, chief executive officer, chief financial officer, chief operations officer, chief legal officer, chief compliance officer, or director for an intermediary applicant.

c. A natural person who is a 5 percent or more owner of an intermediary applicant.

d. With respect to each 5 percent or more owner of an intermediary applicant that is a corporation, partnership, trust, or limited liability company, each natural person who is a 25 percent or more owner or trustee of such entity, and each natural person who is a 25 percent or more owner or trustee at each level up the chain of ownership up to, but not including an entity subject to s. 12 or s. 15(d) of the Securities Exchange Act of 1934, as amended.

2. For purposes of this subsection, the term "owner" means:

a. A shareholder who owns a percentage of a class of voting securities of an intermediary applicant, and includes any person who owns, beneficially owns, has the right to vote on, or has the power to sell or direct the sale of, the percentage of a class of a voting security of the intermediary applicant specified in sub-subparagraph 1.c. or 1.d. For purposes of this sub-subparagraph, a person beneficially owns any securities:

(I) That are owned by the shareholder's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling,

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

mother-in-law, father-in-law, son-in-law, daughter-in-law,
brother-in-law, or sister-in-law, sharing the same residence; or

(II) That the shareholder has the right to acquire, within
60 days, through the exercise of any option, warrant, or right
to purchase the securities.

b. A general partner of a partnership, and a limited
partner of a partnership who has the right to receive upon
dissolution, or has contributed, a percentage of the capital of
an intermediary applicant.

c. A trustee of a trust that owns a percentage of a class
of a voting security of an intermediary applicant, or that has
the right to receive upon dissolution, or has contributed, a
percentage of the capital of an intermediary applicant.

d. A member of a limited liability company who has the
right to receive upon dissolution, or has contributed, a
percentage of the capital of an intermediary applicant, and, all
limited liability company managers of an intermediary applicant.

3. For purposes of this subsection, the term "shareholder"
means a person who owns at least one share of a corporation and
whose ownership is reflected in the records of the corporation.

(d) The vendor, entity, or agency authorized under s.
943.053(13) to submit fingerprints electronically to the
Department of Law Enforcement shall submit the fingerprints to
the department for state processing, and the department shall

Amendment No. 1

684 forward the fingerprints to the Federal Bureau of Investigation
685 for national processing.

686 (e) Fees for state and federal fingerprint processing must
687 be borne by the person subject to the criminal history record
688 check. The state cost for fingerprint processing is as provided
689 in s. 943.053(3)(e).

690 (f) The office shall review the results of the state and
691 federal criminal history record checks and determine whether the
692 applicant is disqualified from registration. The commission may
693 waive by rule the requirement that applicants, including any
694 persons listed in sub-subparagraphs (c)1.a.-d., submit
695 fingerprints or the requirement that such fingerprints be
696 processed by the Department of Law Enforcement or the Federal
697 Bureau of Investigation. In waiving the requirement, the
698 commission may consider the rules and regulations of the
699 Securities and Exchange Commission, the model rules and acts of
700 the North American Securities Administrators Association, Inc.,
701 and the rules and regulations of the Financial Industry
702 Regulatory Authority.

703 (g)~~(e)~~ The application must be amended within 30 days if
704 any information contained in the form becomes inaccurate for any
705 reason.

706 (h)~~(d)~~ An intermediary or persons affiliated with the
707 intermediary are not subject to any disqualification described
708 in s. 517.1611 or Securities and Exchange Commission Rule

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

506(d), 17 C.F.R. 230.506(d), adopted pursuant to the Securities Act of 1933, as amended. Each director, officer, manager or managing member, control person of the issuer, any person occupying a similar status or performing a similar function, and each person holding more than 20 percent of the ownership interests of the intermediary is subject to this requirement.

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

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Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

734 ~~(21)(20)~~ The registration requirements of this section do
735 not apply to any general lines insurance agent or life insurance
736 agent licensed under chapter 626, with regard to the sale of a
737 security as defined in s. 517.021(30)(g) ~~s. 517.021(25)(g)~~, if
738 the individual is directly authorized by the issuer to offer or
739 sell the security on behalf of the issuer and the issuer is a
740 federally chartered savings bank subject to regulation by the
741 Federal Deposit Insurance Corporation. Actions under this
742 subsection constitute activity under the insurance agent's
743 license for purposes of ss. 626.611 and 626.621.

744 ~~(22)(a)(21)(a)~~ As used in this subsection, the term:

745 1. "Broker" has the same meaning as "dealer" as defined in
746 s. 517.021.

747 2. "Business combination related shell company" means a
748 shell company that is formed by an entity that is not a shell
749 company solely for the purpose of:

750 a. Changing the corporate domicile of the entity solely
751 within the United States; or

752 b. Completing a business combination transaction, as
753 defined in 17 C.F.R. s. 230.165(f), among one or more entities
754 other than the company itself, none of which is a shell company.

755 ~~3.2.~~ "Control person" means a person ~~an individual or~~
756 ~~entity~~ that possesses the power, directly or indirectly, to
757 direct the management or policies of a company through ownership
758 of securities, by contract, or otherwise. A person is presumed

Amendment No. 1

759 to be a control person of a company if, upon completion of a
760 transaction, the buyer or group of buyers ~~with respect to a~~
761 ~~particular company, the person:~~

762 ~~a. Is a director, a general partner, a member, or a~~
763 ~~manager of a limited liability company, or is an officer who~~
764 ~~exercises executive responsibility or has a similar status or~~
765 ~~function;~~

766 ~~a.b.~~ Has the power to vote 25 ~~20~~ percent or more of a
767 class of voting securities or has the power to sell or direct
768 the sale of 25 ~~20~~ percent or more of a class of voting
769 securities; or

770 ~~b.e.~~ In the case of a partnership or limited liability
771 company, may receive upon dissolution, or has contributed, 25 ~~20~~
772 percent or more of the capital.

773 ~~4.3.~~ "Eligible privately held company" means a privately
774 held company that meets all of the following conditions:

775 a. The company does not have any class of securities which
776 is registered, or which is required to be registered, with the
777 ~~United States~~ Securities and Exchange Commission under the
778 Securities Exchange Act of 1934, 15 U.S.C. ss. 78a et seq., as
779 amended, or with the office under s. 517.07, or for which the
780 company files, or is required to file, summary and periodic
781 information, documents, and reports under s. 15(d) of the
782 Securities Exchange Act of 1934, 15 U.S.C. s. 78o(d), as
783 amended.

Amendment No. 1

b. In the fiscal year immediately preceding the fiscal year during which the merger and acquisition broker begins to provide services for the securities transaction, the company, in accordance with its historical financial accounting records, has earnings before interest, taxes, depreciation, and amortization of less than \$25 million or has gross revenues of less than \$250 million. On July 1, 2021, and every 5 years thereafter, each dollar amount in this sub-subparagraph shall be adjusted by dividing the annual value of the Employment Cost Index for wages and salaries for private industry workers, or any successor index, as published by the Bureau of Labor Statistics, for the calendar year preceding the calendar year in which the adjustment is being made, by the annual value of such index or successor index for the calendar year ending December 31, 2020 ~~2012~~, and multiplying such dollar amount by the quotient obtained. Each dollar amount determined under this sub-subparagraph must ~~shall~~ be rounded to the nearest multiple of \$100,000 and adopted by commission rule.

5.4. "Merger and acquisition broker" means a ~~any~~ broker and any person associated with a broker engaged in the business of effecting securities transactions solely in connection with the transfer of ownership of an eligible privately held company, regardless of whether the ~~that~~ broker acts on behalf of a seller or buyer, through the purchase, sale, exchange, issuance, repurchase, or redemption of, or a business combination

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

involving, securities or assets of the eligible privately held company.

~~6.5. "Public Shell company" means a company that at the time of a transaction with an eligible privately held company:~~

~~a. Has any class of securities which is registered, or which is required to be registered, with the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, 15 U.S.C. ss. 78a et seq., or with the office under s. 517.07, or for which the company files, or is required to file, summary and periodic information, documents, and reports under s. 15(d) of the Securities Exchange Act of 1934, 15 U.S.C. s. 78o(d);~~

~~a.b. Has nominal or no operations.; and~~

~~b.c. Has nominal assets or no assets, assets consisting solely of cash and cash equivalents, or assets consisting of any amount of cash and cash equivalents and nominal other assets.~~

(b) Prior to the completion of any securities transaction described in s. 517.061(7), a merger and acquisition broker must receive written assurances from the control person with the largest percentage of ownership for both the buyer and seller engaged in the transaction that:

1. After the transaction is completed, any person who acquires securities or assets of the eligible privately held company, acting alone or in concert, will be a control person of the eligible privately held company or will be a control person

Amendment No. 1

834 for the business conducted with the assets of the eligible
835 privately held company.~~7 and~~

836 2. After the transaction is completed, any person who
837 acquires securities or assets of the eligible privately held
838 company, acting alone or in concert, will be deemed to be active
839 in the management of the eligible privately held company or the
840 business conducted with the assets of the eligible privately
841 held company, and active in the management of the assets of the
842 eligible privately held company, if he or she engages in any of
843 the following acts or activities:

844 a. Electing executive officers.
845 b. Approving the annual budget.
846 c. Serving as an executive or other executive manager.
847 d. Carrying out such other activities as the commission
848 may by rule determine to be in the public interest.

849 ~~3.2.~~ If any person is offered securities in exchange for
850 securities or assets of the eligible privately held company,
851 such person will, before becoming legally bound to complete the
852 transaction, receive or be given reasonable access to the most
853 recent year-end financial statements of the issuer of the
854 securities offered in exchange. The most recent year-end
855 financial statements shall be customarily prepared by the
856 issuer's management in the normal course of operations. If the
857 financial statements of the issuer are audited, reviewed, or
858 compiled, the most recent year-end financial statements must

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

859 include any related statement by the independent certified
860 public accountant; a balance sheet dated not more than 120 days
861 before the date of the exchange offer; and information
862 pertaining to the management, business, results of operations
863 for the period covered by the foregoing financial statements,
864 and material loss contingencies of the issuer.

865 (c) A merger and acquisition broker engaged in a
866 transaction exempt under s. 517.061(7) is exempt from
867 registration under this section unless the merger and
868 acquisition broker:

869 1. Directly or indirectly, in connection with the transfer
870 of ownership of an eligible privately held company, receives,
871 holds, transmits, or has custody of the funds or securities to
872 be exchanged by the parties to the transaction;

873 2. Engages on behalf of an issuer in a public offering of
874 any class of securities which is registered, or which is
875 required to be registered, with the ~~United States~~ Securities and
876 Exchange Commission under the Securities Exchange Act of 1934,
877 15 U.S.C. ss. 78a et seq., as amended, or with the office under
878 s. 517.07; or for which the issuer files, or is required to
879 file, periodic information, documents, and reports under s.
880 15(d) of the Securities Exchange Act of 1934, 15 U.S.C. s.
881 78o(d), as amended;

Amendment No. 1

882 3. Engages on behalf of any party in a transaction
883 involving a ~~public~~ shell company, other than a business
884 combination related shell company;

885 4. Directly, or indirectly through any of its affiliates,
886 provides financing related to the transfer of ownership of an
887 eligible privately held company;

888 5. Assists any party to obtain financing from an
889 unaffiliated third party without:

890 a. Complying with all other applicable laws in connection
891 with such assistance, including, if applicable, Regulation T
892 under 12 C.F.R. ss. 220 et seq., as amended; and

893 b. Disclosing any compensation in writing to the party;

894 6. Represents both the buyer and the seller in the same
895 transaction without providing clear written disclosure as to the
896 parties the broker represents and obtaining written consent from
897 both parties to the joint representation;

898 7. Facilitates a transaction with a group of buyers formed
899 with the assistance of the merger and acquisition broker to
900 acquire the eligible privately held company;

901 8. Engages in a transaction involving the transfer of
902 ownership of an eligible privately held company to a passive
903 buyer or group of passive buyers;

904 9. Binds a party to a transfer of ownership of an eligible
905 privately held company; or

Amendment No. 1

10. Is subject to, or an officer, director, member, manager, partner, or employee of the broker is subject to, the following disciplinary actions:

a. Has been barred from association with a broker or dealer by the Securities and Exchange Commission, any state, or any self-regulatory organization; or

b. Is suspended from association with a broker or dealer.

~~4. Is subject to a suspension or revocation of registration under s. 15(b)(4) of the Securities Exchange Act of 1934, 15 U.S.C. s. 78o(b)(4);~~

~~5. Is subject to a statutory disqualification described in s. 3(a)(39) of the Securities Exchange Act of 1934, 15 U.S.C. s. 78c(a)(39);~~

~~6. Is subject to a disqualification under the United States Securities and Exchange Commission Rule 506(d), 17 C.F.R. s. 230.506(d); or~~

~~7. Is subject to a final order described in s. 15(b)(4)(H) of the Securities Exchange Act of 1934, 15 U.S.C. s. 78o(b)(4)(H).~~

Section 9. Subsection (1), paragraph (a) of subsection (2), and subsections (3) and (5) of section 517.131, Florida Statutes, are amended to read:

517.131 Securities Guaranty Fund.—

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

Amendment No. 1

930 (a) "Final judgment" includes an arbitration award
931 confirmed by a court of competent jurisdiction.

932 (b) "Restitution order" means a court order awarding a
933 specified monetary amount to a named aggrieved person for a
934 violation of s. 517.07 or s. 517.301 to be paid by a named
935 violator.

936 (2) (a) The Chief Financial Officer shall establish a
937 Securities Guaranty Fund to provide monetary relief to victims
938 of securities violations under this chapter who are entitled to
939 monetary damages or restitution and cannot recover the full
940 amount of such monetary damages or restitution from the
941 wrongdoer. An amount not exceeding 20 percent of all revenues
942 received as assessment fees pursuant to s. 517.12(10) and (11)
943 ~~s. 517.12(9) and (10)~~ for dealers and investment advisers or s.
944 517.1201 for federal covered advisers and an amount not
945 exceeding 10 percent of all revenues received as assessment fees
946 pursuant to s. 517.12(10) and (11) ~~s. 517.12(9) and (10)~~ for
947 associated persons must be part of the regular registration
948 license fee and must be transferred to or deposited in the
949 Securities Guaranty Fund.

950 (3) A person is eligible for payment from the Securities
951 Guaranty Fund if the person:

952 (a)1. Is a judgment creditor in Holds an unsatisfied final
953 judgment or a named beneficiary or victim in an unsatisfied

Amendment No. 1

954 restitution order entered on or after October 1, 2024, in which
955 a wrongdoer was found to have violated s. 517.07 or s. 517.301;

956 2. Has applied any amount recovered from the judgment
957 debtor, a person ordered to pay restitution, or any other source
958 to the damages awarded in a final judgment or restitution order
959 ~~by the court or arbitrator~~; and

960 3. Is a natural person who was a resident of this state,
961 or is a business entity that was domiciled in this state, at the
962 time of the violation of s. 517.07 or s. 517.301; or

963 (b) Is a receiver appointed pursuant to s. 517.191(2) by a
964 court of competent jurisdiction for a wrongdoer ordered to pay
965 restitution under s. 517.191(3) as a result of a violation of s.
966 517.07 or s. 517.301 which has requested payment from the
967 Securities Guaranty Fund on behalf of a person eligible for
968 payment under paragraph (a).

969
970 If a person holds an unsatisfied final judgment or restitution
971 order entered before October 1, 2024, in which a wrongdoer was
972 found to have violated s. 517.07 or s. 517.301, such person's
973 claim for payment from the Securities Guaranty Fund shall be
974 governed by the terms of this section and s. 517.141 which were
975 effective on the date of such final judgment or restitution
976 order.

977 (5) An eligible person, or a receiver on behalf of the
978 eligible person, seeking payment from the Securities Guaranty

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

Fund must file with the office a written application on a form that the commission may prescribe by rule. The commission may adopt by rule procedures for filing documents by electronic means, provided that such procedures provide the office with the information and data required by this section. The application must be filed with the office within 1 year after the date of the final judgment, the date on which a restitution order has been ripe for execution, or the date of any appellate decision thereon, and, at minimum, must contain all of the following information:

(a) The eligible person's and, if applicable, the receiver's full names, addresses, and contact information.

(b) The name of the judgment debtor or person ordered to pay restitution.

(c) If the eligible person is a business entity, the eligible person's type and place of organization and, as applicable, a copy, as amended, of its articles of incorporation, articles of organization, trust agreement, or partnership agreement.

(d) A copy of any final judgment or ~~and a copy thereof.~~

~~(e) Any restitution order pursuant to s. 517.191(3), and a copy thereof.~~

(e) ~~(f)~~ An affidavit from the eligible person stating either one of the following:

Amendment No. 1

1003 1. That the eligible person has made all reasonable
1004 searches and inquiries to ascertain whether the judgment debtor
1005 or person ordered to pay restitution possesses real or personal
1006 property or other assets subject to being sold or applied in
1007 satisfaction of the final judgment or restitution order and, by
1008 the eligible person's search, that the eligible person has not
1009 discovered any property or assets.

1010 2. That the eligible person has taken necessary action on
1011 the property and assets of the wrongdoers but the final judgment
1012 or restitution order remains unsatisfied.

1013 ~~(f)-(g)~~ If the application is filed by the receiver, an
1014 affidavit from the receiver stating the amount of restitution
1015 owed to the eligible person on whose behalf the claim is filed;
1016 the amount of any money, property, or assets paid to the
1017 eligible person on whose behalf the claim is filed by the person
1018 over whom the receiver is appointed; and the amount of any
1019 unsatisfied portion of any eligible person's restitution order
1020 ~~of restitution~~.

1021 ~~(g)-(h)~~ The eligible person's residence or domicile at the
1022 time of the violation of s. 517.07 or s. 517.301 which resulted
1023 in the eligible person's monetary damages.

1024 ~~(h)-(i)~~ The amount of any unsatisfied portion of the
1025 eligible person's final judgment or restitution order.

1026 ~~(i)-(j)~~ Whether an appeal ~~or motion to vacate an~~
1027 ~~arbitration award~~ has been filed.

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

Section 10. Subsection (3) of section 517.301, Florida Statutes, is amended to read:

517.301 Fraudulent transactions; falsification or concealment of facts.—

(3) It is unlawful for a person in issuing or selling a security within this state, including a security exempted under s. 517.051 and including a transaction exempted under s. 517.061, s. 517.0611, or s. 517.0612, to misrepresent that such security or person ~~business entity~~ has been guaranteed, sponsored, recommended, or approved by the state or an agency or officer of the state or by the United States or an agency or officer of the United States.

Section 11. Subsection (4) of section 517.34, Florida Statutes, is amended to read:

517.34 Protection of specified adults.—

(4) A delay on a disbursement or transaction under subsection (3) expires 15 business days after the date on which the delay was first placed. However, the dealer or investment adviser may extend the delay for up to 30 ~~10~~ additional business days if the dealer's or investment adviser's review of the available facts and circumstances continues to support such dealer's or investment adviser's reasonable belief that financial exploitation of the specified adult has occurred, is occurring, has been attempted, or will be attempted. A dealer or investment adviser that extends a delay must notify the office

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

on a form prescribed by commission rule not later than 3 business days after the date on which the extension was applied. The notice must identify the dealer or investment adviser that extended the delay and the date on which the delay was originally made. The length of the delay may be shortened or extended at any time by a court of competent jurisdiction. This subsection does not prevent a dealer or investment adviser from terminating a delay after communication with the parties authorized to transact business on the account and any trusted contact on the account.

Section 12. Subsection (1) of section 517.211, Florida Statutes, is amended to read:

517.211 Private remedies available in cases of unlawful sale.—

(1) Every sale made in violation of either s. 517.07 or s. 517.12(1), (3), (4), (9), (11), (13), (16), or (18) ~~s. 517.12(1), (3), (4), (8), (10), (12), (15), or (17)~~ may be rescinded at the election of the purchaser; however, a sale made in violation of the provisions of s. 517.1202(3) relating to a renewal of a branch office notification or in violation of the provisions of s. 517.12(13) ~~s. 517.12(12)~~ relating to filing a change of address amendment is not subject to this section. Each person making the sale and every director, officer, partner, or agent of or for the seller, if the director, officer, partner, or agent has personally participated or aided in making the

051577 - h0379-strike.docx

Published On: 4/4/2025 4:38:27 PM

Amendment No. 1

1078 sale, is jointly and severally liable to the purchaser in an
1079 action for rescission, if the purchaser still owns the security,
1080 or for damages, if the purchaser has sold the security. No
1081 purchaser otherwise entitled will have the benefit of this
1082 subsection who has refused or failed, within 30 days after
1083 receipt, to accept an offer made in writing by the seller, if
1084 the purchaser has not sold the security, to take back the
1085 security in question and to refund the full amount paid by the
1086 purchaser or, if the purchaser has sold the security, to pay the
1087 purchaser an amount equal to the difference between the amount
1088 paid for the security and the amount received by the purchaser
1089 on the sale of the security, together, in either case, with
1090 interest on the full amount paid for the security by the
1091 purchaser at the legal rate, pursuant to s. 55.03, for the
1092 period from the date of payment by the purchaser to the date of
1093 repayment, less the amount of any income received by the
1094 purchaser on the security.

1095 **Section 13. Subsection (2) of section 517.315, Florida**
1096 **Statutes, is amended to read:**

1097 517.315 Fees.—All fees of any nature collected by the
1098 office pursuant to this chapter shall be disbursed as follows:

1099 (2) After the transfer required in subsection (1), the
1100 office shall transfer the \$50 assessment fee collected from each
1101 associated person under s. 517.12(10) and (11) ~~s. 517.12(9) and~~
1102 ~~(10)~~ and 30.44 percent of the \$100 assessment fee paid by

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Amendment No. 1

dealers and investment advisers for each office in the state under s. 517.12(10) and (11) ~~s. 517.12(9) and (10)~~ to the Regulatory Trust Fund.

Section 14. This act shall take effect upon becoming a law.

T I T L E A M E N D M E N T

Remove everything before the enacting clause and insert:

An act relating to securities; amending s. 517.021, F.S.; providing and revising definitions; amending s. 517.061, F.S.; revising the circumstances under which securities transactions are exempt from registration requirements; conforming cross-references; amending s. 517.0612, F.S.; revising the filing requirements for securities issuers under the Florida Invest Local Exemption law; amending s. 517.0614, F.S.; revising circumstances under which securities offers and sales are not subject to integration with other offerings; amending s. 517.0616, F.S.; revising the registration exemptions that are available to specified issuers under certain circumstances; providing applicability of certain disqualification provisions under a specified Securities and Exchange Commission rule; amending s. 517.075, F.S.; making a technical change;

051577 - h0379-strike.docx

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Amendment No. 1

1128 amending s. 517.081, F.S.; revising the requirements
1129 for securities registration applications; amending s.
1130 517.12, F.S.; revising the list of persons who must
1131 submit fingerprints for live-scan processing for
1132 registration applications; providing fees for
1133 fingerprint processing; defining the term "owner";
1134 defining the term "shareholder"; authorizing the
1135 Financial Services Commission to consider certain
1136 rules and regulations in waiving the fingerprint
1137 requirement; providing and revising definitions;
1138 revising the written assurances requirements that
1139 merger and acquisition brokers must receive from
1140 certain control persons under specified circumstances;
1141 revising the circumstances under which merger and
1142 acquisition brokers are not exempt from specified
1143 securities registration; conforming cross-references;
1144 amending s. 517.131, F.S.; defining the term
1145 "restitution order"; revising the circumstances under
1146 which a person is eligible for payment from the
1147 Securities Guaranty Fund; revising the requirements
1148 for applications for payment from the fund; conforming
1149 cross-references; amending s. 517.301, F.S.;
1150 specifying a prohibition against certain
1151 misrepresentations in a person issuing and selling
1152 securities; amending s. 517.34, F.S.; revising the

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 379 (2025)

Amendment No. 1

1153 maximum number of days by which a dealer or investment
1154 adviser may extend a delay on a disbursement or
1155 transaction; amending ss. 517.211 and 517.315, F.S.;
1156 conforming cross-references; providing an effective
1157 date.