

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
14 from being asserted against qualifying purchasers
15 under certain circumstances; specifying that filing a
16 certain financial 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
19 person has control of a controllable electronic
20 record; providing when a person's power relating to
21 controllable electronic records is or is not
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

26 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
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
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
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
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;
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 a cross-reference and provisions to changes
158 made by the act; amending s. 679.2041, F.S.; revising
159 the circumstances under which a security interest does
160 not attach under a term constituting an after-acquired
161 property clause; amending s. 679.2071, F.S.;
162 conforming a provision to changes made by the act;
163 amending s. 679.2081, F.S.; revising duties relating
164 to secured parties having control of collateral;
165 amending s. 679.209, F.S.; revising duties relating to
166 secured parties if an account debtor has been notified
167 of an assignment; revising cross-references; amending
168 s. 679.210, F.S.; conforming provisions to changes
169 made by the act; amending s. 679.3011, F.S.; revising
170 requirements relating to laws governing perfection and
171 priority of security interests; revising a cross-
172 reference; amending s. 679.3041, F.S.; specifying that
173 the local law of a bank's jurisdiction governs even if
174 a transaction does not bear any relation to the bank's
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,
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
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. 670, 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, 680.208,
246 F.S.; conforming provisions to changes made by the
247 act; creating part VI of ch. 680, F.S., relating to
248 transitional provisions; creating s. 680.601, F.S.;
249 providing applicability; amending ss. 55.205, 319.27,
250 328.0015, 517.061, 559.9232, 563.022, 668.50, F.S.;

251 conforming cross-references; reenacting ss. 655.55(1)
252 and (2) and 685.101(2), F.S., relating to law
253 applicable to deposits in and contracts relating to
254 extensions of credit by a deposit or lending
255 institution located in this state and choice of law,
256 respectively, to incorporate the amendment made to s.
257 671.105, F.S., in references thereto; reenacting ss.
258 90.953(1), 673.1061(1), (3), and (4), and 673.1151(2),
259 F.S., relating to admissibility of duplicates,
260 unconditional promise or order, and incomplete
261 instruments, respectively, to incorporate the
262 amendment made to s. 673.1041, F.S., in references
263 thereto; reenacting s. 673.1031(2), F.S., relating to
264 definitions, to incorporate the amendments made to ss.
265 673.1041 and 673.1051, F.S., in references thereto;
266 reenacting s. 673.6051(2), F.S., relating to discharge
267 of indorsers and accommodation parties, to incorporate
268 the amendment made to s. 673.6041, F.S., in a
269 reference thereto; reenacting s. 679.3061(2), F.S.,
270 relating to law governing perfection and priority of
271 security interests in letter-of-credit rights, to
272 incorporate the amendment made to s. 675.116, F.S., in
273 a reference thereto; reenacting s. 675.103(1)(j),
274 F.S., relating to definitions, to incorporate the
275 amendment made to s. 675.104, F.S., in a reference

276 thereto; reenacting ss. 674.2101(3), 675.1181(2), and
277 679.1101, F.S., relating to security interest of
278 collecting bank in items, accompanying documents, and
279 proceeds; security interest of issuer or nominated
280 person; and security interests arising under chapter
281 672 or chapter 680, respectively, to incorporate the
282 amendment made to s. 679.2031, F.S., in references
283 thereto; reenacting ss. 672.103(3) and 674.104(3),
284 F.S., relating to definitions and index of
285 definitions, to incorporate the amendment made to s.
286 677.106, F.S., in references thereto; reenacting ss.
287 678.5101(3) and 679.1061(1), F.S., relating to rights
288 of purchaser of security entitlement from entitlement
289 holder and control of investment property,
290 respectively, to incorporate the amendment made to s.
291 678.1061, F.S., in references thereto; reenacting s.
292 679.328(2), (5), and (7), F.S., relating to priority
293 of security interests in investment property, to
294 incorporate the amendments made to ss. 678.1061,
295 679.3131, 679.3141, and 679.323, F.S., in references
296 thereto; reenacting s. 679.327(1) and (2), F.S.,
297 relating to priority of security interests in deposit
298 account, to incorporate the amendment made to ss.
299 679.1041 and 679.3141, F.S., in references thereto;
300 reenacting s. 679.1091(4), F.S., relating to scope, to

301 incorporate the amendment made to ss. 679.2031 and
302 679.4041, F.S., in references thereto; reenacting s.
303 679.709(2), F.S., relating to priority, to incorporate
304 the amendment made to s. 679.2031, F.S., in a
305 reference thereto; reenacting s. 679.602(2), F.S.,
306 relating to waiver and variance of rights and duties,
307 to incorporate the amendment made to s. 679.210, F.S.,
308 in a reference thereto; reenacting s. 679.329, F.S.,
309 relating to priority of security interests in deposit
310 account and priority of security interests in letter-
311 of-credit right, respectively, to incorporate the
312 amendment made to s. 679.3141, F.S., in references
313 thereto; reenacting s. 679.320(3), F.S., buyer of
314 goods, to incorporate the amendment made to s.
315 679.3161, F.S., in references thereto; reenacting s.
316 727.109(8)(b), F.S., relating to power of the court,
317 to incorporate the amendment made to s. 679.3171,
318 F.S., in a reference thereto reenacting s. 680.307(3),
319 F.S., relating to priority of liens arising by
320 attachment or levy on, security interests in, and
321 other claims to goods, to incorporate the amendment
322 made to ss. 679.3171 and 679.323, F.S., in references
323 thereto; reenacting s. 679.626(3), F.S., relating to
324 action in 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**
338 **to read:**

339 669.101 Short title.—This part may be cited as "Uniform
340 Commercial Code—Controllable Electronic Records."

341 **Section 4. Section 669.102, Florida Statutes, is created**
342 **to read:**

343 669.102 Definitions.—

344 (1) As used in this part, the term:

345 (a) "Controllable electronic record" means a record in an
346 electronic medium, subject to control under s. 669.105. The term
347 does not include a controllable account, a controllable payment
348 intangible, a deposit account, an electronic chattel paper, an
349 electronic document of title, electronic money, investment
350 property, or a transferable record.

351 (b) "Qualifying purchaser" means a purchaser of a
352 controllable electronic record or an interest in a controllable
353 electronic record which obtains control of the controllable
354 electronic record for value, in good faith, and without notice
355 of a claim of a property right in the controllable electronic
356 record.

357 (c) "Transferable record" has the same meaning as provided
358 in:

- 359 1. Section 201(a)(1) of the Electronic Signatures in
360 Global and National Commerce Act, 15 U.S.C. s. 7021(a)(1); or
361 2. Section 668.50(16)(a).

362 (d) "Value" has the meaning provided in s. 673.3031(1), as
363 if references in that subsection to an "instrument" were
364 references to a controllable account, controllable electronic
365 record, or controllable payment intangible. A controllable
366 electronic record is subject to control as specified in s.
367 669.105.

368 (2) The definitions in s. 679.1021 for the terms "account
369 debtor," "chattel paper," "controllable account," "controllable
370 payment intangible," "deposit account," "electronic money," and
371 "investment property" apply to this part.

372 (3) Chapter 671 contains general definitions and
373 principles of construction and interpretation applicable
374 throughout this part.

375 **Section 5. Section 669.103, Florida Statutes, is created**

376 **to read:**

377 669.103 Relation to chapter 679 and consumer laws.—

378 (1) If there is conflict between this part and chapter
379 679, chapter 679 governs.

380 (2) A transaction subject to this part is subject to any
381 applicable rule of law that establishes a different rule for
382 consumers; any other law or regulation that regulates the rates,
383 charges, agreements, and practices for loans, credit sales, or
384 other extensions of credit; and chapter 501.

385 **Section 6. Section 669.104, Florida Statutes, is created**
386 **to read:**

387 669.104 Rights in controllable account, controllable
388 electronic record, and controllable payment intangible.—

389 (1) This section applies to the acquisition and purchase
390 of rights in a controllable account or controllable payment
391 intangible, including the rights and benefits under subsections
392 (3), (4), (5), (7), and (8) of a purchaser and qualifying
393 purchaser, in the same manner in which this section applies to a
394 controllable electronic record.

395 (2) In determining whether a purchaser of a controllable
396 account or a controllable payment intangible is a qualifying
397 purchaser, the purchaser obtains control of the account or
398 payment intangible if it obtains control of the controllable
399 electronic record that evidences the account or payment
400 intangible.

401 (3) Except as provided in this section, law other than
402 this part determines whether a person acquires a right in a
403 controllable electronic record and the right that the person
404 acquires.

405 (4) A purchaser of a controllable electronic record
406 acquires all rights in the controllable electronic record which
407 the transferor had, or had power to transfer, except that a
408 purchaser of a limited interest in a controllable electronic
409 record acquires rights only to the extent of the interest
410 purchased.

411 (5) A qualifying purchaser acquires its rights in the
412 controllable electronic record free of a claim of a property
413 right in the controllable electronic record.

414 (6) Except as provided in subsections (1) and (5) for a
415 controllable account and a controllable payment intangible or in
416 law other than this part, a qualifying purchaser takes a right
417 to payment, right to performance, or other interest in property
418 evidenced by the controllable electronic record subject to a
419 claim of a property right in the right to payment, right to
420 performance, or other interest in property.

421 (7) An action may not be asserted against a qualifying
422 purchaser based on both a purchase by the qualifying purchaser
423 of a controllable electronic record and a claim of a property
424 right in another controllable electronic record, regardless of
425 whether the action is framed in conversion, replevin,

426 constructive trust, equitable lien, or other theory.

427 (8) Filing of a financing statement under chapter 679 is
428 not notice of a claim of a property right in a controllable
429 electronic record.

430 **Section 7. Section 669.105, Florida Statutes, is created**
431 **to read:**

432 669.105 Control of controllable electronic record.—

433 (1) A person has control of a controllable electronic
434 record if the electronic record, a record attached to or
435 logically associated with the electronic record, or a system in
436 which the electronic record is recorded:

437 (a) Gives the person:

438 1. Power to avail itself of substantially all of the
439 benefit from the electronic record; and

440 2. Exclusive power, subject to paragraph (b), to:

441 a. Prevent others from availing themselves of
442 substantially all of the benefit from the electronic record; and

443 b. Transfer control of the electronic record to another
444 person or cause another person to obtain control of another
445 controllable electronic record as a result of the transfer of
446 the electronic record; and

447 (b) Enables the person to identify itself readily in any
448 way, including by name, identifying number, cryptographic key,
449 office, or account number, as having the powers specified in
450 paragraph (a).

451 (2) Except as provided in subsection (3), a power is
452 exclusive under sub-subparagraphs (1)(a)2.a. and b. even if:

453 (a) The controllable electronic record, a record attached
454 to or logically associated with the electronic record, or a
455 system in which the electronic record is recorded limits the use
456 of the electronic record or has a protocol programmed to cause a
457 change, including a transfer or loss of control or a
458 modification of benefits afforded by the electronic record; or

459 (b) The power is shared with another person.

460 (3) A power of a person is not shared with another person
461 under paragraph (2)(b) and the person's power is not exclusive
462 if:

463 (a) The person can exercise the power only if the power
464 also is exercised by the other person; and

465 (b) The other person:

466 1. Can exercise the power without exercise of the power by
467 the person; or

468 2. Is the transferor to the person of an interest in the
469 controllable electronic record or a controllable account or
470 controllable payment intangible evidenced by the controllable
471 electronic record.

472 (4) If a person has the powers specified in sub-
473 subparagraphs (1)(a)2.a. and b., the powers are presumed to be
474 exclusive.

475 (5) A person has control of a controllable electronic

476 record if another person, other than the transferor to the
477 person of an interest in the controllable electronic record or a
478 controllable account or controllable payment intangible
479 evidenced by the controllable electronic record:

480 (a) Has control of the electronic record and acknowledges
481 that it has control on behalf of the person; or

482 (b) Obtains control of the electronic record after having
483 acknowledged that it will obtain control of the electronic
484 record on behalf of the person.

485 (6) A person that has control under this section is not
486 required to acknowledge that it has control on behalf of another
487 person unless the person otherwise agrees or law other than this
488 part or chapter 679 provides otherwise.

489 (7) If a person acknowledges that it has or will obtain
490 control on behalf of another person, the person does not owe any
491 duty to the other person and is not required to confirm the
492 acknowledgment to any other person.

493 **Section 8. Section 669.106, Florida Statutes, is created**
494 **to read:**

495 669.106 Discharge of account debtor on controllable
496 account or controllable payment intangible.—

497 (1) An account debtor on a controllable account or
498 controllable payment intangible may discharge its obligation by
499 paying:

500 (a) The person having control of the controllable

501 electronic record that evidences the controllable account or
502 controllable payment intangible; or

503 (b) Except as provided in subsection (2), a person that
504 formerly had control of the controllable electronic record.

505 (2) Subject to subsection (4), the account debtor may not
506 discharge its obligation by paying a person that formerly had
507 control of the controllable electronic record if the account
508 debtor receives a notification that:

509 (a) Is signed by a person that formerly had control or the
510 person to which control was transferred;

511 (b) Reasonably identifies the controllable account or
512 controllable payment intangible;

513 (c) Notifies the account debtor that control of the
514 controllable electronic record that evidences the controllable
515 account or controllable payment intangible was transferred;

516 (d) Identifies the transferee, in any reasonable way,
517 including by name, identifying number, cryptographic key,
518 office, or account number; and

519 (e) Provides a commercially reasonable method by which the
520 account debtor is to pay the transferee.

521 (3) After receipt of a notification that complies with
522 subsection (2), the account debtor may discharge its obligation
523 by paying in accordance with the notification and may not
524 discharge the obligation by paying a person that formerly had
525 control.

526 (4) Subject to subsection (8), notification is ineffective
527 under subsection (2):

528 (a) Unless, before the notification is sent, the account
529 debtor and the person that, at that time, had control of the
530 controllable electronic record that evidences the controllable
531 account or controllable payment intangible agree in a signed
532 record to a commercially reasonable method by which a person may
533 furnish reasonable proof that control has been transferred;

534 (b) To the extent an agreement between the account debtor
535 and seller of a payment intangible limits the account debtor's
536 duty to pay a person other than the seller and the limitation is
537 effective under law other than this part; or

538 (c) At the option of the account debtor, if the
539 notification notifies the account debtor to:

540 1. Divide a payment;

541 2. Make less than the full amount of an installment or
542 other periodic payment; or

543 3. Pay any part of a payment by more than one method or to
544 more than one person.

545 (5) Subject to subsection (8), if requested by the account
546 debtor, the person giving the notification under subsection (2)
547 must seasonably furnish reasonable proof that, using the method
548 in the agreement referred to in paragraph (4) (a), control of the
549 controllable electronic record has been transferred. Unless the
550 person complies with the request, the account debtor may

551 discharge its obligation by paying a person that formerly had
552 control, even if the account debtor has received a notification
553 under subsection (2).

554 (6) A person furnishes reasonable proof under subsection
555 (5) that control has been transferred if the person demonstrates
556 that, using the method in an agreement made under paragraph
557 (4) (a), the transferee has the power to:

558 (a) Avail itself of substantially all the benefit from the
559 controllable electronic record;

560 (b) Prevent others from availing themselves of
561 substantially all the benefit from the controllable electronic
562 record; and

563 (c) Transfer the powers specified in paragraphs (a) and
564 (b) to another person.

565 (7) Subject to subsection (8), an account debtor may not
566 wave or vary its rights under paragraph (4) (a) and subsection
567 (5) or its option under paragraph (4) (c).

568 (8) This section is subject to law other than this part
569 which establishes a different rule for an account debtor who is
570 an individual and who incurred the obligation primarily for
571 personal, family, or household purposes.

572 **Section 9. Section 669.107, Florida Statutes, is created**
573 **to read:**

574 669.107 Governing law.—

575 (1) Except as provided in subsection (2), the local law of

576 a controllable electronic record's jurisdiction governs a matter
577 covered by this part.

578 (2) For a controllable electronic record that evidences a
579 controllable account or controllable payment intangible, the
580 local law of the controllable electronic record's jurisdiction
581 governs a matter covered by s. 669.106 unless an effective
582 agreement determines that the local law of another jurisdiction
583 governs.

584 (3) The following rules determine a controllable
585 electronic record's jurisdiction under this section:

586 (a) If the controllable electronic record, or a record
587 attached to or logically associated with the controllable
588 electronic record and readily available for review, expressly
589 provides that a particular jurisdiction is the controllable
590 electronic record's jurisdiction for purposes of this part or
591 the Uniform Commercial Code, that jurisdiction is the
592 controllable electronic record's jurisdiction.

593 (b) If paragraph (a) does not apply and the rules of the
594 system in which the controllable electronic record is recorded
595 are readily available for review and expressly provide that a
596 particular jurisdiction is the controllable electronic record's
597 jurisdiction for purposes of this part or the Uniform Commercial
598 Code, that jurisdiction is the controllable electronic record's
599 jurisdiction.

600 (c) If paragraphs (a) and (b) do not apply and the

601 controllable electronic record, or a record attached to or
602 logically associated with the controllable electronic record and
603 readily available for review, expressly provides that the
604 controllable electronic record is governed by the law of a
605 particular jurisdiction, that jurisdiction is the controllable
606 electronic record's jurisdiction.

607 (d) If paragraphs (a), (b), and (c) do not apply and the
608 rules of the system in which the controllable electronic record
609 is recorded are readily available for review and expressly
610 provide that the controllable electronic record or the system is
611 governed by the law of a particular jurisdiction, that
612 jurisdiction is the controllable electronic record's
613 jurisdiction.

614 (e) If paragraphs (a)-(d) do not apply, the controllable
615 electronic record's jurisdiction is the District of Columbia.

616 (4) If paragraph (3)(e) applies, and Article 12 is not in
617 effect without material modification in the District of
618 Columbia, the governing law for a matter subject to this part is
619 the law of the District of Columbia as though Article 12 were in
620 effect without material modification in the District of
621 Columbia. For the purposes of this subsection, the term "Article
622 12" means Article 12 of the Uniform Commercial Code Amendments
623 (2022).

624 (5) To the extent subsections (1) and (2) provide that the
625 local law of the controllable electronic record's jurisdiction

626 governs a matter covered by this part, that law governs even if
627 the matter or a transaction to which the matter relates does not
628 bear any relation to the controllable electronic record's
629 jurisdiction.

630 (6) The rights acquired under s. 669.104 by a purchaser or
631 qualifying purchaser are governed by the law applicable under
632 this section at the time of purchase.

633 **Section 10.** Part II of chapter 669, Florida Statutes,
634 consisting of ss. 669.501-669.706, Florida Statutes, is created
635 and entitled "Transitional Provisions."

636 **Section 11. Section 669.501, Florida Statutes, is created**
637 **to read:**

638 669.501 Short title.—This part may be cited as "Uniform
639 Commercial Code-Controllable Electronic Records."

640 **Section 12. Section 669.502, Florida Statutes, is created**
641 **to read:**

642 669.502 Definitions.—As used in this part:

643 (1) (a) "Adjustment date" means July 1, 2026.

644 (b) "Article 12" means Article 12 of the Uniform
645 Commercial Code.

646 (c) "Article 12 property" means a controllable account,
647 controllable electronic record, or controllable payment
648 intangible.

649 (2) Other definitions applying to this chapter and the
650 sections in which they appear are:

651 "Controllable account," s. 679.1021.
 652 "Controllable electronic record," s. 669.102.
 653 "Controllable payment intangible," s. 679.1021.
 654 "Electronic money," s. 679.1021.
 655 "Financing statement," s. 679.1021.
 656 (3) The general definitions and principles of construction
 657 and interpretation contained in chapter 671 apply to this part.

658 **Section 13. Section 669.601, Florida Statutes, is created**
 659 **to read:**

660 669.601 Saving clause.—Except as otherwise provided in
 661 this part, a transaction validly entered into before July 1,
 662 2025, and the rights, duties, and interests flowing from such
 663 transaction remain valid thereafter and may be terminated,
 664 completed, consummated, or enforced as required or permitted by
 665 law other than the Uniform Commercial Code or, if applicable, by
 666 the Uniform Commercial Code as though this act had not taken
 667 effect.

668 **Section 14. Section 669.701, Florida Statutes, is created**
 669 **to read:**

670 669.701 Saving clause.—
 671 (1) Except as provided in this part, chapter 679 as it
 672 existed on July 1, 2025, and Article 12 apply to a transaction,
 673 lien, or other interest in property, even if the transaction,
 674 lien, or interest was entered into, created, or acquired before
 675 July 1, 2025.

676 (2) Except as provided in subsection (3) and ss. 669.702-
677 669.706, both of the following apply:

678 (a) A transaction, lien, or interest in property that was
679 validly entered into, created, or transferred before July 1,
680 2025, and that was not governed by the Uniform Commercial Code
681 but would be subject to chapter 679 as it existed on July 1,
682 2025, or to Article 12 if the transaction had been entered into,
683 created, or transferred on or after July 1, 2025, including the
684 rights, duties, and interests flowing from the transaction,
685 lien, or interest, remains valid on and after July 1, 2025.

686 (b) The transaction, lien, or interest may be terminated,
687 completed, consummated, and enforced as required or permitted by
688 this part or by the law that would apply if this part had not
689 taken effect.

690 (3) This section does not affect an action, a case, or a
691 proceeding commenced before July 1, 2025.

692 **Section 15. Section 669.702, Florida Statutes, is created**
693 **to read:**

694 669.702 Security interest perfected before effective
695 date.—

696 (1) A security interest that is enforceable and perfected
697 immediately before July 1, 2025, is a perfected security
698 interest under this act if, on July 1, 2025, the requirements
699 for enforceability and perfection under this section are fully
700 satisfied without further action.

701 (2) If a security interest is enforceable and perfected
702 immediately before July 1, 2025, but the requirements for
703 enforceability or perfection under this act are not satisfied by
704 July 1, 2025, all of the following apply to the security
705 interest:

706 (a) It is a perfected security interest until the earlier
707 of the time perfection would have ceased under the law in effect
708 immediately before July 1, 2025, or the adjustment date.

709 (b) It remains enforceable thereafter only if the security
710 interest satisfies the requirements for enforceability under s.
711 679.2031, as it existed on July 1, 2025, before the adjustment
712 date.

713 (c) It remains perfected thereafter only if the
714 requirements for perfection under this section are satisfied
715 immediately before July 1, 2025.

716 **Section 16. Section 669.703, Florida Statutes, is created**
717 **to read:**

718 669.703 Security interest unperfected before effective
719 date.—A security interest that is enforceable immediately before
720 July 1, 2025, but is unperfected by that date:

721 (1) Remains an enforceable security interest until the
722 adjustment date;

723 (2) Remains enforceable thereafter if the security
724 interest becomes enforceable under s. 679.2031, as it existed on
725 July 1, 2025, or before the adjustment date; and

726 (3) Becomes perfected:

727 (a) Without further action, by July 1, 2025, if the
728 requirements for perfection under this act are satisfied on or
729 before that date; or

730 (b) When the requirements for perfection are satisfied, if
731 satisfaction occurs after July 1, 2025.

732 **Section 17. Section 669.704, Florida Statutes, is created**
733 **to read:**

734 669.704 Effectiveness of actions taken before effective
735 date.—

736 (1) If action, other than the filing of a financing
737 statement, is taken before July 1, 2025, and the action would
738 have resulted in perfection of the security interest had the
739 security interest become enforceable before July 1, 2025, the
740 action is effective to perfect a security interest that attaches
741 under this part before the adjustment date. An attached security
742 interest becomes unperfected on the adjustment date unless the
743 security interest becomes a perfected security interest under
744 this part before the adjustment date.

745 (2) The filing of a financing statement before July 1,
746 2025, is effective to perfect a security interest on July 1,
747 2025, to the extent the filing would satisfy the requirements
748 for perfection under this part.

749 (3) Action taken before July 1, 2025, is sufficient for
750 the enforceability of a security interest as of July 1, 2025, if

751 the action satisfies the requirements for enforceability under
752 this part.

753 **Section 18. Section 669.705, Florida Statutes, is created**
754 **to read:**

755 669.705 Priority.—

756 (1) Subject to subsections (2) and (3), this section
757 determines the priority of conflicting claims to collateral.

758 (2) Subject to subsection (3), if the priority of claims
759 to collateral was established before July 1, 2025, chapter 679
760 as in effect before July 1, 2025, determines priority.

761 (3) On the adjustment date, to the extent the priorities
762 determined by chapter 679 as amended by this part modify the
763 priorities established before July 1, 2025, the priorities of
764 claims to Article 12 property and electronic money established
765 before July 1, 2025, cease to apply.

766 **Section 19. Section 669.706, Florida Statutes, is created**
767 **to read:**

768 669.706 Priority of claims when priority rules of chapter
769 679 do not apply.—

770 (1) Subject to subsections (2) and (3), Article 12
771 determines the priority of conflicting claims to Article 12
772 property when the priority rules of chapter 679 as amended by
773 this act do not apply.

774 (2) Subject to subsection (3), when the priority rules of
775 chapter 679 as amended by this act do not apply and the

776 priorities of claims to Article 12 property were established
 777 before July 1, 2025, law other than Article 12 determines
 778 priority.

779 (3) When the priority rules of chapter 679 as amended by
 780 this part do not apply, to the extent the priorities determined
 781 by this act modify the priorities established as of July 1,
 782 2025, the priorities of claims to Article 12 property
 783 established before July 1, 2025, cease to apply on the
 784 adjustment date.

785 **Section 20. Paragraph (c) of subsection (1) of section**
 786 **670.103, Florida Statutes, is amended to read:**

787 670.103 Payment order: definitions.—

788 (1) In this chapter, the term:

789 (c) "Payment order" means an instruction of a sender to a
 790 receiving bank, transmitted orally or in a record,
 791 ~~electronically, or in writing,~~ to pay, or to cause another bank
 792 to pay, a fixed or determinable amount of money to a beneficiary
 793 if:

794 1. The instruction does not state a condition to payment
 795 to the beneficiary other than time of payment;

796 2. The receiving bank is to be reimbursed by debiting an
 797 account of, or otherwise receiving payment from, the sender; and

798 3. The instruction is transmitted by the sender directly
 799 to the receiving bank or to an agent, funds-transfer system, or
 800 communication system for transmittal to the receiving bank.

801 **Section 21. Section 670.201, Florida Statutes, is amended**
802 **to read:**

803 670.201 Security procedure.—For purposes of this section,
804 the term "security procedure" means a procedure established by
805 agreement of a customer and a receiving bank for the purpose of:

806 (1) Verifying that a payment order or communication
807 amending or canceling a payment order is that of the customer;
808 or

809 (2) Detecting error in the transmission or the content of
810 the payment order or communication.

811
812 A security procedure may impose an obligation on the receiving
813 bank or the customer and may require the use of algorithms or
814 other codes, identifying words, ~~or~~ numbers, symbols, sounds,
815 biometrics, encryption, callback procedures, or similar security
816 devices. Comparison of a signature on a payment order or
817 communication with an authorized specimen signature of the
818 customer or requiring a payment order to be sent from a known e-
819 mail address, Internet protocol address, or telephone number is
820 not by itself a security procedure.

821 **Section 22. Subsections (2) and (3) of section 670.202,**
822 **Florida Statutes, are amended, and subsection (6) of that**
823 **section is republished, to read:**

824 670.202 Authorized and verified payment orders.—

825 (2) If a bank and its customer have agreed that the

826 authenticity of payment orders issued to the bank in the name of
827 the customer as sender will be verified pursuant to a security
828 procedure, a payment order received by the receiving bank is
829 effective as the order of the customer, whether or not
830 authorized, if the security procedure is a commercially
831 reasonable method of providing security against unauthorized
832 payment orders and the bank proves that it accepted the payment
833 order in good faith and in compliance with the bank's
834 obligations under the security procedure and any ~~written~~
835 agreement or instruction of the customer, evidenced by a record,
836 restricting acceptance of payment orders issued in the name of
837 the customer. The bank is not required to follow an instruction
838 that violates an ~~a written~~ agreement with the customer,
839 evidenced by a record, or notice of which is not received at a
840 time and in a manner affording the bank a reasonable opportunity
841 to act on it before the payment order is accepted.

842 (3) The commercial reasonableness of a security procedure
843 is a question of law to be determined by considering the wishes
844 of the customer expressed to the bank; the circumstances of the
845 customer known to the bank, including the size, type, and
846 frequency of payment orders normally issued by the customer to
847 the bank; alternative security procedures offered to the
848 customer; and security procedures in general use by customers
849 and receiving banks similarly situated. A security procedure is
850 deemed to be commercially reasonable if:

851 (a) The security procedure was chosen by the customer
852 after the bank offered, and the customer refused, a security
853 procedure that was commercially reasonable for that customer;
854 and

855 (b) The customer expressly agreed in a record ~~writing~~ to
856 be bound by any payment order, whether or not authorized, issued
857 in its name and accepted by the bank in compliance with the
858 bank's obligations under the security procedure chosen by the
859 customer.

860 (6) Except as provided in this section and in s.
861 670.203(1)(a), rights and obligations arising under this section
862 or s. 670.203 may not be varied by agreement.

863 **Section 23. Paragraph (a) of subsection (1) of section**
864 **670.203, Florida Statutes, is amended to read:**

865 670.203 Unenforceability of certain verified payment
866 orders.—

867 (1) If an accepted payment order is not, under s.
868 670.202(1), an authorized order of a customer identified as
869 sender, but is effective as an order of the customer pursuant to
870 s. 670.202(2), the following rules apply:

871 (a) By express ~~written~~ agreement evidenced by a record,
872 the receiving bank may limit the extent to which it is entitled
873 to enforce or retain payment of the payment order.

874 **Section 24. Paragraph (b) of subsection (3) of section**
875 **670.207, Florida Statutes, is amended to read:**

876 670.207 Misdescription of beneficiary.—

877 (3) If a payment order described in subsection (2) is
 878 accepted, the originator's payment order described the
 879 beneficiary inconsistently by name and number, and the
 880 beneficiary's bank pays the person identified by number as
 881 permitted by paragraph (2)(a), the following rules apply:

882 (b) If the originator is not a bank and proves that the
 883 person identified by number was not entitled to receive payment
 884 from the originator, the originator is not obliged to pay its
 885 order unless the originator's bank proves that the originator,
 886 before acceptance of the originator's order, had notice that
 887 payment of a payment order issued by the originator might be
 888 made by the beneficiary's bank on the basis of an identifying or
 889 bank account number even if it identifies a person different
 890 from the named beneficiary. Proof of notice may be made by any
 891 admissible evidence. The originator's bank satisfies the burden
 892 of proof if it proves that the originator, before the payment
 893 order was accepted, signed a record ~~writing~~ stating the
 894 information to which the notice relates.

895 **Section 25. Paragraph (b) of subsection (2) of section**
 896 **670.208, Florida Statutes, is amended to read:**

897 670.208 Misdescription of intermediary bank or
 898 beneficiary's bank.—

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

901 an identifying number if the name and number identify different
 902 persons.

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

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

917 670.21 Rejection of payment order.—

918 (1) A payment order is rejected by the receiving bank by a
 919 notice of rejection transmitted to the sender orally,
 920 ~~electronically,~~ or in a record writing. A notice of rejection
 921 need not use any particular words and is sufficient if it
 922 indicates that the receiving bank is rejecting the order or will
 923 not execute or pay the order. Rejection is effective when the
 924 notice is given if transmission is by a means that is reasonable
 925 in the circumstances. If notice of rejection is given by a means

926 that is not reasonable, rejection is effective when the notice
 927 is received. If an agreement of the sender and receiving bank
 928 establishes the means to be used to reject a payment order:

929 (a) Any means complying with the agreement is reasonable;
 930 and

931 (b) Any means not complying is not reasonable unless no
 932 significant delay in receipt of the notice resulted from the use
 933 of the noncomplying means.

934 **Section 27. Subsection (1) of section 670.211, Florida**
 935 **Statutes, is amended to read:**

936 670.211 Cancellation and amendment of payment order.—

937 (1) A communication of the sender of a payment order
 938 canceling or amending the order may be transmitted to the
 939 receiving bank orally, ~~electronically,~~ or in a record ~~writing~~.
 940 If a security procedure is in effect between the sender and the
 941 receiving bank, the communication is not effective to cancel or
 942 amend the order unless the communication is verified pursuant to
 943 the security procedure or the bank agrees to the cancellation or
 944 amendment.

945 **Section 28. Subsections (3) and (4) of section 670.305,**
 946 **Florida Statutes, are amended to read:**

947 670.305 Liability for late or improper execution or
 948 failure to execute payment order.—

949 (3) In addition to the amounts payable under subsections
 950 (1) and (2), damages, including consequential damages, are

951 recoverable to the extent provided in an express ~~written~~
952 agreement of the receiving bank, evidenced by a record.

953 (4) If a receiving bank fails to execute a payment order
954 it was obliged by express agreement to execute, the receiving
955 bank is liable to the sender for its expenses in the transaction
956 and for incidental expenses and interest losses resulting from
957 the failure to execute. Additional damages, including
958 consequential damages, are recoverable to the extent provided in
959 an express ~~written~~ agreement of the receiving bank, evidenced by
960 a record, but are not otherwise recoverable.

961 **Section 29.** Part VI of chapter 670, Florida Statutes,
962 consisting of s. 670.601, Florida Statutes, is created and
963 entitled "Transitional Provisions."

964 **Section 30. Section 670.601, Florida Statutes, is created**
965 **to read:**

966 670.601 Saving clause.—Except as provided in ss. 669.501–
967 669.706, a transaction validly entered into before July 1, 2025,
968 and the rights, duties, and interests flowing from such
969 transaction remain valid thereafter and may be terminated,
970 completed, consummated, or enforced as required or permitted by
971 law other than the Uniform Commercial Code or, if applicable,
972 the Uniform Commercial Code as though this act had not taken
973 effect.

974 **Section 31. Subsection (1) of section 671.101, Florida**
975 **Statutes, is amended to read:**

976 671.101 Short title; scope of chapter.—

977 (1) Chapters 669-680 ~~670-680~~ may be cited as the "Uniform
978 Commercial Code" or "code."

979 **Section 32. Paragraphs (a) through (g) of subsection (2)**
980 **of section 671.105, Florida Statutes, are redesignated as**
981 **paragraphs (b) through (h), respectively, a new paragraph (a) is**
982 **added to that subsection, and present paragraphs (d) and (e) of**
983 **that subsection are republished, to read:**

984 671.105 Territorial application of the code; parties'
985 power to choose applicable law.—

986 (2) When one of the following provisions of this code
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
991 electronic records. (s. 669.107).

992 (e)~~(d)~~ 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 a signed ~~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 present subsections (11),**
 1007 **(16), (22), (26), (27), (31), (40), and (41) of that section are**
 1008 **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:

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, "delivery," with
 1031 respect to instruments, tangible document of title, or an
 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 (23)-(22) "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

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
1053 exists. A person "knows" or has "knowledge" of a fact when the
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.

1059 (28)~~(27)~~ A person "notifies" or "gives" a notice or
1060 notification to another person by taking such steps as may be
1061 reasonably required to inform the other person in ordinary
1062 course, whether or not the other person actually comes to know
1063 of it. Subject to subsection (29) ~~(28)~~, a person "receives" a
1064 notice or notification when:

1065 (a) It comes to that person's attention; or

1066 (b) It is duly delivered in a form reasonable under the
1067 circumstances at the place of business through which the
1068 contract was made or at another location held out by that person
1069 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
1074 any other legal or commercial entity. The term includes a
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, ~~or~~ deliver for transmission,
1084 or transmit by any other usual means of communication, with
1085 postage or cost of transmission provided for, and properly
1086 addressed and, in the case of an instrument, to an address
1087 specified thereon or otherwise agreed or, if there be none, to
1088 any address reasonable 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 under paragraph (a) ~~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) "Sign," "signing," "signed," or "signature"
1095 means, with present intent to authenticate or adopt a record,
1096 to:

1097 (a) Execute or adopt a tangible symbol; or

1098 (b) Attach to or logically associate with the record an
1099 electronic symbol, sound, or process ~~means bearing any symbol~~
1100 executed or adopted by a party with present intention to adopt

1101 ~~or accept a writing.~~

1102 **Section 35. Section 671.211, Florida Statutes, is amended**
1103 **to read:**

1104 671.211 Value.—Except as otherwise provided with respect
1105 to negotiable instruments and bank collections as provided in
1106 chapter 669 and ss. 673.3031, 674.2101, and 674.2111, a person
1107 gives value for rights if the person acquires them:

1108 (1) In return for a binding commitment to extend credit or
1109 for the extension of immediately available credit whether or not
1110 drawn upon and whether or not a charge-back is provided for in
1111 the event of difficulties in collection;

1112 (2) As security for, or in total or partial satisfaction
1113 of, a preexisting claim;

1114 (3) By accepting delivery under a preexisting contract for
1115 purchase; or

1116 (4) In return for any consideration sufficient to support
1117 a simple contract.

1118 **Section 36. Part IV of chapter 671, Florida Statutes,**
1119 **consisting of s. 671.401, Florida Statutes, is created and**
1120 **entitled "Transitional Provisions."**

1121 **Section 37. Section 671.401, Florida Statutes, is created**
1122 **to read:**

1123 671.401 Saving clause.—Except as provided in ss. 669.501-
1124 669.706, a transaction validly entered into before July 1, 2025,
1125 and the rights, duties, and interests flowing from such

1126 transaction remain valid thereafter and may be terminated,
1127 completed, consummated, or enforced as required or permitted by
1128 law other than the Uniform Commercial Code or, if applicable, by
1129 the Uniform Commercial Code as though this act had not taken
1130 effect.

1131 **Section 38. Section 672.102, Florida Statutes, is amended**
1132 **to read:**

1133 672.102 Scope; certain security and other transactions
1134 excluded from this chapter.—

1135 (1) Unless the context otherwise requires, and except as
1136 provided in subsection (2), this chapter applies to transactions
1137 in goods and, in the case of a hybrid transaction:

1138 (a) If the sale-of-goods aspects do not predominate, only
1139 those provisions of this chapter which relate primarily to the
1140 sale-of-goods aspects of the transaction apply, and those
1141 provisions that relate primarily to the transaction as a whole
1142 do not apply.

1143 (b) If the sale-of-goods aspects predominate, this chapter
1144 applies to the transaction but does not preclude application in
1145 appropriate circumstances of other law to aspects of the
1146 transaction which do not relate to the sale of goods.

1147 (2) This chapter does not do the following:

1148 (a) Apply to a transaction that, even though in the form
1149 of an unconditional contract to sell or present sale, operates
1150 only to create a security interest.

1151 (b) Impair or repeal a statute regulating sales to
1152 consumers, farmers, or other specified classes of buyers; ~~it~~
1153 ~~does not apply to any transaction which although in the form of~~
1154 ~~an unconditional contract to sell or present sale is intended to~~
1155 ~~operate only as a security transaction nor does this chapter~~
1156 ~~impair or repeal any statute regulating sales to consumers,~~
1157 ~~farmers or other specified classes of buyers.~~

1158 **Section 39. Section 672.106, Florida Statutes, is amended**
1159 **to read:**

1160 672.106 Definitions: "contract"; "agreement"; "contract
1161 for sale"; "sale"; "present sale"; "conforming" to contract;
1162 "termination"; "cancellation-"; "hybrid transaction."-

1163 (1) In this chapter, unless the context clearly requires
1164 otherwise, the meaning of the terms ~~requires~~ "contract" and
1165 "agreement" is are limited to those contracts and agreements
1166 relating to the present or future sale of goods. The term
1167 "contract for sale" includes both a present sale of goods and a
1168 contract to sell goods at a future time. A "sale" consists in
1169 the passing of title from the seller to the buyer for a price
1170 (s. 672.401). A "present sale" means a sale which is
1171 accomplished by the making of the contract.

1172 (2) Goods or conduct including any part of a performance
1173 are "conforming" or conform to the contract when they are in
1174 accordance with the obligations under the contract.

1175 (3) "Termination" occurs when either party pursuant to a

1176 power created by agreement or law puts an end to the contract
 1177 otherwise than for its breach. Upon ~~On~~ termination, all
 1178 obligations that ~~which~~ are still executory on both sides are
 1179 discharged but any right based on prior breach or performance
 1180 survives.

1181 (4) "Cancellation" occurs when either party puts an end to
 1182 the contract for breach by the other and its effect is the same
 1183 as that of "termination" except that the canceling party also
 1184 retains any remedy for breach of the whole contract or any
 1185 unperformed balance.

1186 (5) The term "hybrid transaction" means a single
 1187 transaction involving a sale of goods and any of the following:

1188 (a) The provision of services.

1189 (b) A lease of other goods.

1190 (c) A sale, lease, or license of property other than
 1191 goods.

1192 **Section 40. Subsections (1) and (2) of section 672.201,**
 1193 **Florida Statutes, are amended to read:**

1194 672.201 Formal requirements; statute of frauds.—

1195 (1) Except as otherwise provided in this section a
 1196 contract for the sale of goods for the price of \$500 or more is
 1197 not enforceable by way of action or defense unless there is a
 1198 record ~~some writing~~ sufficient to indicate that a contract for
 1199 sale has been made between the parties and signed by the party
 1200 against whom enforcement is sought or by the party's ~~his or her~~

1201 authorized agent or broker. A record ~~writing~~ is not insufficient
1202 because it omits or incorrectly states a term agreed upon but
1203 the contract is not enforceable under this subsection ~~paragraph~~
1204 beyond the quantity of goods shown in the record ~~such writing~~.

1205 (2) Between merchants if within a reasonable time a record
1206 ~~writing~~ in confirmation of the contract and sufficient against
1207 the sender is received and the party receiving it has reason to
1208 know its contents, it satisfies the requirements of subsection
1209 (1) against the ~~such~~ party unless ~~written~~ notice in a record of
1210 objection to its contents is given within 10 days after it is
1211 received.

1212 **Section 41. Section 672.202, Florida Statutes, is amended**
1213 **to read:**

1214 672.202 Final ~~written~~ expression; parol or extrinsic
1215 evidence.—Terms with respect to which the confirmatory memoranda
1216 of the parties agree or which are otherwise set forth in a
1217 record ~~writing~~ intended by the parties as a final expression of
1218 their agreement with respect to such terms as are included
1219 therein may not be contradicted by evidence of any prior
1220 agreement or of a contemporaneous oral agreement but may be
1221 explained or supplemented:

1222 (1) By course of dealing or usage of trade (s. 671.205) or
1223 by course of performance (s. 672.208); and

1224 (2) By evidence of consistent additional terms unless the
1225 court finds the record ~~writing~~ to have been intended also as a

1226 complete and exclusive statement of the terms of the agreement.

1227 **Section 42. Section 672.203, Florida Statutes, is amended**
 1228 **to read:**

1229 672.203 Seals inoperative.—The affixing of a seal to a
 1230 record ~~writing~~ evidencing a contract for sale or an offer to buy
 1231 or sell goods does not constitute a record ~~the writing~~ a sealed
 1232 instrument and the law with respect to sealed instruments does
 1233 not apply to such a contract or offer.

1234 **Section 43. Section 672.205, Florida Statutes, is amended**
 1235 **to read:**

1236 672.205 Firm offers.—An offer by a merchant to buy or sell
 1237 goods in a signed record ~~writing~~ which by its terms gives
 1238 assurance that it will be held open is not revocable, for lack
 1239 of consideration, during the time stated or if no time is stated
 1240 for a reasonable time, but in no event may such period of
 1241 irrevocability exceed 3 months; but any such term of assurance
 1242 on a form supplied by the offeree must be separately signed by
 1243 the offeror.

1244 **Section 44. Subsection (2) of section 672.209, Florida**
 1245 **Statutes, is amended to read:**

1246 672.209 Modification, rescission, and waiver.—

1247 (2) A signed agreement which excludes modification or
 1248 rescission except by a signed writing or other signed record
 1249 cannot be otherwise modified or rescinded, but except as between
 1250 merchants such a requirement on a form supplied by the merchant

1251 must be separately signed by the other party.

1252 **Section 45.** Part VIII of chapter 672, Florida Statutes,
1253 consisting of s. 672.801, Florida Statutes, is created and
1254 entitled "Transitional Provisions."

1255 **Section 46. Section 672.801, Florida Statutes, is created**
1256 **to read:**

1257 672.801 Saving clause.—Except as provided in ss. 669.501-
1258 669.706, a transaction validly entered into before July 1, 2025,
1259 and the rights, duties, and interests flowing from such
1260 transaction remain valid thereafter and may be terminated,
1261 completed, consummated, or enforced as required or permitted by
1262 law other than the Uniform Commercial Code or, if applicable, by
1263 the Uniform Commercial Code as though this act had not taken
1264 effect.

1265 **Section 47. Subsection (1) of section 673.1041, Florida**
1266 **Statutes, is amended to read:**

1267 673.1041 Negotiable instrument.—

1268 (1) Except as provided in subsections (3), (4), and (11),
1269 the term "negotiable instrument" means an unconditional promise
1270 or order to pay a fixed amount of money, with or without
1271 interest or other charges described in the promise or order, if
1272 it:

1273 (a) Is payable to bearer or to order at the time it is
1274 issued or first comes into possession of a holder;

1275 (b) Is payable on demand or at a definite time; and

1276 (c) Does not state any other undertaking or instruction by
 1277 the person promising or ordering payment to do any act in
 1278 addition to the payment of money, but the promise or order may
 1279 contain:

1280 1. An undertaking or power to give, maintain, or protect
 1281 collateral to secure payment;

1282 2. An authorization or power to the holder to confess
 1283 judgment or realize on or dispose of collateral; ~~or~~

1284 3. A waiver of the benefit of any law intended for the
 1285 advantage or protection of an obligor;

1286 4. A term that specifies the law that governs the promise
 1287 or order; or

1288 5. An undertaking to resolve, in a specified forum, a
 1289 dispute concerning the promise or order.

1290 **Section 48. Subsection (1) of section 673.1051, Florida**
 1291 **Statutes, is amended to read:**

1292 673.1051 Issue of instrument.—

1293 (1) The term "issue" means:

1294 (a) The first delivery of an instrument by the maker or
 1295 drawer, whether to a holder or nonholder, for the purpose of
 1296 giving rights on the instrument to any person; or

1297 (b) If agreed to by the payee, the first transmission by
 1298 the drawer to the payee of an image of an item and information
 1299 derived from the item which enables the depository bank to
 1300 collect the item under federal law by transferring or presenting

1301 an electronic check.

1302 **Section 49. Section 673.4011, Florida Statutes, is amended**
 1303 **to read:**

1304 673.4011 Signature.—

1305 ~~(1) A person is not liable on an instrument unless:~~

1306 ~~(a) the person signed the instrument; or~~

1307 ~~(b) the person is represented by an agent or~~

1308 representative who signed the instrument, and the signature is

1309 binding on the represented person under s. 673.4021.

1310 ~~(2) A signature may be made:~~

1311 ~~(a) Manually or by means of a device or machine; and~~

1312 ~~(b) By the use of any name, including a trade or assumed~~

1313 ~~name, or by a word, mark, or symbol executed or adopted by a~~

1314 ~~person with present intention to authenticate a writing.~~

1315 **Section 50. Subsection (1) of section 673.6041, Florida**
 1316 **Statutes, is amended to read:**

1317 673.6041 Discharge by cancellation or renunciation.—

1318 (1) A person entitled to enforce an instrument, with or
 1319 without consideration, may discharge the obligation of a party
 1320 to pay the instrument:

1321 (a) By an intentional voluntary act, such as:

1322 1. Surrender of the instrument to the party;

1323 2. Destruction, mutilation, or cancellation of the
 1324 instrument;

1325 3. Cancellation or striking out of the party's signature;

1326 or

1327 4. Addition of words to the instrument indicating
1328 discharge; or

1329 (b) By agreeing not to sue or otherwise renouncing rights
1330 against the party by a signed writing.

1331
1332 The obligation of a party to pay a check is not discharged
1333 solely by destruction of the check in connection with a process
1334 that involves the extraction of information from the check and
1335 an image of the check is made and, subsequently, the information
1336 and image are transmitted for payment.

1337 **Section 51.** Part VII of chapter 673, Florida Statutes,
1338 consisting of s. 673.702, Florida Statutes, is created and
1339 entitled "Transitional Provisions."

1340 **Section 52. Section 673.702, Florida Statutes, is created**
1341 **to read:**

1342 673.702 Savings clause.—Except as provided in ss. 669.501-
1343 669.706, a transaction validly entered into before July 1, 2025,
1344 and the rights, duties, and interests flowing from such
1345 transaction remain valid thereafter and may be terminated,
1346 completed, consummated, or enforced as required or permitted by
1347 law other than the Uniform Commercial Code or, if applicable, by
1348 the Uniform Commercial Code as though this act had not taken
1349 effect.

1350 **Section 53. Section 675.104, Florida Statutes, is amended**

1351 **to read:**

1352 675.104 Formal requirements.—A letter of credit,
1353 confirmation, advice, transfer, amendment, or cancellation may
1354 be issued in any form that is a signed record ~~and is~~
1355 ~~authenticated by a signature or in accordance with the agreement~~
1356 ~~of the parties or the standard practice referred to in s.~~
1357 ~~675.108(5).~~

1358 **Section 54. Section 675.116, Florida Statutes, is amended**

1359 **to read:**

1360 675.116 Choice of law and forum.—

1361 (1) The liability of an issuer, nominated person, or
1362 adviser for action or omission is governed by the law of the
1363 jurisdiction chosen by an agreement in the form of a record
1364 signed ~~or otherwise authenticated~~ by the affected parties ~~in the~~
1365 ~~manner provided in s. 675.104~~ or by a provision in the person's
1366 letter of credit, confirmation, or other undertaking. The
1367 jurisdiction whose law is chosen need not bear any relation to
1368 the transaction.

1369 (2) Unless subsection (1) applies, the liability of an
1370 issuer, nominated person, or adviser for action or omission is
1371 governed by the law of the jurisdiction in which the person is
1372 located. The person is considered to be located at the address
1373 indicated in the person's undertaking. If more than one address
1374 is indicated, the person is considered to be located at the
1375 address from which the person's undertaking was issued.

1376 (a) For the purpose of jurisdiction, choice of law, and
1377 recognition of interbranch letters of credit, but not
1378 enforcement of a judgment, all branches of a bank are considered
1379 separate juridical entities and a bank is considered to be
1380 located at the place where its relevant branch is considered to
1381 be located under paragraph (b) ~~this subsection~~.

1382 (b) A bank branch is considered to be located at the
1383 address indicated in the branch's undertaking. If more than one
1384 address is indicated, the branch is considered to be located at
1385 the address from which the undertaking was issued.

1386 (c) ~~(3)~~ Except as otherwise provided in this paragraph
1387 ~~subsection~~, the liability of an issuer, nominated person, or
1388 adviser is governed by any rules of custom or practice, such as
1389 the Uniform Customs and Practice for Documentary Credits, to
1390 which the letter of credit, confirmation, or other undertaking
1391 is expressly made subject. If this chapter governs the liability
1392 of an issuer, nominated person, or adviser under subsection (1)
1393 or this subsection ~~(2)~~, the relevant undertaking incorporates
1394 rules of custom or practice, and there is conflict between this
1395 chapter and such rules as applied to that undertaking, such
1396 rules govern except to the extent of any conflict with the
1397 nonvariable provisions specified in s. 675.102(3).

1398 (3) ~~(4)~~ This chapter governs to the extent of any conflict
1399 between this chapter and chapter 670, chapter 673, chapter 674,
1400 or chapter 679.

1401 ~~(4)-(5)~~ The forum for settling disputes arising out of an
 1402 undertaking within this chapter may be chosen in the manner and
 1403 with the binding effect that governing law may be chosen in
 1404 accordance with subsection (1).

1405 **Section 55. Section 675.119, Florida Statutes, is created**
 1406 **to read:**

1407 675.119 Saving clause.—Except as provided in ss. 669.501-
 1408 669.706, a transaction validly entered into before July 1, 2025,
 1409 and the rights, duties, and interests flowing from such
 1410 transaction remain valid thereafter and may be terminated,
 1411 completed, consummated, or enforced as required or permitted by
 1412 law other than the Uniform Commercial Code or, if applicable, by
 1413 the Uniform Commercial Code as though this act had not taken
 1414 effect.

1415 **Section 56. Paragraphs (j) and (l) of subsection (1) of**
 1416 **section 677.102, Florida Statutes, are amended to read:**

1417 677.102 Definitions and index of definitions.—

1418 (1) In this chapter, unless the context otherwise
 1419 requires:

1420 ~~(j) "Record" means information that is inscribed on a~~
 1421 ~~tangible medium or that is stored in an electronic or other~~
 1422 ~~medium and is retrievable in perceivable form.~~

1423 ~~(l) "Sign" means, with present intent to authenticate or~~
 1424 ~~adopt a record:~~

1425 ~~1. To execute or adopt a tangible symbol; or~~

1426 ~~2. To attach to or logically associate with the record an~~
 1427 ~~electronic sound, symbol, or process.~~

1428 **Section 57. Subsection (2) of section 677.106, Florida**
 1429 **Statutes, is amended, and subsections (3) through (9) are added**
 1430 **to that section, to read:**

1431 677.106 Control of electronic document of title.—

1432 (2) A system satisfies subsection (1), and a person has ~~is~~
 1433 ~~deemed to have~~ control of an electronic document of title, if
 1434 the document is created, stored, and transferred ~~assigned~~ in a
 1435 manner that:

1436 (a) A single authoritative copy of the document exists
 1437 which is unique, identifiable, and, except as otherwise provided
 1438 in paragraphs (d), (e), and (f), unalterable;

1439 (b) The authoritative copy identifies the person asserting
 1440 control as:

1441 1. The person to which the document was issued; or

1442 2. If the authoritative copy indicates that the document
 1443 has been transferred, the person to which the document was most
 1444 recently transferred;

1445 (c) The authoritative copy is communicated to and
 1446 maintained by the person asserting control or its designated
 1447 custodian;

1448 (d) Copies or amendments that add or change an identified
 1449 transferee ~~assignee~~ of the authoritative copy can be made only
 1450 with the consent of the person asserting control;

1451 (e) Each copy of the authoritative copy and any copy of a
1452 copy is readily identifiable as a copy that is not the
1453 authoritative copy; and

1454 (f) Any amendment of the authoritative copy is readily
1455 identifiable as authorized or unauthorized.

1456 (3) A system satisfies subsection (1), and a person has
1457 control of an electronic document of title, if an authoritative
1458 electronic copy of the document, a record attached to or
1459 logically associated with the electronic copy, or a system in
1460 which the electronic copy is recorded:

1461 (a) Enables the person to readily identify each electronic
1462 copy as either an authoritative copy or a nonauthoritative copy;

1463 (b) Enables the person to readily identify itself in any
1464 way, including by name, identifying number, cryptographic key,
1465 office, or account number, as the person to which each
1466 authoritative electronic copy was issued or transferred; and

1467 (c) Gives the person exclusive power, subject to
1468 subsection (4), to:

1469 1. Prevent others from adding or changing the person to
1470 which each authoritative electronic copy has been issued or
1471 transferred; and

1472 2. Transfer control of each authoritative electronic copy.

1473 (4) Subject to subsection (5), a power is exclusive under
1474 subparagraphs (3)(c)1. and 2. even if:

1475 (a) The authoritative electronic copy, a record attached

1476 to or logically associated with the authoritative electronic
1477 copy, or a system in which the authoritative electronic copy is
1478 recorded limits the use of the document of title or has a
1479 protocol that is programmed to cause a change, including a
1480 transfer or loss of control; or
1481 (b) The power is shared with another person.
1482 (5) A power of a person is not shared with another person
1483 under paragraph (4) (b) and the person's power is not exclusive
1484 if:
1485 (a) The person can exercise the power only if the power
1486 also is exercised by the other person; and
1487 (b) The other person:
1488 1. Can exercise the power without exercise of the power by
1489 the person; or
1490 2. Is the transferor to the person of an interest in the
1491 document of title.
1492 (6) If a person has the powers specified in subparagraphs
1493 (3) (c) 1. and 2., the powers are presumed to be exclusive.
1494 (7) A person has control of an electronic document of
1495 title if another person, other than the transferor to the person
1496 of an interest in the document:
1497 (a) Has control of the document and acknowledges that it
1498 has control on behalf of the person; or
1499 (b) Obtains control of the document after having
1500 acknowledged that it will obtain control of the document on

1501 behalf of the person.

1502 (8) A person that has control as provided under this
1503 section is not required to acknowledge that it has control on
1504 behalf of another person.

1505 (9) If a person acknowledges that it has or will obtain
1506 control on behalf of another person, unless the person otherwise
1507 agrees or law other than this chapter or chapter 679 otherwise
1508 provides, the person does not owe any duty to the other person
1509 and is not required to confirm the acknowledgment to any other
1510 person.

1511 **Section 58.** Part VII of chapter 677, Florida Statutes,
1512 consisting of s. 677.701, Florida Statutes, is created and
1513 entitled "Transitional Provisions."

1514 **Section 59. Section 677.701, Florida Statutes, is created**
1515 **to read:**

1516 677.701 Saving clause.—Except as provided in ss. 669.501–
1517 669.706, a transaction validly entered into before July 1, 2025,
1518 and the rights, duties, and interests flowing from such
1519 transaction remain valid thereafter and may be terminated,
1520 completed, consummated, or enforced as required or permitted by
1521 law other than the Uniform Commercial Code or, if applicable, by
1522 the Uniform Commercial Code as though this act had not have
1523 taken effect.

1524 **Section 60. Paragraph (f) of subsection (1) and subsection**
1525 **(2) of section 678.1021, Florida Statutes, are amended, and**

1526 **paragraph (i) of subsection (1) of that section is republished,**
1527 **to read:**

1528 678.1021 Definitions.—

1529 (1) In this chapter:

1530 (f) "Communicate" means to:

1531 1. Send a signed record ~~writing~~; or

1532 2. Transmit information by any mechanism agreed upon by
1533 the persons transmitting and receiving the information.

1534 (i) "Financial asset," except as otherwise provided in s.
1535 678.1031, means:

1536 1. A security;

1537 2. An obligation of a person or a share, participation, or
1538 other interest in a person or in property or an enterprise of a
1539 person, which is, or is of a type, dealt in or traded on
1540 financial markets, or which is recognized in any area in which
1541 it is issued or dealt in as a medium for investment; or

1542 3. Any property that is held by a securities intermediary
1543 for another person in a securities account if the securities
1544 intermediary has expressly agreed with the other person that the
1545 property is to be treated as a financial asset under this
1546 chapter. As context requires, the term means either the interest
1547 itself or the means by which a person's claim to it is
1548 evidenced, including a certificated or uncertificated security,
1549 a security certificate, or a security entitlement.

1550 (2) The following ~~Other~~ definitions in ~~applying to~~ this

1551 chapter and other chapters apply to this section ~~the sections in~~
 1552 ~~which they appear are:~~

- 1553 "Appropriate person," s. 678.1071.
- 1554 "Control," s. 678.1061.
- 1555 "Controllable account," s. 679.1021.
- 1556 "Controllable electronic record," s. 669.102.
- 1557 "Controllable payment intangible," s. 679.1021.
- 1558 "Delivery," s. 678.3011.
- 1559 "Investment company security," s. 678.1031(2).
- 1560 "Issuer," s. 678.2011.
- 1561 "Overissue," s. 678.2101.
- 1562 "Protected purchaser," s. 678.3031.
- 1563 "Securities account," s. 678.5011.

1564 **Section 61. Subsection (6) of section 678.1031, Florida**
 1565 **Statutes, is amended, and subsection (8) is added to that**
 1566 **section, to read:**

1567 678.1031 Rules for determining whether certain obligations
 1568 and interests are securities or financial assets.—

1569 (6) A commodity contract, as defined in s. 679.1021(1) ~~s.~~
 1570 ~~679.1021(1)(e)~~, is not a security or a financial asset.

1571 (8) A controllable account, controllable electronic
 1572 record, or controllable payment intangible is not a financial
 1573 asset unless s. 678.1021(1)(i) applies.

1574 **Section 62. Subsection (4) of section 678.1061, Florida**
 1575 **Statutes, is amended, and subsections (8) and (9) are added to**

1576 **that section, to read:**

1577 678.1061 Control.—

1578 (4) A purchaser has "control" of a security entitlement
1579 if:

1580 (a) The purchaser becomes the entitlement holder;

1581 (b) The securities intermediary has agreed that it will
1582 comply with entitlement orders originated by the purchaser
1583 without further consent by the entitlement holder; or

1584 (c) Another person, other than the transferor to the
1585 purchaser of an interest in the security entitlement:

1586 1. Has control of the security entitlement and
1587 acknowledges that it has control on behalf of the purchaser; or

1588 2. Obtains control of the security entitlement after
1589 having acknowledged that it will obtain control of the security
1590 entitlement on behalf of the purchaser ~~has control of the~~
1591 ~~security entitlement on behalf of the purchaser or, having~~
1592 ~~previously acquired control of the security entitlement,~~
1593 ~~acknowledges that the person has control on behalf of the~~
1594 ~~purchaser.~~

1595 (8) A person that has control under this section is not
1596 required to acknowledge that it has control on behalf of a
1597 purchaser.

1598 (9) If a person acknowledges that it has or will obtain
1599 control on behalf of a purchaser unless the person otherwise
1600 agrees, or law other than this section or chapter 679 otherwise

1601 provides, the person does not owe any duty to the purchaser and
1602 is not required to confirm the acknowledgment to any other
1603 person.

1604 **Section 63. Subsection (7) is added to section 678.1101,**
1605 **Florida Statutes, to read:**

1606 678.1101 Applicability; choice of law.—

1607 (7) The local law of the issuer's jurisdiction or the
1608 securities intermediary's jurisdiction governs a matter or
1609 transaction specified in subsection (1) or subsection (2) even
1610 if the matter or transaction does not bear any relation to the
1611 jurisdiction.

1612 **Section 64. Subsection (2) of section 678.3031, Florida**
1613 **Statutes, is amended to read:**

1614 678.3031 Protected purchaser.—

1615 ~~(2) In addition to acquiring the rights of a purchaser, A~~
1616 ~~protected purchaser also~~ acquires its interest in the security
1617 free of any adverse claim.

1618 **Section 65. Part VI of chapter 678, Florida Statutes,**
1619 **consisting of s. 678.601, Florida Statutes, is created and**
1620 **entitled "Transitional Provisions."**

1621 **Section 66. Section 678.601, Florida Statutes, is created**
1622 **to read:**

1623 678.601 Saving clause.—Except as provided in ss. 669.501-
1624 669.706, a transaction validly entered into before July 1, 2025,
1625 and the rights, duties, and interests flowing from such

1626 transaction remain valid thereafter and may be terminated,
1627 completed, consummated, or enforced as required or permitted by
1628 law other than the Uniform Commercial Code, or if applicable, by
1629 the Uniform Commercial Code as though this act had not taken
1630 effect.

1631 **Section 67. Present paragraphs (h) through (aa), (bb)**
1632 **through (bbb), and (ccc) through (bbbb) of subsection (1) of**
1633 **section 679.1021, Florida Statutes, are redesignated as**
1634 **paragraphs (i) through (bb), (ee) through (eee), and (ggg)**
1635 **through (eeee), respectively, new paragraphs (g), (h), (cc),**
1636 **(dd), and (fff) are added to that subsection, and paragraphs**
1637 **(b), (c), (d), and (g) and present paragraphs (k), (ee), (pp),**
1638 **(uu), (iii), (nnn), (vvv), and (zzz) of subsection (1) and**
1639 **subsection (2) of that section are amended, to read:**

1640 679.1021 Definitions and index of definitions.—

1641 (1) In this chapter, the term:

1642 (b) "Account," except as used in "account for," "account
1643 statement," "account to," "commodity account" as used in
1644 paragraph (o), "customer account," "deposit account" as used in
1645 paragraph (ff), "on account of," and "statement of account,"
1646 means a right to payment of a monetary obligation, regardless of
1647 whether ~~or not~~ earned by performance, for property that has been
1648 or is to be sold, leased, licensed, assigned, or otherwise
1649 disposed of; for services rendered or to be rendered; for a
1650 policy of insurance issued or to be issued; for a secondary

1651 obligation incurred or to be incurred; for energy provided or to
1652 be provided; for the use or hire of a vessel under a charter or
1653 other contract; arising out of the use of a credit or charge
1654 card or information contained on or for use with the card; or as
1655 winnings in a lottery or other game of chance operated or
1656 sponsored by a state, governmental unit of a state, or person
1657 licensed or authorized to operate the game by a state or
1658 governmental unit of a state. The term includes controllable
1659 accounts and health-care-insurance receivables. The term does
1660 not include ~~rights to payment evidenced by chattel paper or an~~
1661 ~~instrument~~; commercial tort claims; deposit accounts; investment
1662 property; letter-of-credit rights or letters of credit; ~~or~~
1663 rights to payment for money or funds advanced or sold, other
1664 than rights arising out of the use of a credit or charge card or
1665 information contained on or for use with the card; or rights to
1666 payment evidenced by an instrument.

1667 (c) "Account debtor" means a person obligated on an
1668 account, chattel paper, or general intangible. The term does not
1669 include persons obligated to pay a negotiable instrument, even
1670 if the negotiable instrument evidences ~~constitutes part of~~
1671 chattel paper.

1672 (d) "Accounting," except as used in the term "accounting
1673 for," means a record:

- 1674 1. Signed ~~Authenticated~~ by a secured party;
- 1675 2. Indicating the aggregate unpaid secured obligations as

1676 of a date not more than 35 days earlier or 35 days later than
1677 the date of the record; and

1678 3. Identifying the components of the obligations in
1679 reasonable detail.

1680 (g) "Assignee," except as used in "assignee for benefit of
1681 creditors," means a person:

1682 1. In whose favor a security interest that secures an
1683 obligation is created or provided for under a security
1684 agreement, regardless of whether the obligation is outstanding;

1685 or

1686 2. To which an account, chattel paper, payment intangible,
1687 or promissory note has been sold.

1688
1689 The term includes a person to which a security interest has been
1690 transferred by a secured party.

1691 (h) "Assignor" means a person that:

1692 1. Under a security agreement creates or provides for a
1693 security interest that secures an obligation; or

1694 2. Sells an account, chattel paper, payment intangible, or
1695 promissory note.

1696
1697 The term includes a secured party that has transferred a
1698 security interest to another person

1699 ~~(g) "Authenticate" means:~~

1700 ~~1. To sign; or~~

1701 ~~2. With the present intent to adopt or accept a record, to~~
1702 ~~attach to or logically associate with the record an electronic~~
1703 ~~sound, symbol, or process.~~

1704 (1)(k) "Chattel paper" means:

1705 1. A right to payment of a monetary obligation secured by
1706 specific goods, if the right to payment and security agreement
1707 are evidenced by a record; or

1708 2. A right to payment of a monetary obligation owed by a
1709 lessee under a lease agreement with respect to specific goods
1710 and a monetary obligation owed by the lessee in connection with
1711 the transaction giving rise to the lease, if:

1712 a. The right to payment and lease agreement are evidenced
1713 by a record; and

1714 b. The predominant purpose of the transaction giving rise
1715 to the lease was to give the lessee the right to possession and
1716 use of the goods.

1717
1718 The term does not include a right to payment arising out of a
1719 charter or other contract involving the use or hire of a vessel
1720 or a right to payment arising out of the use of a credit or
1721 charge card or information contained on or for use with the card
1722 ~~a record or records that evidence both a monetary obligation and~~
1723 ~~a security interest in specific goods, a security interest in~~
1724 ~~specific goods and software used in the goods, a security~~
1725 ~~interest in specific goods and license of software used in the~~

1726 ~~goods, a lease of specific goods, or a lease of specific goods~~
1727 ~~and license of software used in the goods. In this paragraph,~~
1728 ~~"monetary obligation" means a monetary obligation secured by the~~
1729 ~~goods or owed under a lease of the goods and includes a monetary~~
1730 ~~obligation with respect to software used in the goods. The term~~
1731 ~~does not include charters or other contracts involving the use~~
1732 ~~or hire of a vessel or records that evidence a right to payment~~
1733 ~~arising out of the use of a credit or charge card or information~~
1734 ~~contained on or for use with the card. If a transaction is~~
1735 ~~evidenced by records that include an instrument or series of~~
1736 ~~instruments, the group of records taken together constitutes~~
1737 ~~chattel paper.~~

1738 (cc) "Controllable account" means an account evidenced by
1739 a controllable electronic record that provides that the account
1740 debtor undertakes to pay the person that has control under s.
1741 669.105 of the controllable electronic record.

1742 (dd) "Controllable payment intangible" means a payment
1743 intangible evidenced by a controllable electronic record that
1744 provides that the account debtor undertakes to pay the person
1745 that has control under s. 669.105 of the controllable electronic
1746 record.

1747 (hh) ~~(ee)~~ "Electronic money" means money in an electronic
1748 form ~~chattel paper" means chattel paper evidenced by a record or~~
1749 records consisting of information stored in an electronic
1750 medium.

1751 (ss)~~(pp)~~ "General intangible" means any personal property,
1752 including things in action, other than accounts, chattel paper,
1753 commercial tort claims, deposit accounts, documents, goods,
1754 instruments, investment property, letter-of-credit rights,
1755 letters of credit, money, and oil, gas, or other minerals before
1756 extraction. The term includes controllable electronic records,
1757 payment intangibles, and software.

1758 (xx)~~(uu)~~ "Instrument" means a negotiable instrument or any
1759 other writing that evidences a right to the payment of a
1760 monetary obligation, is not itself a security agreement or
1761 lease, and is of a type that in the ordinary course of business
1762 is transferred by delivery with any necessary indorsement or
1763 assignment. The term does not include investment property,
1764 letters of credit, ~~or~~ writings that evidence a right to payment
1765 arising out of the use of a credit or charge card or information
1766 contained on or for use with the card, or writings that evidence
1767 chattel paper.

1768 (fff) "Money" has the same meaning as in s. 671.201, but
1769 does not include a deposit account or money in an electronic
1770 form that cannot be subjected to control under s. 679.1052.

1771 (mmm)~~(iii)~~ "Payment intangible" means a general intangible
1772 under which the account debtor's principal obligation is a
1773 monetary obligation. The term includes a controllable payment
1774 intangible.

1775 (rrr)~~(nnn)~~ "Proposal" means a record signed ~~authenticated~~

1776 by a secured party which includes the terms on which the secured
1777 party is willing to accept collateral in full or partial
1778 satisfaction of the obligation it secures pursuant to ss.
1779 679.620, 679.621, and 679.622.

1780 ~~(vvv) "Send," in connection with a record or notification,~~
1781 ~~means:~~

1782 ~~1. To deposit in the mail, deliver for transmission, or~~
1783 ~~transmit by any other usual means of communication, with postage~~
1784 ~~or cost of transmission provided for, addressed to any address~~
1785 ~~reasonable under the circumstances; or~~

1786 ~~2. To cause the record or notification to be received~~
1787 ~~within the time that it would have been received if properly~~
1788 ~~sent under subparagraph 1.~~

1789 ~~(cccc)(zzz) "Tangible money chattel paper" means money in~~
1790 ~~tangible form chattel paper evidenced by a record or records~~
1791 ~~consisting of information that is inscribed on a tangible~~
1792 ~~medium.~~

1793 (2) The following definitions in other chapters apply to
1794 this chapter:

1795 "Applicant," s. 675.103.

1796 "Beneficiary," s. 675.103.

1797 "Broker," s. 678.1021.

1798 "Certificated security," s. 678.1021.

1799 "Check," s. 673.1041.

1800 "Clearing corporation," s. 678.1021.

1801 "Contract for sale," s. 672.106.
 1802 "Control," s. 677.106.
 1803 "Controllable electronic record," s. 699.102.
 1804 "Customer," s. 674.104.
 1805 "Entitlement holder," s. 678.1021.
 1806 "Financial asset," s. 678.1021.
 1807 "Holder in due course," s. 673.3021.
 1808 "Issuer" (with respect to a letter of credit
 1809 or letter-of-credit right), s. 675.103.
 1810 "Issuer" (with respect to a security), s. 678.2011.
 1811 "Issuer" (with respect to documents
 1812 of title), s. 677.102.
 1813 "Lease," s. 680.1031.
 1814 "Lease agreement," s. 680.1031.
 1815 "Lease contract," s. 680.1031.
 1816 "Leasehold interest," s. 680.1031.
 1817 "Lessee," s. 680.1031.
 1818 "Lessee in ordinary course of
 1819 business," s. 680.1031.
 1820 "Lessor," s. 680.1031.
 1821 "Lessor's residual interest," s. 680.1031.
 1822 "Letter of credit," s. 675.103.
 1823 "Merchant," s. 672.104.
 1824 "Negotiable instrument," s. 673.1041.
 1825 "Nominated person," s. 675.103.

1826 "Note," s. 673.1041.

1827 "Proceeds of a letter of credit," s. 675.114.

1828 "Protected purchaser," s. 678.3031.

1829 "Prove," s. 673.1031.

1830 "Qualifying purchaser," s. 669.102.

1831 "Sale," s. 672.106.

1832 "Securities account," s. 678.5011.

1833 "Securities intermediary," s. 678.1021.

1834 "Security," s. 678.1021.

1835 "Security certificate," s. 678.1021.

1836 "Security entitlement," s. 678.1021.

1837 "Uncertificated security," s. 678.1021.

1838 **Section 68. Subsection (1) of section 679.1041, Florida**

1839 **Statutes, is amended to read:**

1840 679.1041 Control of deposit account.—

1841 (1) A secured party has control of a deposit account if

1842 any of the following applies:

1843 (a) The secured party is the bank with which the deposit

1844 account is maintained.;

1845 (b) The debtor, secured party, and bank have agreed in a

1846 signed ~~an authenticated~~ record that the bank will comply with

1847 instructions originated by the secured party directing

1848 disposition of the funds in the deposit account without further

1849 consent by the debtor. ~~;~~

1850 (c) The secured party becomes the bank's customer with

1851 respect to the deposit account.

1852 (d) Another person, other than the debtor:

1853 1. Has control of the deposit account and acknowledges
1854 that it has control on behalf of the secured party; or

1855 2. Obtains control of the deposit account after having
1856 acknowledged that it will obtain control of the deposit account
1857 on behalf of the secured party.

1858 **Section 69. Section 679.1051, Florida Statutes, is amended**
1859 **to read:**

1860 679.1051 Control of electronic chattel paper.—

1861 (1) A purchaser has control of an authoritative electronic
1862 copy of a record evidencing chattel paper if a system employed
1863 for evidencing the assignment of interests in the chattel paper
1864 reliably establishes the purchaser as the person to which the
1865 authoritative electronic copy was assigned.

1866 (2) A system satisfies subsection (1) if the record or
1867 records evidencing the chattel paper are created, stored, and
1868 assigned in a manner that:

1869 (a) A single authoritative copy of the record or records
1870 exists which is unique, identifiable, and, except as otherwise
1871 provided in paragraphs (d), (e), and (f), unalterable;

1872 (b) The authoritative copy identifies the purchaser as the
1873 assignee of the record or records;

1874 (c) The authoritative copy is communicated to and
1875 maintained by the purchaser or its designated custodian;

1876 (d) Copies or amendments that add or change an identified
 1877 assignee of the authoritative copy can be made only with the
 1878 consent of the purchaser;

1879 (e) Each copy of the authoritative copy and any copy of a
 1880 copy is readily identifiable as a copy that is not the
 1881 authoritative copy; and

1882 (f) Any amendment of the authoritative copy is readily
 1883 identifiable as authorized or unauthorized.

1884 (3) A system satisfies subsection (1), and a purchaser has
 1885 control of an authoritative electronic copy of a record
 1886 evidencing chattel paper, if the electronic copy, a record
 1887 attached to or logically associated with the electronic copy, or
 1888 a system in which the electronic copy is recorded:

1889 (a) Enables the purchaser to readily identify each
 1890 electronic copy as either an authoritative copy or a
 1891 nonauthoritative copy;

1892 (b) Enables the purchaser to readily identify itself in
 1893 any way, including by name, identifying number, cryptographic
 1894 key, office, or account number, as the assignee of the
 1895 authoritative electronic copy; and

1896 (c) Gives the purchaser exclusive power, subject to
 1897 subsection (4), to:

1898 1. Prevent others from adding or changing an identified
 1899 assignee of the authoritative electronic copy; and

1900 2. Transfer control of the authoritative electronic copy.

1901 (4) Subject to subsection (5), a power is exclusive under
 1902 subparagraphs (3)(c)1. and 2. even if:

1903 (a) The authoritative electronic copy, a record attached
 1904 to or logically associated with the authoritative electronic
 1905 copy, or a system in which the authoritative electronic copy is
 1906 recorded limits the use of the authoritative electronic copy or
 1907 has a protocol programmed to cause a change, including a
 1908 transfer or loss of control; or

1909 (b) The power is shared with another person.

1910 (5) A power of a purchaser is not shared with another
 1911 person as provided in paragraph (4)(b) and the purchaser's power
 1912 is not exclusive if:

1913 (a) The purchaser can exercise the power only if the power
 1914 also is exercised by the other person; and

1915 (b) The other person:

1916 1. Can exercise the power without exercise of the power by
 1917 the purchaser; or

1918 2. Is the transferor to the purchaser of an interest in
 1919 the chattel paper.

1920 (6) If a purchaser has the powers specified in
 1921 subparagraphs (3)(c)1. and 2., the powers are presumed to be
 1922 exclusive.

1923 (7) A purchaser has control of an authoritative electronic
 1924 copy of a record evidencing chattel paper if another person,
 1925 other than the transferor to the purchaser of an interest in the

1926 chattel paper:

1927 (a) Has control of the authoritative electronic copy and

1928 acknowledges that it has control on behalf of the purchaser; or

1929 (b) Obtains control of the authoritative electronic copy

1930 after having acknowledged that it will obtain control of the

1931 electronic copy on behalf of the purchaser ~~A secured party has~~

1932 ~~control of electronic chattel paper if a system employed for~~

1933 ~~evidencing the transfer of interests in the chattel paper~~

1934 ~~reliably establishes the secured party as the person to which~~

1935 ~~the chattel paper was assigned.~~

1936 ~~(2) A system satisfies subsection (1), and a secured party~~

1937 ~~has control of electronic chattel paper, if the record or~~

1938 ~~records comprising the chattel paper are created, stored, and~~

1939 ~~assigned in such a manner that:~~

1940 ~~(a) A single authoritative copy of the record or records~~

1941 ~~exists which is unique, identifiable and, except as otherwise~~

1942 ~~provided in paragraphs (d), (e), and (f), unalterable;~~

1943 ~~(b) The authoritative copy identifies the secured party as~~

1944 ~~the assignee of the record or records;~~

1945 ~~(c) The authoritative copy is communicated to and~~

1946 ~~maintained by the secured party or its designated custodian;~~

1947 ~~(d) Copies or amendments that add or change an identified~~

1948 ~~assignee of the authoritative copy can be made only with the~~

1949 ~~consent of the secured party;~~

1950 ~~(e) Each copy of the authoritative copy and any copy of a~~

1951 ~~copy is readily identifiable as a copy that is not the~~
1952 ~~authoritative copy; and~~

1953 ~~(f) Any amendment of the authoritative copy is readily~~
1954 ~~identifiable as authorized or unauthorized.~~

1955 **Section 70. Section 679.1052, Florida Statutes, is created**
1956 **to read:**

1957 679.1052 Control of electronic money.—

1958 (1) A person has control of electronic money if both of
1959 the following apply:

1960 (a) The electronic money, a record attached to or
1961 logically associated with the electronic money, or a system in
1962 which the electronic money is recorded gives the person:

1963 1. Power to avail itself of substantially all the benefit
1964 from the electronic money; and

1965 2. Exclusive power, subject to subsection (2), to:

1966 a. Prevent others from availing themselves of
1967 substantially all the benefit from the electronic money; and

1968 b. Transfer control of the electronic money to another
1969 person or cause another person to obtain control of other
1970 electronic money as a result of the transfer of the electronic
1971 money.

1972 (b) The electronic money, a record attached to or
1973 logically associated with the electronic money, or a system in
1974 which the electronic money is recorded enables the person
1975 readily to identify itself in any way, including by name,

1976 identifying number, cryptographic key, office, or account
1977 number, as having the powers under paragraph (a).

1978 (2) Subject to subsection (3), a power is exclusive under
1979 sub-paragraphs (1)(a)2.a. and b. even if:

1980 (a) The electronic money, a record attached to or
1981 logically associated with the electronic money, or a system in
1982 which the electronic money is recorded limits the use of the
1983 electronic money or has a protocol programmed to cause a change,
1984 including a transfer or loss of control; or

1985 (b) The power is shared with another person.

1986 (3) A power of a person is not shared with another person
1987 under paragraph (2)(b) and the person's power is not exclusive
1988 if:

1989 (a) The person can exercise the power only if the power
1990 also is exercised by the other person; and

1991 (b) The other person:

1992 1. Can exercise the power without exercise of the power by
1993 the person; or

1994 2. Is the transferor to the person of an interest in the
1995 electronic money.

1996 (4) If a person has the powers specified in sub-
1997 paragraphs (1)(a)2.a. and b., the powers are presumed to be
1998 exclusive.

1999 (5) A person has control of electronic money if another
2000 person, other than the transferor to the person of an interest

2001 in the electronic money:

2002 (a) Has control of the electronic money and acknowledges
 2003 that it has control on behalf of the person; or

2004 (b) Obtains control of the electronic money after having
 2005 acknowledged that it will obtain control of the electronic money
 2006 on behalf of the person.

2007 **Section 71. Section 679.1053, Florida Statutes, is created**
 2008 **to read:**

2009 679.1053 Control of controllable electronic record,
 2010 controllable account, or controllable payment intangible.-

2011 (1) A secured party has control of a controllable
 2012 electronic record as provided in s. 669.105.

2013 (2) A secured party has control of a controllable account
 2014 or controllable payment intangible if the secured party has
 2015 control of the controllable electronic record that evidences the
 2016 controllable account or controllable payment intangible.

2017 **Section 72. Section 679.1054, Florida Statutes, is created**
 2018 **to read:**

2019 679.1054 No requirement to acknowledge or confirm; no
 2020 duties.-

2021 (1) A person that has control under s. 679.1051, s.
 2022 679.1052, or s. 679.1053 is not required to acknowledge that it
 2023 has control on behalf of another person.

2024 (2) If a person acknowledges that it has or will obtain
 2025 control on behalf of another person, unless the person otherwise

2026 agrees, or law other than this chapter otherwise provides, the
 2027 person does not owe any duty to the other person and is not
 2028 required to confirm the acknowledgment to any other person.

2029 **Section 73. Subsections (2) and (10) of section 679.2031,**
 2030 **Florida Statutes, are amended to read:**

2031 679.2031 Attachment and enforceability of security
 2032 interest; proceeds; supporting obligations; formal requisites.—

2033 (2) Except as otherwise provided in subsections (3)
 2034 through (10), a security interest is enforceable against the
 2035 debtor and third parties with respect to the collateral only if:

2036 (a) Value has been given;

2037 (b) The debtor has rights in the collateral or the power
 2038 to transfer rights in the collateral to a secured party; and

2039 (c) One of the following conditions is met:

2040 1. The debtor has signed ~~authenticated~~ a security
 2041 agreement that provides a description of the collateral and, if
 2042 the security interest covers timber to be cut, a description of
 2043 the land concerned;

2044 2. The collateral is not a certificated security and is in
 2045 the possession of the secured party under s. 679.3131 pursuant
 2046 to the debtor's security agreement;

2047 3. The collateral is a certificated security in registered
 2048 form and the security certificate has been delivered to the
 2049 secured party under s. 678.3011 pursuant to the debtor's
 2050 security agreement; ~~or~~

2051 4. The collateral is controllable accounts, controllable
 2052 electronic records, controllable payment intangibles, deposit
 2053 accounts, electronic documents, electronic money ~~chattel paper,~~
 2054 investment property, or letter-of-credit rights, ~~or electronic~~
 2055 ~~documents,~~ and the secured party has control under s. 669.105,
 2056 s. 677.106, s. 679.1041, s. 679.1051, s. 679.1061, or s.
 2057 679.1071 pursuant to the debtor's security agreement; or

2058 5. The collateral is chattel paper and the secured party
 2059 has possession and control under s. 679.3152 pursuant to the
 2060 debtor's security agreement.

2061 (10) A security interest in an account consisting of a
 2062 right to payment of a monetary obligation for the sale of real
 2063 property that is the debtor's homestead under the laws of this
 2064 state is not enforceable unless:

2065 (a) The description of the account in the security
 2066 agreement conspicuously states that the collateral includes the
 2067 debtor's right to payment of a monetary obligation for the sale
 2068 of real property;

2069 (b) The description of the account in the security
 2070 agreement includes a legal description of the real property;

2071 (c) The description of the account in the security
 2072 agreement conspicuously states that the real property is the
 2073 debtor's homestead; and

2074 (d) The security agreement is also signed ~~authenticated~~ by
 2075 the debtor's spouse, if the debtor is married; if the debtor's

2076 spouse is incompetent, then the method of signature
 2077 ~~authentication~~ by the debtor's spouse is the same as provided by
 2078 the laws of this state, other than this chapter, which apply to
 2079 the alienation or encumbrance of homestead property by an
 2080 incompetent person.

2081 **Section 74. Present subsection (3) of section 679.2041,**
 2082 **Florida Statutes, is redesignated as subsection (4), a new**
 2083 **subsection (3) is added to that section, and subsection (2) of**
 2084 **that section is amended, to read:**

2085 679.2041 After-acquired property; future advances.—

2086 (2) Subject to subsection (3), a security interest does
 2087 not attach under a term constituting an after-acquired property
 2088 clause to:

2089 (a) Consumer goods, other than an accession when given as
 2090 additional security, unless the debtor acquires rights in them
 2091 within 10 days after the secured party gives value; or

2092 (b) A commercial tort claim.

2093 (3) Subsection (2) does not prevent a security interest
 2094 from attaching:

2095 (a) To a consumer good as proceeds under s. 679.3151(1) or
 2096 commingled goods under s. 679.336(3);

2097 (b) To a commercial tort claim as proceeds under s.
 2098 679.3151(1); or

2099 (c) Under an after-acquired property clause to property
 2100 that is proceeds of consumer goods or a commercial tort claim.

2101 **Section 75. Subsection (3) of section 679.2071, Florida**
 2102 **Statutes, is amended to read:**

2103 679.2071 Rights and duties of secured party having
 2104 possession or control of collateral.—

2105 (3) Except as otherwise provided in subsection (4), a
 2106 secured party having possession of collateral or control of
 2107 collateral under s. 677.106, s. 679.1041, s. 679.1051, s.
 2108 679.1052, s. 679.1061, or s. 679.1071:

2109 (a) May hold as additional security any proceeds, except
 2110 money or funds, received from the collateral;

2111 (b) Shall apply money or funds received from the
 2112 collateral to reduce the secured obligation, unless remitted to
 2113 the debtor; and

2114 (c) May create a security interest in the collateral.

2115 **Section 76. Subsection (2) of section 679.2081, Florida**
 2116 **Statutes, is amended to read:**

2117 679.2081 Additional duties of secured party having control
 2118 of collateral.—

2119 (2) Within 10 days after receiving a signed an
 2120 ~~authenticated~~ demand by the debtor:

2121 (a) A secured party having control of a deposit account
 2122 under s. 679.1041(1)(b) shall send to the bank with which the
 2123 deposit account is maintained a signed record ~~an authenticated~~
 2124 ~~statement~~ that releases the bank from any further obligation to
 2125 comply with instructions originated by the secured party;

2126 (b) A secured party having control of a deposit account
 2127 under s. 679.1041(1)(c) shall:

2128 1. Pay the debtor the balance on deposit in the deposit
 2129 account; or

2130 2. Transfer the balance on deposit into a deposit account
 2131 in the debtor's name;

2132 (c) A secured party, other than a buyer, having control
 2133 under s. 679.1051 of an authoritative electronic copy of a
 2134 record evidencing chattel paper shall transfer control of the
 2135 electronic copy to the debtor or a person designated by the
 2136 debtor; a secured party, other than a buyer, having control of
 2137 electronic chattel paper under s. 679.1051 shall:

2138 1. ~~Communicate the authoritative copy of the electronic~~
 2139 ~~chattel paper to the debtor or its designated custodian;~~

2140 2. ~~If the debtor designates a custodian that is the~~
 2141 ~~designated custodian with which the authoritative copy of the~~
 2142 ~~electronic chattel paper is maintained for the secured party,~~
 2143 ~~communicate to the custodian an authenticated record releasing~~
 2144 ~~the designated custodian from any further obligation to comply~~
 2145 ~~with instructions originated by the secured party and~~
 2146 ~~instructing the custodian to comply with instructions originated~~
 2147 ~~by the debtor; and~~

2148 3. ~~Take appropriate action to enable the debtor or the~~
 2149 ~~debtor's designated custodian to make copies of or revisions to~~
 2150 ~~the authoritative copy which add or change an identified~~

2151 ~~assignee of the authoritative copy without the consent of the~~
2152 ~~secured party;~~

2153 (d) A secured party having control of investment property
2154 under s. 678.1061(4)(b) or s. 679.1061(2) shall send to the
2155 securities intermediary or commodity intermediary with which the
2156 security entitlement or commodity contract is maintained a
2157 signed ~~an authenticated~~ record that releases the securities
2158 intermediary or commodity intermediary from any further
2159 obligation to comply with entitlement orders or directions
2160 originated by the secured party;

2161 (e) A secured party having control of a letter-of-credit
2162 right under s. 679.1071 shall send to each person having an
2163 unfulfilled obligation to pay or deliver proceeds of the letter
2164 of credit to the secured party a signed ~~an authenticated~~ release
2165 from any further obligation to pay or deliver proceeds of the
2166 letter of credit to the secured party; ~~and~~

2167 (f) A secured party having control under s. 677.106 of an
2168 authoritative electronic copy of an electronic document of title
2169 shall transfer control of the electronic copy to the debtor or a
2170 person designated by the debtor;

2171 (g) A secured party having control under s. 679.1052 of
2172 electronic money shall transfer control of the electronic money
2173 to the debtor or a person designated by the debtor; and

2174 (h) A secured party having control under s. 669.105 of a
2175 controllable electronic record, other than a buyer of a

2176 controllable account or controllable payment intangible
 2177 evidenced by the controllable electronic record, shall transfer
 2178 control of the controllable electronic record to the debtor or a
 2179 person designated by the debtor ~~of an electronic document shall:~~

2180 1. ~~Give control of the electronic document to the debtor~~
 2181 ~~or its designated custodian;~~

2182 2. ~~If the debtor designates a custodian that is the~~
 2183 ~~designated custodian with which the authoritative copy of the~~
 2184 ~~electronic document is maintained for the secured party,~~
 2185 ~~communicate to the custodian an authenticated record releasing~~
 2186 ~~the designated custodian from any further obligation to comply~~
 2187 ~~with instructions originated by the secured party and~~
 2188 ~~instructing the custodian to comply with instructions originated~~
 2189 ~~by the debtor; and~~

2190 3. ~~Take appropriate action to enable the debtor or its~~
 2191 ~~designated custodian to make copies of or revisions to the~~
 2192 ~~authenticated copy which add or change an identified assignee of~~
 2193 ~~the authoritative copy without the consent of the secured party.~~

2194 **Section 77. Subsection (2) of section 679.209, Florida**
 2195 **Statutes, is amended to read:**

2196 679.209 Duties of secured party if account debtor has been
 2197 notified of assignment.—

2198 (2) Within 10 days after receiving a signed an
 2199 ~~authenticated~~ demand by the debtor, a secured party shall send
 2200 to an account debtor that has received notification under s.

2201 669.106(2) or s. 679.4016(1) of an assignment to the secured
 2202 party as assignee a signed ~~under s. 679.4061(1) an authenticated~~
 2203 record that releases the account debtor from any further
 2204 obligation to the secured party.

2205 **Section 78. Section 679.210, Florida Statutes, is amended**
 2206 **to read:**

2207 679.210 Request for accounting; request regarding list of
 2208 collateral or statement of account.—

2209 (1) In this section, the term:

2210 (a) "Request" means a record of a type described in
 2211 paragraph (b), paragraph (c), or paragraph (d).

2212 (b) "Request for an accounting" means a record signed
 2213 ~~authenticated~~ by a debtor requesting that the recipient provide
 2214 an accounting of the unpaid obligations secured by collateral
 2215 and reasonably identifying the transaction or relationship that
 2216 is the subject of the request.

2217 (c) "Request regarding a list of collateral" means a
 2218 record signed ~~authenticated~~ by a debtor requesting that the
 2219 recipient approve or correct a list of what the debtor believes
 2220 to be the collateral securing an obligation and reasonably
 2221 identifying the transaction or relationship that is the subject
 2222 of the request.

2223 (d) "Request regarding a statement of account" means a
 2224 record signed ~~authenticated~~ by a debtor requesting that the
 2225 recipient approve or correct a statement indicating what the

2226 debtor believes to be the aggregate amount of unpaid obligations
 2227 secured by collateral as of a specified date and reasonably
 2228 identifying the transaction or relationship that is the subject
 2229 of the request.

2230 (e) "Reasonably identifying the transaction or
 2231 relationship" means that the request provides information
 2232 sufficient for the person to identify the transaction or
 2233 relationship and respond to the request. Pursuant to s.
 2234 679.603(1), a secured party and debtor may determine by
 2235 agreement the standards for measuring fulfillment of this duty.

2236 (f) "Person" means a person or entity that is or was a
 2237 secured party or otherwise claims or has claimed an interest in
 2238 the collateral.

2239 (2) Subject to subsections (3)-(6) ~~(3), (4), (5), and (6)~~,
 2240 a secured party, other than a buyer of accounts, chattel paper,
 2241 payment intangibles, or promissory notes or a consignor, shall
 2242 comply with a request within 14 days after receipt:

2243 (a) In the case of a request for an accounting, by signing
 2244 ~~authenticating~~ and sending to the debtor an accounting; and

2245 (b) In the case of a request regarding a list of
 2246 collateral or a request regarding a statement of account, by
 2247 signing ~~authenticating~~ and sending to the debtor an approval or
 2248 correction.

2249 (3) A secured party that claims a security interest in all
 2250 of a particular type of collateral owned by the debtor may

2251 | comply with a request regarding a list of collateral by sending
2252 | to the debtor a signed ~~an authenticated~~ record including a
2253 | statement to that effect within 14 days after receipt.

2254 | (4) A person who receives a request regarding a list of
2255 | collateral, claims no interest in the collateral when the
2256 | request is received, and claimed an interest in the collateral
2257 | at an earlier time shall comply with the request within 14 days
2258 | after receipt by sending to the debtor a signed ~~an authenticated~~
2259 | record:

2260 | (a) Disclaiming any interest in the collateral; and

2261 | (b) If known to the recipient, providing the name and
2262 | mailing address of any assignee of or successor to the
2263 | recipient's interest in the collateral.

2264 | (5) A person who receives a request for an accounting or a
2265 | request regarding a statement of account, claims no interest in
2266 | the obligations when the request is received, and claimed an
2267 | interest in the obligations at an earlier time shall comply with
2268 | the request within 14 days after receipt by sending to the
2269 | debtor a signed ~~an authenticated~~ record:

2270 | (a) Disclaiming any interest in the obligations; and

2271 | (b) If known to the recipient, providing the name and
2272 | mailing address of any assignee of or successor to the
2273 | recipient's interest in the obligations.

2274 | (6) A debtor is entitled under this section without charge
2275 | to one response to a request for an accounting or a request

2276 regarding a statement of account for each secured obligation
 2277 during any 6-month period. A debtor in a consumer transaction is
 2278 entitled to a single response to a request regarding a list of
 2279 collateral without charge during any 6-month period. The secured
 2280 party may require payment of a charge not exceeding \$25 for each
 2281 additional response to a request for an accounting, a request
 2282 regarding a statement of account, or a request regarding a list
 2283 of collateral for a consumer transaction. To the extent provided
 2284 in a signed ~~an authenticated~~ record, the secured party may
 2285 require the payment of reasonable expenses, including attorney's
 2286 fees, reasonably incurred in providing a response to a request
 2287 regarding a list of collateral for a transaction other than a
 2288 consumer transaction under this section; otherwise, the secured
 2289 party may not charge more than \$25 for each request regarding a
 2290 list of collateral. Excluding a request related to a proposed
 2291 satisfaction of the secured obligation, a secured party is not
 2292 required to respond to more than 12 of each of the permitted
 2293 requests in any 12-month period.

2294 **Section 79. Section 679.3011, Florida Statutes, is amended**
 2295 **to read:**

2296 679.3011 Law governing perfection and priority of security
 2297 interests.—Except as otherwise provided in ss. 679.1091,
 2298 679.3031, 679.3041, 679.3051, ~~and~~ 679.3061, and 679.3062, the
 2299 following rules determine the law governing perfection, the
 2300 effect of perfection or nonperfection, and the priority of a

2301 security interest in collateral:

2302 (1) Except as otherwise provided in this section, while a
 2303 debtor is located in a jurisdiction, the local law of that
 2304 jurisdiction governs perfection, the effect of perfection or
 2305 nonperfection, and the priority of a security interest in
 2306 collateral.

2307 (2) While collateral is located in a jurisdiction, the
 2308 local law of that jurisdiction governs perfection, the effect of
 2309 perfection or nonperfection, and the priority of a possessory
 2310 security interest in that collateral.

2311 (3) Except as otherwise provided in subsections (4) and
 2312 (5), while tangible negotiable documents, goods, instruments, or
 2313 tangible money, ~~or tangible chattel paper~~ is located in a
 2314 jurisdiction, the local law of that jurisdiction governs:

2315 (a) Perfection of a security interest in the goods by
 2316 filing a fixture filing;

2317 (b) Perfection of a security interest in timber to be cut;
 2318 and

2319 (c) The effect of perfection or nonperfection and the
 2320 priority of a nonpossessory security interest in the collateral.

2321 (4) The local law of the jurisdiction in which the
 2322 wellhead or minehead is located governs perfection, the effect
 2323 of perfection or nonperfection, and the priority of a security
 2324 interest in as-extracted collateral.

2325 (5) The law of this state governs:

2326 (a) The perfection of a security interest in goods that
 2327 are or are to become fixtures in this state by the filing of a
 2328 fixture filing.

2329 (b) The effect of perfection or nonperfection and the
 2330 priority of a security interest in goods that are or are to
 2331 become fixtures in this state.

2332 **Section 80. Subsection (1) of section 679.3041, Florida**
 2333 **Statutes, is amended to read:**

2334 679.3041 Law governing perfection and priority of security
 2335 interests in deposit accounts.—

2336 (1) The local law of a bank's jurisdiction governs
 2337 perfection, the effect of perfection or nonperfection, and the
 2338 priority of a security interest in a deposit account maintained
 2339 with that bank even if the transaction does not bear any
 2340 relation to the bank's jurisdiction.

2341 **Section 81. Paragraph (e) is added to subsection (1) of**
 2342 **section 679.3051, Florida Statutes, to read:**

2343 679.3051 Law governing perfection and priority of security
 2344 interests in investment property.—

2345 (1) Except as otherwise provided in subsection (3), the
 2346 following rules apply:

2347 (e) Paragraphs (b), (c), and (d) apply even if the
 2348 transaction does not bear any relation to the jurisdiction.

2349 **Section 82. Section 679.3062, Florida Statutes, is created**
 2350 **to read:**

2351 679.3062 Law governing perfection and priority of security
2352 interests in chattel paper.-

2353 (1) Except as provided in subsection (4), if chattel paper
2354 is evidenced only by an authoritative electronic copy of the
2355 chattel paper or is evidenced by an authoritative electronic
2356 copy and an authoritative tangible copy, the local law of the
2357 chattel paper's jurisdiction governs perfection, the effect of
2358 perfection or nonperfection, and the priority of a security
2359 interest in the chattel paper, even if the transaction does not
2360 bear any relation to the chattel paper's jurisdiction.

2361 (2) The following rules determine the chattel paper's
2362 jurisdiction under this section:

2363 (a) If the authoritative electronic copy of the record
2364 evidencing chattel paper, or a record attached to or logically
2365 associated with the electronic copy and readily available for
2366 review, expressly provides that a particular jurisdiction is the
2367 chattel paper's jurisdiction for purposes of s. 679.3061, this
2368 chapter, or the Uniform Commercial Code, that jurisdiction is
2369 the chattel paper's jurisdiction.

2370 (b) If paragraph (a) does not apply and the rules of the
2371 system in which the authoritative electronic copy is recorded
2372 are readily available for review and expressly provide that a
2373 particular jurisdiction is the chattel paper's jurisdiction for
2374 purposes of s. 679.3061, this chapter, or the Uniform Commercial
2375 Code, that jurisdiction is the chattel paper's jurisdiction.

2376 (c) If paragraphs (a) and (b) do not apply and the
2377 authoritative electronic copy, or a record attached to or
2378 logically associated with the electronic copy and readily
2379 available for review, expressly provides that the chattel paper
2380 is governed by the law of a particular jurisdiction, that
2381 jurisdiction is the chattel paper's jurisdiction.

2382 (d) If paragraphs (a), (b), and (c) do not apply and the
2383 rules of the system in which the authoritative electronic copy
2384 is recorded are readily available for review and expressly
2385 provide that the chattel paper or the system is governed by the
2386 law of a particular jurisdiction, that jurisdiction is the
2387 chattel paper's jurisdiction.

2388 (e) If paragraphs (a)-(d) do not apply, the chattel
2389 paper's jurisdiction is the jurisdiction in which the debtor is
2390 located.

2391 (3) If an authoritative tangible copy of a record
2392 evidences chattel paper and the chattel paper is not evidenced
2393 by an authoritative electronic copy, while the authoritative
2394 tangible copy of the record evidencing chattel paper is located
2395 in a jurisdiction, the local law of that jurisdiction governs:

2396 (a) Perfection of a security interest in the chattel paper
2397 by possession under s. 679.3152; and

2398 (b) The effect of perfection or nonperfection and the
2399 priority of a security interest in the chattel paper.

2400 (4) The local law of the jurisdiction in which the debtor

2401 is located governs perfection of a security interest in chattel
 2402 paper by filing.

2403 **Section 83. Section 679.3063, Florida Statutes, is created**
 2404 **to read:**

2405 679.3063 Law governing perfection and priority of security
 2406 interests in controllable accounts, controllable electronic
 2407 records, and controllable payment intangibles.—

2408 (1) Except as provided in subsection (2), the local law of
 2409 the controllable electronic record's jurisdiction specified in
 2410 s. 669.107(3) and (4) governs perfection, the effect of
 2411 perfection or nonperfection, and the priority of a security
 2412 interest in a controllable electronic record and a security
 2413 interest in a controllable account or controllable payment
 2414 intangible evidenced by the controllable electronic record.

2415 (2) The local law of the jurisdiction in which the debtor
 2416 is located governs:

2417 (a) Perfection of a security interest in a controllable
 2418 account, controllable electronic record, or controllable payment
 2419 intangible by filing; and

2420 (b) Automatic perfection of a security interest in a
 2421 controllable payment intangible created by a sale of the
 2422 controllable payment intangible.

2423 **Section 84. Subsection (2) of section 679.3101, Florida**
 2424 **Statutes, is amended, and subsection (1) of that section is**
 2425 **republished, to read:**

2426 679.3101 When filing required to perfect security interest
 2427 or agricultural lien; security interests and agricultural liens
 2428 to which filing provisions do not apply.—

2429 (1) Except as otherwise provided in subsection (2) and s.
 2430 679.3121(2), a financing statement must be filed to perfect all
 2431 security interests and agricultural liens.

2432 (2) The filing of a financing statement is not necessary
 2433 to perfect a security interest:

2434 (a) That is perfected under s. 679.3081(4), (5), (6), or
 2435 (7);

2436 (b) That is perfected under s. 679.3091 when it attaches;

2437 (c) In property subject to a statute, regulation, or
 2438 treaty described in s. 679.3111(1);

2439 (d) In goods in possession of a bailee which is perfected
 2440 under s. 679.3121(4) (a) or (b);

2441 (e) In certificated securities, documents, goods, or
 2442 instruments which is perfected without filing, control, or
 2443 possession under s. 679.3121(5), (6), or (7);

2444 (f) In collateral in the secured party's possession under
 2445 s. 679.3131;

2446 (g) In a certificated security which is perfected by
 2447 delivery of the security certificate to the secured party under
 2448 s. 679.3131;

2449 (h) In controllable accounts, controllable electronic
 2450 records, controllable payment intangibles, deposit accounts,

2451 ~~electronic chattel paper,~~ electronic documents, investment
2452 property, or letter-of-credit rights which is perfected by
2453 control under s. 679.3141(1) ~~s. 679.3141~~;

2454 (i) In proceeds which is perfected under s. 679.3151; or

2455 (j) That is perfected under s. 679.3161.

2456 **Section 85. Section 679.3121, Florida Statutes, is amended**
2457 **to read:**

2458 679.3121 Perfection of security interests in chattel
2459 paper, controllable accounts, controllable electronic records,
2460 controllable payment intangibles, deposit accounts, documents,
2461 goods covered by documents, instruments, investment property,
2462 letter-of-credit rights, and money; perfection by permissive
2463 filing; temporary perfection without filing or transfer of
2464 possession.—

2465 (1) A security interest in chattel paper, controllable
2466 accounts, controllable electronic records, controllable payment
2467 intangibles ~~negotiable documents,~~ instruments, ~~or~~ investment
2468 property, or negotiable documents may be perfected by filing.

2469 (2) Except as otherwise provided in s. 679.3151(3) and (4)
2470 for proceeds:

2471 (a) A security interest in a deposit account may be
2472 perfected only by control under s. 679.3141.

2473 (b) And except as otherwise provided in s. 679.3081(4), a
2474 security interest in a letter-of-credit right may be perfected
2475 only by control under s. 679.3141.

2476 (c) A security interest in tangible money may be perfected
 2477 only by the secured party's taking possession under s. 679.3131.

2478 (d) A security interest in electronic money may be
 2479 perfected only by control under s. 679.3141.

2480 (3) While goods are in the possession of a bailee that has
 2481 issued a negotiable document covering the goods:

2482 (a) A security interest in the goods may be perfected by
 2483 perfecting a security interest in the document; and

2484 (b) A security interest perfected in the document has
 2485 priority over any security interest that becomes perfected in
 2486 the goods by another method during that time.

2487 (4) While goods are in the possession of a bailee that has
 2488 issued a nonnegotiable document covering the goods, a security
 2489 interest in the goods may be perfected by:

2490 (a) Issuance of a document in the name of the secured
 2491 party;

2492 (b) The bailee's receipt of notification of the secured
 2493 party's interest; or

2494 (c) Filing as to the goods.

2495 (5) A security interest in certificated securities,
 2496 negotiable documents, or instruments is perfected without filing
 2497 or the taking of possession or control for a period of 20 days
 2498 from the time it attaches to the extent that it arises for new
 2499 value given under a signed ~~an authenticated~~ security agreement.

2500 (6) A perfected security interest in a negotiable document

2501 or goods in possession of a bailee, other than one that has
 2502 issued a negotiable document for the goods, remains perfected
 2503 for 20 days without filing if the secured party makes available
 2504 to the debtor the goods or documents representing the goods for
 2505 the purpose of:

2506 (a) Ultimate sale or exchange; or

2507 (b) Loading, unloading, storing, shipping, transshipping,
 2508 manufacturing, processing, or otherwise dealing with them in a
 2509 manner preliminary to their sale or exchange.

2510 (7) A perfected security interest in a certificated
 2511 security or instrument remains perfected for 20 days without
 2512 filing if the secured party delivers the security certificate or
 2513 instrument to the debtor for the purpose of:

2514 (a) Ultimate sale or exchange; or

2515 (b) Presentation, collection, enforcement, renewal, or
 2516 registration of transfer.

2517 (8) After the 20-day period specified in subsection (5),
 2518 subsection (6), or subsection (7) expires, perfection depends
 2519 upon compliance with this chapter.

2520 **Section 86. Subsections (1), (3), and (4) of section**
 2521 **679.3131, Florida Statutes, are amended to read:**

2522 679.3131 When possession by or delivery to secured party
 2523 perfects security interest without filing.—

2524 (1) Except as otherwise provided in subsection (2), a
 2525 secured party may perfect a security interest in ~~tangible~~

2526 ~~negotiable documents,~~ goods, instruments, negotiable tangible
2527 documents, or tangible money, ~~or tangible chattel paper~~ by
2528 taking possession of the collateral. A secured party may perfect
2529 a security interest in certificated securities by taking
2530 delivery of the certificated securities under s. 678.3011.

2531 (3) With respect to collateral other than certificated
2532 securities and goods covered by a document, a secured party
2533 takes possession of collateral in the possession of a person
2534 other than the debtor, the secured party, or a lessee of the
2535 collateral from the debtor in the ordinary course of the
2536 debtor's business, when:

2537 (a) The person in possession signs ~~authenticates~~ a record
2538 acknowledging that it holds possession of the collateral for the
2539 secured party's benefit; or

2540 (b) The person takes possession of the collateral after
2541 having signed ~~authenticated~~ a record acknowledging that the
2542 person will hold possession of the collateral for the secured
2543 party's benefit.

2544 (4) If perfection of a security interest depends upon
2545 possession of the collateral by a secured party, perfection
2546 occurs not ~~no~~ earlier than the time the secured party takes
2547 possession and continues only while the secured party retains
2548 possession.

2549 **Section 87. Section 679.3141, Florida Statutes, is amended**
2550 **to read:**

2551 679.3141 Perfection by control.—

2552 (1) A security interest in controllable accounts,

2553 controllable electronic records, controllable payment

2554 intangibles, deposit accounts, electronic documents, electronic

2555 money, investment property, or letter-of-credit rights

2556 ~~investment property, deposit accounts, letter of credit rights,~~

2557 ~~electronic chattel paper, or electronic documents~~ may be

2558 perfected by control of the collateral under s. 677.106, s.

2559 679.1041, s. 679.1052, s. 679.1053 ~~s. 679.1051~~, s. 679.1061, or

2560 s. 679.1071.

2561 (2) A security interest in controllable accounts,

2562 controllable electronic records, controllable payment

2563 intangibles, deposit accounts, electronic documents, electronic

2564 money, or letter-of-credit rights ~~deposit accounts, electronic~~

2565 ~~chattel paper, letter of credit rights, or electronic documents~~

2566 is perfected by control under s. 677.106, s. 679.1041, s.

2567 679.1052, s. 679.1053 ~~s. 679.1051~~, or s. 679.1071 not earlier

2568 than the time ~~when~~ the secured party obtains control and remains

2569 perfected by control only while the secured party retains

2570 control.

2571 (3) A security interest in investment property is

2572 perfected by control under s. 679.1061 not earlier than ~~from~~ the

2573 time the secured party obtains control and remains perfected by

2574 control until:

2575 (a) The secured party does not have control; and

2576 (b) One of the following occurs:

2577 1. If the collateral is a certificated security, the
2578 debtor has or acquires possession of the security certificate;

2579 2. If the collateral is an uncertificated security, the
2580 issuer has registered or registers the debtor as the registered
2581 owner; or

2582 3. If the collateral is a security entitlement, the debtor
2583 is or becomes the entitlement holder.

2584 **Section 88. Section 679.3152, Florida Statutes, is created**
2585 **to read:**

2586 679.3152 Perfection by possession and control of chattel
2587 paper.—

2588 (1) A secured party may perfect a security interest in
2589 chattel paper by taking possession of each authoritative
2590 tangible copy of the record evidencing the chattel paper and
2591 obtaining control of each authoritative electronic copy of the
2592 electronic record evidencing the chattel paper.

2593 (2) A security interest is perfected under subsection (1)
2594 not earlier than the time the secured party takes possession and
2595 obtains control and remains perfected under subsection (1) only
2596 while the secured party retains possession and control.

2597 (3) Section 679.3131(3) and (5)-(8) applies to perfection
2598 by possession of an authoritative tangible copy of a record
2599 evidencing chattel paper.

2600 **Section 89. Subsections (1) and (6) of section 679.3161,**

2601 **Florida Statutes, are amended to read:**

2602 679.3161 Continued perfection of security interest
 2603 following change in governing law.—

2604 (1) A security interest perfected pursuant to the law of
 2605 the jurisdiction designated in s. 679.3011(1), ~~or~~ s.
 2606 679.3051(3), s. 679.3062(4), or s. 679.3063(2) remains perfected
 2607 until the earliest of:

2608 (a) The time perfection would have ceased under the law of
 2609 that jurisdiction;

2610 (b) The expiration of 4 months after a change of the
 2611 debtor's location to another jurisdiction; or

2612 (c) The expiration of 1 year after a transfer of
 2613 collateral to a person who thereby becomes a debtor and is
 2614 located in another jurisdiction.

2615 (6) A security interest in chattel paper, controllable
 2616 accounts, controllable electronic records, controllable payment
 2617 intangibles, deposit accounts, letter-of-credit rights, or
 2618 investment property which is perfected under the law of the
 2619 chattel paper's jurisdiction, the controllable electronic
 2620 record's jurisdiction, the bank's jurisdiction, the issuer's
 2621 jurisdiction, a nominated person's jurisdiction, the securities
 2622 intermediary's jurisdiction, or the commodity intermediary's
 2623 jurisdiction, as applicable, remains perfected until the earlier
 2624 of:

2625 (a) The time the security interest would have become

2626 unperfected under the law of that jurisdiction; or

2627 (b) The expiration of 4 months after a change of the
2628 applicable jurisdiction to another jurisdiction.

2629 **Section 90. Subsections (2) and (4) of section 679.3171,**
2630 **Florida Statutes, are amended, subsections (8) through (11) are**
2631 **added to that section, and subsection (1) of that section is**
2632 **republished, to read:**

2633 679.3171 Interests that take priority over or take free of
2634 security interest or agricultural lien.—

2635 (1) A security interest or agricultural lien is
2636 subordinate to the rights of:

2637 (a) A person entitled to priority under s. 679.322; and

2638 (b) Except as otherwise provided in subsection (5), a
2639 person who becomes a lien creditor before the earlier of the
2640 time:

2641 1. The security interest or agricultural lien is
2642 perfected; or

2643 2. One of the conditions specified in s. 679.2031(2)(c) is
2644 met and a financing statement covering the collateral is filed.

2645 (2) Except as otherwise provided in subsection (5), a
2646 buyer, other than a secured party, of ~~tangible chattel paper,~~
2647 ~~tangible documents,~~ goods, instruments, tangible documents, or a
2648 certificated security takes free of a security interest or
2649 agricultural lien if the buyer gives value and receives delivery
2650 of the collateral without knowledge of the security interest or

2651 agricultural lien and before it is perfected.

2652 (4) Subject to subsections (6), (7), and (8), a licensee
2653 of a general intangible or a buyer, other than a secured party,
2654 of collateral other than electronic money ~~tangible chattel~~
2655 ~~paper,~~ tangible documents, goods, instruments, tangible
2656 documents, or a certificated security takes free of a security
2657 interest if the licensee or buyer gives value without knowledge
2658 of the security interest and before it is perfected.

2659 (8) A buyer, other than a secured party, of chattel paper
2660 takes free of a security interest if, without knowledge of the
2661 security interest and before it is perfected, the buyer gives
2662 value and:

2663 (a) Receives delivery of each authoritative tangible copy
2664 of the record evidencing the chattel paper; and

2665 (b) If each authoritative electronic copy of the record
2666 evidencing the chattel paper can be subjected to control under
2667 s. 679.1052, obtains control of each authoritative electronic
2668 copy.

2669 (9) A buyer of an electronic document takes free of a
2670 security interest if, without knowledge of the security interest
2671 and before it is perfected, the buyer gives value and, if each
2672 authoritative electronic copy of the document can be subjected
2673 to control under s. 677.106, obtains control of each
2674 authoritative electronic copy.

2675 (10) A buyer of a controllable electronic record takes

2676 free of a security interest if, without knowledge of the
2677 security interest and before it is perfected, the buyer gives
2678 value and obtains control of the controllable electronic record.

2679 (11) A buyer, other than a secured party, of a
2680 controllable account or a controllable payment intangible takes
2681 free of a security interest if, without knowledge of the
2682 security interest and before it is perfected, the buyer gives
2683 value and obtains control of the controllable account or
2684 controllable payment intangible.

2685 **Section 91. Subsections (4) and (6) of section 679.323,**
2686 **Florida Statutes, are amended, and subsection (1) of that**
2687 **section is republished, to read:**

2688 679.323 Future advances.—

2689 (1) Except as otherwise provided in subsection (3), for
2690 purposes of determining the priority of a perfected security
2691 interest under s. 679.322(1)(a), perfection of the security
2692 interest dates from the time an advance is made to the extent
2693 that the security interest secures an advance that:

2694 (a) Is made while the security interest is perfected only:

- 2695 1. Under s. 679.3091 when it attaches; or
2696 2. Temporarily under s. 679.3121(5), (6), or (7); and

2697 (b) Is not made pursuant to a commitment entered into
2698 before or while the security interest is perfected by a method
2699 other than under s. 679.3091 or s. 679.3121(5), (6), or (7).

2700 (4) Except as otherwise provided in subsection (5), a

2701 buyer of goods ~~other than a buyer in ordinary course of business~~
2702 takes free of a security interest to the extent that it secures
2703 advances made after the earlier of:

2704 (a) The time the secured party acquires knowledge of the
2705 buyer's purchase; or

2706 (b) Forty-five days after the purchase.

2707 (6) Except as otherwise provided in subsection (7), a
2708 lessee of goods, ~~other than a lessee in ordinary course of~~
2709 ~~business~~, takes the leasehold interest free of a security
2710 interest to the extent that it secures advances made after the
2711 earlier of:

2712 (a) The time the secured party acquires knowledge of the
2713 lease; or

2714 (b) Forty-five days after the lease contract becomes
2715 enforceable.

2716 **Section 92. Subsections (2) and (4) of section 679.324,**
2717 **Florida Statutes, are amended to read:**

2718 679.324 Priority of purchase-money security interests.—

2719 (2) Subject to subsection (3) and except as otherwise
2720 provided in subsection (7), a perfected purchase-money security
2721 interest in inventory has priority over a conflicting security
2722 interest in the same inventory, has priority over a conflicting
2723 security interest in chattel paper or an instrument constituting
2724 proceeds of the inventory and in proceeds of the chattel paper,
2725 if so provided in s. 679.330, and, except as otherwise provided

2726 | in s. 679.327, also has priority in identifiable cash proceeds
 2727 | of the inventory to the extent the identifiable cash proceeds
 2728 | are received on or before the delivery of the inventory to a
 2729 | buyer, if:

2730 | (a) The purchase-money security interest is perfected when
 2731 | the debtor receives possession of the inventory;

2732 | (b) The purchase-money secured party sends a signed an
 2733 | ~~authenticated~~ notification to the holder of the conflicting
 2734 | security interest;

2735 | (c) The holder of the conflicting security interest
 2736 | receives the notification within 5 years before the debtor
 2737 | receives possession of the inventory; and

2738 | (d) The notification states that the person sending the
 2739 | notification has or expects to acquire a purchase-money security
 2740 | interest in inventory of the debtor and describes the inventory.

2741 | (4) Subject to subsection (5) and except as otherwise
 2742 | provided in subsection (7), a perfected purchase-money security
 2743 | interest in livestock that are farm products has priority over a
 2744 | conflicting security interest in the same livestock, and, except
 2745 | as otherwise provided in s. 679.327, a perfected security
 2746 | interest in their identifiable proceeds and identifiable
 2747 | products in their unmanufactured states also has priority, if:

2748 | (a) The purchase-money security interest is perfected when
 2749 | the debtor receives possession of the livestock;

2750 | (b) The purchase-money secured party sends a signed an

2751 ~~authenticated~~ notification to the holder of the conflicting
2752 security interest;

2753 (c) The holder of the conflicting security interest
2754 receives the notification within 6 months before the debtor
2755 receives possession of the livestock; and

2756 (d) The notification states that the person sending the
2757 notification has or expects to acquire a purchase-money security
2758 interest in livestock of the debtor and describes the livestock.

2759 **Section 93. Section 679.3251, Florida Statutes, is created**
2760 **to read:**

2761 679.3251 Priority of security interest in controllable
2762 account, controllable electronic record, and controllable
2763 payment intangible.—A security interest in a controllable
2764 account, controllable electronic record, or controllable payment
2765 intangible held by a secured party having control of the
2766 account, electronic record, or payment intangible has priority
2767 over a conflicting security interest held by a secured party
2768 that does not have control.

2769 **Section 94. Subsections (1), (2), and (6) of section**
2770 **679.330, Florida Statutes, are amended, and subsection (4) of**
2771 **that section is republished, to read:**

2772 679.330 Priority of purchaser of chattel paper or
2773 instrument.—

2774 (1) A purchaser of chattel paper has priority over a
2775 security interest in the chattel paper which is claimed merely

2776 as proceeds of inventory subject to a security interest if:

2777 (a) In good faith and in the ordinary course of the
 2778 purchaser's business, the purchaser gives new value, and takes
 2779 possession of each authoritative tangible copy of the record
 2780 evidencing the chattel paper, and ~~or~~ obtains control under s.
 2781 679.1051 of each authoritative electronic copy of the record
 2782 evidencing chattel paper under s. 679.1051; and

2783 (b) The authoritative copies of the record evidencing the
 2784 chattel paper do ~~does~~ not indicate that the chattel paper ~~it~~ has
 2785 been assigned to an identified assignee other than the
 2786 purchaser.

2787 (2) A purchaser of chattel paper has priority over a
 2788 security interest in the chattel paper which is claimed other
 2789 than merely as proceeds of inventory subject to a security
 2790 interest if the purchaser gives new value, and takes possession
 2791 of each authoritative copy of the record evidencing the chattel
 2792 paper, and ~~or~~ obtains control under s. 679.1051 of each
 2793 authoritative electronic copy of the record evidencing the
 2794 chattel paper ~~under s. 679.1051~~ in good faith, in the ordinary
 2795 course of the purchaser's business, and without knowledge that
 2796 the purchase violates the rights of the secured party.

2797 (4) Except as otherwise provided in s. 679.331(1), a
 2798 purchaser of an instrument has priority over a security interest
 2799 in the instrument perfected by a method other than possession if
 2800 the purchaser gives value and takes possession of the instrument

2801 in good faith and without knowledge that the purchase violates
 2802 the rights of the secured party.

2803 (6) For purposes of subsections (2) and (4), if the
 2804 authoritative copies of the record evidencing chattel paper or
 2805 an instrument indicate ~~indicates~~ that the chattel paper or
 2806 instrument ~~it~~ has been assigned to an identified secured party
 2807 other than the purchaser, a purchaser of the chattel paper or
 2808 instrument has knowledge that the purchase violates the rights
 2809 of the secured party.

2810 **Section 95. Section 679.331, Florida Statutes, is amended**
 2811 **to read:**

2812 679.331 Priority of rights of purchasers of controllable
 2813 accounts, controllable electronic records, controllable payment
 2814 intangibles ~~instruments~~, documents, instruments, and securities
 2815 under other articles; priority of interests in financial assets
 2816 and security entitlements and protection against assertion of
 2817 claim under chapters 669 and ~~chapter~~ 678.—

2818 (1) This chapter does not limit the rights of a holder in
 2819 due course of a negotiable instrument, a holder to which a
 2820 negotiable document of title has been duly negotiated, or a
 2821 protected purchaser of a security, or a qualifying purchase of a
 2822 controllable account, controllable electronic record, or
 2823 controllable payment intangible. These holders or purchasers
 2824 take priority over an earlier security interest, even if
 2825 perfected, to the extent provided in chapters 669, 673, 677, and

2826 678.

2827 (2) This chapter does not limit the rights of or impose
 2828 liability on a person to the extent that the person is protected
 2829 against the assertion of an adverse claim under chapter 669 or
 2830 chapter 678.

2831 (3) Filing under this chapter does not constitute notice
 2832 of a claim or defense to the holders, purchasers, or persons
 2833 described in subsections (1) and (2).

2834 **Section 96. Section 679.332, Florida Statutes, is amended**
 2835 **to read:**

2836 679.332 Transfer of money; transfer of funds from deposit
 2837 account; transfer of electronic money.—

2838 (1) A transferee of tangible money takes the money free of
 2839 a security interest if the transferee receives possession of the
 2840 money without acting ~~unless the transferee acts~~ in collusion
 2841 with the debtor in violating the rights of the secured party.

2842 (2) A transferee of funds from a deposit account takes the
 2843 funds free of a security interest in the deposit account if the
 2844 transferee receives the funds without acting ~~unless the~~
 2845 ~~transferee acts~~ in collusion with the debtor in violating the
 2846 rights of the secured party.

2847 (3) A transferee of electronic money takes the money free
 2848 of a security interest if the transferee obtains control of the
 2849 money without acting in collusion with the debtor in violating
 2850 the rights of the secured party.

2851 **Section 97. Section 679.341, Florida Statutes, is amended**
2852 **to read:**

2853 679.341 Bank's rights and duties with respect to deposit
2854 account.—Except as otherwise provided in s. 679.340(3), and
2855 unless the bank otherwise agrees in a signed ~~an authenticated~~
2856 record, a bank's rights and duties with respect to a deposit
2857 account maintained with the bank are not terminated, suspended,
2858 or modified by:

2859 (1) The creation, attachment, or perfection of a security
2860 interest in the deposit account;

2861 (2) The bank's knowledge of the security interest; or

2862 (3) The bank's receipt of instructions from the secured
2863 party.

2864 **Section 98. Subsection (1) of section 679.4041, Florida**
2865 **Statutes, is amended to read:**

2866 679.4041 Rights acquired by assignee; claims and defenses
2867 against assignee.—

2868 (1) Unless an account debtor has made an enforceable
2869 agreement not to assert defenses or claims, and subject to
2870 subsections (2)-(5) ~~(2) through (5)~~, the rights of an assignee
2871 are subject to:

2872 (a) All terms of the agreement between the account debtor
2873 and assignor and any defense or claim in recoupment arising from
2874 the transaction that gave rise to the contract; and

2875 (b) Any other defense or claim of the account debtor

2876 against the assignor which accrues before the account debtor
2877 receives a notification of the assignment signed ~~authenticated~~
2878 by the assignor or the assignee.

2879 **Section 99. Subsections (1) through (4) and (7) of section**
2880 **679.4061, Florida Statutes, are amended, and subsection (13) is**
2881 **added to that section, to read:**

2882 679.4061 Discharge of account debtor; notification of
2883 assignment; identification and proof of assignment; restrictions
2884 on assignment of accounts, chattel paper, payment intangibles,
2885 and promissory notes ineffective.—

2886 (1) Subject to subsections (2)-(9) ~~(2) through (9)~~ and
2887 (13), an account debtor on an account, chattel paper, or a
2888 payment intangible may discharge its obligation by paying the
2889 assignor until, but not after, the account debtor receives a
2890 notification, signed ~~authenticated~~ by the assignor or the
2891 assignee, that the amount due or to become due has been assigned
2892 and that payment is to be made to the assignee. After receipt of
2893 the notification, the account debtor may discharge its
2894 obligation by paying the assignee and may not discharge the
2895 obligation by paying the assignor.

2896 (2) Subject to subsections (8) and (13) ~~subsection (8)~~,
2897 notification is ineffective under subsection (1):

2898 (a) If it does not reasonably identify the rights
2899 assigned;

2900 (b) To the extent that an agreement between an account

2901 debtor and a seller of a payment intangible limits the account
2902 debtor's duty to pay a person other than the seller and the
2903 limitation is effective under law other than this chapter; or

2904 (c) At the option of an account debtor, if the
2905 notification notifies the account debtor to make less than the
2906 full amount of any installment or other periodic payment to the
2907 assignee, even if:

2908 1. Only a portion of the account, chattel paper, or
2909 payment intangible has been assigned to that assignee;

2910 2. A portion has been assigned to another assignee; or

2911 3. The account debtor knows that the assignment to that
2912 assignee is limited.

2913 (3) Subject to subsections (8) and (13) ~~subsection (8)~~, if
2914 requested by the account debtor, an assignee shall seasonably
2915 furnish reasonable proof that the assignment has been made.
2916 Unless the assignee complies, the account debtor may discharge
2917 its obligation by paying the assignor, even if the account
2918 debtor has received a notification under subsection (1).

2919 (4) For the purposes of this subsection, the term
2920 "promissory note" includes a negotiable instrument that
2921 evidences chattel paper. Except as otherwise provided in
2922 subsections (5) and (12) and ss. 680.303 and 679.4071, and
2923 subject to subsection (8), a term in an agreement between an
2924 account debtor and an assignor or in a promissory note is
2925 ineffective to the extent that it:

2926 (a) Prohibits, restricts, or requires the consent of the
 2927 account debtor or person obligated on the promissory note to the
 2928 assignment or transfer of, or the creation, attachment,
 2929 perfection, or enforcement of a security interest in, the
 2930 account, chattel paper, payment intangible, or promissory note;
 2931 or

2932 (b) Provides that the assignment or transfer or the
 2933 creation, attachment, perfection, or enforcement of the security
 2934 interest may give rise to a default, breach, right of
 2935 recoupment, claim, defense, termination, right of termination,
 2936 or remedy under the account, chattel paper, payment intangible,
 2937 or promissory note.

2938 (7) Subject to subsections (8) and (13) ~~subsection (8)~~, an
 2939 account debtor may not waive or vary its option under paragraph
 2940 (2) (c).

2941 (13) Subsections (1), (2), (3), and (7) do not apply to a
 2942 controllable account or controllable payment intangible.

2943 **Section 100. Subsection (9) is added to section 679.4081,**
 2944 **Florida Statutes, to read:**

2945 679.4081 Restrictions on assignment of promissory notes,
 2946 health-care-insurance receivables, and certain general
 2947 intangibles ineffective.—

2948 (9) For the purposes of this section, the term "promissory
 2949 note" includes a negotiable instrument that evidences chattel
 2950 paper.

2951 **Section 101. Subsections (1) and (2) of section 679.509,**
 2952 **Florida Statutes, are amended to read:**

2953 679.509 Persons entitled to file a record.—

2954 (1) A person may file an initial financing statement,
 2955 amendment that adds collateral covered by a financing statement,
 2956 or amendment that adds a debtor to a financing statement only
 2957 if:

2958 (a) The debtor authorizes the filing in a signed an
 2959 ~~authenticated~~ record or pursuant to subsection (2) or subsection
 2960 (3); or

2961 (b) The person holds an agricultural lien that has become
 2962 effective at the time of filing and the financing statement
 2963 covers only collateral in which the person holds an agricultural
 2964 lien.

2965 (2) By signing ~~authenticating~~ or becoming bound as a
 2966 debtor by a security agreement, a debtor or new debtor
 2967 authorizes the filing of an initial financing statement, and an
 2968 amendment, covering:

2969 (a) The collateral described in the security agreement;
 2970 and

2971 (b) Property that becomes collateral under s.
 2972 679.3151(1)(b), whether or not the security agreement expressly
 2973 covers proceeds.

2974 **Section 102. Subsections (2) and (3) of section 679.513,**
 2975 **Florida Statutes, are amended to read:**

2976 | 679.513 Termination statement.—

2977 | (2) To comply with subsection (1), a secured party shall
2978 | cause the secured party of record to file the termination
2979 | statement:

2980 | (a) Within 1 month after there is no obligation secured by
2981 | the collateral covered by the financing statement and no
2982 | commitment to make an advance, incur an obligation, or otherwise
2983 | give value; or

2984 | (b) If earlier, within 20 days after the secured party
2985 | receives a signed ~~an authenticated~~ demand from a debtor.

2986 | (3) In cases not governed by subsection (1), within 20
2987 | days after a secured party receives a signed ~~an authenticated~~
2988 | demand from a debtor, the secured party shall cause the secured
2989 | party of record for a financing statement to send to the debtor
2990 | a termination statement for the financing statement or file the
2991 | termination statement in the filing office if:

2992 | (a) Except in the case of a financing statement covering
2993 | accounts or chattel paper that has been sold or goods that are
2994 | the subject of a consignment, there is no obligation secured by
2995 | the collateral covered by the financing statement and no
2996 | commitment to make an advance, incur an obligation, or otherwise
2997 | give value;

2998 | (b) The financing statement covers accounts or chattel
2999 | paper that has been sold but as to which the account debtor or
3000 | other person obligated has discharged its obligation;

3001 (c) The financing statement covers goods that were the
 3002 subject of a consignment to the debtor but are not in the
 3003 debtor's possession; or

3004 (d) The debtor did not authorize the filing of the initial
 3005 financing statement.

3006 **Section 103. Subsection (2) of section 679.601, Florida**
 3007 **Statutes, is amended, and subsection (4) of that section is**
 3008 **republished, to read:**

3009 679.601 Rights after default; judicial enforcement;
 3010 consignor or buyer of accounts, chattel paper, payment
 3011 intangibles, or promissory notes.—

3012 (2) A secured party in possession of collateral or control
 3013 of collateral under s. 679.1041, s. 679.1051, s. 679.1052, s.
 3014 679.1053, s. 679.1061, or s. 679.1071 has the rights and duties
 3015 provided in s. 679.2071.

3016 (4) Except as otherwise provided in subsection (7) and s.
 3017 679.605, after default, a debtor and an obligor have the rights
 3018 provided in this part and by agreement of the parties.

3019 **Section 104. Subsection (4) of section 679.604, Florida**
 3020 **Statutes, is amended to read:**

3021 679.604 Procedure if security agreement covers real
 3022 property or fixtures.—

3023 (4) A secured party that removes collateral shall promptly
 3024 reimburse any encumbrancer or owner of the real property, other
 3025 than the debtor, for the cost of repair of any physical injury

3026 | caused by the removal. The secured party need not reimburse the
 3027 | encumbrancer or owner for any diminution in value of the real
 3028 | property caused by the absence of the goods removed or by any
 3029 | necessity of replacing them. A person entitled to reimbursement
 3030 | may refuse permission to remove until the secured party gives
 3031 | adequate assurance for the performance of the obligation to
 3032 | reimburse. This subsection does not prohibit a secured party and
 3033 | the person entitled to reimbursement from entering into a signed
 3034 | ~~an authenticated~~ record providing for the removal of fixtures
 3035 | and reimbursement for any damage caused thereby.

3036 | **Section 105. Section 679.605, Florida Statutes, is amended**
 3037 | **to read:**

3038 | 679.605 Unknown debtor or secondary obligor.—

3039 | (1) Except as provided in subsection (2), a secured party
 3040 | does not owe a duty based on its status as secured party:

3041 | (a) ~~(1)~~ To a person who is a debtor or obligor, unless the
 3042 | secured party knows:

3043 | 1. ~~(a)~~ That the person is a debtor or obligor;

3044 | 2. ~~(b)~~ The identity of the person; and

3045 | 3. ~~(c)~~ How to communicate with the person; or

3046 | (b) ~~(2)~~ To a secured party or lienholder that has filed a
 3047 | financing statement against a person, unless the secured party
 3048 | knows:

3049 | 1. ~~(a)~~ That the person is a debtor; and

3050 | 2. ~~(b)~~ The identity of the person.

3051 (2) A secured party owes a duty based on its status as a
 3052 secured party to a person if, at the time the secured party
 3053 obtains control of collateral that is a controllable account,
 3054 controllable electronic record, or controllable payment
 3055 intangible or at the time the security interest attaches to the
 3056 collateral, whichever is later:

3057 (a) The person is a debtor or obligor; and

3058 (b) The secured party knows that the information relating
 3059 to the person in subparagraph (1)(a)1., subparagraph (1)(a)2.,
 3060 or subparagraph (1)(a)3. is not provided by the collateral, a
 3061 record attached to or logically associated with the collateral,
 3062 or the system in which the collateral is recorded.

3063 **Section 106. Paragraph (a) of subsection (1) and**
 3064 **subsection (3) of section 679.608, Florida Statutes, are amended**
 3065 **to read:**

3066 679.608 Application of proceeds of collection or
 3067 enforcement; liability for deficiency and right to surplus.—

3068 (1) If a security interest or agricultural lien secures
 3069 payment or performance of an obligation, the following rules
 3070 apply:

3071 (a) A secured party shall apply or pay over for
 3072 application the cash proceeds of collection or enforcement under
 3073 s. 679.607 in the following order to:

3074 1. The reasonable expenses of collection and enforcement
 3075 and, to the extent provided for by agreement and not prohibited

3076 | by law, reasonable attorney's fees and legal expenses incurred
 3077 | by the secured party;

3078 | 2. The satisfaction of obligations secured by the security
 3079 | interest or agricultural lien under which the collection or
 3080 | enforcement is made; and

3081 | 3. The satisfaction of obligations secured by any
 3082 | subordinate security interest in or other lien on the collateral
 3083 | subject to the security interest or agricultural lien under
 3084 | which the collection or enforcement is made if the secured party
 3085 | receives a signed ~~an authenticated~~ demand for proceeds before
 3086 | distribution of the proceeds is completed.

3087 | (3) If the secured party in good faith cannot determine
 3088 | the validity, extent, or priority of a subordinate security
 3089 | interest or other lien or there are conflicting claims of
 3090 | subordinate interests or liens, the secured party may commence
 3091 | an interpleader action with respect to remaining proceeds in
 3092 | excess of \$2,500 in the circuit or county court, as applicable
 3093 | based upon the amount to be deposited, where the collateral was
 3094 | located or collected or in the county where the debtor has its
 3095 | chief executive office or principal residence in this state, as
 3096 | applicable. If authorized in a signed ~~an authenticated~~ record,
 3097 | the interpleading secured party is entitled to be paid from the
 3098 | remaining proceeds the actual costs of the filing fee and an
 3099 | attorney ~~attorney's~~ fee in the amount of \$250 incurred in
 3100 | connection with filing the interpleader action and obtaining an

3101 order approving the interpleader of funds. The debtor in a
 3102 consumer transaction may not be assessed for the reasonable
 3103 attorney ~~attorney's~~ fees and costs incurred in the interpleader
 3104 action by the holders of subordinate security interests or other
 3105 liens based upon disputes among said holders, and a debtor in a
 3106 transaction other than a consumer transaction may only recover
 3107 such fees and costs to the extent provided for in a signed ~~an~~
 3108 ~~authenticated~~ record. If authorized in a signed ~~an authenticated~~
 3109 record, the court in the interpleader action may award
 3110 reasonable attorney ~~attorney's~~ fees and costs to the prevailing
 3111 party in a dispute between the debtor and a holder of a security
 3112 interest or lien which claims an interest in the remaining
 3113 interplead proceeds, but only if the debtor challenges the
 3114 validity, priority, or extent of said security interest or lien.
 3115 Except as provided in this subsection, a debtor may not be
 3116 assessed reasonable attorney ~~attorney's~~ fees and costs incurred
 3117 by any party in an interpleader action commenced under this
 3118 section.

3119 **Section 107. Subsections (1), (2), (3), (5), and (6) of**
 3120 **section 679.611, Florida Statutes, are amended to read:**

3121 679.611 Notification before disposition of collateral.—

3122 (1) In this section, the term "notification date" means
 3123 the earlier of the date on which:

3124 (a) A secured party sends to the debtor and any secondary
 3125 obligor a signed ~~an authenticated~~ notification of disposition;

3126 or

3127 (b) The debtor and any secondary obligor waive the right
3128 to notification.

3129 (2) Except as otherwise provided in subsection (4), a
3130 secured party that disposes of collateral under s. 679.610 shall
3131 send to the persons specified in subsection (3) a reasonable
3132 signed ~~authenticated~~ notification of disposition.

3133 (3) To comply with subsection (2), the secured party shall
3134 send a signed ~~an authenticated~~ notification of disposition to:

3135 (a) The debtor;

3136 (b) Any secondary obligor; and

3137 (c) If the collateral is other than consumer goods:

3138 1. Any other person from whom the secured party has
3139 received, before the notification date, a signed ~~an~~
3140 ~~authenticated~~ notification of a claim of an interest in the
3141 collateral;

3142 2. Any other secured party or lienholder that, 10 days
3143 before the notification date, held a security interest in or
3144 other lien on the collateral perfected by the filing of a
3145 financing statement that:

3146 a. Identified the collateral;

3147 b. Was indexed under the debtor's name as of that date;

3148 and

3149 c. Was filed in the office in which to file a financing
3150 statement against the debtor covering the collateral as of that

3151 date; and

3152 3. Any other secured party that, 10 days before the
 3153 notification date, held a security interest in the collateral
 3154 perfected by compliance with a statute, regulation, or treaty
 3155 described in s. 679.3111(1).

3156 (5) A secured party complies with the requirement for
 3157 notification prescribed by subparagraph (3)(c)2. if:

3158 (a) Not later than 20 days or earlier than 30 days before
 3159 the notification date, the secured party requests, in a
 3160 commercially reasonable manner, information concerning financing
 3161 statements indexed under the debtor's name in the office
 3162 indicated in subparagraph (3)(c)2.; and

3163 (b) Before the notification date, the secured party:

3164 1. Did not receive a response to the request for
 3165 information; or

3166 2. Received a response to the request for information and
 3167 sent a signed ~~an authenticated~~ notification of disposition to
 3168 each secured party or other lienholder named in that response
 3169 whose financing statement covered the collateral.

3170 (6) For purposes of subsection (3), the secured party may
 3171 send the signed ~~authenticated~~ notification as follows:

3172 (a) If the collateral is other than consumer goods, to the
 3173 debtor at the address in the financing statement, unless the
 3174 secured party has received a signed ~~an authenticated~~ record from
 3175 the debtor notifying the secured party of a different address

3176 for such notification purposes or the secured party has actual
3177 knowledge of the address of the debtor's chief executive office
3178 or principal residence, as applicable, at the time the
3179 notification is sent;

3180 (b) If the collateral is other than consumer goods, to any
3181 secondary obligor at the address, if any, in the signed
3182 ~~authenticated~~ agreement, unless the secured party has received a
3183 signed ~~an authenticated~~ record from the secondary obligor
3184 notifying the secured party of a different address for such
3185 notification purposes or the secured party has actual knowledge
3186 of the address of the secondary obligor's chief executive office
3187 or principal residence, as applicable, at the time the
3188 notification is sent; and

3189 (c) If the collateral is other than consumer goods:

3190 1. To the person described in subparagraph (3)(c)1., at
3191 the address stated in the notification;

3192 2. To the person described in subparagraph (3)(c)2., at
3193 the address stated in the financing statement;

3194 3. To the person described in subparagraph (3)(c)3., at
3195 the address stated in the official records of the recording or
3196 registration agency.

3197 **Section 108. Subsection (5) of section 679.613, Florida**
3198 **Statutes, is amended to read:**

3199 679.613 Contents and form of notification before
3200 disposition of collateral; general.—Except in a consumer-goods

3201 transaction, the following rules apply:

3202 (5) (a) The following form of notification and the form
3203 appearing in s. 679.614(3)(a) ~~s. 679.614(3)~~, when completed in
3204 accordance with the instructions in paragraph (b), each provides
3205 sufficient information:

3206
3207 NOTIFICATION OF DISPOSITION
3208 OF COLLATERAL

3209
3210 To:...(Name of debtor, obligor, or other person to which the
3211 notification is sent)...

3212 From:...(Name, address, and telephone number of secured
3213 party)...

3214 Item 1. Name of any debtor that is not an addressee
3215 ~~Debtor(s):...(Name of each debtor Include only if debtor(s) are~~
3216 ~~not an addressee)...~~

3217 ~~{For a public disposition:}~~

3218 Item 2. We will sell ~~{for lease or license, as applicable}~~
3219 ~~the~~ ... (describe collateral)... to the highest qualified bidder
3220 at public sale. A sale could include a lease or a license. The
3221 sale will be held in public as follows:

3222 Day and Date:

3223 Time:

3224 Place:

3225 ~~{For a private disposition:}~~

3226 Item 3. We will sell ~~for lease or license, as applicable~~
3227 the ...(describe collateral)... at a private sale ~~privately~~
3228 sometime after ...(day and date).... A sale could include a
3229 lease or a license.

3230 Item 4. You are entitled to an accounting of the unpaid
3231 indebtedness secured by the property that we intend to sell or,
3232 as applicable, ~~for lease or license.~~

3233 Item 5. If you request an accounting, you must pay, ~~as~~
3234 ~~applicable~~ for a charge of \$.....

3235 Item 6. You may request an accounting by calling us at
3236 ...(telephone number)....

3237 (b) The following instructions apply to the form set forth
3238 in paragraph (a):

3239 1. Do not include the item numbers in the notification, as
3240 they are used only for the purpose of clarification.

3241 2. Include and complete Item 1 only if there is a debtor
3242 that is not an addressee of the notification and list the name
3243 or names.

3244 3. Include and complete either Item 2, if the notification
3245 relates to a public disposition of the collateral, or Item 3, if
3246 the notification relates to a private disposition of the
3247 collateral. If Item 2 is completed, include the words "to the
3248 highest qualified bidder" only if applicable.

3249 4. Include and complete Items 4 and 6.

3250 5. Include and complete Item 5 only if the sender will

3251 charge the recipient for an accounting.

3252 **Section 109. Subsection (3) of section 679.614, Florida**
 3253 **Statutes, is amended to read:**

3254 679.614 Contents and form of notification before
 3255 disposition of collateral; consumer-goods transaction.—In a
 3256 consumer-goods transaction, the following rules apply:

3257 (3) (a) The following form of notification, when completed
 3258 in accordance with the instructions set forth in paragraph (b),
 3259 provides sufficient information:

3260

3261 ... (Name and address of secured party) ...

3262 ... (Date) ...

3263

3264 NOTICE OF OUR PLAN TO SELL PROPERTY

3265

3266 ... (Name and address of any obligor who is also a debtor) ...

3267 Subject: ... (Identify ~~Identification~~ of Transaction) ...

3268 We have your ... (describe collateral) ..., because you broke
 3269 promises in our agreement.

3270 ~~{For a public disposition:}~~

3271 Item 1. We will sell ... (describe collateral) ... at public
 3272 sale. A sale could include a lease or license. The sale will be
 3273 held as follows:

3274 Date:

3275 Time:

3276 Place:
 3277
 3278 You may attend the sale and bring bidders ~~if you want~~.
 3279 ~~{For a private disposition:}~~
 3280 Item 2. We will sell ...(describe collateral)... at private
 3281 sale sometime after ...(date).... A sale could include a lease
 3282 or license.
 3283 Item 3. The money that we get from the sale (after paying
 3284 our costs) will reduce the amount you owe. If we get less money
 3285 than you owe, you ...(will or will not, as applicable)... still
 3286 owe us the difference. If we get more money than you owe, you
 3287 will get the extra money, unless we must pay it to someone else.
 3288 Item 4. You can get the property back at any time before we
 3289 sell it by paying us the full amount you owe, ~~(not just the past~~
 3290 ~~due payments),~~ including our expenses. To learn the exact amount
 3291 you must pay, call us at ...(telephone number)....
 3292 Item 5. If you want us to explain to you ...(in writing or
 3293 in description of electronic record)... how we have figured the
 3294 amount that you owe us, Item 6. ~~you may~~ call us at ...(telephone
 3295 number)...., ~~or~~ write us at ...(secured party's address)...., or
 3296 contact us by ...(description of electronic communication
 3297 method)... Item 7. and request a written explanation, an
 3298 explanation in ...(description of electronic record)....
 3299 Item 8. We will charge you \$.... for the explanation if we
 3300 sent you another written explanation of the amount you owe us

3301 within the last 6 months.

3302 Item 9. If you need more information about the sale, call
3303 us at ...(telephone number)..., ~~or~~ write us at ...(secured
3304 party's address)..., or contact us by ...(description of
3305 electronic communication method)....

3306 Item 10. We are sending this notice to the following other
3307 people who have an interest in ...(describe collateral)... or
3308 who owe money under your agreement:

3309 ...(Names of all other debtors and obligors, if any)...

3310 (b) The following instructions apply to the form of
3311 notification in paragraph (a):

3312 1. The instructions in this paragraph refer to the numbers
3313 before items in the form of notification in paragraph (a). Do
3314 not include the numbers in the notification. The numbers are
3315 used only for the purpose of these instructions.

3316 2. Include and complete either Item 1, if the notification
3317 relates to a public disposition of the collateral, or Item 2, if
3318 the notification relates to a private disposition of the
3319 collateral.

3320 3. Include and complete Items 3, 4, 5, 6, and 7.

3321 4. In Item 5, include and complete any one of the three
3322 alternative methods for the explanation identified in paragraph
3323 (a).

3324 5. In Item 6, include the telephone number. In addition,
3325 the sender may include and complete either or both of the two

3326 additional alternative methods of communication identified in
3327 paragraph (a) for the recipient of the notification to
3328 communicate with the sender. Neither of the two additional
3329 methods of communication is required to be included.

3330 6. In Item 7, include and complete the method or methods
3331 for the explanation—writing, writing or electronic record, or
3332 electronic record—included in Item 5.

3333 7. Include and complete Item 8 only if a written
3334 explanation is included in Item 5 as a method for communicating
3335 the explanation and the sender will charge the recipient for
3336 another written explanation.

3337 8. In Item 9, include either the telephone number or the
3338 address, or both. In addition, the sender may include and
3339 complete the additional method of communication identified in
3340 paragraph (a) for the recipient of the notification to
3341 communicate with the sender. The additional method of electronic
3342 communication is not required to be included.

3343 9. If Item 10 does not apply, insert "None" after
3344 "agreement:."

3345 **Section 110. Subsection (1) of section 679.615, Florida**
3346 **Statutes, is amended to read:**

3347 679.615 Application of proceeds of disposition; liability
3348 for deficiency and right to surplus.—

3349 (1) A secured party shall apply or pay over for
3350 application the cash proceeds of disposition under s. 679.610 in

3351 the following order to:

3352 (a) The reasonable expenses of retaking, holding,
 3353 preparing for disposition, processing, and disposing, and, to
 3354 the extent provided for by agreement and not prohibited by law,
 3355 reasonable attorney's fees and legal expenses incurred by the
 3356 secured party;

3357 (b) The satisfaction of obligations secured by the
 3358 security interest or agricultural lien under which the
 3359 disposition is made;

3360 (c) The satisfaction of obligations secured by any
 3361 subordinate security interest in or other subordinate lien on
 3362 the collateral if:

3363 1. The secured party receives from the holder of the
 3364 subordinate security interest or other lien a signed ~~an~~
 3365 ~~authenticated~~ demand for proceeds before distribution of the
 3366 proceeds is completed; and

3367 2. In a case in which a consignor has an interest in the
 3368 collateral, the subordinate security interest or other lien is
 3369 senior to the interest of the consignor; and

3370 (d) A secured party that is a consignor of the collateral
 3371 if the secured party receives from the consignor a signed ~~an~~
 3372 ~~authenticated~~ demand for proceeds before distribution of the
 3373 proceeds is completed.

3374 **Section 111. Subsections (1), (2), and (3) of section**
 3375 **679.616, Florida Statutes, are amended to read:**

3376 679.616 Explanation of calculation of surplus or
 3377 deficiency.—
 3378 (1) In this section, the term:
 3379 (a) "Explanation" means a record ~~writing~~ that:
 3380 1. States the amount of the surplus or deficiency;
 3381 2. Provides an explanation in accordance with subsection
 3382 (3) of how the secured party calculated the surplus or
 3383 deficiency;
 3384 3. States, if applicable, that future debits, credits,
 3385 charges, including additional credit service charges or
 3386 interest, rebates, and expenses may affect the amount of the
 3387 surplus or deficiency; and
 3388 4. Provides a telephone number or mailing address from
 3389 which additional information concerning the transaction is
 3390 available.
 3391 (b) "Request" means a record:
 3392 1. Signed ~~Authenticated~~ by a debtor or consumer obligor;
 3393 2. Requesting that the recipient provide an explanation;
 3394 and
 3395 3. Sent after disposition of the collateral under s.
 3396 679.610.
 3397 (2) In a consumer-goods transaction in which the debtor is
 3398 entitled to a surplus or a consumer obligor is liable for a
 3399 deficiency under s. 679.615, the secured party shall:
 3400 (a) Send an explanation to the debtor or consumer obligor,

3401 as applicable, after the disposition and:

3402 1. Before or when the secured party accounts to the debtor

3403 and pays any surplus or first makes ~~written~~ demand in a record

3404 on the consumer obligor after the disposition for payment of the

3405 deficiency; and

3406 2. Within 14 days after receipt of a request; or

3407 (b) In the case of a consumer obligor who is liable for a

3408 deficiency, within 14 days after receipt of a request, send to

3409 the consumer obligor a record waiving the secured party's right

3410 to a deficiency.

3411 (3) To comply with subparagraph (1)(a)2., an explanation ~~a~~

3412 ~~writing~~ must provide the following information in the following

3413 order:

3414 (a) The aggregate amount of obligations secured by the

3415 security interest under which the disposition was made, and, if

3416 the amount reflects a rebate of unearned interest or credit

3417 service charge, an indication of that fact, calculated as of a

3418 specified date:

3419 1. If the secured party takes or receives possession of

3420 the collateral after default, not more than 35 days before the

3421 secured party takes or receives possession; or

3422 2. If the secured party takes or receives possession of

3423 the collateral before default or does not take possession of the

3424 collateral, not more than 35 days before the disposition;

3425 (b) The amount of proceeds of the disposition;

3426 (c) The aggregate amount of the obligations after
 3427 deducting the amount of proceeds;

3428 (d) The amount, in the aggregate or by type, and types of
 3429 expenses, including expenses of retaking, holding, preparing for
 3430 disposition, processing, and disposing of the collateral, and
 3431 attorney's fees secured by the collateral which are known to the
 3432 secured party and relate to the current disposition;

3433 (e) The amount, in the aggregate or by type, and types of
 3434 credits, including rebates of interest or credit service
 3435 charges, to which the obligor is known to be entitled and which
 3436 are not reflected in the amount in paragraph (a); and

3437 (f) The amount of the surplus or deficiency.

3438 **Section 112. Subsection (1) of section 679.619, Florida**
 3439 **Statutes, is amended to read:**

3440 679.619 Transfer of record or legal title.—

3441 (1) In this section, the term "transfer statement" means a
 3442 record signed ~~authenticated~~ by a secured party stating:

3443 (a) That the debtor has defaulted in connection with an
 3444 obligation secured by specified collateral;

3445 (b) That the secured party has exercised its post-default
 3446 remedies with respect to the collateral;

3447 (c) That, by reason of the exercise, a transferee has
 3448 acquired the rights of the debtor in the collateral; and

3449 (d) The name and mailing address of the secured party,
 3450 debtor, and transferee.

3451 **Section 113. Subsections (1), (2), (3), and (6) of section**
 3452 **679.620, Florida Statutes, are amended to read:**

3453 679.620 Acceptance of collateral in full or partial
 3454 satisfaction of obligation; compulsory disposition of
 3455 collateral.—

3456 (1) Except as otherwise provided in subsection (7), a
 3457 secured party may accept collateral in full or partial
 3458 satisfaction of the obligation it secures only if:

3459 (a) The debtor consents to the acceptance under subsection
 3460 (3);

3461 (b) The secured party does not receive, within the time
 3462 set forth in subsection (4), a notification of objection to the
 3463 proposal signed ~~authenticated~~ by:

3464 1. A person to whom the secured party was required to send
 3465 a proposal under s. 679.621; or

3466 2. Any other person, other than the debtor, holding an
 3467 interest in the collateral subordinate to the security interest
 3468 that is the subject of the proposal;

3469 (c) If the collateral is consumer goods, the collateral is
 3470 not in the possession of the debtor when the debtor consents to
 3471 the acceptance; and

3472 (d) Subsection (5) does not require the secured party to
 3473 dispose of the collateral or the debtor waives the requirement
 3474 pursuant to s. 679.624.

3475 (2) A purported or apparent acceptance of collateral under

3476 | this section is ineffective unless:

3477 | (a) The secured party consents to the acceptance in a
 3478 | signed ~~an authenticated~~ record or sends a proposal to the
 3479 | debtor; and

3480 | (b) The conditions of subsection (1) are met.

3481 | (3) For purposes of this section:

3482 | (a) A debtor consents to an acceptance of collateral in
 3483 | partial satisfaction of the obligation it secures only if the
 3484 | debtor agrees to the terms of the acceptance in a record signed
 3485 | ~~authenticated~~ after default; and

3486 | (b) A debtor consents to an acceptance of collateral in
 3487 | full satisfaction of the obligation it secures only if the
 3488 | debtor agrees to the terms of the acceptance in a record signed
 3489 | ~~authenticated~~ after default or the secured party:

3490 | 1. Sends to the debtor after default a proposal that is
 3491 | unconditional or subject only to a condition that collateral not
 3492 | in the possession of the secured party be preserved or
 3493 | maintained;

3494 | 2. In the proposal, proposes to accept collateral in full
 3495 | satisfaction of the obligation it secures, and, in a consumer
 3496 | transaction, provides notice that the proposal will be deemed
 3497 | accepted if it is not objected to by an authenticated notice
 3498 | within 30 days after the date the proposal is sent by the
 3499 | secured party; and

3500 | 3. Does not receive a notification of objection signed

3501 ~~authenticated~~ by the debtor within 30 days after the proposal is
 3502 sent.

3503 (6) To comply with subsection (5), the secured party shall
 3504 dispose of the collateral:

3505 (a) Within 90 days after taking possession; or

3506 (b) Within any longer period to which the debtor and all
 3507 secondary obligors have agreed in an agreement to that effect
 3508 entered into and signed ~~authenticated~~ after default.

3509 **Section 114. Subsection (1) of section 679.621, Florida**
 3510 **Statutes, is amended to read:**

3511 679.621 Notification of proposal to accept collateral.—

3512 (1) A secured party that desires to accept collateral in
 3513 full or partial satisfaction of the obligation it secures shall
 3514 send its proposal to:

3515 (a) Any person from whom the secured party has received,
 3516 before the debtor consented to the acceptance, a signed ~~an~~
 3517 ~~authenticated~~ notification of a claim of an interest in the
 3518 collateral;

3519 (b) Any other secured party or lienholder that, 10 days
 3520 before the debtor consented to the acceptance, held a security
 3521 interest in or other lien on the collateral perfected by the
 3522 filing of a financing statement that:

- 3523 1. Identified the collateral;
- 3524 2. Was indexed under the debtor's name as of that date;

3525 and

3526 3. Was filed in the office or offices in which to file a
 3527 financing statement against the debtor covering the collateral
 3528 as of that date; and

3529 (c) Any other secured party that, 10 days before the
 3530 debtor consented to the acceptance, held a security interest in
 3531 the collateral perfected by compliance with a statute,
 3532 regulation, or treaty described in s. 679.3111(1).

3533 **Section 115. Section 679.624, Florida Statutes, is amended**
 3534 **to read:**

3535 679.624 Waiver.—

3536 (1) A debtor or secondary obligor may waive the right to
 3537 notification of disposition of collateral under s. 679.611 only
 3538 by an agreement to that effect entered into and signed
 3539 ~~authenticated~~ after default.

3540 (2) A debtor may waive the right to require disposition of
 3541 collateral under s. 679.620(5) only by an agreement to that
 3542 effect entered into and signed ~~authenticated~~ after default.

3543 (3) Except in a consumer-goods transaction, a debtor or
 3544 secondary obligor may waive the right to redeem collateral under
 3545 s. 679.623 only by an agreement to that effect entered into and
 3546 signed ~~authenticated~~ after default.

3547 **Section 116. Subsections (1) and (5) of section 679.625,**
 3548 **Florida Statutes, are amended, and subsections (3), (6), and (7)**
 3549 **are republished, to read:**

3550 679.625 Remedies for failure to comply with article.—

3551 (1) If it is established that a secured party is not
 3552 proceeding in accordance with this chapter, a court may order or
 3553 restrain collection, enforcement, or disposition of collateral
 3554 on appropriate terms and conditions. This subsection does ~~shall~~
 3555 not preclude a debtor other than a consumer and a secured party,
 3556 or two or more secured parties in other than a consumer
 3557 transaction, from agreeing in a signed ~~an authenticated~~ record
 3558 that the debtor or secured party must first provide to the
 3559 alleged offending secured party notice of a violation of this
 3560 chapter and opportunity to cure before commencing any legal
 3561 proceeding under this section.

3562 (3) Except as otherwise provided in s. 679.628:

3563 (a) A person who, at the time of the failure, was a
 3564 debtor, was an obligor, or held a security interest in or other
 3565 lien on the collateral may recover damages under subsection (2)
 3566 for the person's loss; and

3567 (b) If the collateral is consumer goods, a person who was
 3568 a debtor or a secondary obligor at the time a secured party
 3569 failed to comply with this part may recover for that failure in
 3570 any event an amount not less than the credit service charge plus
 3571 10 percent of the principal amount of the obligation or the
 3572 time-price differential plus 10 percent of the cash price.

3573 (5) In lieu of damages recoverable under subsection (2),
 3574 the debtor, consumer obligor, or person named as a debtor in a
 3575 filed record, as applicable, may recover \$500 in each case from

3576 a person who:

3577 (a) Fails to comply with s. 679.2081;

3578 (b) Fails to comply with s. 679.209;

3579 (c) Files a record that the person is not entitled to file
3580 under s. 679.509(1);

3581 (d) Fails to cause the secured party of record to file or
3582 send a termination statement as required by s. 679.513(1) or (3)
3583 after receipt of a signed ~~an authenticated~~ record notifying the
3584 person of such noncompliance;

3585 (e) Fails to comply with s. 679.616(2) (a) and whose
3586 failure is part of a pattern, or consistent with a practice, of
3587 noncompliance; or

3588 (f) Fails to comply with s. 679.616(2) (b).

3589 (6) A debtor or consumer obligor may recover damages under
3590 subsection (2) and, in addition, \$500 in each case from a person
3591 who, without reasonable cause, fails to comply with a request
3592 under s. 679.210. A recipient of a request under s. 679.210
3593 which never claimed an interest in the collateral or obligations
3594 that are the subject of a request under that section has a
3595 reasonable excuse for failure to comply with the request within
3596 the meaning of this subsection.

3597 (7) If a secured party fails to comply with a request
3598 regarding a list of collateral or a statement of account under
3599 s. 679.210, the secured party may claim a security interest only
3600 as shown in the list or statement included in the request as

3601 against a person who is reasonably misled by the failure.

3602 **Section 117. Subsections (1) and (2) of section 679.628,**
 3603 **Florida Statutes, are amended, and subsection (6) is added to**
 3604 **that section, to read:**

3605 679.628 Nonliability and limitation on liability of
 3606 secured party; liability of secondary obligor.—

3607 (1) Subject to subsection (6), unless a secured party
 3608 knows that a person is a debtor or obligor, knows the identity
 3609 of the person, and knows how to communicate with the person:

3610 (a) The secured party is not liable to the person, or to a
 3611 secured party or lienholder that has filed a financing statement
 3612 against the person, for failure to comply with this chapter; and

3613 (b) The secured party's failure to comply with this
 3614 chapter does not affect the liability of the person for a
 3615 deficiency.

3616 (2) Subject to subsection (6), a secured party is not
 3617 liable because of its status as a secured party:

3618 (a) To a person who is a debtor or obligor, unless the
 3619 secured party knows:

- 3620 1. That the person is a debtor or obligor;
- 3621 2. The identity of the person; and
- 3622 3. How to communicate with the person; or

3623 (b) To a secured party or lienholder that has filed a
 3624 financing statement against a person, unless the secured party
 3625 knows:

- 3626 1. That the person is a debtor; and
 3627 2. The identity of the person.
 3628 (6) Subsections (1) and (2) do not apply to limit the
 3629 liability of a secured party to a person if, at the time the
 3630 secured party obtains control of collateral that is a
 3631 controllable account, controllable electronic record, or
 3632 controllable payment intangible or at the time the security
 3633 interest attaches to the collateral, whichever is later:

- 3634 (a) The person is a debtor or obligor; and
 3635 (b) The secured party knows that the information in
 3636 subparagraph (2) (a)1., subparagraph (2) (a)2., or subparagraph
 3637 (2) (a)3., relating to the person is not provided by the
 3638 collateral, a record attached to or logically associated with
 3639 the collateral, or the system in which the collateral is
 3640 recorded.

3641 **Section 118.** Part IX of chapter 679, Florida Statutes,
 3642 consisting of ss. 679.901 and 679.902, Florida Statutes, is
 3643 created and entitled "Transitional Provisions."

3644 **Section 119. Section 679.901, Florida Statutes, is created**
 3645 **to read:**

3646 679.901 Saving clause.—Except as otherwise provided in ss.
 3647 669.501-669.706, a transaction validly entered into before July
 3648 1, 2025, and the rights duties, and interests flowing from such
 3649 transaction remain valid thereafter and may be terminated,
 3650 completed, consummated, or enforced as required or permitted by

3651 law other than the Uniform Commercial Code or, if applicable, by
3652 the Uniform Commercial Code as though this act had not taken
3653 effect.

3654 **Section 120. Section 679.902, Florida Statutes, is created**
3655 **to read:**

3656 679.902 Transitional provisions.—Effective July 1, 2025,
3657 chapter 679 shall be amended by this act, including the
3658 transitional provisions for chapters 669 and 679, as amended by
3659 this act, as provided in part II of chapter 669.

3660 **Section 121. Section 680.1021, Florida Statutes, is**
3661 **amended to read:**

3662 680.1021 Scope.—

3663 (1) This chapter applies to any transaction, regardless of
3664 form, that creates a lease and, in the case of a hybrid lease,
3665 applies to the extent provided in subsection (2).

3666 (2) In a hybrid lease, both of the following apply:

3667 (a) If the lease-of-goods aspects do not predominate:

3668 1. Only the provisions of this chapter which relate
3669 primarily to the lease-of-goods aspects of the transaction
3670 apply, and the provisions that relate primarily to the
3671 transaction as a whole do not apply;

3672 2. Section 608.209 applies if the lease is a finance
3673 lease; and

3674 3. Section 608.407 applies to the promises of the lessee
3675 in a finance lease to the extent that the promises are

3676 consideration for the right to possession and use of the leased
 3677 goods.

3678 (b) If the lease-of-goods aspects predominate, this
 3679 chapter applies to the transaction, but does not preclude
 3680 application in appropriate circumstances of other law to aspects
 3681 of the lease which do not relate to the lease of goods.

3682 **Section 122. Present paragraphs (i) through (z) of**
 3683 **subsection (1) of section 680.1031, Florida Statutes, are**
 3684 **redesignated as paragraphs (j) through (aa), respectively, a new**
 3685 **paragraph (i) is added to that subsection, and paragraphs (a),**
 3686 **(d), (e), (f), (h), (j), (l), and (m) of subsection (3) of that**
 3687 **section are amended, to read:**

3688 680.1031 Definitions and index of definitions.—

3689 (1) In this chapter, unless the context otherwise
 3690 requires:

3691 (i) "Hybrid lease" means a single transaction involving a
 3692 lease of goods and:

- 3693 1. The provision of services;
- 3694 2. A sale of other goods; or
- 3695 3. A sale, lease, or license of property other than goods.

3696 (3) The following definitions in other chapters of this
 3697 code apply to this chapter:

- 3698 (a) "Account," s. 679.1021(1) ~~s. 679.1021(1)(b)~~.
- 3699 (d) "Chattel paper," s. 679.1021(1) ~~s. 679.1021(1)(k)~~.
- 3700 (e) "Consumer goods," s. 679.1021(1) ~~s. 679.1021(1)(w)~~.

3701 (f) "Document," s. 679.1021(1) ~~s. 679.1021(1)(dd)~~.

3702 (h) "General intangible," s. 679.1021(1) ~~s.~~

3703 ~~679.1021(1)(pp)~~.

3704 (j) "Instrument," s. 679.1021(1) ~~s. 679.1021(1)(uu)~~.

3705 (l) "Mortgage," s. 679.1021(1) ~~s. 679.1021(1)(ccc)~~.

3706 (m) "Pursuant to a commitment," s. 679.1021(1) ~~s.~~

3707 ~~679.1021(1)(ppp)~~.

3708 **Section 123. Section 680.1071, Florida Statutes, is**
 3709 **amended to read:**

3710 680.1071 Waiver or renunciation of claim or right after
 3711 default.—Any claim or right arising out of an alleged default or
 3712 breach of warranty may be discharged in whole or in part without
 3713 consideration by a ~~written~~ waiver or renunciation in a signed
 3714 record ~~and~~ delivered by the aggrieved party.

3715 **Section 124. Subsections (1), (3), and (5) of section**
 3716 **680.201, Florida Statutes, are amended to read:**

3717 680.201 Statute of frauds.—

3718 (1) A lease contract is not enforceable by way of action
 3719 or defense unless:

3720 (a) In a lease contract that is not a consumer lease, the
 3721 total payments to be made under the lease contract, excluding
 3722 payments for options to renew or buy, are less than \$1,000; or

3723 (b) There is a record writing, signed by the party against
 3724 whom enforcement is sought or by that party's authorized agent,
 3725 sufficient to indicate that a lease contract has been made

3726 between the parties and to describe the goods leased and the
3727 lease term.

3728 (3) A record ~~writing~~ is not insufficient because it omits
3729 or incorrectly states a term agreed upon, but the lease contract
3730 is not enforceable under paragraph (1)(b) beyond the lease term
3731 and the quantity of goods shown in the record ~~writing~~.

3732 (5) The lease term under a lease contract referred to in
3733 subsection (4) is:

3734 (a) If there is a record ~~writing~~ signed by the party
3735 against whom enforcement is sought or by that party's authorized
3736 agent specifying the lease term, the term so specified;

3737 (b) If the party against whom enforcement is sought admits
3738 in that party's pleading, testimony, or otherwise in court a
3739 lease term, the term so admitted; or

3740 (c) A reasonable lease term.

3741 **Section 125. Section 680.202, Florida Statutes, is amended**
3742 **to read:**

3743 680.202 Final ~~written~~ expression: parol or extrinsic
3744 evidence.—Terms with respect to which the confirmatory memoranda
3745 of the parties agree or which are otherwise set forth in a
3746 record ~~writing~~ intended by the parties as a final expression of
3747 their agreement with respect to such terms as are included
3748 therein may not be contradicted by evidence of any prior
3749 agreement or of a contemporaneous oral agreement but may be
3750 explained or supplemented:

3751 (1) By course of dealing or usage of trade or by course of
 3752 performance; and

3753 (2) By evidence of consistent additional terms unless the
 3754 court finds the record ~~writing~~ to have been intended also as a
 3755 complete and exclusive statement of the terms of the agreement.

3756 **Section 126. Section 680.203, Florida Statutes, is amended**
 3757 **to read:**

3758 680.203 Seals inoperative.—The affixing of a seal to a
 3759 record ~~writing~~ evidencing a lease contract or an offer to enter
 3760 into a lease contract does not render the record ~~writing~~ a
 3761 sealed instrument, and the law with respect to sealed
 3762 instruments does not apply to the lease contract or offer.

3763 **Section 127. Section 680.205, Florida Statutes, is amended**
 3764 **to read:**

3765 680.205 Firm offers.—An offer by a merchant to lease goods
 3766 to or from another person in a signed record ~~writing~~ that by its
 3767 terms gives assurance it will be held open is not revocable, for
 3768 lack of consideration, during the time stated or, if no time is
 3769 stated, for a reasonable time, but in no event may the period of
 3770 irrevocability exceed 3 months. Any such term of assurance on a
 3771 form supplied by the offeree must be separately signed by the
 3772 offeror.

3773 **Section 128. Subsection (2) of section 680.208, Florida**
 3774 **Statutes, is amended to read:**

3775 680.208 Modification, rescission, and waiver.—

3776 (2) A signed lease agreement that excludes modification or
 3777 rescission except by a signed record writing may not be
 3778 otherwise modified or rescinded, but, except as between
 3779 merchants, such a requirement on a form supplied by a merchant
 3780 must be separately signed by the other party.

3781 **Section 129.** Part VI of chapter 680, Florida Statutes,
 3782 consisting of s. 680.601, Florida Statutes, is created and
 3783 entitled "Transitional Provisions."

3784 **Section 130. Section 680.601, Florida Statutes, is created**
 3785 **to read:**

3786 680.601 Saving clause.—Except as provided in ss. 669.501–
 3787 669.706, a transaction validly entered into before July 1, 2025,
 3788 and the rights, duties, and interests flowing from such
 3789 transaction remain valid thereafter and may be terminated,
 3790 completed, consummated, or enforced as required or permitted by
 3791 law other than the Uniform Commercial Code or, if applicable, by
 3792 the Uniform Commercial Code as though this act had not taken
 3793 effect.

3794 **Section 131. Subsection (6) of section 55.205, Florida**
 3795 **Statutes, is amended to read:**

3796 55.205 Effect of judgment lien.—

3797 (6) A judgment lien acquired under s. 55.202 may be
 3798 enforced only through judicial process, including attachment
 3799 under chapter 76; execution under chapter 56; garnishment under
 3800 chapter 77; a charging order under s. 605.0503, s. 620.1703, or

3801 s. 620.8504; or proceedings supplementary to execution under s.
3802 56.29. A holder of a judgment lien acquired under s. 55.202, who
3803 is not enforcing separate lien rights in a judgment debtor's
3804 property, may not enforce his or her rights under this section
3805 through self-help repossession or replevin without a court order
3806 or without the express consent of the judgment debtor contained
3807 in a record authenticated in accordance with s. 668.50 or s.
3808 679.1021(1) ~~s. 679.1021(1)(g)~~ after the judgment lien attaches.

3809 **Section 132. Subsection (2) and paragraph (b) of**
3810 **subsection (3) of section 319.27, Florida Statutes, are amended**
3811 **to read:**

3812 319.27 Notice of lien on motor vehicles or mobile homes;
3813 notation on certificate; recording of lien.—

3814 (2) No lien for purchase money or as security for a debt
3815 in the form of a security agreement, retain title contract,
3816 conditional bill of sale, chattel mortgage, or other similar
3817 instrument or any other nonpossessory lien, including a lien for
3818 child support, upon a motor vehicle or mobile home upon which a
3819 Florida certificate of title has been issued shall be
3820 enforceable in any of the courts of this state against creditors
3821 or subsequent purchasers for a valuable consideration and
3822 without notice, unless a sworn notice of such lien has been
3823 filed in the department and such lien has been noted upon the
3824 certificate of title of the motor vehicle or mobile home. Such
3825 notice shall be effective as constructive notice when filed. The

3826 interest of a statutory nonpossessory lienor; the interest of a
 3827 nonpossessory execution, attachment, or equitable lienor; or the
 3828 interest of a lien creditor as defined in s. 679.1021(1) ~~s.~~
 3829 ~~679.1021(1)(zz)~~, if nonpossessory, is ~~shall~~ not be enforceable
 3830 against creditors or subsequent purchasers for a valuable
 3831 consideration unless such interest becomes a possessory lien or
 3832 is noted upon the certificate of title for the subject motor
 3833 vehicle or mobile home prior to the occurrence of the subsequent
 3834 transaction. Provided the provisions of this subsection relating
 3835 to a nonpossessory statutory lienor; a nonpossessory execution,
 3836 attachment, or equitable lienor; or the interest of a lien
 3837 creditor as defined in s. 679.1021(1) does ~~s. 679.1021(1)(zz)~~
 3838 ~~shall~~ not apply to liens validly perfected before ~~prior to~~
 3839 October 1, 1988. The notice of lien must ~~shall~~ provide the
 3840 following information:

- 3841 (a) The date of the lien if a security agreement, retain
- 3842 title contract, conditional bill of sale, chattel mortgage, or
- 3843 other similar instrument was executed prior to the filing of the
- 3844 notice of lien;
- 3845 (b) The name and address of the registered owner;
- 3846 (c) A description of the motor vehicle or mobile home,
- 3847 showing the make, type, and vehicle identification number; and
- 3848 (d) The name and address of the lienholder.
- 3849 (3)
- 3850 (b) As applied to a determination of the respective rights

3851 of a secured party under this chapter and a lien creditor as
 3852 defined by s. 679.1021(1) ~~s. 679.1021(1)(zz)~~, or a nonpossessory
 3853 statutory lienor, a security interest under this chapter shall
 3854 be perfected upon the filing of the notice of lien with the
 3855 department, the county tax collector, or their agents. Provided,
 3856 however, the date of perfection of a security interest of such
 3857 secured party shall be the same date as the execution of the
 3858 security agreement or other similar instrument if the notice of
 3859 lien is filed in accordance with this subsection within 15 days
 3860 after the debtor receives possession of the motor vehicle or
 3861 mobile home and executes such security agreement or other
 3862 similar instrument. The date of filing of the notice of lien
 3863 shall be the date of its receipt by the department central
 3864 office in Tallahassee, if first filed there, or otherwise by the
 3865 office of the county tax collector, or their agents.

3866 **Section 133. Subsection (2) of section 328.0015, Florida**
 3867 **Statutes, is amended to read:**

3868 328.0015 Definitions.—

3869 (2) The following definitions and terms also apply to this
 3870 part:

3871 (a) "Agreement" as defined in s. 671.201 ~~s. 671.201(3)~~.

3872 (b) "Buyer in ordinary course of business" as defined in
 3873 s. 671.201 ~~s. 671.201(9)~~.

3874 (c) "Conspicuous" as defined in s. 671.201 ~~s. 671.201(11)~~.

3875 (d) "Consumer goods" as defined in s. 679.1021(1) ~~s.~~

- 3876 ~~679.1021(1)(w).~~
- 3877 (e) "Debtor" as defined in s. 679.1021(1) ~~s.~~
- 3878 ~~679.1021(1)(bb).~~
- 3879 (f) "Knowledge" as defined in s. 671.209.
- 3880 (g) "Lease" as defined in s. 680.1031(1) ~~s.~~
- 3881 ~~680.1031(1)(j).~~
- 3882 (h) "Lessor" as defined in s. 6801031(1) ~~s.~~
- 3883 ~~680.1031(1)(p).~~
- 3884 (i) "Notice" as defined s. 671.209.
- 3885 (j) "Representative" as defined in s. 671.201 ~~s.~~
- 3886 ~~671.201(37).~~
- 3887 (k) "Sale" as defined in s. 672.106(1).
- 3888 (l) "Security agreement" as defined in s. 679.1021(1) ~~s.~~
- 3889 ~~679.1021(1)(uuu).~~
- 3890 (m) "Seller" as defined in s. 672.103(1) ~~s. 672.103(1)(d).~~
- 3891 (n) "Send" as defined in s. 671.201 ~~s. 671.201(40).~~
- 3892 (o) "Value" as defined in s. 671.211.

Section 134. Subsection (13) of section 517.061, Florida Statutes, is amended to read:

517.061 Exempt transactions.—Except as otherwise provided in subsection (11), the exemptions provided herein from the registration requirements of s. 517.07 are self-executing and do not require any filing with the office before being claimed. Any person who claims entitlement to an exemption under this section bears the burden of proving such entitlement in any proceeding

3901 brought under this chapter. The registration provisions of s.
 3902 517.07 do not apply to any of the following transactions;
 3903 however, such transactions are subject to s. 517.301:

3904 (13) By or for the account of a pledgeholder, a secured
 3905 party as defined in s. 679.1021(1) ~~s. 679.1021(1)(ttt)~~, or a
 3906 mortgagee selling or offering for sale or delivery in the
 3907 ordinary course of business and not for the purposes of avoiding
 3908 ~~the provisions of~~ this chapter, to liquidate a bona fide debt, a
 3909 security pledged in good faith as security for such debt.

3910 **Section 135. Subsection (2) of section 559.9232, Florida**
 3911 **Statutes, is amended to read:**

3912 559.9232 Definitions; exclusion of rental-purchase
 3913 agreements from certain regulations.—

3914 (2) A rental-purchase agreement that complies with this
 3915 act may ~~shall~~ not be construed to be, nor be governed by, any of
 3916 the following:

3917 (a) A lease or agreement that constitutes a credit sale as
 3918 defined in 12 C.F.R. s. 226.2(a)(16) and s. 1602(g) of the
 3919 federal Truth in Lending Act, 15 U.S.C. ss. 1601 et seq.;

3920 (b) A lease that constitutes a "consumer lease" as defined
 3921 in 12 C.F.R. s. 213.2(a)(6);

3922 (c) Any lease for agricultural, business, or commercial
 3923 purposes;

3924 (d) Any lease made to an organization;

3925 (e) A lease or agreement that constitutes a "retail

3926 installment contract" or "retail installment transaction" as
 3927 those terms are defined in s. 520.31; or

3928 (f) A security interest as defined in s. 671.201 ~~s.~~
 3929 ~~671.201(39)~~.

3930 **Section 136. Paragraph (g) of subsection (2) of section**
 3931 **563.022, Florida Statutes, is amended to read:**

3932 563.022 Relations between beer distributors and
 3933 manufacturers.—

3934 (2) DEFINITIONS.—In construing this section, unless the
 3935 context otherwise requires, the word, phrase, or term:

3936 (g) "Good faith" means honesty in fact in the conduct or
 3937 transaction concerned as defined and interpreted under s.
 3938 671.201 ~~s. 671.201(21)~~.

3939 **Section 137. Paragraph (d) of subsection (16) of section**
 3940 **668.50, Florida Statutes, is amended, and paragraph (b) of**
 3941 **subsection (3) of that section is republished, to read:**

3942 668.50 Uniform Electronic Transaction Act.—

3943 (3) SCOPE.—

3944 (b) This section does not apply to a transaction to the
 3945 extent the transaction is governed by:

3946 1. A provision of law governing the creation and execution
 3947 of wills, codicils, or testamentary trusts;

3948 2. The Uniform Commercial Code other than s. 671.107 and
 3949 chapters 672 and 680; or

3950 3. The Uniform Computer Information Transactions Act.

3951 (16) TRANSFERABLE RECORDS.—

3952 (d) Except as otherwise agreed, a person having control of
3953 a transferable record is the holder, as defined in s. 671.201 ~~s.~~
3954 ~~671.201(22)~~, of the transferable record and has the same rights
3955 and defenses as a holder of an equivalent record or writing
3956 under the Uniform Commercial Code, including, if the applicable
3957 statutory requirements under s. 673.3021, s. 677.501, or s.
3958 679.330 are satisfied, the rights and defenses of a holder in
3959 due course, a holder to which a negotiable document of title has
3960 been duly negotiated, or a purchaser, respectively. Delivery,
3961 possession, and indorsement are not required to obtain or
3962 exercise any of the rights under this paragraph.

3963 **Section 138. For the purpose of incorporating the**
3964 **amendment made by this act to section 671.105, Florida Statutes,**
3965 **in a reference thereto, subsections (1) and (2) of section**
3966 **655.55, Florida Statutes, are reenacted to read:**

3967 655.55 Law applicable to deposits in and contracts
3968 relating to extensions of credit by a deposit or lending
3969 institution located in this state.—

3970 (1) The law of this state, excluding its law regarding
3971 comity and conflict of laws, governs all aspects, including
3972 without limitation the validity and effect, of any deposit
3973 account in a branch or office in this state of a deposit or
3974 lending institution, including a deposit account otherwise
3975 covered by s. 671.105(1), regardless of the citizenship,

3976 residence, location, or domicile of any other party to the
 3977 contract or agreement governing such deposit account, and
 3978 regardless of any provision of any law of the jurisdiction of
 3979 the residence, location, or domicile of such other party,
 3980 whether or not such deposit account bears any other relation to
 3981 this state, except that this section does not apply to any such
 3982 deposit account:

3983 (a) To the extent provided to the contrary in s.
 3984 671.105(2); or

3985 (b) To the extent that all parties to the contract or
 3986 agreement governing such deposit account have agreed in writing
 3987 that the law of another jurisdiction will govern it.

3988 (2) The law of this state, excluding its law regarding
 3989 comity and conflict of laws, governs all aspects, including
 3990 without limitation the validity and effect, of any contract
 3991 relating to an extension of credit made by a branch or office in
 3992 this state of a deposit or lending institution, including a
 3993 contract otherwise covered by s. 671.105(1), if the contract
 3994 expressly provides that it will be governed by the law of this
 3995 state, regardless of the citizenship, residence, location, or
 3996 domicile of any other party to such contract and regardless of
 3997 any provision of any law of the jurisdiction of the residence,
 3998 location, or domicile of such other party, whether or not such
 3999 contract bears any other relation to this state, except that
 4000 this section does not apply to any such contract to the extent

4001 provided to the contrary in s. 671.105(2).

4002 **Section 139. For the purpose of incorporating the**
 4003 **amendment made by this act to section 671.105, Florida Statutes,**
 4004 **in a reference thereto, subsection (2) of section 685.101,**
 4005 **Florida Statutes, is reenacted to read:**

4006 685.101 Choice of law.—

4007 (2) This section does not apply to any contract,
 4008 agreement, or undertaking:

4009 (a) Regarding any transaction which does not bear a
 4010 substantial or reasonable relation to this state in which every
 4011 party is either or a combination of:

4012 1. A resident and citizen of the United States, but not of
 4013 this state; or

4014 2. Incorporated or organized under the laws of another
 4015 state and does not maintain a place of business in this state;

4016 (b) For labor or employment;

4017 (c) Relating to any transaction for personal, family, or
 4018 household purposes, unless such contract, agreement, or
 4019 undertaking concerns a trust at least one trustee of which
 4020 resides or transacts business as a trustee in this state, in
 4021 which case this section applies;

4022 (d) To the extent provided to the contrary in s.
 4023 671.105(2); or

4024 (e) To the extent such contract, agreement, or undertaking
 4025 is otherwise covered or affected by s. 655.55.

4026 **Section 140. For the purpose of incorporating the**
 4027 **amendment made by this act to section 673.1041, Florida**
 4028 **Statutes, in a reference thereto, subsection (1) of section**
 4029 **90.953, Florida Statutes, is reenacted to read:**

4030 90.953 Admissibility of duplicates.—A duplicate is
 4031 admissible to the same extent as an original, unless:

4032 (1) The document or writing is a negotiable instrument as
 4033 defined in s. 673.1041, a security as defined in s. 678.1021, or
 4034 any other writing that evidences a right to the payment of
 4035 money, is not itself a security agreement or lease, and is of a
 4036 type that is transferred by delivery in the ordinary course of
 4037 business with any necessary endorsement or assignment.

4038 **Section 141. For the purpose of incorporating the**
 4039 **amendment made by this act to section 673.1041, Florida**
 4040 **Statutes, in a reference thereto, subsections (1), (3), and (4)**
 4041 **of section 673.1061, Florida Statutes, are reenacted to read:**

4042 673.1061 Unconditional promise or order.—

4043 (1) Except as provided in this section, for the purposes
 4044 of s. 673.1041(1), a promise or order is unconditional unless it
 4045 states:

4046 (a) An express condition to payment;

4047 (b) That the promise or order is subject to or governed by
 4048 another writing; or

4049 (c) That rights or obligations with respect to the promise
 4050 or order are stated in another writing.

4051
4052 A reference to another writing does not of itself make the
4053 promise or order conditional.

4054 (3) If a promise or order requires, as a condition to
4055 payment, a countersignature by a person whose specimen signature
4056 appears on the promise or order, the condition does not make the
4057 promise or order conditional for the purposes of s. 673.1041(1).
4058 If the person whose specimen signature appears on an instrument
4059 fails to countersign the instrument, the failure to countersign
4060 is a defense to the obligation of the issuer, but the failure
4061 does not prevent a transferee of the instrument from becoming a
4062 holder of the instrument.

4063 (4) If a promise or order at the time it is issued or
4064 first comes into possession of a holder contains a statement,
4065 required by applicable statutory or administrative law, to the
4066 effect that the rights of a holder or transferee are subject to
4067 claims or defenses that the issuer could assert against the
4068 original payee, the promise or order is not thereby made
4069 conditional for the purposes of s. 673.1041(1); but if the
4070 promise or order is an instrument, there cannot be a holder in
4071 due course of the instrument.

4072 **Section 142. For the purpose of incorporating the**
4073 **amendment made by this act to section 673.1041, Florida**
4074 **Statutes, in a reference thereto, subsection (2) of section**
4075 **673.1151, Florida Statutes, is reenacted to read:**

4076 673.1151 Incomplete instrument.—

4077 (2) Subject to subsection (3), if an incomplete instrument
 4078 is an instrument under s. 673.1041, it may be enforced according
 4079 to its terms if it is not completed, or according to its terms
 4080 as augmented by completion. If an incomplete instrument is not
 4081 an instrument under s. 673.1041, but, after completion, the
 4082 requirements of s. 673.1041 are met, the instrument may be
 4083 enforced according to its terms as augmented by completion.

4084 **Section 143. For the purpose of incorporating the**
 4085 **amendment made by this act to sections 673.1041 and 673.1051,**
 4086 **Florida Statutes, in a reference thereto, subsection (2) of**
 4087 **section 673.1031, Florida Statutes, is reenacted to read:**

4088 673.1031 Definitions.—

4089 (2) Other definitions applying to this chapter and the
 4090 sections in which they appear are:

4091 "Acceptance," s. 673.4091.

4092 "Accommodated party," s. 673.4191.

4093 "Accommodation party," s. 673.4191.

4094 "Alteration," s. 673.4071.

4095 "Anomalous indorsement," s. 673.2051.

4096 "Blank indorsement," s. 673.2051.

4097 "Cashier's check," s. 673.1041.

4098 "Certificate of deposit," s. 673.1041.

4099 "Certified check," s. 673.4091.

4100 "Check," s. 673.1041.

4101 "Consideration," s. 673.3031.
 4102 "Draft," s. 673.1041.
 4103 "Holder in due course," s. 673.3021.
 4104 "Incomplete instrument," s. 673.1151.
 4105 "Indorsement," s. 673.2041.
 4106 "Indorser," s. 673.2041.
 4107 "Instrument," s. 673.1041.
 4108 "Issue," s. 673.1051.
 4109 "Issuer," s. 673.1051.
 4110 "Negotiable instrument," s. 673.1041.
 4111 "Negotiation," s. 673.2011.
 4112 "Note," s. 673.1041.
 4113 "Payable at a definite time," s. 673.1081.
 4114 "Payable on demand," s. 673.1081.
 4115 "Payable to bearer," s. 673.1091.
 4116 "Payable to order," s. 673.1091.
 4117 "Payment," s. 673.6021.
 4118 "Person entitled to enforce," s. 673.3011.
 4119 "Presentment," s. 673.5011.
 4120 "Reacquisition," s. 673.2071.
 4121 "Special indorsement," s. 673.2051.
 4122 "Teller's check," s. 673.1041.
 4123 "Transfer of instrument," s. 673.2031.
 4124 "Traveler's check," s. 673.1041.
 4125 "Value," s. 673.3031.

4126 **Section 144. For the purpose of incorporating the**
4127 **amendment made by this act to section 673.6041, Florida**
4128 **Statutes, in a reference thereto, subsection (2) of section**
4129 **673.6051, Florida Statutes, is reenacted to read:**

4130 673.6051 Discharge of indorsers and accommodation
4131 parties.—

4132 (2) Discharge, under s. 673.6041, of the obligation of a
4133 party to pay an instrument does not discharge the obligation of
4134 an indorser or accommodation party having a right of recourse
4135 against the discharged party.

4136 **Section 145. For the purpose of incorporating the**
4137 **amendment made by this act to section 675.116, Florida Statutes,**
4138 **in a reference thereto, subsection (2) of section 679.3061,**
4139 **Florida Statutes, is reenacted to read:**

4140 679.3061 Law governing perfection and priority of security
4141 interests in letter-of-credit rights.—

4142 (2) For purposes of this part, an issuer's jurisdiction or
4143 nominated person's jurisdiction is the jurisdiction whose law
4144 governs the liability of the issuer or nominated person with
4145 respect to the letter-of-credit right as provided in s. 675.116.

4146 **Section 146. For the purpose of incorporating the**
4147 **amendment made by this act to section 675.104, Florida Statutes,**
4148 **in a reference thereto, paragraph (j) of subsection (1) of**
4149 **section 675.103, Florida Statutes, is reenacted to read:**

4150 675.103 Definitions.—

4151 (1) For purposes of this chapter:

4152 (j) "Letter of credit" means a definite undertaking that
 4153 satisfies the requirements of s. 675.104 by an issuer to a
 4154 beneficiary at the request or for the account of an applicant
 4155 or, in the case of a financial institution, to itself or for its
 4156 own account, to honor a documentary presentation by payment or
 4157 delivery of an item of value.

4158 **Section 147. For the purpose of incorporating the**
 4159 **amendment made by this act to section 679.2031, Florida**
 4160 **Statutes, in a reference thereto, subsection (3) of section**
 4161 **674.2101, Florida Statutes, is reenacted to read:**

4162 674.2101 Security interest of collecting bank in items,
 4163 accompanying documents, and proceeds.—

4164 (3) Receipt by a collecting bank of a final settlement for
 4165 an item is a realization on its security interest in the item,
 4166 accompanying documents, and proceeds. So long as the bank does
 4167 not receive final settlement for the item or give up possession
 4168 of the item or possession or control of the accompanying or
 4169 associated documents for purposes other than collection, the
 4170 security interest continues to that extent and is subject to
 4171 chapter 679, but:

4172 (a) No security agreement is necessary to make the
 4173 security interest enforceable (s. 679.2031(2)(c)1.);

4174 (b) No filing is required to perfect the security
 4175 interest; and

4176 (c) The security interest has priority over conflicting
4177 perfected security interests in the item, accompanying
4178 documents, or proceeds.

4179 **Section 148. For the purpose of incorporating the**
4180 **amendment made by this act to section 679.2031, Florida**
4181 **Statutes, in a reference thereto, subsection (2) of section**
4182 **675.1181, Florida Statutes, is reenacted to read:**

4183 675.1181 Security interest of issuer or nominated person.—

4184 (2) As long as and to the extent that an issuer or
4185 nominated person has not been reimbursed or has not otherwise
4186 recovered the value given with respect to a security interest in
4187 a document under subsection (1), the security interest continues
4188 and is subject to chapter 679, but a security agreement is not
4189 necessary to make the security interest enforceable under s.
4190 679.2031(2)(c):

4191 (a) If the document is presented in a medium other than a
4192 written or other tangible medium, the security interest is
4193 perfected; and

4194 (b) If the document is presented in a written or other
4195 tangible medium and is not a certificated security, chattel
4196 paper, a document of title, an instrument, or a letter of
4197 credit, the security interest is perfected and has priority over
4198 a conflicting security interest in the document so long as the
4199 debtor does not have possession of the document.

4200 **Section 149. For the purpose of incorporating the**

4201 **amendment made by this act to section 679.2031, Florida**
 4202 **Statutes, in a reference thereto, section 679.1101, Florida**
 4203 **Statutes, is reenacted to read:**

4204 679.1101 Security interests arising under chapter 672 or
 4205 chapter 680.—A security interest arising under s. 672.401, s.
 4206 672.505, s. 672.711(3), or s. 680.508(5) is subject to this
 4207 chapter. However, until the debtor obtains possession of the
 4208 goods:

4209 (1) The security interest is enforceable, even if s.
 4210 679.2031(2)(c) has not been satisfied;

4211 (2) Filing is not required to perfect the security
 4212 interest;

4213 (3) The rights of the secured party after default by the
 4214 debtor are governed by chapter 672 or chapter 680; and

4215 (4) The security interest has priority over a conflicting
 4216 security interest created by the debtor.

4217 **Section 150. For the purpose of incorporating the**
 4218 **amendment made by this act to section 677.106, Florida Statutes,**
 4219 **in a reference thereto, subsection (3) of section 672.103,**
 4220 **Florida Statutes, is reenacted to read:**

4221 672.103 Definitions and index of definitions.—

4222 (3) The following definitions in other chapters apply to
 4223 this chapter:

4224 "Check," s. 673.1041.

4225 "Consignee," s. 677.102.

4226 "Consignor," s. 677.102.

4227 "Consumer goods," s. 679.1021.

4228 "Control," s. 677.106.

4229 "Dishonor," s. 673.5021.

4230 "Draft," s. 673.1041.

4231 **Section 151. For the purpose of incorporating the**
 4232 **amendment made by this act to section 677.106, Florida Statutes,**
 4233 **in a reference thereto, subsection (3) of section 674.104,**
 4234 **Florida Statutes, is reenacted to read:**

4235 674.104 Definitions and index of definitions.—

4236 (3) The following definitions in other chapters apply to
 4237 this chapter:

4238 "Acceptance," s. 673.4091.

4239 "Alteration," s. 673.4071.

4240 "Cashier's check," s. 673.1041.

4241 "Certificate of deposit," s. 673.1041.

4242 "Certified check," s. 673.4091.

4243 "Check," s. 673.1041.

4244 "Control," s. 677.106.

4245 "Good faith," s. 673.1031.

4246 "Holder in due course," s. 673.3021.

4247 "Instrument," s. 673.1041.

4248 "Notice of dishonor," s. 673.5031.

4249 "Order," s. 673.1031.

4250 "Ordinary care," s. 673.1031.

4251 "Person entitled to enforce," s. 673.3011.

4252 "Presentment," s. 673.5011.

4253 "Promise," s. 673.1031.

4254 "Prove," s. 673.1031.

4255 "Teller's check," s. 673.1041.

4256 "Unauthorized signature," s. 673.4031.

4257 **Section 152. For the purpose of incorporating the**
 4258 **amendment made by this act to section 678.1061, Florida**
 4259 **Statutes, in a reference thereto, subsection (3) of section**
 4260 **678.5101, Florida Statutes, is reenacted to read:**

4261 678.5101 Rights of purchaser of security entitlement from
 4262 entitlement holder.—

4263 (3) In a case not covered by the priority rules in chapter
 4264 679, a purchaser for value of a security entitlement, or an
 4265 interest therein, who obtains control has priority over a
 4266 purchaser of a security entitlement, or an interest therein, who
 4267 does not obtain control. Except as otherwise provided in
 4268 subsection (4), purchasers who have control rank according to
 4269 priority in time of:

4270 (a) The purchaser's becoming the person for whom the
 4271 securities account, in which the security entitlement is
 4272 carried, is maintained, if the purchaser obtained control under
 4273 s. 678.1061(4) (a);

4274 (b) The securities intermediary's agreement to comply with
 4275 the purchaser's entitlement orders with respect to security

4276 entitlements carried or to be carried in the securities account
 4277 in which the security entitlement is carried, if the purchaser
 4278 obtained control under s. 678.1061(4) (b); or

4279 (c) If the purchaser obtained control through another
 4280 person under s. 678.1061(4) (c), the time on which priority would
 4281 be based under this subsection if the other person were the
 4282 secured party.

4283 **Section 153. For the purpose of incorporating the**
 4284 **amendment made by this act to section 678.1061, Florida**
 4285 **Statutes, in a reference thereto, subsection (1) of section**
 4286 **679.1061, Florida Statutes, is reenacted to read:**

4287 679.1061 Control of investment property.—

4288 (1) A person has control of a certificated security,
 4289 uncertificated security, or security entitlement as provided in
 4290 s. 678.1061.

4291 **Section 154. For the purpose of incorporating the**
 4292 **amendment made by this act to sections 678.1061, 679.3131,**
 4293 **679.3141, and 679.323, Florida Statutes, in references thereto,**
 4294 **subsections (2), (5), and (7) of section 679.328, Florida**
 4295 **Statutes, are reenacted to read:**

4296 679.328 Priority of security interests in investment
 4297 property.—The following rules govern priority among conflicting
 4298 security interests in the same investment property:

4299 (2) Except as otherwise provided in subsections (3) and
 4300 (4), conflicting security interests held by secured parties each

4301 of which has control under s. 679.1061 rank according to
 4302 priority in time of:

4303 (a) If the collateral is a security, obtaining control;
 4304 (b) If the collateral is a security entitlement carried in
 4305 a securities account and:

4306 1. If the secured party obtained control under s.
 4307 678.1061(4) (a), the secured party's becoming the person for
 4308 which the securities account is maintained;

4309 2. If the secured party obtained control under s.
 4310 678.1061(4) (b), the securities intermediary's agreement to
 4311 comply with the secured party's entitlement orders with respect
 4312 to security entitlements carried or to be carried in the
 4313 securities account; or

4314 3. If the secured party obtained control through another
 4315 person under s. 678.1061(4) (c), the time on which priority would
 4316 be based under this paragraph if the other person were the
 4317 secured party; or

4318 (c) If the collateral is a commodity contract carried with
 4319 a commodity intermediary, the satisfaction of the requirement
 4320 for control specified in s. 679.1061(2) (b) with respect to
 4321 commodity contracts carried or to be carried with the commodity
 4322 intermediary.

4323 (5) A security interest in a certificated security in
 4324 registered form which is perfected by taking delivery under s.
 4325 679.3131(1) and not by control under s. 679.3141 has priority

4326 over a conflicting security interest perfected by a method other
 4327 than control.

4328 (7) In all other cases, priority among conflicting
 4329 security interests in investment property is governed by ss.
 4330 679.322 and 679.323.

4331 **Section 155. For the purpose of incorporating the**
 4332 **amendment made by this act to sections 679.1041 and 679.3141,**
 4333 **Florida Statutes, in references thereto, subsections (1) and (2)**
 4334 **of section 679.327, Florida Statutes, are reenacted to read:**

4335 679.327 Priority of security interests in deposit
 4336 account.—The following rules govern priority among conflicting
 4337 security interests in the same deposit account:

4338 (1) A security interest held by a secured party having
 4339 control of the deposit account under s. 679.1041 has priority
 4340 over a conflicting security interest held by a secured party
 4341 that does not have control.

4342 (2) Except as otherwise provided in subsections (3) and
 4343 (4), security interests perfected by control under s. 679.3141
 4344 rank according to priority in time of obtaining control.

4345 **Section 156. For the purpose of incorporating the**
 4346 **amendment made by this act to sections 679.2031 and 679.4041,**
 4347 **Florida Statutes, in a reference thereto, subsection (4) of**
 4348 **section 679.1091, Florida Statutes, is reenacted to read:**

4349 679.1091 Scope.—

4350 (4) This chapter does not apply to:

- 4351 (a) A landlord's lien, other than an agricultural lien;
- 4352 (b) A lien, other than an agricultural lien, given by
- 4353 statute or other rule of law for services or materials, but s.
- 4354 679.333 applies with respect to priority of the lien;
- 4355 (c) An assignment of a claim for wages, salary, or other
- 4356 compensation of an employee;
- 4357 (d) A sale of accounts, chattel paper, payment
- 4358 intangibles, or promissory notes as part of a sale of the
- 4359 business out of which they arose;
- 4360 (e) An assignment of accounts, chattel paper, payment
- 4361 intangibles, or promissory notes which is for the purpose of
- 4362 collection only;
- 4363 (f) An assignment of a right to payment under a contract
- 4364 to an assignee that is also obligated to perform under the
- 4365 contract;
- 4366 (g) An assignment of a single account, payment intangible,
- 4367 or promissory note to an assignee in full or partial
- 4368 satisfaction of a preexisting indebtedness;
- 4369 (h) A transfer of an interest in or an assignment of a
- 4370 claim under a policy of insurance, other than an assignment by
- 4371 or to a health-care provider of a health-care-insurance
- 4372 receivable and any subsequent assignment of the right to
- 4373 payment, but ss. 679.3151 and 679.322 apply with respect to
- 4374 proceeds and priorities in proceeds;
- 4375 (i) An assignment of a right represented by a judgment,

4376 | other than a judgment taken on a right to payment that was
 4377 | collateral;
 4378 | (j) A right of recoupment or set-off, but:
 4379 | 1. Section 679.340 applies with respect to the
 4380 | effectiveness of rights of recoupment or set-off against deposit
 4381 | accounts; and
 4382 | 2. Section 679.4041 applies with respect to defenses or
 4383 | claims of an account debtor;
 4384 | (k) The creation or transfer of an interest in or lien on
 4385 | real property, including a lease or rents thereunder, except to
 4386 | the extent that provision is made for:
 4387 | 1. Liens on real property in ss. 679.2031 and 679.3081;
 4388 | 2. Fixtures in s. 679.334;
 4389 | 3. Fixture filings in ss. 679.5011, 679.5021, 679.512,
 4390 | 679.516, and 679.519; and
 4391 | 4. Security agreements covering personal and real property
 4392 | in s. 679.604;
 4393 | (l) An assignment of a claim arising in tort, other than a
 4394 | commercial tort claim, but ss. 679.3151 and 679.322 apply with
 4395 | respect to proceeds and priorities in proceeds;
 4396 | (m) An assignment of a deposit account, other than a
 4397 | nonnegotiable certificate of deposit, in a consumer transaction,
 4398 | but ss. 679.3151 and 679.322 apply with respect to proceeds and
 4399 | priorities in proceeds;
 4400 | (n) Any transfer by a government or governmental unit; or

4401 (o) A transfer or pledge of, or creation of a security
 4402 interest in, any interest or right or portion of any interest or
 4403 right in any storm-recovery property as defined in s. 366.8260.

4404 **Section 157. For the purpose of incorporating the**
 4405 **amendment made by this act to section 679.2031, Florida**
 4406 **Statutes, in a reference thereto, subsection (2) of section**
 4407 **679.709, Florida Statutes, is reenacted to read:**

4408 679.709 Priority.—

4409 (2) For purposes of s. 679.322(1), the priority of a
 4410 security interest that becomes enforceable under s. 679.2031 of
 4411 this act dates from the time this act takes effect if the
 4412 security interest is perfected under this act by the filing of a
 4413 financing statement before this act takes effect which would not
 4414 have been effective to perfect the security interest under
 4415 chapter 679, Florida Statutes 2000. This subsection does not
 4416 apply to conflicting security interests each of which is
 4417 perfected by the filing of such a financing statement.

4418 **Section 158. For the purpose of incorporating the**
 4419 **amendment made by this act to section 679.210, Florida Statutes,**
 4420 **in a reference thereto, subsection (2) of section 679.602,**
 4421 **Florida Statutes, is reenacted to read:**

4422 679.602 Waiver and variance of rights and duties.—Except
 4423 as otherwise provided in s. 679.624, to the extent that they
 4424 give rights to a debtor or obligor and impose duties on a
 4425 secured party, the debtor or obligor may not waive or vary the

4426 rules stated in the following listed sections:

4427 (2) Section 679.210, which deals with requests for an
4428 accounting and requests concerning a list of collateral and
4429 statement of account;

4430 **Section 159. For the purpose of incorporating the**
4431 **amendment made by this act to section 679.3141, Florida**
4432 **Statutes, in a reference thereto, section 679.329, Florida**
4433 **Statutes, is reenacted to read:**

4434 679.329 Priority of security interests in letter-of-credit
4435 right.—The following rules govern priority among conflicting
4436 security interests in the same letter-of-credit right:

4437 (1) A security interest held by a secured party having
4438 control of the letter-of-credit right under s. 679.1071 has
4439 priority to the extent of its control over a conflicting
4440 security interest held by a secured party that does not have
4441 control.

4442 (2) Security interests perfected by control under s.
4443 679.3141 rank according to priority in time of obtaining
4444 control.

4445 **Section 160. For the purpose of incorporating the**
4446 **amendment made by this act to section 679.3161, Florida**
4447 **Statutes, in a reference thereto, subsection (3) of section**
4448 **679.320, Florida Statutes, is reenacted to read:**

4449 679.320 Buyer of goods.—

4450 (3) To the extent that it affects the priority of a

4451 security interest over a buyer of goods under subsection (2),
 4452 the period of effectiveness of a filing made in the jurisdiction
 4453 in which the seller is located is governed by s. 679.3161(1) and
 4454 (2).

4455 **Section 161. For the purpose of incorporating the**
 4456 **amendment made by this act to section 679.3171, Florida**
 4457 **Statutes, in a reference thereto, paragraph (b) of subsection**
 4458 **(8) of section 727.109, Florida Statutes, is reenacted to read:**

4459 727.109 Power of the court.—The court shall have power to:

4460 (8) Hear and determine any of the following actions
 4461 brought by the assignee, which she or he is empowered to
 4462 maintain:

4463 (b) Determine the validity, priority, and extent of a lien
 4464 or other interests in assets of the estate, or to subordinate or
 4465 avoid an unperfected security interest pursuant to the
 4466 assignee's rights as a lien creditor under s. 679.3171.

4467 **Section 162. For the purpose of incorporating the**
 4468 **amendment made by this act to sections 679.3171 and 679.323,**
 4469 **Florida Statutes, in references thereto, subsection (3) of**
 4470 **section 680.307, Florida Statutes, is reenacted to read:**

4471 680.307 Priority of liens arising by attachment or levy
 4472 on, security interests in, and other claims to goods.—

4473 (3) Except as otherwise provided in ss. 679.3171, 679.321,
 4474 and 679.323, a lessee takes a leasehold interest subject to a
 4475 security interest held by a creditor or lessor.

4476 **Section 163. For the purpose of incorporating the**
 4477 **amendment made by this act to section 679.628, Florida Statutes,**
 4478 **in a reference thereto, subsection (3) of section 679.626,**
 4479 **Florida Statutes, is reenacted to read:**

4480 679.626 Action in which deficiency or surplus is in
 4481 issue.—In an action arising from a transaction in which the
 4482 amount of a deficiency or surplus is in issue, the following
 4483 rules apply:

4484 (3) Except as otherwise provided in s. 679.628, if a
 4485 secured party fails to prove that the collection, enforcement,
 4486 disposition, or acceptance was conducted in accordance with the
 4487 provisions of this part relating to collection, enforcement,
 4488 disposition, or acceptance, the liability of a debtor or a
 4489 secondary obligor for a deficiency is limited to an amount by
 4490 which the sum of the secured obligation, reasonable expenses,
 4491 and, to the extent provided for by agreement and not prohibited
 4492 by law, attorney's fees exceeds the greater of:

4493 (a) The proceeds of the collection, enforcement,
 4494 disposition, or acceptance; or

4495 (b) The amount of proceeds that would have been realized
 4496 had the noncomplying secured party proceeded in accordance with
 4497 the provisions of this part relating to collection, enforcement,
 4498 disposition, or acceptance.

4499 **Section 164.** This act shall take effect July 1, 2025.