

By the Committee on Banking and Insurance; and Senators Smith and Richter

597-02020-16

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A bill to be entitled

An act relating to financial transactions; amending s. 670.108, F.S.; revising applicability; providing that ch. 670, F.S., governs certain funds transfers that are remittance transfers; providing that the federal Electronic Fund Transfer Act governs any inconsistency between a funds transfer made under the federal act and a funds transfer made under ch. 670, F.S.; amending s. 701.03, F.S.; providing that a requirement that certain mortgages be cancelled within a specified timeframe of satisfaction does not apply to existing or future open-ended mortgages unless the requirement is specified in the loan agreement; requiring that an open-ended mortgage be cancelled within a specified timeframe if the borrower provides written notice of his or her intent to close the open-ended mortgage; amending s. 516.07, F.S.; revising the grounds for denial of an application for a license to make consumer finance loans; providing applicability; providing an effective date.

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

Section 1. Section 670.108, Florida Statutes, is amended to read:

670.108 Relationship to Electronic Fund Transfer Act
~~Exclusion of consumer transactions governed by federal law.-~~

(1) Except as provided in subsection (2), this chapter does not apply to a funds transfer any part of which is governed by the Electronic Fund Transfer Act of 1978 (Title XX, Pub. L. No. 95-630, 92 Stat. 3728, 15 U.S.C. ss. 1693 et seq.), as amended

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32 from time to time.

33 (2) This chapter applies to a funds transfer that is a
34 remittance transfer as defined in the Electronic Fund Transfer
35 Act, 15 U.S.C. s. 1693o-1, as amended from time to time, unless
36 the remittance transfer is an electronic funds transfer as
37 defined in the Electronic Fund Transfer Act, 15 U.S.C s. 1693a,
38 as amended from time to time.

39 (3) If there is an inconsistency between a funds transfer
40 under this chapter and the Electronic Fund Transfer Act, the
41 Electronic Fund Transfer Act governs the inconsistency.

42 Section 2. Section 701.03, Florida Statutes, is amended to
43 read:

44 701.03 Cancellation.—~~When Whenever~~ the amount ~~of money~~ due
45 under a promissory note secured by ~~on~~ any mortgage ~~is shall be~~
46 fully paid, the mortgagee or assignee shall, within ~~45 60~~ days
47 after satisfaction of the mortgage, ~~thereafter~~ cancel the
48 mortgage ~~same~~ in the manner provided by law. This section does
49 not apply to any existing or future open-ended mortgage unless
50 otherwise stated in the loan agreement. If, after fully
51 satisfying the mortgage, the borrower provides written notice of
52 his or her intent to close the open-ended mortgage, the
53 mortgagee or assignee shall cancel the open-ended mortgage
54 within 45 days after receiving the notice.

55 Section 3. Paragraph (k) of subsection (1) of section
56 516.07, Florida Statutes, is amended to read:

57 516.07 Grounds for denial of license or for disciplinary
58 action.—

59 (1) The following acts are violations of this chapter and
60 constitute grounds for denial of an application for a license to

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61 make consumer finance loans and grounds for any of the
62 disciplinary actions specified in subsection (2):

63 (k) Paying money or anything else of value, directly or
64 indirectly, to any person as compensation, inducement, or reward
65 for referring loan applicants to a licensee, if such amount is
66 charged directly or indirectly to the borrower.

67 Section 4. This act applies to remittance transfers
68 initiated on or after July 1, 2016.

69 Section 5. This act shall take effect July 1, 2016.