A bill to be entitled
An act relating to consumer finance loans; creating s. 516.40, F.S.; establishing the Access to Responsible Credit Pilot Program; providing legislative findings and intent; creating s. 516.41, F.S.; providing definitions; creating s. 516.42, F.S.; prohibiting a person from certain activities without prior approval from the Office of Financial Regulation; specifying requirements for participating in the program to make certain consumer finance loans; specifying requirements for an application and a fee; providing applicability of laws and regulations to a program licensee; requiring an approved program licensee to pay a specified renewal fee; providing that only one pilot program license is required for a person to make program loans; requiring each branch office of a program licensee to be licensed; requiring the office to issue a program branch office license after making certain determinations; specifying requirements for a program branch office license application; providing requirements for renewal of a program branch office license; creating s. 516.43, F.S.; providing general requirements for a program loan; requiring a program licensee to provide specified written disclosures to a borrower; specifying requirements for origination
fees; specifying requirements for insufficient funds fees and delinquency charges; specifying requirements for a program licensee relating to credit education for a borrower; specifying requirements for reporting borrower payment performance to credit reporting agencies; prohibiting the office from approving a licensee for the program before it has been accepted as a data furnisher; requiring a program licensee to provide a borrower with certain information relating its credit reporting; specifying requirements for a program licensee to underwrite program loans; prohibiting a program licensee from requiring certain waivers from a borrower; specifying requirements for permissible waivers; prohibiting certain actions by a program licensee; providing applicability; creating s. 516.44, F.S.; requiring a program licensee and a referral partner to enter into a written referral partner agreement; specifying permitted services by a referral partner; specifying procedures for receipt or disbursement by a referral partner of program loan payments made by a borrower; providing that a borrower who submits a loan payment to a referral partner is not liable under certain circumstances; requiring a referral partner to maintain certain records; prohibiting certain activities by a referral partner;
specifying disclosure notice requirements; specifying requirements, prohibitions, and limitations for compensation from a program licensee to a referral partner; requiring a program licensee to provide the office with a specified notice after contracting with a referral partner; requiring a referral partner to provide the program licensee with a certain written notice within a specified time; specifying the program licensee's responsibility for acts of its referral partner; requiring a program licensee to pay a specified fee to the office to file a referral partner notice; creating s. 516.45, F.S.; requiring the office to examine program licensees at specified intervals beginning on a specified date; providing an exception; requiring program licensees to pay the cost of examinations; authorizing the office to maintain an action of recovery of the cost; authorizing a manner to determine the cost of examinations; providing limitations of an investigation; providing that a program licensee is subject to certain disciplinary action for certain violations; authorizing the office to take certain disciplinary actions; creating s. 516.46, F.S.; requiring a program licensee to file a certain report with the office at certain intervals beginning on a certain date; requiring the office to
post a report to its website summarizing the use of
the program by a certain date; specifying information
to be contained in the office's report; providing for
conditional future repeal of the program; providing an
effective date.

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

Section 1. Section 516.40, Florida Statutes, is created to
read:

516.40  Access to Responsible Credit Pilot Program.—
(1) There is created within the Office of Financial
Regulation the Access to Responsible Credit Pilot Program.
(2) The Legislature finds that demand for responsible
consumer finance loans in principal amounts of at least $300 and
no more than $3,000 exceeds the supply of these loans. As a
first step toward addressing this gap, the Access to Responsible
Credit Pilot Program would allow more Floridians to obtain
responsible consumer finance loans of at least $300 and no more
than $3,000. The pilot program is also intended to assist
consumers in building their credit and has additional consumer
protections for these loans which exceed current protections
under general law.

Section 2. Section 516.41, Florida Statutes, is created to
read:
516.41 Definitions.— As used in ss. 516.40-516.46, the term:
(1) "Consumer reporting agency" has the same meaning as in s. 603(p) of the Fair Credit Reporting Act, 15 U.S.C. s. 1681a(p).
(2) "Credit score" has the same meaning as in s. 609(f)(2)(A) of the Fair Credit Reporting Act, 15 U.S.C. s. 1681g(f)(2)(A).
(3) "Data furnisher" has the same meaning as the term "furnisher" in 12 C.F.R. s. 1022.41(c).
(4) "Pilot program" or "program" means the Access to Responsible Credit Pilot Program.
(5) "Pilot program license" means a permit issued under ss. 516.40-516.46 authorizing a program licensee to make and collect pilot program loans.
(6) "Program branch office license" means a location, other than a program licensee's or referral partner's principal place of business:
   (a) The address of which appears on business cards, stationery, or advertising used by the program licensee in connection with business conducted under this chapter;
   (b) At which the program licensee's name, advertising or promotional materials, or signage suggests that program loans are originated, negotiated, funded, or serviced; or
   (c) At which program loans are originated, negotiated,
funded, or serviced by a program licensee.

(7) "Program licensee" means a person who is licensed to make and collect program loans under this chapter and who is approved by the office to participate in the program.

(8) "Program loan" means a consumer finance loan with a principal amount of at least $300 and no more than $3,000.

(9) "Referral partner" means an entity that, at the referral partner's physical location for business, performs one or more of the permitted services in s. 516.44(2) on behalf of a program licensee. A referral partner is not a credit service organization as defined in s. 817.7001 or a loan broker as defined in s. 687.14.

(10) "Refinance program loan" means a program loan that extends additional principal to a borrower and replaces and revises an existing program loan contract with the borrower. A refinance program loan does not include an extension, a deferral, or a rewrite of the program loan.

Section 3. Section 516.42, Florida Statutes, is created to read:

516.42 Approval required; program application requirements; fees.—

(1) A program licensee may not offer or make a program loan, or impose any charges or fees pursuant to s. 516.43, without prior approval from the office to participate in the program.
(2)(a) In order to participate in the program, a person must:

1. Be licensed to make consumer finance loans under s. 516.05.
2. Not be the subject of any insolvency proceedings.
3. Not be subject to the issuance of a cease and desist order; the issuance of a removal order; the denial, suspension, or revocation of a license; or any other action within the authority of the office or any financial regulatory agency in this state; or must not have a deficiency at the time of the person's application.
4. Pay a nonrefundable application fee of $1,000 to the office at the time of making the application pursuant to rule of the commission.

(b) The applicant must file with the office a digital application in a form and manner prescribed by rule of the commission which contains all of the following information with respect to the program applicant:

1. The legal business name and any other name the applicant operates under other than the legal business name.
2. The applicant's main address.
3. The telephone number and e-mail address.
4. The address of each program branch office.
5. The contact person's name, title, address, telephone number, and e-mail address.
6. The license number, if licensed under this chapter.

7. A statement as to whether the applicant intends to use the services of one or more referral partners under s. 516.44.

8. A statement that the applicant has been accepted as a data furnisher by a consumer reporting agency and will report to a consumer reporting agency the payment performance of each borrower on all loans made under this program.

9. The signature and certification of an authorized person of the applicant.

(3) A program licensee who desires to participate in the program but who is not licensed to make consumer finance loans pursuant to s. 516.05 must submit concurrently the following two digital applications to the office, in a form and manner specified in this chapter:

(a) An application and a fee pursuant to s. 516.03 for licensure to make consumer finance loans; and

(b) An application and a fee for admission to the program in accordance with subsection (2).

(4) Except as otherwise provided in ss. 516.40-516.46, a program licensee is subject to all the laws and rules governing consumer finance loans under this chapter.

(5) All program licensees shall be assessed a nonrefundable biennial renewal fee of $1,000 pursuant to rule of the commission.

(6) Notwithstanding s. 516.05(3), only one pilot program
license is required for a person to make program loans under ss. 201 516.40-516.46, regardless of whether the program licensee offers 202 program loans to prospective borrowers at its own physical 203 business locations, through referral partners, or via an 204 electronic access point through which a prospective borrower may 205 directly access the website of the program licensee.

(7) Each branch office of a program licensee must be 207 licensed under this section.

(8) The office shall issue a program branch office license 209 to a program licensee after the office determines that the 210 program licensee has submitted a completed electronic 211 application for a program branch office license in a form 212 prescribed by rule of the commission and payment of an initial 213 nonrefundable program branch office license fee of $30 per 214 branch office as prescribed by rule of the commission. 215 Application fees may not be prorated for partial years of 216 licensure. The program branch office license shall be issued in 217 the name of the program licensee that maintains the branch 218 office. An application is considered received for purposes of s. 219 120.60 upon receipt of a completed application form and the 220 required fees. The application for a program branch office 221 license must contain the following information:

(a) The legal business name and any other name the 224 applicant operates under other than the legal business name.

(b) The applicant's main address.
(c) The telephone number and e-mail address.
(d) The address of each program branch office.
(e) The contact person's name, title, address, telephone number, and e-mail address.
(f) The license number, if licensed under this chapter.
(g) The signature and certification of an authorized person of the applicant.

(9) A program branch office license must be renewed biennially at the time of renewing the program license under subsection (5). A nonrefundable branch renewal fee of $30 per program branch office, by rule of the commission, must be submitted at the time of renewal.

Section 4. Section 516.43, Florida Statutes, is created to read:

516.43 Requirements for program loans.—
(1) GENERAL REQUIREMENTS.—A program licensee must comply with each of the following requirements in making program loans:

(a) A program loan must be unsecured.
(b) A program loan must have a minimum term of 120 days, except it may not have a prepayment penalty.
(c) A program loan must be repayable by the borrower in substantially equal weekly, biweekly, semimonthly, or monthly installments.
(d) A program loan must include a borrower's right to rescind the program loan by notifying the program licensee of
the borrower's intent to rescind the program loan and return the
principal advanced by the end of the business day after the day
the program loan is consummated.

(e) Notwithstanding s. 516.031, the interest rate charged
on a program loan to the borrower may not exceed 34 percent. The
interest rate must be fixed for the life of the program loan and
must accrue on a simple-interest basis through the application
of a daily periodic rate to the actual unpaid principal balance
each day.

(f) The program licensee shall reduce the rate on each
subsequent program loan to the same borrower by a minimum of
one-twelfth of 1 percent per month, if all of the following
conditions are met:

1. The subsequent program loan is originated no more than
180 days after the prior program loan is fully repaid.
2. The borrower was never more than 15 days delinquent on
the prior program loan.
3. The prior program loan was outstanding for at least
one-half of its original term prior to its repayment.

(g) A program licensee may not refinance a program loan
unless all of the following conditions are met at the time the
borrower submits an application to refinance:

1. The principal amount payable may not include more than
60 days' unpaid interest accrued on the previous program loan in
accordance with s. 516.031(5);
2. The borrower has repaid at least 60 percent of the outstanding principal remaining on his or her existing program loan;

3. The borrower is current on his or her outstanding program loan;

4. The program licensee must underwrite the new program loan in accordance with subsection (7); and

5. The borrower has not previously refinanced the outstanding program loan.

(h) In lieu of the provisions of s. 687.08, a program licensee or its approved referral partner, if applicable, must make available to the borrower by electronic or physical means, at the time that a payment is made by the borrower, a plain and complete receipt of payment. For audit purposes, a program licensee must maintain an electronic record for each receipt made available to a borrower, which must include a copy of the receipt and the date and time that the receipt was generated. Each receipt of payment must show all of the following:

1. The name of the borrower.

2. The name of the referral partner, if applicable.

3. The total payment amount received.

4. The date of payment.

5. The program loan balance before and after application of the payment.

6. The amount of the payment that was applied to the

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principal, interest, and fees.

7. The type of payment made by the borrower.

8. The following statement, prominently displayed in a type size equal to or greater than the type size used to display the other items on the receipt: "If you have any questions about your loan now or in the future, you should direct those questions to ...(name of program licensee)... by ...(at least two different ways in which a borrower may contact the program licensee)...."

(2) WRITTEN DISCLOSURES.—

(a) Notwithstanding s. 516.15(1), the loan contract and all written disclosures and statements may be provided in English or another language in which the loan is negotiated.

(b) A program licensee must provide those disclosures required by all licensees in s. 516.15.

(3) ORIGINATION FEES.—

(a) Notwithstanding s. 516.031, a program licensee may contract for and receive a nonrefundable origination fee from a borrower on a program loan. The program licensee may either deduct the origination fee from the principal amount of the loan disbursed to the borrower or capitalize the origination fee into the principal balance of the loan. The origination fee is fully earned immediately and nonrefundable upon making the program loan in an amount not to exceed 6 percent of the principal amount exclusive of the origination fee or $75, whichever is
less, on a program loan made to that borrower.

(b) A program licensee may not charge the same borrower an origination fee more than twice in any 12-month period.

(4) INSUFFICIENT FUNDS FEES AND DELINQUENCY CHARGES.—

Notwithstanding s. 516.031, a program licensee approved by the office to participate in the program may:

(a) Require payment from a borrower of no more than $25 for fees incurred by the program licensee from a dishonored payment due to insufficient funds of the borrower.

(b) Notwithstanding s. 516.031(3)(a)9., contract for and receive a delinquency charge of no more than $14 for each payment in default for at least 7 days if the charge is agreed upon in writing between the parties before imposing the charge. A delinquency fee imposed by a program licensee is subject to all of the following:

1. No more than one delinquency fee may be imposed per delinquent payment.

2. No more than two delinquency fees may be imposed during a period of 30 consecutive days.

3. The program licensee or any wholly owned subsidiary of the program licensee may not sell or assign an unpaid debt to an independent third party for collection purposes unless the debt has been delinquent for at least 30 days.

(5) CREDIT EDUCATION.—Before disbursement of program loan proceeds to the borrower, the program licensee must:
(a) Direct the borrower to the consumer credit counseling services offered by an independent third party; or
(b) Provide a credit education program or seminar to the borrower. The borrower may not be required to participate in any of these education programs or seminars. A credit education program or seminar offered pursuant to this subsection must be provided at no cost to the borrower.

(6) CREDIT REPORTING.—
(a) The program licensee must report each borrower's payment performance to at least one consumer reporting agency that compiles and maintains files on consumers on a nationwide basis. As used in this section, the term "consumer reporting agency that compiles and maintains files on consumers on a nationwide basis" has the same meaning as in s. 603(p) of the Fair Credit Reporting Act, 15 U.S.C. s. 1681a(p).
(b) The office may not approve a licensee for the program before the licensee has been accepted as a data furnisher by a consumer reporting agency.
(c) The program licensee must provide each borrower with the name or names of the consumer reporting agency or agencies to which it will report the borrower's payment history.

(7) PROGRAM LOAN UNDERWRITING.—
(a) The program licensee shall underwrite each program loan to determine a borrower's ability and willingness to repay the program loan pursuant to the program loan terms. The program
licensee may not make a program loan if it determines that the borrower's total monthly debt service payments at the time of origination, including the program loan for which the borrower is being considered and all outstanding forms of credit that can be independently verified by the program licensee, exceed 50 percent of the borrower's gross monthly income.

(b)1. The program licensee shall seek information and documentation pertaining to all of a borrower's outstanding debt obligations during the loan application and underwriting process, including loans that are self-reported by the borrower but not available through independent verification. The program licensee shall verify that information using a credit report from at least one consumer reporting agency that compiles and maintains files on consumers on a nationwide basis or through other available electronic debt verification services that provide reliable evidence of a borrower's outstanding debt obligations.

2. The program licensee is not required to consider a borrower's loans from friends or family for purposes of determining the borrower's debt-to-income ratio.

(c) The program licensee shall also verify the borrower's income to determine the debt-to-income ratio using information from:

1. Electronic means or services that provide reliable evidence of the borrower's actual income; or
2. Internal Revenue Service Form W-2, tax returns, payroll receipts, bank statements, or other third-party documents that provide reasonably reliable evidence of the borrower’s actual income.

(8) PROVISIONS ON WAIVERS.—

(a) A program licensee may not require, as a condition of providing the program loan, that the borrower:

1. Waive any right, penalty, remedy, forum, or procedure provided for in any law applicable to the program loan, including the right to file and pursue a civil action or file a complaint with or otherwise communicate with the office, a court, or other governmental entity.

2. Agree to the application of laws other than those of this state.

3. Agree to resolve disputes in a jurisdiction outside of this state.

(b) A waiver by a borrower, other than one prohibited under paragraph (a), must be knowing, voluntary, in writing, and not expressly made a condition of doing business with the program licensee. A waiver that is required as a condition of doing business with the program licensee is presumed involuntary, unconscionable, against public policy, and unenforceable. The program licensee has the burden of proving that a waiver of any rights, penalties, forums, or procedures was knowing, voluntary, and not expressly made a condition of
the contract with the borrower.

(c) A program licensee may not refuse to do business with or discriminate against a borrower or an applicant on the basis that the borrower or applicant refuses to waive any right, penalty, remedy, forum, or procedure, including the right to file and pursue a civil action or complaint with, or otherwise notify, the office, a court, or any other governmental entity. The exercise of a person's right to refuse to waive any right, penalty, remedy, forum, or procedure, including a rejection of a contract requiring a waiver, does not affect any otherwise legal terms of a contract or an agreement.

(d) This subsection does not apply to any agreement to waive any right, penalty, remedy, forum, or procedure, including any agreement to arbitrate a claim or dispute after a claim or dispute has arisen. This subsection does not affect the enforceability or validity of any other provision of the contract.

Section 5. Section 516.44, Florida Statutes, is created to read:

516.44 Referral partners.—

(1) REFERRAL PARTNER AGREEMENT.—All arrangements between a program licensee and a referral partner must be specified in a written referral partner agreement between the parties. The agreement must contain a provision that the referral partner agrees to comply with this section and all rules adopted under
this section regarding the activities of referral partners, and
that the office has access to the referral partner's books and
records pertaining to the referral partner's operations under
the agreement with the program licensee in accordance with s.
516.45(4).

(2) PERMITTED SERVICES.—A program licensee may use the
services of one or more referral partners as provided in this
section. A referral partner may perform one or more of the
following services for a program licensee at the referral
partner's physical business location:

(a) Distributing, circulating, using, or publishing
printed brochures, flyers, fact sheets, or other written
materials relating to program loans that the program licensee
may make or negotiate. The written materials must be reviewed
and approved in writing by the program licensee before being
distributed, circulated, used, or published.

(b) Providing written factual information about program
loan terms, conditions, or qualification requirements to a
prospective borrower which have either been prepared by the
program licensee or reviewed and approved in writing by the
program licensee. A referral partner may discuss the information
with a prospective borrower in general terms.

(c) Notifying a prospective borrower of the information
needed in order to complete a program loan application.

(d) Entering information provided by the prospective
borrower on a preprinted or an electronic application form or in a preformatted computer database.

(e) Assembling credit applications and other materials obtained in the course of a credit application transaction for submission to the program licensee.

(f) Contacting the program licensee to determine the status of a program loan application.

(g) Communicating a response that is returned by the program licensee's automated underwriting system to a borrower or a prospective borrower.

(h) Obtaining a borrower's signature on documents prepared by the program licensee and delivering final copies of the documents to the borrower.

(i) Disbursing program loan proceeds to a borrower if this method of disbursement is acceptable to the borrower, subject to the requirements of subsection (3). A loan disbursement made by a referral partner under this paragraph is deemed to be made by the program licensee on the date that the funds are disbursed or otherwise made available by the referral partner to the borrower.

(j) Receiving a program loan payment from the borrower if this method of payment is acceptable to the borrower, subject to the requirements of subsection (3).

(k) Operating an electronic access point through which a prospective borrower may directly access the website of the

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program licensee to apply for a program loan.

(3) RECEIPT OR DISBURSEMENT OF PROGRAM LOAN PAYMENTS.—

(a) A loan payment made by a borrower to a referral partner under paragraph (2)(j) must be applied to the borrower's program loan and deemed received by the program licensee as of the date the payment is received by the referral partner.

(b) A referral partner that receives loan payments must deliver or cause to be delivered to the borrower, at the time that the payment is made by the borrower, a plain and complete receipt showing all of the information specified in s. 516.43(1)(g).

(c) A borrower who submits a loan payment to a referral partner under this subsection is not liable for a failure or delay by the referral partner in transmitting the payment to the program licensee.

(d) A referral partner that disburse or receives loan payments pursuant to paragraph (2)(i) or paragraph (2)(j) must maintain records of all disbursements made and loan payments received for a period of at least 2 years.

(4) PROHIBITED ACTIVITIES.—A referral partner may not engage in any of the following activities:

(a) Providing counseling or advice to a borrower or prospective borrower with respect to any loan term.

(b) Providing loan-related marketing material that has not previously been approved by the program licensee to a borrower.
or a prospective borrower.

(c) Negotiating a loan term between a program licensee and a prospective borrower.

d) Offering information pertaining to a single prospective borrower to more than one program licensee, except if a program licensee has declined to offer a program loan to a prospective borrower and has so notified that prospective borrower in writing, the referral partner may then offer information pertaining to a single prospective borrower to another program licensee with whom it has a referral partner agreement.

e) Requiring a borrower to pay any fees or charges to the referral partner or to any other person in connection with a program loan other than those permitted under ss. 516.40-516.46.

(5) DISCLOSURE NOTICE AND COMMUNICATION.—

(a) At the time the referral partner receives or processes an application for a program loan, the referral partner shall provide the following statement to the applicant on behalf of the program licensee, in no smaller than 10-point type, and must request that the applicant acknowledge receipt of the statement in writing:

Your loan application has been referred to us by ...(name of referral partner).... We may pay a fee to ...(name of referral partner).... for the successful
referral of your loan application. If you are approved for the loan, ...(name of program licensee)... will become your lender. If you have any questions about your loan, now or in the future, you should direct those questions to ...(name of program licensee)... by ...(insert at least two different ways in which a borrower may contact the program licensee).... If you wish to report a complaint about ...(name of referral partner)... or ...(name of program licensee)... regarding this loan transaction, you may contact the Division of Consumer Finance of the Office of Financial Regulation at 850-487-9687 or http://www.flofr.com.

(b) If the loan applicant has questions about the program loan which the referral partner is not permitted to answer, the referral partner shall make a good faith effort to assist the applicant in making direct contact with the program licensee before the program loan is consummated.

(c) If the program loan is consummated, the program licensee must provide to the borrower a written copy of the disclosure notice within 2 weeks after the date of the program loan consummation. A program licensee may include the disclosure in its loan contract or as a separate document to the borrower via any means acceptable to the borrower.
(6) COMPENSATION.—

(a) The program licensee may compensate a referral partner in accordance with a written agreement and a compensation schedule that is mutually agreed to by the program licensee and the referral partner, subject to the requirements in paragraph (b).

(b) The compensation of a referral partner by a program licensee is subject to all of the following requirements:

1. Compensation may not be paid to a referral partner in connection with a loan application unless that program loan is consummated.

2. Compensation may not be paid to a referral partner based upon the principal amount of the program loan.

3. Compensation may not be directly or indirectly passed on to a borrower through a fee or other compensation, or a portion of a fee or other compensation charged to a borrower.

4. Subject to the limitations specified in subparagraphs 1., 2., and 3., the total compensation paid by a program licensee to a referral partner for the services specified in subsection (2) may not exceed the sum of:

   a. Sixty dollars per program loan, on average, assessed annually whether paid at the time of consummation, through installments, or in a manner otherwise agreed upon by the program licensee and the referral partner; and

   b. Two dollars per payment received by the referral
partner on behalf of the program licensee for the duration of
the program loan, if the referral partner receives borrower loan
payments on the program licensee's behalf in accordance with
subsection (3).

5. The referral partner's location for services and other
information required by subsection (7) must be reported to the
office.

(c) Neither the program licensee nor any referral partner
may pass on to a borrower, whether directly or indirectly, any
additional cost or other charge for compensation paid to a
referral partner under this program.

(7) NOTICE TO OFFICE.—A program licensee that uses the
service of a referral partner must notify the office, in a form
and manner prescribed by the commission, within 15 days after
entering into a contract with a referral partner regarding all
of the following:

(a) The name, business address, and licensing details of
the referral partner and all locations at which the referral
partner will perform services under this section.

(b) The name and contact information for an employee of
the referral partner who is knowledgeable about, and has the
authority to execute, the referral partner agreement.

(c) The name and contact information of one or more
employees of the referral partner who are responsible for that
referral partner's referring activities on behalf of the program
(d) A statement by the program licensee that it has conducted due diligence with respect to the referral partner and has confirmed that none of the following applies:

1. The filing of a petition under the United States Bankruptcy Code for bankruptcy or reorganization by the referral partner.

2. The commencement of an administrative or a judicial license suspension or revocation proceeding, or the denial of a license request or renewal, by any state, the District of Columbia, any United States territory, or any foreign country in which the referral partner operates, plans to operate, or is licensed to operate.

3. A felony indictment involving the referral partner or an affiliated party. As used in this subparagraph, the term "affiliated party" means a director, an officer, a responsible person, an employee, or a foreign affiliate of a referral partner; or a person who has a controlling interest in a referral partner.

4. The felony conviction, guilty plea, or plea of nolo contendere, regardless of adjudication, of the referral partner or an affiliated party.

5. Any suspected criminal act perpetrated in this state relating to activities regulated under this chapter by a referral partner.
6. Notification by a law enforcement or prosecutorial agency that the referral partner is under criminal investigation, including, but not limited to, subpoenas to produce records or testimony and warrants issued by a court of competent jurisdiction which authorize the search and seizure of any records relating to a business activity regulated under this chapter.

(e) Any other information requested by the office, subject to the limitations specified in s. 516.45(4).

(8) NOTICE OF CHANGES.—A referral partner must provide the program licensee with a written notice sent by registered mail within 30 days of any changes to the information specified in paragraphs (7)(a)-(7)(c) or the occurrence or knowledge of, whichever time period is greater, any of the events specified in paragraph (7)(d).

(9) RESPONSIBILITY FOR ACTS OF A REFERRAL PARTNER.—A program licensee is responsible for any act of its referral partner if the program licensee should have known of the act or had actual knowledge that such act is a violation of this chapter, and the program licensee allowed the act to continue. Such responsibility is limited to conduct engaged in by the referral partner pursuant to the authority granted to it by the program licensee under the contract between the referral partner and the program licensee.

(10) REFERRAL PARTNER FEE.—The program licensee shall pay
to the office, at the time it files a referral partner notice

with the office, a one-time nonrefundable fee of $30 for each

referral partner as prescribed by rule of the commission.

Section 6. Section 516.45, Florida Statutes, is created to

read:

516.45 Examinations and grounds for disciplinary action.—

(1) Notwithstanding any other law, commencing on January

1, 2018, the office must examine each program licensee that is

accepted into the program in accordance with this chapter;

provided that such examination occurs at least once every 24

months.

(2) Notwithstanding subsection (1), the office may waive

one or more branch office examinations if the office deems that

such examinations are not necessary for the protection of the

public due to the centralized operations of the program licensee

or other factors acceptable to the office.

(3) The examined program licensee must pay for the cost of

an examination to the office, pursuant to rule of the

commission, and the office may maintain an action for the

recovery of the cost in any court of competent jurisdiction. In

determining the cost of the examination, the office may use the

estimated average hourly cost for all persons performing

examinations of program licensees or other persons subject to

ss. 516.40-516.46 for the fiscal year.

(4) The scope of any investigation or examination of a
program licensee or referral partner shall be limited to those books, accounts, records, documents, materials, and matters reasonably necessary to determine compliance with this chapter.

(5) A program licensee who violates any applicable provision of this chapter is subject to disciplinary action pursuant to s. 516.07(2). Any such disciplinary action shall be subject to the provisions in s. 120.60. A program licensee is also subject to disciplinary action for a violation of s. 516.44 committed by any of its referral partners.

(6) The office may take any of the following actions against a referral partner who violates the provisions of s. 516.44:

(a) Disqualify the referral partner from performing services under this chapter;

(b) Bar the referral partner from performing services at one or more specific locations of that referral partner;

(c) Terminate a written agreement between a referral partner and a program licensee;

(d) Impose an administrative fine not to exceed $1,000 for each act of the referral partner; and

(e) If the office deems that action in the public interest, prohibit the use of that referral partner by all program licensees accepted to participate in the program.

Section 7. Section 516.46, Florida Statutes, is created to read:
516.46 Report by the office.—

(1) On or before March 15 of each year, commencing in 2019, a program licensee shall file a report with the office containing aggregated or anonymized data, without reference to any borrower’s nonpublic personal information or any proprietary or trade secret information of the program licensee, on each of the items specified in subsection (4).

(2) On or before January 1, 2020, the office must post a report on its website summarizing the use of the program based upon the information contained in the report filed by each program licensee under subsection (1).

(3) The report must state the information in aggregate so as not to identify data by specific program licensee.

(4) The office’s report must specify the period to which the report corresponds and must include, but not be limited to, the following for that period:

(a) The number of entities that applied to participate in the program.

(b) The number of entities accepted to participate in the program.

(c) The reasons for rejecting applications for participation, if applicable. This information must be provided in a manner that does not identify the entity or entities rejected.

(d) The number of program loan applications received by
program licensees participating in the program, the number of
program loans made pursuant to the program, the total amount
loaned, the distribution of loan lengths upon origination, and
the distribution of interest rates and principal amounts upon
origination among those program loans.

(e) The number of borrowers who obtained more than one
program loan and the distribution of the number of program loans
per borrower.

(f) Of the borrowers who obtained more than one program
loan, the percentage of those borrowers whose credit scores
increased between successive loans, based on information from at
least one major credit bureau, and the average size of the
increase.

(g) The income distribution of borrowers upon program loan
origination, including the number of borrowers who obtained at
least one program loan and who resided in a low-income or
moderate-income census tract at the time of their loan
applications.

(h) The number of borrowers who obtained program loans for
the following purposes, based on borrower responses at the time
of their loan applications indicating the primary purpose for
which the program loan was obtained:

1. Pay medical expenses.

2. Pay for vehicle repair or a vehicle purchase.

3. Pay bills.
4. Consolidate debt.

5. Build or repair credit history.

6. Pay other expenses.

(i) The number of borrowers who self-report that they had a bank account at the time of their loan application and the number of borrowers who self-report that they did not have a bank account at the time of their loan application.

(j) With respect to refinance program loans, the report must specifically include the following information:

1. The number and percentage of borrowers who applied for a refinance program loan.

2. Of those borrowers who applied for a refinance program loan, the number and percentage of borrowers who obtained a refinance program loan.

(k) The number and type of referral partners used by program licensees.

(l) The number and percentage of borrowers who obtained one or more program loans on which delinquency charges were assessed, the total amount of delinquency charges assessed, and the average delinquency charge assessed by dollar amount and as a percentage of the principal amount loaned.

(m) The performance of program loans under the program as reflected by all of the following:

1. The number and percentage of borrowers who experienced at least one delinquency lasting between 7 and 29 days and the
2. The number and percentage of borrowers who experienced at least one delinquency lasting between 30 and 59 days and the distribution of principal loan amounts corresponding to those delinquencies.

3. The number and percentage of borrowers who experienced at least one delinquency lasting 60 days or more and the distribution of principal loan amounts corresponding to those delinquencies.

(n) The number and types of violations of ss. 516.40-516.46 by referral partners which were documented by the office.

(o) The number of times that the office disqualified a referral partner from performing services, barred a referral partner from performing services at one or more specific locations of the referral partner, terminated a written agreement between a referral partner and a program licensee, or imposed an administrative penalty.

(p) The number of complaints received by the office about a program licensee or a referral partner and the nature of those complaints.

Section 8. Sections 516.40-516.46, Florida Statutes, are repealed on December 31, 2022, unless reenacted or superseded by another law enacted by the Legislature before that date.

Section 9. This act shall take effect October 1, 2017.