

Committee on Banking and Insurance

CS/CS/HB 145 — Financial Transactions

by Regulatory Affairs Committee; Insurance and Banking Subcommittee; and Rep. McGhee and others (CS/CS/CS/CS/SB 260 by Banking and Insurance Committee; Rules Committee; Judiciary Committee; Banking and Insurance Committee; and Senators Smith and Richter)

Remittance Transfers

The bill (Chapter 2016-53, L.O.F.) clarifies that ch. 670, F.S., applies to funds transfers that are remittance transfers under the federal Electronic Funds Transfer Act (EFTA), unless the remittance transfer is also an electronic funds transfer under the EFTA. The bill also provides that the federal EFTA will preempt ch. 670, F.S., in the event any inconsistency exists between ch. 670, F.S., and the EFTA regarding a funds transfer.

Cancellation of Mortgages

This bill reduces the period for cancellation of a mortgage from 60 days to 45 days after full payment of the amount due under a promissory note secured by a mortgage. The bill provides an additional requirement for cancelling open-end mortgages, requiring written notice from the borrower that he or she intends to close the mortgage. The provisions on mortgage cancellation do not apply to an open-end mortgage existing before July 1, 2016, if the loan agreement included procedures for cancelling the mortgage.

Consumer Finance Loans

Under current law, the Florida Consumer Finance Act, administered by the Office of Financial Regulation, prohibits and imposes disciplinary action on any person who compensates another person for referring a loan applicant to a licensed consumer finance lender. This bill provides an exception to the prohibition, in instances in which an amount is not charged directly or indirectly to the borrower.

Convenience Fees on Credit Cards

Current law authorizes certain private colleges to impose a convenience fee on credit card payments made to the school for tuition, fees, and other student expenses. This bill extends the authority to charge a convenience fee to private schools offering K-12 education.

These provisions were approved by the Governor and take effect July 1, 2016.

Vote: Senate 37-0; House 119-0