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LEGISLATIVE ACTION

Senate

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House

The Committee on Governmental Oversight and Accountability
(Dean) recommended the following:

Senate Amendment (with title amendment)

Delete lines 28 - 31

and insert:

(1) Payment instrument transaction information held by the office pursuant to s. 560.311 which identifies a licensee, payor, payee, or conductor is confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

Delete lines 50 - 71

and insert:

Section 2. The Legislature finds that it is a public necessity that payment instrument transaction information held



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13 by the Office of Financial Regulation pursuant to s. 560.311,
14 Florida Statutes, which identifies a licensee, payor, payee, or
15 conductor be made confidential and exempt from s. 119.07(1),
16 Florida Statutes, and s. 24(a), Article I of the State
17 Constitution.

18 (1) Pursuant to s. 560.311, Florida Statutes, money
19 services businesses that cash a payment instrument exceeding
20 \$1,000 must submit information about the transaction to the
21 Office of Financial Regulation in order to deter money
22 laundering through these entities and in response to the
23 findings of the Money Service Business Facilitated Workers'
24 Compensation Fraud Work Group that these entities are being used
25 to facilitate financial crimes, including fraud relating to
26 workers' compensation. The report issued by the group found that
27 this type of workers' compensation fraud could be costing the
28 state upwards of \$1 billion dollars annually in unreported
29 payroll taxes, unreported premium taxes, and higher costs to
30 insurance carriers who must process workers' compensation claims
31 from uninsured workers. This type of fraud places tremendous
32 pressure on law-abiding businesses to absorb these costs.

33 (a) Submission of this information to the office is
34 intended to assist the office, the Department of Financial
35 Services, law enforcement agencies, and other governmental
36 agencies in detecting and deterring these financial crimes and
37 related fraudulent activities.

38 (b) The availability of this information to these agencies
39 will help to increase premium collection, lower costs to
40 insurance carriers, and alleviate premium avoidance, as well as
41 reduce the cost of administering these public programs.



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42 (2) However, the public availability of payment instrument
43 transaction information would reveal sensitive, personal
44 financial information about payees and conductors who use check-
45 cashing programs, including paycheck amounts, salaries, and
46 business activities, as well as information regarding the
47 financial stability of these persons. Such information is
48 traditionally private and sensitive. Protecting the
49 confidentiality of information that would identify these payees
50 and conductors would provide adequate protection for these
51 persons while still providing public oversight of the program.

52 (3) The public release of payment instrument transaction
53 information would also identify licensees or payors and reveal
54 private business transaction information that is traditionally
55 private and could be used by competitors to harm licensees or
56 payors in the marketplace. If such information were publicly
57 available, competitors could determine the amount of business
58 conducted by other licensees and payors.

59 (4) Therefore, the Legislature finds that information that
60 would identify the licensee, payor, payee, or conductor in
61 payment instrument transaction information be made confidential
62 and exempt from public records requirements.

63
64 ===== T I T L E A M E N D M E N T =====

65 And the title is amended as follows:

66 Delete lines 4 - 8

67 and insert:

68 records requirements for payment instrument
69 transaction information held by the Office of
70 Financial Regulation; providing