



26 Statutes, is amended to read:

27 516.03 Application for license; fees; etc.—

28 (1) APPLICATION.—Application for a license to make loans  
29 under this chapter shall be in the form prescribed by rule of  
30 the commission. The commission may require each applicant to  
31 provide any information reasonably necessary to determine the  
32 applicant's eligibility for licensure. The applicant shall also  
33 provide information that the office requires concerning any  
34 officer, director, control person, member, partner, or joint  
35 venturer of the applicant or any person having the same or  
36 substantially similar status or performing substantially similar  
37 functions or concerning any individual who is the ultimate  
38 equitable owner of a 10-percent or greater interest in the  
39 applicant. The office may require information concerning any  
40 such applicant or person, including, but not limited to, his or  
41 her full name and any other names by which he or she may have  
42 been known, age, social security number, residential history,  
43 qualifications, educational and business history, and  
44 disciplinary and criminal history. The applicant must provide  
45 evidence of liquid assets of at least \$25,000 or documents  
46 satisfying the requirements in s. 516.05(10). At the time of  
47 making such application the applicant shall pay to the office a  
48 nonrefundable biennial license fee of \$625. Applications, except  
49 for applications to renew or reactivate a license, must also be  
50 accompanied by a nonrefundable investigation fee of \$200. An

51 application is considered received for purposes of s. 120.60  
52 upon receipt of a completed application form as prescribed by  
53 commission rule, a nonrefundable application fee of \$625, and  
54 any other fee prescribed by law. The commission may adopt rules  
55 requiring electronic submission of any form, document, or fee  
56 required by this act if such rules reasonably accommodate  
57 technological or financial hardship. The commission may  
58 prescribe by rule requirements and procedures for obtaining an  
59 exemption due to a technological or financial hardship.

60 Section 2. Subsection (6) is added to section 516.031,  
61 Florida Statutes, to read:

62 516.031 Finance charge; maximum rates.—

63 (6) PREPAYMENT PENALTIES PROHIBITED.—A licensee may not  
64 require a borrower to pay a prepayment penalty for paying all or  
65 part of the loan principal before the date on which the payment  
66 is due.

67 Section 3. Subsection (10) is added to section 516.05,  
68 Florida Statutes, to read:

69 516.05 License.—

70 (10) (a) In lieu of the \$25,000 liquid asset requirement in  
71 s. 516.03(1):

72 1. An applicant or a licensee may provide to the office a  
73 surety bond in the amount of at least \$25,000 issued by a  
74 bonding company or insurance company authorized to do business  
75 in this state.

76        2. A company with at least one currently licensed location  
77 must provide to the office a rider or surety bond, in the amount  
78 of at least \$5,000 for each additional license, issued by a  
79 bonding company or insurance company authorized to do business  
80 in this state. However, in no event may the aggregate amount of  
81 the surety bond required for a company with multiple licenses  
82 exceed \$100,000.

83        (b) In lieu of a surety bond, the applicant or the  
84 licensee may provide evidence of a certificate of deposit or an  
85 irrevocable letter of credit in the same amount of the surety  
86 bond required under paragraph (a). The certificate of deposit  
87 must be deposited in a financial institution, as defined in s.  
88 655.005(1)(i). The letter of credit must be issued by a  
89 financial institution, as defined in s. 655.005(1)(i).

90        (c) The original surety bond, certificate of deposit, or  
91 letter of credit must be filed with the office, and the office  
92 must be named as beneficiary. The surety bond, certificate of  
93 deposit, or letter of credit must be for the use and benefit of  
94 any borrower who is injured by acts of a licensee involving  
95 fraud, misrepresentation, or deceit, including willful  
96 imposition of illegal or excessive charges; or  
97 misrepresentation, circumvention, or concealment of any matter  
98 required to be stated or furnished to a borrower, where such  
99 acts are in connection with a loan made under this chapter. The  
100 office, or any claimant, may bring an action in a court of

101 competent jurisdiction on the surety bond, certificate of  
102 deposit, or letter of credit. The surety bond, certificate of  
103 deposit, or letter of credit must be payable on a pro rata  
104 basis, but the aggregate amount may not exceed the amount of the  
105 surety bond, certificate of deposit, or letter of credit.

106 (d) The surety bond, certificate of deposit, or letter of  
107 credit may not be cancelled by the licensee, bonding or  
108 insurance company, or financial institution except upon notice  
109 to the office by certified mail. A cancellation may not take  
110 effect until 30 calendar days after receipt by the office of the  
111 written notice.

112 (e) The bonding or insurance company or financial  
113 institution must, within 10 calendar days after it pays a claim,  
114 give written notice to the office by certified mail of such  
115 payment with details sufficient to identify the claimant and the  
116 claim or judgment paid.

117 (f) If the principal sum of the surety bond, certificate  
118 of deposit, or letter of credit is reduced by one or more  
119 recoveries or payments, the licensee must furnish to the office  
120 a new or additional surety bond, certificate of deposit, or  
121 letter of credit so that the total or aggregate principal sum  
122 equals the amount required under this subsection. Alternatively,  
123 a licensee may furnish an endorsement executed by the bonding or  
124 insurance company or financial institution reinstating the  
125 required principal amount.

126        (g) The required surety bond, certificate of deposit, or  
 127 letter of credit must remain in place for 2 years after the  
 128 licensee ceases licensed operations in this state. During the 2  
 129 year period, the office may allow for a reduction or elimination  
 130 of the surety bond, certificate of deposit, or letter of credit  
 131 to the extent the licensee's outstanding consumer finance loans  
 132 in this state are reduced.

133        (h) The commission may prescribe by rule forms and  
 134 procedures to implement this subsection.

135        Section 4. Paragraph (b) of subsection (1) of section  
 136 516.07, Florida Statutes, is amended to read:

137        516.07 Grounds for denial of license or for disciplinary  
 138 action.—

139        (1) The following acts are violations of this chapter and  
 140 constitute grounds for denial of an application for a license to  
 141 make consumer finance loans and grounds for any of the  
 142 disciplinary actions specified in subsection (2):

143        (b) Failure to maintain liquid assets of at least \$25,000  
 144 or a surety bond, certificate of deposit, or letter of credit in  
 145 the amount required by s. 516.05(10) at all times for the  
 146 operation of business at a licensed location or proposed  
 147 location.

148        Section 5. Section 516.36, Florida Statutes, is amended to  
 149 read:

150        516.36 Installment requirement.—

151       (1) Every loan made pursuant to this chapter must be  
152 repaid in periodic installments as nearly equal as  
153 mathematically practicable, except that the final payment may be  
154 less than the amount of the prior installments. Installments may  
155 be due every 2 weeks, semimonthly, or monthly. This section does  
156 not apply to lines of credit.

157       (2) Every loan, including a refinancing, made pursuant to  
158 this chapter on or after October 1, 2021, must have a minimum  
159 loan term of at least 6 months.

160       Section 6. Paragraph (a) of subsection (4) of section  
161 559.952, Florida Statutes, is amended to read:

162       559.952 Financial Technology Sandbox.—

163       (4) EXCEPTIONS TO GENERAL LAW AND WAIVERS OF RULE  
164 REQUIREMENTS.—

165       (a) Notwithstanding any other law, upon approval of a  
166 Financial Technology Sandbox application, the following  
167 provisions and corresponding rule requirements are not  
168 applicable to the licensee during the sandbox period:

169       1. Section 516.03(1), except for the application fee, the  
170 investigation fee, the requirement to provide the social  
171 security numbers of control persons, evidence of liquid assets  
172 of at least \$25,000 or documents satisfying the requirements in  
173 s. 516.05(10), and the office's authority to investigate the  
174 applicant's background. The office may prorate the license  
175 renewal fee for an extension granted under subsection (7).

176           2. Section 516.05(1) and (2), except that the office shall  
177 investigate the applicant's background.

178           3. Section 560.109, only to the extent that the section  
179 requires the office to examine a licensee at least once every 5  
180 years.

181           4. Section 560.118(2).

182           5. Section 560.125(1), only to the extent that the  
183 subsection would prohibit a licensee from engaging in the  
184 business of a money transmitter or payment instrument seller  
185 during the sandbox period.

186           6. Section 560.125(2), only to the extent that the  
187 subsection would prohibit a licensee from appointing an  
188 authorized vendor during the sandbox period. Any authorized  
189 vendor of such a licensee during the sandbox period remains  
190 liable to the holder or remitter.

191           7. Section 560.128.

192           8. Section 560.141, except for s. 560.141(1)(a)1., 3., 7.-  
193 10. and (b), (c), and (d).

194           9. Section 560.142(1) and (2), except that the office may  
195 prorate, but may not entirely eliminate, the license renewal  
196 fees in s. 560.143 for an extension granted under subsection  
197 (7).

198           10. Section 560.143(2), only to the extent necessary for  
199 proration of the renewal fee under subparagraph 9.

200           11. Section 560.204(1), only to the extent that the

201 subsection would prohibit a licensee from engaging in, or  
202 advertising that it engages in, the selling or issuing of  
203 payment instruments or in the activity of a money transmitter  
204 during the sandbox period.

205 12. Section 560.205(2).

206 13. Section 560.208(2).

207 14. Section 560.209, only to the extent that the office  
208 may modify, but may not entirely eliminate, the net worth,  
209 corporate surety bond, and collateral deposit amounts required  
210 under that section. The modified amounts must be in such lower  
211 amounts that the office determines to be commensurate with the  
212 factors under paragraph (5)(c) and the maximum number of  
213 consumers authorized to receive the financial product or service  
214 under this section.

215 Section 7. This act shall take effect October 1, 2021.