

Amendment No.

CHAMBER ACTION

Senate

House

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Representative Stevenson offered the following:

Amendment

Remove lines 72-132 and insert:

s. 516.03(1):

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

2. A company with at least one currently licensed location must provide to the office a rider or surety bond, in the amount of at least \$5,000 for each additional license, issued by a bonding company or insurance company authorized to do business

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14 in this state. However, in no event may the aggregate amount of
15 the surety bond required for a company with multiple licenses
16 exceed \$100,000.

17 (b) In lieu of a surety bond, the applicant or the
18 licensee may provide evidence of a certificate of deposit or an
19 irrevocable letter of credit in the same amount of the surety
20 bond required under paragraph (a). The certificate of deposit
21 must be deposited in a financial institution, as defined in s.
22 655.005(1)(i). The letter of credit must be issued by a
23 financial institution, as defined in s. 655.005(1)(i).

24 (c) The original surety bond, certificate of deposit, or
25 letter of credit must be filed with the office, and the office
26 must be named as beneficiary. The surety bond, certificate of
27 deposit, or letter of credit must be for the use and benefit of
28 any borrower who is injured by acts of a licensee involving
29 fraud, misrepresentation, or deceit, including willful
30 imposition of illegal or excessive charges; or
31 misrepresentation, circumvention, or concealment of any matter
32 required to be stated or furnished to a borrower, where such
33 acts are in connection with a loan made under this chapter. The
34 office, or any claimant, may bring an action in a court of
35 competent jurisdiction on the surety bond, certificate of
36 deposit, or letter of credit. The surety bond, certificate of
37 deposit, or letter of credit must be payable on a pro rata

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38 basis, but the aggregate amount may not exceed the amount of the
39 surety bond, certificate of deposit, or letter of credit.

40 (d) The surety bond, certificate of deposit, or letter of
41 credit may not be canceled by the licensee, bonding or insurance
42 company, or financial institution except upon notice to the
43 office by certified mail. A cancellation may not take effect
44 until 30 calendar days after receipt by the office of the
45 notice.

46 (e) The bonding or insurance company or financial
47 institution must, within 10 calendar days after it pays a claim,
48 give notice to the office by certified mail of such payment with
49 details sufficient to identify the claimant and the claim or
50 judgment paid.

51 (f) If the principal sum of the surety bond, certificate
52 of deposit, or letter of credit is reduced by one or more
53 recoveries or payments, the licensee must furnish to the office
54 a new or additional surety bond, certificate of deposit, or
55 letter of credit so that the total or aggregate principal sum
56 equals the amount required under this subsection. Alternatively,
57 a licensee may furnish an endorsement executed by the bonding or
58 insurance company or financial institution reinstating the
59 required principal amount.

60 (g) The required surety bond, certificate of deposit, or
61 letter of credit must remain in place for 2 years after the
62 licensee ceases licensed operations in this state. During the 2-

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63 year period, the office may allow for a reduction or elimination
64 of the surety bond, certificate of deposit, or letter of credit
65 to the extent the licensee's outstanding consumer finance loans
66 in this state are reduced.

67 (h) The commission may prescribe by rule forms and

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