

1 A bill to be entitled
2 An act relating to regulation of securities;
3 reordering and amending s. 517.021, F.S.; requiring
4 the Financial Services Commission to define the term
5 "accredited investor"; revising definitions; amending
6 s. 517.072, F.S.; authorizing the commission to adopt
7 certain rules relating to viatical settlement
8 investments; amending s. 517.081, F.S.; revising
9 requirements for the registration of securities;
10 revising application fees for certain securities
11 registrations; requiring the Office of Financial
12 Regulation to deem an application abandoned under
13 certain circumstances; conforming provisions to
14 changes made by the act; amending s. 517.082, F.S.;
15 making technical changes; requiring the office to deem
16 an application for registration by notification
17 abandoned under certain circumstances; amending s.
18 517.111, F.S.; revising grounds on which the office
19 may revoke, suspend, or deny the registration of
20 securities; specifying the office's powers in
21 investigations of issuers; revising the methods by
22 which the office may enter an order suspending an
23 issuer's right to sell securities; amending s. 517.12,
24 F.S.; revising applicability of registration
25 requirements; revising requirements for applying for

26 registration as a dealer, an associated person of a
27 dealer, or an investment adviser; conforming
28 provisions to changes made by the act; making
29 technical changes; creating s. 517.1214, F.S.;
30 defining terms; specifying continuing education
31 requirements for associated persons of investment
32 advisers and federal covered advisers; providing that
33 certain education credits satisfy such requirements if
34 certain conditions are met; prohibiting associated
35 persons from carrying forward credits to subsequent
36 reporting periods; specifying a restriction on
37 associated persons who fail to meet such requirements;
38 specifying requirements for certain previously
39 registered associated persons; amending s. 517.1217,
40 F.S.; authorizing the commission to establish rules of
41 conduct and prohibited business practices for
42 intermediaries; amending s. 517.161, F.S.; revising
43 grounds on which the office may deny, revoke,
44 restrict, or suspend registrations of dealers,
45 investment advisers, intermediaries, and associated
46 persons; providing causes for denial of applications
47 or revocation of registrations of certain entities and
48 persons under certain circumstances; repealing s.
49 517.181, F.S., relating to escrow agreements; amending
50 s. 517.201, F.S.; conforming a provision to changes

51 made by the act; amending s. 921.0022, F.S.; revising
 52 applicability of a criminal penalty for certain
 53 registration violations; amending s. 517.1215, F.S.;
 54 making technical changes; amending ss. 517.061,
 55 517.0611, 517.075, 517.131, 517.211, 517.315,
 56 626.9911, and 744.351, F.S.; conforming cross-
 57 references and making technical changes; amending s.
 58 517.1205, F.S.; revising legislative intent; providing
 59 an effective date.

60

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

62

63 Section 1. Section 517.021, Florida Statutes, is reordered
 64 and amended to read:

65 517.021 Definitions.—When used in this chapter, unless the
 66 context otherwise indicates, the following terms have the
 67 following respective meanings:

68 (1) "Accredited investor" shall be defined by rule of the
 69 commission in accordance with the Securities and Exchange
 70 Commission Rule 501, 17 C.F.R. s. 230.501.

71 (2) "Affiliate" means a person that directly, or
 72 indirectly through one or more intermediaries, controls, is
 73 controlled by, or is under common control with an applicant or
 74 registrant.

75 (3)-(2) "Associated person" means:

76 (a)1. With respect to a dealer, a natural person who is
77 employed, appointed, or authorized by a dealer and who
78 represents the dealer in effecting or attempting to effect
79 purchases or sales of securities.

80 2. The term does not include the following:

81 a. A dealer.

82 b. A partner, officer, or director of a dealer or a person
83 having a similar status or performing similar functions as a
84 dealer, unless such person is specified in subparagraph 1.

85 c. A dealer's employee whose function is only clerical or
86 ministerial.

87 d. A person whose transactions in this state are limited
88 to those transactions described in s. 15(i)(3) of the Securities
89 Exchange Act of 1934, as amended.

90 (b)1. With respect to an investment adviser, a natural
91 person, including, but not limited to, a partner, officer,
92 director, or branch manager, or a person occupying a similar
93 status or performing similar functions, who:

94 a. Is employed by or associated with, or is subject to the
95 supervision and control of, an investment adviser registered or
96 required to be registered under this chapter; and

97 b. Does any of the following:

98 (I) Makes any recommendation or otherwise gives investment
99 advice regarding securities.

100 (II) Manages accounts or portfolios of clients.

101 (III) Determines which recommendation or advice regarding
 102 securities should be given.

103 (IV) Receives compensation to solicit, offer, or negotiate
 104 for the sale of investment advisory services.

105 (V) Supervises employees who perform a function under this
 106 sub-subparagraph.

107 2. The term does not include the following:

108 a. An investment adviser.

109 b. An employee whose function is only clerical or
 110 ministerial or investment adviser, any of the following:

111 1. Any partner, officer, director, or branch manager of a
 112 dealer or investment adviser or any person occupying a similar
 113 status or performing similar functions;

114 2. Any natural person directly or indirectly controlling
 115 or controlled by such dealer or investment adviser, other than
 116 an employee whose function is only clerical or ministerial; or

117 3. Any natural person, other than a dealer, employed,
 118 appointed, or authorized by a dealer, investment adviser, or
 119 issuer to sell securities in any manner or act as an investment
 120 adviser as defined in this section.

121

122 ~~The partners of a partnership and the executive officers of a~~
 123 ~~corporation or other association registered as a dealer, and any~~
 124 ~~person whose transactions in this state are limited to those~~
 125 ~~transactions described in s. 15(h)(2) of the Securities Exchange~~

126 | ~~Act of 1934, are not "associated persons" within the meaning of~~
 127 | ~~this definition.~~

128 | ~~(c)-(b)~~ With respect to a federal covered adviser, a
 129 | natural ~~any~~ person who is an investment adviser representative
 130 | and who has a place of business in this state, as such terms are
 131 | defined in Rule 203A-3 of the Securities and Exchange Commission
 132 | adopted under the Investment Advisers Act of 1940, as amended.

133 | ~~(4)-(3)~~ "Boiler room" means an enterprise in which two or
 134 | more persons engage in telephone communications with members of
 135 | the public using two or more telephones at one location, or at
 136 | more than one location in a common scheme or enterprise.

137 | ~~(5)-(4)~~ "Branch office" means any location in this state of
 138 | a dealer or investment adviser at which one or more associated
 139 | persons regularly conduct the business of rendering investment
 140 | advice or effecting any transactions in, or inducing or
 141 | attempting to induce the purchase or sale of, any security or
 142 | any location that is held out as such. The commission may adopt
 143 | by rule exceptions to this definition for dealers in order to
 144 | maintain consistency with the definition of a branch office used
 145 | by self-regulatory organizations authorized by the Securities
 146 | and Exchange Commission, including, but not limited to, the
 147 | Financial Industry Regulatory Authority. The commission may
 148 | adopt by rule exceptions to this definition for investment
 149 | advisers.

150 | ~~(6)-(7)~~ "Commission" means the Financial Services

151 Commission.

152 ~~(7)~~~~(5)~~ "Control," including the terms "controlling,"
 153 "controlled by," and "under common control with," means the
 154 possession, directly or indirectly, of the power to direct or
 155 cause the direction of the management or policies of a person,
 156 whether through the ownership of voting securities, by contract,
 157 or otherwise.

158 ~~(8)~~~~(6)~~~~(a)~~ "Dealer" includes, unless otherwise specified, a
 159 person, other than an associated person of a dealer, that
 160 engages, for all or part of the person's time, directly or
 161 indirectly, as agent or principal in the business of offering,
 162 buying, selling, or otherwise dealing or trading in securities
 163 issued by another person ~~any of the following:~~

164 ~~1. Any person, other than an associated person registered~~
 165 ~~under this chapter, who engages, either for all or part of her~~
 166 ~~or his time, directly or indirectly, as broker or principal in~~
 167 ~~the business of offering, buying, selling, or otherwise dealing~~
 168 ~~or trading in securities issued by another person.~~

169 ~~2. Any issuer who through persons directly compensated or~~
 170 ~~controlled by the issuer engages, either for all or part of her~~
 171 ~~or his time, directly or indirectly, in the business of offering~~
 172 ~~or selling securities which are issued or are proposed to be~~
 173 ~~issued by the issuer.~~

174 ~~(b)~~ The term "dealer" does not include the following:

175 (a) A licensed practicing attorney who renders or performs

176 any such services in connection with the regular practice of the
177 attorney's profession.

178 (b) A bank authorized to do business in this state, except
179 nonbank subsidiaries of a bank.

180 (c) A trust company having trust powers that it is
181 authorized to exercise in this state, which renders or performs
182 services in a fiduciary capacity incidental to the exercise of
183 its trust powers.

184 (d) A wholesaler selling exclusively to dealers.

185 (e) A person buying and selling for the person's own
186 account exclusively through a registered dealer or stock
187 exchange.

188 (f) An issuer.

189 (g) A natural person representing an issuer in the
190 purchase, sale, or distribution of the issuer's own securities
191 if such person:

192 1. Is an officer, a director, a limited liability company
193 manager or managing member, or a bona fide employee of the
194 issuer;

195 2. Has not participated in the distribution or sale of
196 securities for any issuer for which such person was, within the
197 preceding 12 months, an officer, a director, a limited liability
198 company manager or managing member, or a bona fide employee;

199 3. Primarily performs, or is intended to perform at the
200 end of the distribution, substantial duties for, or on behalf

201 of, the issuer other than in connection with transactions in
 202 securities; and

203 4. Does not receive a commission, compensation, or other
 204 consideration for the completed sale of the issuer's securities
 205 apart from the compensation received for regular duties to the
 206 issuer.

207 ~~1. Any licensed practicing attorney who renders or~~
 208 ~~performs any of such services in connection with the regular~~
 209 ~~practice of her or his profession;~~

210 ~~2. Any bank authorized to do business in this state,~~
 211 ~~except nonbank subsidiaries of a bank;~~

212 ~~3. Any trust company having trust powers which it is~~
 213 ~~authorized to exercise in this state, which renders or performs~~
 214 ~~services in a fiduciary capacity incidental to the exercise of~~
 215 ~~its trust powers;~~

216 ~~4. Any wholesaler selling exclusively to dealers;~~

217 ~~5. Any person buying and selling for her or his own~~
 218 ~~account exclusively through a registered dealer or stock~~
 219 ~~exchange; or~~

220 ~~6. Pursuant to s. 517.061(11), any person associated with~~
 221 ~~an issuer of securities if such person is a bona fide employee~~
 222 ~~of the issuer who has not participated in the distribution or~~
 223 ~~sale of any securities within the preceding 12 months and who~~
 224 ~~primarily performs, or is intended to perform at the end of the~~
 225 ~~distribution, substantial duties for, or on behalf of, the~~

226 ~~issuer other than in connection with transactions in securities.~~

227 (9) "Federal covered adviser" means a person that ~~who~~ is
228 registered or required to be registered under s. 203 of the
229 Investment Advisers Act of 1940, as amended. The term "~~federal~~
230 ~~covered adviser~~" does not include any person that ~~who~~ is
231 excluded from the definition of investment adviser under
232 subparagraphs (14) (b)1.-8.

233 (10) "Federal covered security" means a ~~any~~ security that
234 is a covered security under s. 18(b) of the Securities Act of
235 1933, as amended, or rules and regulations adopted thereunder.

236 (11) "Guarantor" means a person that ~~who~~ agrees in
237 writing, or that ~~who~~ holds itself out to the public as agreeing,
238 to pay the indebtedness of another when due, including, without
239 limitation, payments of principal and interest on a bond,
240 debenture, note, or other evidence of indebtedness, without
241 resort by the holder to any other obligor, whether or not such
242 writing expressly states that the person signing is signing as a
243 guarantor. The obligation of a guarantor hereunder shall be a
244 continuing, absolute, and unconditional guaranty of payment,
245 without regard to the validity, regularity, or enforceability of
246 the underlying indebtedness.

247 (12) "Guaranty" means an agreement in ~~a~~ writing in which
248 one party either agrees, or holds itself out to the public as
249 agreeing, to pay the indebtedness of another when due,
250 including, without limitation, payments of principal and

251 interest on a bond, debenture, note, or other evidence of
252 indebtedness, without resort by the holder to any other obligor,
253 whether or not such writing expressly states that the person
254 signing is signing as a guarantor. An agreement that is not
255 specifically denominated as a guaranty shall nevertheless
256 constitute a guaranty if the holder of the underlying
257 indebtedness or the holder's ~~her or his~~ representative or
258 trustee has the right to sue to enforce the guarantor's
259 obligations under the guaranty. Words of guaranty or equivalent
260 words that ~~which~~ otherwise do not specify guaranty of payment
261 create a presumption that payment, rather than collection, is
262 guaranteed by the guarantor. Any guaranty in writing is
263 enforceable notwithstanding any statute of frauds.

264 (13) "Intermediary" means a natural person residing in
265 this ~~the~~ state or a corporation, trust, partnership, limited
266 liability company, association, or other legal entity registered
267 with the Secretary of State to do business in this ~~the~~ state,
268 which facilitates through its website the offer or sale of
269 securities of an issuer with a principal place of business in
270 this state ~~under s. 517.0611~~.

271 (14) (a) "Investment adviser" means a ~~includes any~~ person,
272 other than an associated person of an investment adviser or a
273 federal covered adviser, that ~~who~~ receives compensation,
274 directly or indirectly, and engages for all or part of the
275 person's ~~her or his~~ time, directly or indirectly, or through

276 | publications or writings, in the business of advising others as
 277 | to the value of securities or as to the advisability of
 278 | investments in, purchasing of, or selling of securities, ~~except~~
 279 | ~~a dealer whose performance of these services is solely~~
 280 | ~~incidental to the conduct of her or his business as a dealer and~~
 281 | ~~who receives no special compensation for such services.~~

282 | (b) The term "~~investment adviser~~" does not include the
 283 | following:

284 | 1. A dealer or associated person of a dealer whose
 285 | performance of services in paragraph (a) is solely incidental to
 286 | the conduct of the dealer's or associated person's business as a
 287 | dealer and who does not receive special compensation for those
 288 | services.

289 | 2. A ~~Any~~ licensed practicing attorney or certified public
 290 | accountant whose performance of such services is solely
 291 | incidental to the practice of ~~the attorney's or accountant's~~ her
 292 | or his profession.

293 | ~~2. Any licensed certified public accountant whose~~
 294 | ~~performance of such services is solely incidental to the~~
 295 | ~~practice of her or his profession;~~

296 | 3. A ~~Any~~ bank authorized to do business in this state.

297 | 4. A ~~Any~~ bank holding company as defined in the Bank
 298 | Holding Company Act of 1956, as amended, authorized to do
 299 | business in this state.

300 | 5. A ~~Any~~ trust company having trust powers, as defined in

301 s. 658.12, which it is authorized to exercise in this ~~the~~ state,
302 which trust company renders or performs investment advisory
303 services in a fiduciary capacity incidental to the exercise of
304 its trust powers.~~†~~

305 6. A ~~Any~~ person that ~~who~~ renders investment advice
306 exclusively to insurance or investment companies.~~†~~

307 7. A ~~Any~~ person that ~~who~~ does not hold itself ~~herself or~~
308 ~~himself~~ out to the general public as an investment adviser and
309 has no more than 15 clients within 12 consecutive months in this
310 state.~~†~~

311 8. A ~~Any~~ person whose transactions in this state are
312 limited to those transactions described in s. 222(d) of the
313 Investment Advisers Act of 1940, as amended. Those clients
314 listed in subparagraph 6. may not be included when determining
315 the number of clients of an investment adviser for purposes of
316 s. 222(d) of the Investment Advisers Act of 1940, as amended.~~†~~
317 ~~or~~

318 9. A federal covered adviser.

319 (15) "Issuer" means a ~~any~~ person that ~~who~~ proposes to
320 issue, has issued, or shall hereafter issue any security. A ~~Any~~
321 person that ~~who~~ acts as a promoter for and on behalf of a
322 corporation, trust, ~~or unincorporated association or~~
323 partnership, limited liability company, association, or other
324 legal entity of any kind to be formed shall be deemed an issuer.

325 (16) "Offer to sell," "offer for sale," or "offer" means

326 an ~~any~~ attempt or offer to dispose of, or solicitation of an
327 offer to buy, a security or interest in a security, or an
328 investment or interest in an investment, for value.

329 ~~(17)-(8)~~ "Office" means the Office of Financial Regulation
330 of the commission.

331 ~~(18)-(17)~~ "Predecessor" means a person whose ~~the~~ major
332 portion of ~~whose~~ assets has ~~have~~ been acquired directly or
333 indirectly by an issuer.

334 ~~(19)-(18)~~ "Principal" means an executive officer of a
335 corporation, partner of a partnership, sole proprietor of a sole
336 proprietorship, trustee of a trust, or any other person with
337 similar supervisory functions with respect to any organization,
338 whether incorporated or unincorporated.

339 ~~(20)-(19)~~ "Promoter" includes the following:

340 (a) A ~~Any~~ person that ~~who~~, acting alone or in conjunction
341 with one or more other persons, directly or indirectly takes the
342 initiative in founding and organizing the business or enterprise
343 of an issuer.

344 (b) A ~~Any~~ person that ~~who~~, in connection with the founding
345 or organizing of the business or enterprise of an issuer,
346 directly or indirectly receives in consideration of services or
347 property, or both services and property, 10 percent or more of
348 any class of securities of the issuer or 10 percent or more of
349 the proceeds from the sale of any class of securities. However,
350 a person that ~~who~~ receives such securities or proceeds either

351 solely as underwriting commissions or solely in connection with
352 property shall not be deemed a promoter if such person does not
353 otherwise take part in founding and organizing the enterprise.

354 (21)~~(20)~~ "Qualified institutional buyer" means a ~~any~~
355 qualified institutional buyer, as defined in ~~United States~~
356 Securities and Exchange Commission Rule 144A, 17 C.F.R. s.
357 230.144A(a), under the Securities Act of 1933, as amended, or
358 any foreign buyer that satisfies the minimum financial
359 requirements set forth in such rule.

360 (22)~~(21)~~ "Sale" or "sell" means a ~~any~~ contract of sale or
361 disposition of an ~~any~~ investment, security, or interest in a
362 security, for value. With respect to a security or interest in a
363 security, the term ~~defined in this subsection~~ does not include
364 preliminary negotiations or agreements between an issuer or any
365 person on whose behalf an offering is to be made and any
366 underwriter or among underwriters who are or are to be in
367 privity of contract with an issuer. Any security given or
368 delivered with, or as a bonus on account of, any purchase of
369 securities or any other thing shall be conclusively presumed to
370 constitute a part of the subject of such purchase and to have
371 been offered and sold for value. Every sale or offer of a
372 warrant or right to purchase or subscribe to another security of
373 the same or another issuer, as well as every sale or offer of a
374 security which gives the holder a present or future right or
375 privilege to convert into another security or another issuer, is

376 | considered to include an offer of the other security.
 377 | (23)~~(22)~~ "Security" includes any of the following:
 378 | (a) A note.
 379 | (b) A stock.
 380 | (c) A treasury stock.
 381 | (d) A bond.
 382 | (e) A debenture.
 383 | (f) An evidence of indebtedness.
 384 | (g) A certificate of deposit.
 385 | (h) A certificate of deposit for a security.
 386 | (i) A certificate of interest or participation.
 387 | (j) A whiskey warehouse receipt or other commodity
 388 | warehouse receipt.
 389 | (k) A certificate of interest in a profit-sharing
 390 | agreement or the right to participate therein.
 391 | (l) A certificate of interest in an oil, gas, petroleum,
 392 | mineral, or mining title or lease or the right to participate
 393 | therein.
 394 | (m) A collateral trust certificate.
 395 | (n) A reorganization certificate.
 396 | (o) A preorganization subscription.
 397 | (p) A ~~Any~~ transferable share.
 398 | (q) An investment contract.
 399 | (r) A beneficial interest in title to property, profits,
 400 | or earnings.

401 (s) An interest in or under a profit-sharing or
 402 participation agreement or scheme.

403 (t) An ~~Any~~ option contract that ~~which~~ entitles the holder
 404 to purchase or sell a given amount of the underlying security at
 405 a fixed price within a specified period of time.

406 (u) Any other instrument commonly known as a security,
 407 including an interim or temporary bond, debenture, note, or
 408 certificate.

409 (v) A ~~Any~~ receipt for a security, or for subscription to a
 410 security, or a ~~any~~ right to subscribe to or purchase any
 411 security.

412 (w) A viatical settlement investment.

413 (24) ~~(23)~~ "Underwriter" means a person that ~~who~~ has
 414 purchased from an issuer or an affiliate of an issuer with a
 415 view to, or offers or sells for an issuer or an affiliate of an
 416 issuer in connection with, the distribution of any security, or
 417 participates or has a direct or indirect participation in any
 418 such undertaking, or participates or has a participation in the
 419 direct or indirect underwriting of any such undertaking; except
 420 that a person is ~~shall be~~ presumed not to be an underwriter with
 421 respect to any security which it ~~she or he~~ has owned
 422 beneficially for at least 1 year; and, further, a dealer is
 423 ~~shall~~ not be considered an underwriter with respect to any
 424 securities which do not represent part of an unsold allotment to
 425 or subscription by the dealer as a participant in the

426 distribution of such securities by the issuer or an affiliate of
427 the issuer; and, further, in the case of securities acquired on
428 the conversion of another security without payment of additional
429 consideration, the length of time such securities have been
430 beneficially owned by a person includes the period during which
431 the convertible security was beneficially owned and the period
432 during which the security acquired on conversion has been
433 beneficially owned.

434 ~~(25)~~(24) "Viatical settlement investment" means an
435 agreement for the purchase, sale, assignment, transfer, devise,
436 or bequest of all or any portion of a legal or equitable
437 interest in a viaticated policy as defined in chapter 626.

438 Section 2. Paragraph (d) of subsection (3) of section
439 517.072, Florida Statutes, is amended, and subsection (4) is
440 added to that section, to read:

441 517.072 Viatical settlement investments.—

442 (3) The registration provisions of ss. 517.07 and 517.12
443 do not apply to any of the following transactions in viatical
444 settlement investments; however, such transactions in viatical
445 settlement investments are subject to the provisions of ss.
446 517.301, 517.311, and 517.312:

447 (d) The transfer or assignment of a viaticated policy to a
448 bank, trust company, savings institution, insurance company,
449 dealer, investment company as defined in the Investment Company
450 Act of 1940, as amended, pension or profit-sharing trust, ~~or~~

451 qualified institutional buyer ~~as defined in United States~~
452 ~~Securities and Exchange Commission Rule 144A, 17 C.F.R. s.~~
453 ~~230.144A(a), or to an accredited investor as defined by Rule 501~~
454 ~~of Regulation D of the Securities Act Rules,~~ provided such
455 transfer or assignment is not for the direct or indirect
456 promotion of any scheme or enterprise with the intent of
457 violating or evading any provision of this chapter.

458 (4) The commission may establish by rule requirements and
459 standards for disclosures to purchasers of viatical settlement
460 investments and recordkeeping requirements for sellers of
461 viatical settlement investments.

462 Section 3. Paragraphs (a), (g), and (n) of subsection (3)
463 and subsections (6) and (8) of section 517.081, Florida
464 Statutes, are amended to read:

465 517.081 Registration procedure.—

466 (3) The office may require the applicant to submit to the
467 office the following information concerning the issuer and such
468 other relevant information as the office may in its judgment
469 deem necessary to enable it to ascertain whether such securities
470 shall be registered pursuant to the provisions of this section:

471 (a) The names and addresses of:

472 1. All the directors, trustees, and officers, if the
473 issuer ~~is~~ is a corporation, association, or trust.

474 2. All the managers or managing members, if the issuer is
475 a limited liability company.

476 3. ~~;~~ ~~or~~ of All the partners, if the issuer is ~~be~~ a
 477 partnership.

478 4. ~~;~~ ~~or~~ of The issuer, if the issuer is a sole
 479 proprietorship or natural person ~~be an individual~~.

480 (g)1. A specimen copy of the securities certificate, if
 481 applicable, security and a copy of any circular, prospectus,
 482 advertisement, or other description of such securities.

483 2. The commission shall adopt a form for a simplified
 484 offering circular ~~to be used solely by corporations~~ to register,
 485 under this section, securities ~~of the corporation~~ that are sold
 486 in offerings in which the aggregate offering price in any
 487 consecutive 12-month period does not exceed the amount provided
 488 in s. 3(b) of the Securities Act of 1933, as amended. The
 489 following issuers shall not be eligible to submit a simplified
 490 offering circular adopted pursuant to this subparagraph:

491 a. An issuer seeking to register securities for resale by
 492 persons other than the issuer.

493 b. An issuer that ~~who~~ is subject to any of the
 494 disqualifications described in 17 C.F.R. s. 230.262, adopted
 495 pursuant to the Securities Act of 1933, as amended, or that ~~who~~
 496 has been or is engaged or is about to engage in an activity that
 497 would be grounds for denial, revocation, or suspension under s.
 498 517.111. For purposes of this subparagraph, an issuer includes
 499 an issuer's director, officer, manager or managing member, or
 500 equity owner ~~shareholder~~ who owns at least 10 percent of the

501 ownership interests ~~shares~~ of the issuer, promoter, or selling
502 agent of the securities to be offered or any officer, director,
503 or partner of such selling agent.

504 c. An issuer that ~~who~~ is a development-stage company that
505 either has no specific business plan or purpose or has indicated
506 that its business plan is to merge with an unidentified company
507 or companies.

508 d. An issuer of offerings in which the specific business
509 or properties cannot be described.

510 e. Any issuer the office determines is ineligible because
511 ~~if~~ the form does ~~would~~ not provide full and fair disclosure of
512 material information for the type of offering to be registered
513 by the issuer.

514 f. Any issuer that ~~corporation which~~ has failed to provide
515 the office the reports required for a previous offering
516 registered pursuant to this subparagraph.

517
518 As a condition precedent to qualifying for use of the simplified
519 offering circular, an issuer ~~a corporation~~ shall agree to
520 provide the office with an annual financial report containing a
521 balance sheet as of the end of the issuer's fiscal year and a
522 statement of income for such year, prepared in accordance with
523 United States generally accepted accounting principles and
524 accompanied by an independent accountant's report. If the issuer
525 has more than 100 security holders at the end of a fiscal year,

526 the financial statements must be audited. Annual financial
527 reports must be filed with the office within 90 days after the
528 close of the issuer's fiscal year for each of the first 5 years
529 following the effective date of the registration.

530 (n) If the issuer is a corporation, there shall be filed
531 with the application a copy of its articles of incorporation
532 with all amendments and of its existing bylaws, if not already
533 on file in the office. If the issuer is a limited liability
534 company, there shall be filed with the application a copy of the
535 articles of organization with all the amendments and a copy of
536 the company's operating agreement, if not already on file with
537 the office. If the issuer is a trustee, there shall be filed
538 with the application a copy of all instruments by which the
539 trust is created or declared and in which it is accepted and
540 acknowledged. If the issuer is a partnership, unincorporated
541 association, joint-stock company, or any other form of
542 organization whatsoever, there shall be filed with the
543 application a copy of its articles of partnership or association
544 and all other papers pertaining to its organization, if not
545 already on file in the office.

546 (6) An issuer filing an application under this section
547 shall, at the time of filing, pay the office a nonreturnable fee
548 of \$1,000 per application for each offering that exceeds the
549 amount provided in s. 3(b) of the Securities Act of 1933, as
550 amended, or \$200 per application for each offering that does not

551 exceed the amount provided in s. 3(b) of the Securities Act of
 552 1933, as amended.

553 (8) The office shall deem an application to register
 554 securities filed with the office abandoned if the issuer or any
 555 person acting on behalf of the issuer has failed to timely
 556 complete an application specified by commission rule ~~The~~
 557 ~~commission may by rule establish requirements and standards for:~~

558 ~~(a) Disclosures to purchasers of viatical settlement~~
 559 ~~investments.~~

560 ~~(b) Recordkeeping requirements for sellers of viatical~~
 561 ~~settlement investments.~~

562 Section 4. Section 517.082, Florida Statutes, is amended
 563 to read:

564 517.082 ~~Notification~~ Registration by notification; federal
 565 registration statements.—

566 (1) ~~Except as provided in subsection (3),~~ Securities
 567 offered or sold pursuant to a registration statement filed under
 568 the Securities Act of 1933, as amended, ~~are shall be~~ entitled to
 569 registration by notification in the manner provided in
 570 subsection (2), provided that before ~~prior to~~ the offer or sale
 571 the registration statement has become effective.

572 (2) An application for registration by notification shall
 573 be filed with the office, shall contain the following
 574 information, and shall be accompanied by all of the following:

575 (a) An application to sell executed by the issuer, any

576 person on whose behalf the offering is made, a dealer registered
 577 under this chapter, or any duly authorized agent of any such
 578 person, setting forth the name and address of the applicant, the
 579 name and address of the issuer, and the title of the securities
 580 to be offered and sold.~~†~~

581 (b) Copies of such documents filed with the Securities and
 582 Exchange Commission as the Financial Services Commission may by
 583 rule require.~~†~~

584 (c) An irrevocable written consent to service as required
 585 by s. 517.101.~~†~~ ~~and~~

586 (d) A nonreturnable fee of \$1,000 per application.

587
 588 A registration under this section becomes effective when the
 589 federal registration statement becomes effective or as of the
 590 date the application is filed with the office, whichever is
 591 later, provided that, in addition to the items listed in
 592 paragraphs (a)-(d), the office has received written notification
 593 of effective registration under the Securities Act of 1933, as
 594 amended, or the Investment Company Act of 1940, as amended,
 595 within 10 business days after ~~from~~ the date federal registration
 596 is granted. Failure to provide all the information required by
 597 this subsection to the office within 60 days after ~~of~~ the date
 598 the registration statement becomes effective with the Securities
 599 and Exchange Commission shall be a violation of this chapter.

600 (3) Except for units of limited partnership interests or

601 such other securities as the commission describes by rule as
602 exempt from this subsection due to high investment quality, the
603 provisions of this section may not be used to register
604 securities if the offering price at the time of effectiveness
605 with the Securities and Exchange Commission is \$5 or less per
606 share, unless such securities are listed or designated, or
607 approved for listing or designation upon notice of issuance, on
608 a stock exchange registered pursuant to the Securities Exchange
609 Act of 1934, as amended, or on the National Association of
610 Securities Dealers Automated Quotation (NASDAQ) System, or
611 unless such securities are of the same issuer and of senior or
612 substantially equal rank to securities so listed or designated.

613 (4) In lieu of filing with the office the application,
614 fees, and documents for registration required by subsection (2),
615 the commission may establish, by rule, procedures for depositing
616 fees and filing documents by electronic means, provided such
617 procedures provide the office with the information and data
618 required by this section.

619 (5) If the Securities and Exchange Commission has not
620 declared effective the applicant's federal registration
621 statement within 180 days after the applicant's filing with the
622 office of an application for registration by notification, the
623 office must deem the application abandoned.

624 Section 5. Section 517.111, Florida Statutes, is amended
625 to read:

626 517.111 Revocation or denial of registration of
627 securities.—

628 (1) The office may revoke or suspend the registration of
629 any security, or may deny any application to register
630 securities, if, upon examination or investigation into the
631 affairs of the issuer of such security, the office determines it
632 ~~shall appear~~ that:

633 (a) The issuer cannot pay its debts as they become due in
634 the usual course of business ~~is insolvent~~;

635 (b) The issuer or any officer, director, manager or
636 managing member, or control person of the issuer has violated
637 any provision of this chapter or any rule made hereunder or any
638 order of the office of which such issuer has notice;

639 (c) The issuer or any officer, director, manager or
640 managing member, or control person of the issuer has been or is
641 engaged or is about to engage in fraudulent transactions;

642 (d) The issuer or any officer, director, manager or
643 managing member, or control person of the issuer has been found
644 guilty of a fraudulent act in connection with any sale of
645 securities, has engaged, is engaged, or is about to engage, in
646 making a fictitious sale or purchase of any security, or in any
647 practice or sale of any security which is fraudulent or a
648 violation of any law;

649 (e) The issuer or any officer, director, manager or
650 managing member, or control person of the issuer has had a final

651 judgment entered against such issuer or person in a civil action
652 on the grounds of fraud, embezzlement, misrepresentation, or
653 deceit;

654 (f) The issuer or any officer, director, manager or
655 managing member, or control person of the issuer has engaged in
656 any action that would be grounds for revocation, denial, or
657 suspension under s. 517.161(1) demonstrated any evidence of
658 unworthiness;

659 (g) The issuer or any officer, director, manager or
660 managing member, or control person of the issuer ~~is in any other~~
661 ~~way dishonest or~~ has made any fraudulent representations or
662 failed to disclose any material information in any prospectus or
663 in any circular or other literature that has been distributed
664 concerning the issuer or its securities;

665 (h) The security registered or sought to be registered is
666 the subject of an injunction entered by a court of competent
667 jurisdiction or is the subject of an administrative stop-order
668 or similar order prohibiting the offer or sale of the security;
669 or

670 (i) For any security for which registration has been
671 applied pursuant to s. 517.081, the terms of the offer or sale
672 of such securities would not be fair, just, or equitable; ~~or~~

673 ~~(j) The issuer or any person acting on behalf of the~~
674 ~~issuer has failed to timely complete any application for~~
675 ~~registration filed with the office pursuant to the provisions of~~

676 | ~~s. 517.081 or s. 517.082 or any rule adopted under such~~
677 | ~~sections.~~

678 | (2) In making such examination or investigation, the
679 | office shall have access to and may compel the production of all
680 | the books and papers of such issuer and may administer oaths to
681 | and examine the officers of such issuer or any other person
682 | connected therewith as to its business and affairs and may also
683 | require a balance sheet exhibiting the assets and liabilities of
684 | any such issuer or its income statement, or both, to be
685 | certified to by a public accountant either of this state or of
686 | any other state where the issuer's business is located. Whenever
687 | the office deems it necessary, it may also require such balance
688 | sheet or income statement, or both, to be made more specific in
689 | such particulars as the office may require.

690 | (3)~~(2)~~ If any issuer refuses ~~shall refuse~~ to permit an
691 | examination or investigation to be made by the office, it shall
692 | be proper ground for revocation of registration.

693 | (4)~~(3)~~ If the office deems it necessary, it may enter an
694 | order suspending the right to sell securities pending any
695 | examination or investigation, provided that the order shall
696 | state the office's grounds for taking such action.

697 | (5)~~(4)~~ Notice of the entry of such order shall be given
698 | personally or by mail, ~~personally, by telephone confirmed in~~
699 | ~~writing, or by telegraph~~ to the issuer. Before such order is
700 | made final, the issuer ~~applying for registration~~ shall, on

701 application, be entitled to a hearing.

702 ~~(6)-(5)~~ The office may deny any request to terminate any
 703 registration or to withdraw any application for registration if
 704 the office believes that an act which would be grounds for
 705 denial, suspension, or revocation under this chapter has been
 706 committed.

707 Section 6. Subsections (3) through (22) of section 517.12,
 708 Florida Statutes, are renumbered as subsections (2) through
 709 (21), respectively, and subsection (1), present subsections (2)
 710 and (3), paragraph (b) of present subsection (6), present
 711 subsections (7) and (11), paragraph (b) of present subsection
 712 (15), and present subsections (20) and (21) of that section are
 713 amended to read:

714 517.12 Registration of dealers, associated persons,
 715 intermediaries, and investment advisers.—

716 (1) No dealer or associated person, ~~or issuer of~~
 717 ~~securities~~ shall sell or offer for sale any securities in or
 718 from offices in this state, or sell securities to persons in
 719 this state from offices outside this state, by mail or
 720 otherwise, unless the person is ~~has been~~ registered with the
 721 office as a dealer or as an associated person of a dealer
 722 pursuant to ~~the provisions of~~ this section. The office shall not
 723 register any person as an associated person of a dealer unless
 724 the dealer with which the applicant seeks registration is
 725 lawfully registered with the office pursuant to this chapter.

726 ~~(2) The registration requirements of this section do not~~
 727 ~~apply to the issuers of securities exempted by s. 517.051(1)-(8)~~
 728 ~~and (10).~~

729 ~~(2)(3) Except as otherwise provided in s.~~
 730 ~~517.061(11)(a)4., (13), (16), (17), or (19),~~ The registration
 731 requirements of this section do not apply in a transaction
 732 exempted by s. 517.061(1)-(10) and (12), ~~s. 517.061(1)-(12),~~
 733 (14), and (15).

734 ~~(5)(6)~~ A dealer, associated person, or investment adviser,
 735 in order to obtain registration, must file with the office a
 736 written application, on a form which the commission may by rule
 737 prescribe. The commission may establish, by rule, procedures for
 738 depositing fees and filing documents by electronic means
 739 provided such procedures provide the office with the information
 740 and data required by this section. Each dealer or investment
 741 adviser must also file an irrevocable written consent to service
 742 of civil process similar to that provided for in s. 517.101. The
 743 application shall contain such information as the commission or
 744 office may require concerning such matters as:

745 (b) The applicant's form and place of organization; and,
 746 if the applicant is:

747 1. A corporation, a copy of its articles of incorporation
 748 and amendments to the articles of incorporation;

749 2. A limited liability company, a copy of its articles of
 750 organization with amendments to its articles; or

751 3.~~if~~ A partnership, a copy of the partnership agreement.
 752 (6)~~(7)~~ The application must also contain such information
 753 as the commission or office may require about the applicant; any
 754 member, principal, or director of the applicant or any person
 755 having a similar status or performing similar functions; any
 756 person directly or indirectly controlling the applicant; or any
 757 employee of a dealer or of an investment adviser rendering
 758 investment advisory services. Each applicant and any direct
 759 owners, principals, or indirect owners that are required to be
 760 reported on Form BD or Form ADV pursuant to subsection (14) ~~(15)~~
 761 shall submit fingerprints for live-scan processing in accordance
 762 with rules adopted by the commission. The fingerprints may be
 763 submitted through a third-party vendor authorized by the
 764 Department of Law Enforcement to provide live-scan
 765 fingerprinting. The costs of fingerprint processing shall be
 766 borne by the person subject to the background check. The
 767 Department of Law Enforcement shall conduct a state criminal
 768 history background check, and a federal criminal history
 769 background check must be conducted through the Federal Bureau of
 770 Investigation. The office shall review the results of the state
 771 and federal criminal history background checks and determine
 772 whether the applicant meets licensure requirements. The
 773 commission may waive, by rule, the requirement that applicants,
 774 including any direct owners, principals, or indirect owners that
 775 are required to be reported on Form BD or Form ADV pursuant to

776 subsection (14) ~~(15)~~, submit fingerprints or the requirement
777 that such fingerprints be processed by the Department of Law
778 Enforcement or the Federal Bureau of Investigation. The
779 commission or office may require information about any such
780 applicant or person concerning such matters as:

781 (a) The applicant's or person's ~~His or her~~ full name, and
782 any other names by which the applicant or person ~~he or she~~ may
783 have been known, and the applicant's or person's ~~his or her~~ age,
784 social security number, photograph, qualifications, and
785 educational and business history.

786 (b) Any injunction or administrative order by a state or
787 federal agency, national securities exchange, or national
788 securities association involving a security or any aspect of a
789 dealer's or investment adviser's regulated ~~the securities~~
790 business and any injunction or administrative order by a state
791 or federal agency regulating banking, insurance, finance, or
792 small loan companies, real estate, mortgage brokers, or other
793 related or similar industries, which injunctions or
794 administrative orders relate to such person.

795 (c) The applicant's or person's ~~His or her~~ conviction of,
796 or plea of nolo contendere to, a criminal offense or the
797 applicant's or person's ~~his or her~~ commission of any acts which
798 would be grounds for refusal of an application under s. 517.161.

799 (d) The names and addresses of other persons of whom the
800 office may inquire as to the applicant's or person's ~~his or her~~

801 character, reputation, and financial responsibility.

802 (10) (a) ~~(11) (a)~~ If the office finds that the applicant ~~is~~
803 ~~of good repute and character and~~ has complied with the
804 applicable registration provisions of this chapter and the rules
805 made pursuant hereto, it shall register the applicant unless the
806 applicant is otherwise disqualified for registration pursuant to
807 law. The registration of each dealer, investment adviser, and
808 associated person expires on December 31 of the year the
809 registration became effective unless the registrant has renewed
810 its ~~his or her~~ registration on or before that date. Registration
811 may be renewed by furnishing such information as the commission
812 may require, together with payment of the fee required in
813 paragraph (9) (a) ~~(10) (a)~~ for dealers, investment advisers, or
814 associated persons and the payment of any amount lawfully due
815 and owing to the office pursuant to any order of the office or
816 pursuant to any agreement with the office. Any dealer,
817 investment adviser, or associated person who has not renewed a
818 registration by the time the current registration expires may
819 request reinstatement of such registration by filing with the
820 office, on or before January 31 of the year following the year
821 of expiration, such information as may be required by the
822 commission, together with payment of the fee required in
823 paragraph (9) (a) ~~(10) (a)~~ for dealers, investment advisers, or
824 associated persons and a late fee equal to the amount of such
825 fee. Any reinstatement of registration granted by the office

826 | during the month of January shall be deemed effective
 827 | retroactive to January 1 of that year.

828 | (b) The office shall waive the \$50 assessment fee for an
 829 | associated person required by paragraph (9) (a) ~~(10) (a)~~ for a
 830 | registrant renewing his or her registration who:

831 | 1. Is an active duty member of the United States Armed
 832 | Forces or the spouse of such member;

833 | 2. Is or was a member of the United States Armed Forces
 834 | and served on active duty within the 2 years preceding the
 835 | expiration date of the registration pursuant to paragraph (a).
 836 | To qualify for the fee waiver, a registrant who is a former
 837 | member of the United States Armed Forces who served on active
 838 | duty within the 2 years preceding the expiration date of the
 839 | registration must have received an honorable discharge upon
 840 | separation or discharge from the United States Armed Forces; or

841 | 3. Is the surviving spouse of a member of the United
 842 | States Armed Forces if the member was serving on active duty at
 843 | the time of death and died within the 2 years preceding the
 844 | surviving spouse's registration expiration date pursuant to
 845 | paragraph (a).

846 |
 847 | A registrant seeking such fee waiver must submit proof, in a
 848 | form prescribed by commission rule, that the registrant meets
 849 | one of the qualifications in this paragraph.

850 | (14) ~~(15)~~

851 (b) In lieu of filing with the office the applications
852 specified in subsection (5) ~~(6)~~, the fees required by subsection
853 (9) ~~(10)~~, the renewals required by subsection (10) ~~(11)~~, and the
854 termination notices required by subsection (11) ~~(12)~~, the
855 commission may by rule establish procedures for the deposit of
856 such fees and documents with the Central Registration Depository
857 or the Investment Adviser Registration Depository of the
858 Financial Industry Regulatory Authority, as developed under
859 contract with the North American Securities Administrators
860 Association, Inc.

861 ~~(19)-(20)~~ An intermediary may not engage in business in
862 this state unless the intermediary is registered as a dealer or
863 as an intermediary with the office pursuant to this section to
864 facilitate the offer or sale of securities in accordance with s.
865 517.0611. An intermediary, in order to obtain registration, must
866 file with the office a written application on a form prescribed
867 by commission rule and pay a registration fee of \$200. The fees
868 under this subsection shall be deposited into the Regulatory
869 Trust Fund of the office. The commission may establish by rule
870 procedures for depositing fees and filing documents by
871 electronic means if such procedures provide the office with the
872 information and data required by this section. Each intermediary
873 must also file an irrevocable written consent to service of
874 civil process, as provided in s. 517.101.

875 (a) The application must contain such information as the

876 | commission or office may require concerning:

877 | 1. The name of the applicant and address of its principal
878 | office and each office in this state.

879 | 2. The applicant's form and place of organization; and, if
880 | the applicant is:

881 | a. A corporation, a copy of its articles of incorporation
882 | and amendments to the articles of incorporation;

883 | b. A limited liability company, a copy of its articles of
884 | organization and amendments to the articles and a copy of the
885 | company's operating agreement; or

886 | c.~~if~~ A partnership, a copy of the partnership agreement.

887 | 3. The website address where securities of the issuer will
888 | be offered.

889 | 4. Contact information.

890 | (b) The application must also contain such information as
891 | the commission may require by rule about the applicant; any
892 | member, principal, or director of the applicant or any person
893 | having a similar status or performing similar functions; or any
894 | persons directly or indirectly controlling the applicant. Each
895 | applicant and any direct owners, principals, or indirect owners
896 | that are required to be reported on a form adopted by commission
897 | rule shall submit fingerprints for live-scan processing in
898 | accordance with rules adopted by the commission. The
899 | fingerprints may be submitted through a third-party vendor
900 | authorized by the Department of Law Enforcement to provide live-

901 scan fingerprinting. The costs of fingerprint processing shall
902 be borne by the person subject to the background check. The
903 Department of Law Enforcement shall conduct a state criminal
904 history background check, and a federal criminal history
905 background check must be conducted through the Federal Bureau of
906 Investigation. The office shall review the results of the state
907 and federal criminal history background checks and determine
908 whether the applicant meets registration requirements. The
909 commission may waive, by rule, the requirement that applicants,
910 including any direct owners, principals, or indirect owners,
911 which are required to be reported on a form adopted by
912 commission rule, submit fingerprints or the requirement that
913 such fingerprints be processed by the Department of Law
914 Enforcement or the Federal Bureau of Investigation. The
915 commission, by rule, or the office may require information about
916 any applicant or person, including:

917 1. The applicant's or person's ~~His or her~~ full name and
918 any other names by which the applicant or person ~~he or she~~ may
919 have been known and the applicant's or person's ~~his or her~~ age,
920 social security number, photograph, qualifications, and
921 educational and business history.

922 2. Any injunction or administrative order by a state or
923 federal agency, national securities exchange, or national
924 securities association involving a security or any aspect of an
925 intermediary's regulated ~~the securities~~ business and any

926 injunction or administrative order by a state or federal agency
927 regulating banking, insurance, finance, ~~or small loan companies,~~
928 real estate, mortgage brokers, or other related or similar
929 industries, which relate to such person.

930 3. The applicant's or person's ~~His or her~~ conviction of,
931 or plea of nolo contendere to, a criminal offense or the
932 applicant's or person's ~~his or her~~ commission of any acts that
933 would be grounds for refusal of an application under s. 517.161.

934 (c) The application must be amended within 30 days if any
935 information contained in the form becomes inaccurate for any
936 reason.

937 (d) An intermediary or persons affiliated with the
938 intermediary are not subject to any disqualification described
939 in s. 517.1611 or ~~United States~~ Securities and Exchange
940 Commission Rule 506(d), 17 C.F.R. 230.506(d), adopted pursuant
941 to the Securities Act of 1933, as amended. Each director,
942 officer, manager or managing member, control person of the
943 issuer, any person occupying a similar status or performing a
944 similar function, and each person holding more than 20 percent
945 of the ownership interests ~~shares~~ of the intermediary is subject
946 to this requirement.

947 (e) If the office finds that the applicant ~~is of good~~
948 ~~repute and character and~~ has complied with the applicable
949 registration provisions of this chapter and the rules adopted
950 thereunder, it shall register the applicant. The registration of

951 each intermediary expires on December 31 of the year the
952 registration became effective unless the registrant renews his
953 or her registration on or before that date. Registration may be
954 renewed by furnishing such information as the commission may
955 require by rule, together with payment of a \$200 fee and the
956 payment of any amount due to the office pursuant to any order of
957 the office or pursuant to any agreement with the office. An
958 intermediary who has not renewed a registration by the time that
959 the current registration expires may request reinstatement of
960 such registration by filing with the office, on or before
961 January 31 of the year following the year of expiration, such
962 information as required by the commission, together with payment
963 of the \$200 fee and a late fee of \$200. Any reinstatement of
964 registration granted by the office during the month of January
965 is deemed effective retroactive to January 1 of that year.

966 (20)~~(21)~~ The registration requirements of this section do
967 not apply to any general lines insurance agent or life insurance
968 agent licensed under chapter 626, for the sale of a security as
969 defined in s. 517.021(23)(g) ~~s. 517.021(22)(g)~~, if the
970 individual is directly authorized by the issuer to offer or sell
971 the security on behalf of the issuer and the issuer is a
972 federally chartered savings bank subject to regulation by the
973 Federal Deposit Insurance Corporation. Actions under this
974 subsection shall constitute activity under the insurance agent's
975 license for purposes of ss. 626.611 and 626.621.

976 Section 7. Section 517.1214, Florida Statutes, is created
 977 to read:

978 517.1214 Continuing education requirements for associated
 979 persons of investment advisers and federal covered advisers.-

980 (1) As used in this section, the term:

981 (a) "Approved continuing education content" means the
 982 materials, written, oral, or otherwise, which have been approved
 983 by NASAA or its designee and which make up the educational
 984 program provided to an associated person under this section.

985 (b) "Credit" means a unit designated by NASAA or its
 986 designee as at least 50 minutes of educational instruction.

987 (c) "Home state" means the state in which an associated
 988 person of an investment adviser or a federal covered adviser has
 989 his or her principal office and place of business.

990 (d) "NASAA" means the North American Securities
 991 Administrators Association, Inc.

992 (e) "Reporting period" means one 12-month period beginning
 993 January 1 and ending December 31. An associated person's initial
 994 reporting period with this state commences the first day of the
 995 first full reporting period after the individual is registered
 996 or required to be registered with this state.

997 (2) By December 31, 2024, and each December 31 thereafter,
 998 each associated person of an investment adviser or a federal
 999 covered adviser shall complete the following continuing
 1000 education content requirements offered by a person that NASAA or

1001 its designee has authorized to provide the continuing education
1002 content required by this section:

1003 (a) Six credits of approved continuing education content
1004 that addresses an associated person's ethical and regulatory
1005 obligations, with at least 3 hours covering the topic of ethics;
1006 and

1007 (b) Six credits of approved continuing education content
1008 that addresses an associated person's skills and knowledge
1009 regarding financial products, investment features, and practices
1010 in the investment advisory industry.

1011 (3) An associated person of an investment adviser or
1012 federal covered adviser who is also registered as an associated
1013 person of a Financial Industry Regulatory Authority (FINRA)
1014 member dealer and who complies with FINRA's continuing education
1015 requirements is considered to be in compliance with this
1016 section's products and practice requirement for each applicable
1017 reporting period, provided that the FINRA continuing education
1018 content is approved continuing education content.

1019 (4) Credits of continuing education completed by an
1020 associated person who was awarded and currently holds a
1021 credential that qualifies for examination waiver by passing any
1022 tests as prescribed in s. 15(b)(7) of the Securities Exchange
1023 Act of 1934, as amended, comply with paragraphs (2)(a) and (b),
1024 provided all of the following conditions are met:

1025 (a) The associated person completes the credits of

1026 continuing education as a condition of maintaining the
1027 credential for the relevant reporting period.

1028 (b) The credits of continuing education completed during
1029 the relevant reporting period by the associated person are
1030 mandatory to maintain the credential.

1031 (c) The continuing education content provided by the
1032 credentialing organization during the relevant reporting period
1033 is approved continuing education content.

1034 (5) Each associated person is responsible for ensuring
1035 that the authorized provider reports the associated person's
1036 completion of the applicable continuing education requirements.

1037 (6) An associated person who completes credits of
1038 continuing education in excess of the credits required for the
1039 reporting period may not carry forward excess credits to a
1040 subsequent reporting period.

1041 (7) An associated person who fails to comply with this
1042 section by the end of a reporting period shall renew as "CE
1043 inactive" at the close of the calendar year in this state until
1044 the associated person completes and reports all required
1045 continuing education credits for all reporting periods as
1046 required by this section. If an associated person renews as "CE
1047 inactive" at the close of the calendar year and fails to
1048 complete and report all required continuing education credits
1049 for all reporting periods as required by this section by the
1050 close of the next calendar year, the associated person becomes

1051 unregistered for purposes of this chapter.

1052 (8) An associated person registered or required to be
 1053 registered in this state who is registered as an associated
 1054 person of an investment adviser or federal covered adviser in
 1055 the individual's home state is considered to be in compliance
 1056 with this section if:

1057 (a) The associated person's home state has a continuing
 1058 education requirement of at least 12 hours annually; and

1059 (b) The associated person is in compliance with the home
 1060 state's associated person of an investment adviser or federal
 1061 covered adviser continuing education requirements.

1062 (9) An associated person who was previously registered
 1063 under s. 517.12 and became unregistered must complete continuing
 1064 education for all reporting periods that occurred between the
 1065 time that the associated person became unregistered and when the
 1066 person became registered again under s. 517.12, unless the
 1067 associated person takes and passes the required examinations or
 1068 the examination requirements are waived in connection with the
 1069 subsequent application for registration.

1070 Section 8. Section 517.1217, Florida Statutes, is amended
 1071 to read:

1072 517.1217 Rules of conduct and prohibited business
 1073 practices for dealers and their associated persons and for
 1074 intermediaries.—The commission by rule may establish rules of
 1075 conduct and prohibited business practices for dealers and their

1076 associated persons and for intermediaries. In adopting the
 1077 rules, the commission shall consider general industry standards
 1078 as expressed in the rules and regulations of the various federal
 1079 and self-regulatory agencies and regulatory associations,
 1080 including, but not limited to, the ~~United States~~ Securities and
 1081 Exchange Commission, the Financial Industry Regulatory
 1082 Authority, and the North American Securities Administrators
 1083 Association, Inc.

1084 Section 9. Subsections (1), (4), and (5) of section
 1085 517.161, Florida Statutes, are amended to read:

1086 517.161 Revocation, denial, or suspension of registration
 1087 of dealer, investment adviser, intermediary, or associated
 1088 person.—

1089 (1) Registration under s. 517.12 may be denied or any
 1090 registration granted may be revoked, restricted, or suspended by
 1091 the office if the office determines that such applicant or
 1092 registrant; any member, principal, or director of the applicant
 1093 or registrant or any person having a similar status or
 1094 performing similar functions; or any person directly or
 1095 indirectly controlling the applicant or registrant:

1096 (a) Has violated any provision of this chapter or any rule
 1097 or order made under this chapter;

1098 (b) Has made a material false statement in the application
 1099 for registration;

1100 (c) Has been guilty of a fraudulent act in connection with

1101 rendering investment advice or in connection with any sale of
 1102 securities, has been or is engaged or is about to engage in
 1103 making fictitious or pretended sales or purchases of any such
 1104 securities or in any practice involving the rendering of
 1105 investment advice or the sale of securities which is fraudulent
 1106 or in violation of the law;

1107 (d) Has made a misrepresentation or false statement to, or
 1108 concealed any essential or material fact from, any person in the
 1109 rendering of investment advice or the sale of a security to such
 1110 person;

1111 (e) Has failed to account to persons interested for all
 1112 money and property received;

1113 (f) Has not delivered, after a reasonable time, to persons
 1114 entitled thereto securities held or agreed to be delivered by
 1115 the dealer, ~~broker,~~ or investment adviser, as and when paid for,
 1116 and due to be delivered;

1117 (g) Is rendering investment advice or selling or offering
 1118 for sale securities through any associated person not registered
 1119 in compliance with ~~the provisions of~~ this chapter;

1120 (h) ~~Has demonstrated unworthiness to transact the business~~
 1121 ~~of dealer, investment adviser, intermediary, or associated~~
 1122 ~~person;~~

1123 ~~(i)~~ Has exercised management or policy control over or
 1124 owned 10 percent or more of the securities of any dealer,
 1125 intermediary, or investment adviser that has been declared

1126 bankrupt, or had a trustee appointed under the Securities
1127 Investor Protection Act; or is, in the case of a dealer,
1128 intermediary, or investment adviser, unable to pay its debts as
1129 they become due in the usual course of business insolvent;
1130 (i)-(j) Has been convicted of, or has entered a plea of
1131 guilty or nolo contendere to, regardless of whether adjudication
1132 was withheld, a crime against the laws of this state or any
1133 other state or of the United States or of any other country or
1134 government which relates to registration as a dealer, investment
1135 adviser, issuer of securities, intermediary, or associated
1136 person; which relates to the application for such registration;
1137 or which involves moral turpitude or fraudulent or dishonest
1138 dealing;
1139 (j)-(k) Has had a final judgment entered against her or him
1140 in a civil action upon grounds of fraud, embezzlement,
1141 misrepresentation, or deceit;
1142 ~~(l) Is of bad business repute;~~
1143 (k)-(m) Has been the subject of any decision, finding,
1144 injunction, suspension, prohibition, revocation, denial,
1145 judgment, or administrative order by any court of competent
1146 jurisdiction, administrative law judge, or by any state or
1147 federal agency, national securities, commodities, or option
1148 exchange, or national securities, commodities, or option
1149 association, involving a violation of any federal or state
1150 securities or commodities law or any rule or regulation

1151 promulgated thereunder, or any rule or regulation of any
1152 national securities, commodities, or options exchange or
1153 national securities, commodities, or options association, or has
1154 been the subject of any injunction or adverse administrative
1155 order by a state or federal agency regulating banking,
1156 insurance, finance ~~or small loan companies~~, real estate,
1157 mortgage brokers or lenders, money transmitters, or other
1158 related or similar industries. For purposes of this subsection,
1159 the office may not deny registration to any applicant who has
1160 been continuously registered with the office for 5 years after
1161 the date of entry of such decision, finding, injunction,
1162 suspension, prohibition, revocation, denial, judgment, or
1163 administrative order provided such decision, finding,
1164 injunction, suspension, prohibition, revocation, denial,
1165 judgment, or administrative order has been timely reported to
1166 the office pursuant to the commission's rules; ~~or~~

1167 (l)(n) Made payment to the office for a registration with
1168 a check or electronic transmission of funds that is dishonored
1169 by the applicant's or registrant's financial institution;

1170 (m) Failed to pay and fully satisfy any final judgment or
1171 arbitration award resulting from an investment-related, client-
1172 or customer-initiated arbitration or court proceeding, unless
1173 alternative payment arrangements are agreed to in writing
1174 between the client or customer and the investment adviser,
1175 dealer, or associated person and the investment adviser, dealer,

1176 or associated person complies with the terms of the alternative
1177 payment arrangement;

1178 (n) Attempted to avoid payment of any final judgment or
1179 arbitration award resulting from an investment-related, client-
1180 or customer-initiated arbitration or court proceeding, unless
1181 alternative payment arrangements are agreed to in writing
1182 between the client or customer and the investment adviser,
1183 dealer, or associated person and the investment adviser, dealer,
1184 or associated person complies with the terms of the alternative
1185 payment arrangements; or

1186 (o) Failed to pay and fully satisfy any fine, civil
1187 penalty, order of restitution, order of disgorgement, or similar
1188 monetary payment obligation imposed upon the investment adviser,
1189 dealer, or associated person by the Securities and Exchange
1190 Commission, the securities regulator or other financial services
1191 regulator of any state or province, or any securities industry
1192 self-regulatory organization.

1193 (4) It shall be sufficient cause for denial of an
1194 application or revocation of registration, in the case of a
1195 partnership, corporation, limited liability company, or
1196 unincorporated association, if any member of the partnership,
1197 any manager or managing member of the limited liability company,
1198 or any officer, director, or ultimate equitable owner of the
1199 corporation or association has committed any act or omission
1200 which would be cause for denying, revoking, restricting, or

1201 suspending the registration of an individual dealer, investment
 1202 adviser, intermediary, or associated person. As used in this
 1203 subsection, the term "ultimate equitable owner" means a natural
 1204 person who directly or indirectly owns or controls an ownership
 1205 interest in the corporation, partnership, association, or other
 1206 legal entity however organized, regardless of whether such
 1207 natural person owns or controls such ownership interest through
 1208 one or more proxies, powers of attorney, nominees, corporations,
 1209 associations, partnerships, trusts, joint stock companies, or
 1210 other entities or devices, or any combination thereof.

1211 (5) The office may deny any request to terminate or
 1212 withdraw any application or registration if the office believes
 1213 that an act that ~~which~~ would be a ground for denial, suspension,
 1214 restriction, or revocation under this chapter has been
 1215 committed.

1216 Section 10. Section 517.181, Florida Statutes, is
 1217 repealed.

1218 Section 11. Paragraph (a) of subsection (4) of section
 1219 517.201, Florida Statutes, is amended to read:

1220 517.201 Investigations; examinations; subpoenas; hearings;
 1221 witnesses.—

1222 (4) (a) In the event of substantial noncompliance with a
 1223 subpoena or subpoena duces tecum issued or caused to be issued
 1224 by the office pursuant to this section, the office may petition
 1225 the circuit court of the county in which the person subpoenaed

1226 resides or has its principal place of business for an order
1227 requiring the subpoenaed person to appear and testify and to
1228 produce such books, records, and documents as are specified in
1229 such subpoena duces tecum. The court may grant injunctive relief
1230 restraining the issuance, sale or offer for sale, purchase or
1231 offer to purchase, promotion, negotiation, advertisement, or
1232 distribution ~~in or from offices in this state~~ of securities or
1233 investments in or from this state by the noncompliant a person
1234 or its agent, employee, broker, partner, officer, director,
1235 manager, managing member, equity holder, or any person directly
1236 or indirectly controlling the noncompliant person ~~stockholder~~
1237 ~~thereof~~, and may grant such other relief, including, but not
1238 limited to, the restraint, by injunction or appointment of a
1239 receiver, of any transfer, pledge, assignment, or other
1240 disposition of such person's assets or any concealment,
1241 alteration, destruction, or other disposition of subpoenaed
1242 books, records, or documents, as the court deems appropriate,
1243 until such person has fully complied with such subpoena or
1244 subpoena duces tecum and the office has completed its
1245 investigation or examination. The office is entitled to the
1246 summary procedure provided in s. 51.011, and the court shall
1247 advance the cause on its calendar. Costs incurred by the office
1248 to obtain an order granting, in whole or in part, such petition
1249 for enforcement of a subpoena or subpoena duces tecum shall be
1250 taxed against the subpoenaed person, and failure to comply with

1251 such order shall be a contempt of court.

1252 Section 12. Paragraph (d) of subsection (3) of section
 1253 921.0022, Florida Statutes, is amended to read:

1254 921.0022 Criminal Punishment Code; offense severity
 1255 ranking chart.—

1256 (3) OFFENSE SEVERITY RANKING CHART

1257 (d) LEVEL 4

1258

Florida	Felony	
Statute	Degree	Description

1259

316.1935(3) (a)	2nd	Driving at high speed or with wanton disregard for safety while fleeing or attempting to elude law enforcement officer who is in a patrol vehicle with siren and lights activated.
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499.0051(1)	3rd	Failure to maintain or deliver transaction history, transaction information, or transaction statements.
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1261

499.0051(5)	2nd	Knowing sale or delivery, or possession with intent to sell,
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CS/HB 253

2023

1262			contraband prescription drugs.
1263	517.07(1)	3rd	Failure to register securities.
1264	517.12(1)	3rd	Failure of dealer <u>or</u> associated person <u>of a dealer</u> or issuer of securities to register.
1265	784.07(2)(b)	3rd	Battery of law enforcement officer, firefighter, etc.
1266	784.074(1)(c)	3rd	Battery of sexually violent predators facility staff.
1267	784.075	3rd	Battery on detention or commitment facility staff.
1268	784.078	3rd	Battery of facility employee by throwing, tossing, or expelling certain fluids or materials.
1269	784.08(2)(c)	3rd	Battery on a person 65 years of age or older.

CS/HB 253

2023

1270	784.081 (3)	3rd	Battery on specified official or employee.
1271	784.082 (3)	3rd	Battery by detained person on visitor or other detainee.
1272	784.083 (3)	3rd	Battery on code inspector.
1273	784.085	3rd	Battery of child by throwing, tossing, projecting, or expelling certain fluids or materials.
1274	787.03 (1)	3rd	Interference with custody; wrongly takes minor from appointed guardian.
1275	787.04 (2)	3rd	Take, entice, or remove child beyond state limits with criminal intent pending custody proceedings.
	787.04 (3)	3rd	Carrying child beyond state lines with criminal intent to avoid producing child at

1276			custody hearing or delivering to designated person.
1277	787.07	3rd	Human smuggling.
1278	790.115 (1)	3rd	Exhibiting firearm or weapon within 1,000 feet of a school.
1279	790.115 (2) (b)	3rd	Possessing electric weapon or device, destructive device, or other weapon on school property.
1280	790.115 (2) (c)	3rd	Possessing firearm on school property.
1281	794.051 (1)	3rd	Indecent, lewd, or lascivious touching of certain minors.
1282	800.04 (7) (c)	3rd	Lewd or lascivious exhibition; offender less than 18 years.
1283	806.135	2nd	Destroying or demolishing a memorial or historic property.

1284	810.02 (4) (a)	3rd	Burglary, or attempted burglary, of an unoccupied structure; unarmed; no assault or battery.
1285	810.02 (4) (b)	3rd	Burglary, or attempted burglary, of an unoccupied conveyance; unarmed; no assault or battery.
1286	810.06	3rd	Burglary; possession of tools.
1287	810.08 (2) (c)	3rd	Trespass on property, armed with firearm or dangerous weapon.
1288	812.014 (2) (c) 3.	3rd	Grand theft, 3rd degree \$10,000 or more but less than \$20,000.
1289	812.014 (2) (c) 4.-10.	3rd	Grand theft, 3rd degree; specified items.
	812.0195 (2)	3rd	Dealing in stolen property by use of the Internet; property stolen \$300 or more.

CS/HB 253

2023

1290	817.505 (4) (a)	3rd	Patient brokering.
1291	817.563 (1)	3rd	Sell or deliver substance other than controlled substance agreed upon, excluding s. 893.03(5) drugs.
1292	817.568 (2) (a)	3rd	Fraudulent use of personal identification information.
1293	817.625 (2) (a)	3rd	Fraudulent use of scanning device, skimming device, or reencoder.
1294	817.625 (2) (c)	3rd	Possess, sell, or deliver skimming device.
1295	828.125 (1)	2nd	Kill, maim, or cause great bodily harm or permanent breeding disability to any registered horse or cattle.
1296	836.14 (2)	3rd	Person who commits theft of a sexually explicit image with

CS/HB 253

2023

1297			intent to promote it.
	836.14(3)	3rd	Person who willfully possesses a sexually explicit image with certain knowledge, intent, and purpose.
1298			
	837.02(1)	3rd	Perjury in official proceedings.
1299			
	837.021(1)	3rd	Make contradictory statements in official proceedings.
1300			
	838.022	3rd	Official misconduct.
1301			
	839.13(2)(a)	3rd	Falsifying records of an individual in the care and custody of a state agency.
1302			
	839.13(2)(c)	3rd	Falsifying records of the Department of Children and Families.
1303			
	843.021	3rd	Possession of a concealed handcuff key by a person in

CS/HB 253

2023

1304			custody.
	843.025	3rd	Deprive law enforcement, correctional, or correctional probation officer of means of protection or communication.
1305			
	843.15(1) (a)	3rd	Failure to appear while on bail for felony (bond estreature or bond jumping).
1306			
	847.0135(5) (c)	3rd	Lewd or lascivious exhibition using computer; offender less than 18 years.
1307			
	870.01(3)	2nd	Aggravated rioting.
1308			
	870.01(5)	2nd	Aggravated inciting a riot.
1309			
	874.05(1) (a)	3rd	Encouraging or recruiting another to join a criminal gang.
1310			
	893.13(2) (a) 1.	2nd	Purchase of cocaine (or other s. 893.03(1) (a), (b), or (d),

CS/HB 253

2023

			(2) (a), (2) (b), or (2) (c) 5. drugs).
1311	914.14 (2)	3rd	Witnesses accepting bribes.
1312	914.22 (1)	3rd	Force, threaten, etc., witness, victim, or informant.
1313	914.23 (2)	3rd	Retaliation against a witness, victim, or informant, no bodily injury.
1314	916.1085 (2) (c) 1.	3rd	Introduction of specified contraband into certain DCF facilities.
1315	918.12	3rd	Tampering with jurors.
1316	934.215	3rd	Use of two-way communications device to facilitate commission of a crime.
1317	944.47 (1) (a) 6.	3rd	Introduction of contraband (cellular telephone or other portable communication device)

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into correctional institution.

951.22(1)(h), 3rd Intoxicating drug,
(j) & (k) instrumentality or other device
to aid escape, or cellular
telephone or other portable
communication device introduced
into county detention facility.

Section 13. Section 517.1215, Florida Statutes, is amended
to read:

517.1215 Requirements, rules of conduct, and prohibited
business practices for investment advisers ~~advisors~~ and their
associated persons.—

(1) The commission shall specify by rule requirements for
investment advisers ~~advisors~~ deemed to have custody of client
funds which concern the following:

(a) Notification of custody of, maintenance of, and
safeguards for client funds.

(b) Communications with clients and independent
representatives.

(c) Requirements for investment advisers who have custody
of pooled investments.

(d) Exceptions to the custody requirements.

1336 In adopting the rules, the commission shall consider the rules
1337 and regulations of the federal regulatory authority and the
1338 North American Securities Administrators Association, Inc.

1339 (2) The commission shall by rule establish rules of
1340 conduct and prohibited business practices for investment
1341 advisers and their associated persons. In adopting the rules,
1342 the commission shall consider general industry standards as
1343 expressed in the rules and regulations of the various federal
1344 and self-regulatory agencies and regulatory associations,
1345 including, but not limited to, the ~~United States~~ Securities and
1346 Exchange Commission, the Financial Industry Regulatory
1347 Authority, and the North American Securities Administrators
1348 Association, Inc.

1349 Section 14. Subsections (18) and (22) of section 517.061,
1350 Florida Statutes, are amended to read:

1351 517.061 Exempt transactions.—Except as otherwise provided
1352 in s. 517.0611 for a transaction listed in subsection (21), the
1353 exemption for each transaction listed below is self-executing
1354 and does not require any filing with the office before claiming
1355 the exemption. Any person who claims entitlement to any of the
1356 exemptions bears the burden of proving such entitlement in any
1357 proceeding brought under this chapter. The registration
1358 provisions of s. 517.07 do not apply to any of the following
1359 transactions; however, such transactions are subject to the
1360 provisions of ss. 517.301, 517.311, and 517.312:

1361 (18) The offer or sale of any security effected by or
 1362 through a person in compliance with s. 517.12(16) ~~s. 517.12(17)~~.

1363 (22) The offer or sale of securities, solely in connection
 1364 with the transfer of ownership of an eligible privately held
 1365 company, through a merger and acquisition broker in accordance
 1366 with s. 517.12(21) ~~s. 517.12(22)~~.

1367 Section 15. Paragraph (b) of subsection (4) and subsection
 1368 (14) of section 517.0611, Florida Statutes, are amended to read:
 1369 517.0611 Intrastate crowdfunding.—

1370 (4) An issuer must:

1371 (b) Conduct transactions for the offering through a dealer
 1372 registered with the office or an intermediary registered under
 1373 s. 517.12(19) ~~s. 517.12(20)~~.

1374 (14) An intermediary not registered as a dealer under s.
 1375 517.12(5) ~~s. 517.12(6)~~ may not:

1376 (a) Offer investment advice or recommendations. A refusal
 1377 by an intermediary to post an offering that it deems not
 1378 credible or that represents a potential for fraud may not be
 1379 construed as an offer of investment advice or recommendation.

1380 (b) Solicit purchases, sales, or offers to buy securities
 1381 offered or displayed on its website.

1382 (c) Compensate employees, agents, or other persons for the
 1383 solicitation of, or based on the sale of, securities offered or
 1384 displayed on its website.

1385 (d) Hold, manage, possess, or otherwise handle investor

1386 funds or securities.

1387 (e) Compensate promoters, finders, or lead generators for
 1388 providing the intermediary with the personal identifying
 1389 information of any potential investor.

1390 (f) Engage in any other activities set forth by commission
 1391 rule.

1392 Section 16. Subsection (1) of section 517.075, Florida
 1393 Statutes, is amended to read:

1394 517.075 Cuba, prospectus disclosure of doing business
 1395 with, required.—

1396 (1) Any issuer of securities that will be sold in this
 1397 state pursuant to a prospectus must disclose in the prospectus
 1398 if the issuer or any affiliate thereof, ~~as defined in s.~~
 1399 ~~517.021(1)~~, does business with the government of Cuba or with
 1400 any person or affiliate located in Cuba. The prospectus
 1401 disclosure required by this subsection does not apply with
 1402 respect to prospectuses prepared before April 10, 1992.

1403 Section 17. Paragraph (a) of subsection (1) of section
 1404 517.131, Florida Statutes, is amended to read:

1405 517.131 Securities Guaranty Fund.—

1406 (1)(a) The Chief Financial Officer shall establish a
 1407 Securities Guaranty Fund. An amount not exceeding 20 percent of
 1408 all revenues received as assessment fees pursuant to s.
 1409 517.12(9) and (10) ~~s. 517.12(10) and (11)~~ for dealers and
 1410 investment advisers or s. 517.1201 for federal covered advisers

1411 and an amount not exceeding 10 percent of all revenues received
 1412 as assessment fees pursuant to s. 517.12(9) and (10) ~~s.~~
 1413 ~~517.12(10) and (11)~~ for associated persons shall be part of the
 1414 regular license fee and shall be transferred to or deposited in
 1415 the Securities Guaranty Fund.

1416 Section 18. Subsection (1) of section 517.211, Florida
 1417 Statutes, is amended to read:

1418 517.211 Remedies available in cases of unlawful sale.—

1419 (1) Every sale made in violation of either s. 517.07 or s.
 1420 517.12(1), (3), (4), (8), (10), (12), (15), or (17) ~~(4), (5),~~
 1421 ~~(9), (11), (13), (16), or (18)~~ may be rescinded at the election
 1422 of the purchaser, except a sale made in violation of the
 1423 provisions of s. 517.1202(3) relating to a renewal of a branch
 1424 office notification shall not be subject to this section, and a
 1425 sale made in violation of the provisions of s. 517.12(12) ~~s.~~
 1426 ~~517.12(13)~~ relating to filing a change of address amendment
 1427 shall not be subject to this section. Each person making the
 1428 sale and every director, officer, partner, or agent of or for
 1429 the seller, if the director, officer, partner, or agent has
 1430 personally participated or aided in making the sale, is jointly
 1431 and severally liable to the purchaser in an action for
 1432 rescission, if the purchaser still owns the security, or for
 1433 damages, if the purchaser has sold the security. No purchaser
 1434 otherwise entitled will have the benefit of this subsection who
 1435 has refused or failed, within 30 days of receipt, to accept an

1436 offer made in writing by the seller, if the purchaser has not
 1437 sold the security, to take back the security in question and to
 1438 refund the full amount paid by the purchaser or, if the
 1439 purchaser has sold the security, to pay the purchaser an amount
 1440 equal to the difference between the amount paid for the security
 1441 and the amount received by the purchaser on the sale of the
 1442 security, together, in either case, with interest on the full
 1443 amount paid for the security by the purchaser at the legal rate,
 1444 pursuant to s. 55.03, for the period from the date of payment by
 1445 the purchaser to the date of repayment, less the amount of any
 1446 income received by the purchaser on the security.

1447 Section 19. Section 517.315, Florida Statutes, is amended
 1448 to read:

1449 517.315 Fees.—All fees of any nature collected by the
 1450 office pursuant to this chapter shall be disbursed as follows:

1451 (1) The office shall transfer the amount of fees required
 1452 to be deposited into the Securities Guaranty Fund pursuant to s.
 1453 517.131.~~†~~

1454 (2) After the transfer required in subsection (1), the
 1455 office shall transfer the \$50 assessment fee collected from each
 1456 associated person under s. 517.12(9) and (10) ~~s. 517.12(10) and~~
 1457 ~~(11)~~ and 30.44 percent of the \$100 assessment fee paid by
 1458 dealers and investment advisers ~~advisors~~ for each office in the
 1459 state under s. 517.12(9) and (10) ~~s. 517.12(10) and (11)~~ to the
 1460 Regulatory Trust Fund.~~†~~ ~~and~~

1461 (3) All remaining fees shall be deposited into the General
 1462 Revenue Fund.

1463 Section 20. Subsection (5) of section 626.9911, Florida
 1464 Statutes, is amended to read:

1465 626.9911 Definitions.—As used in this act, the term:

1466 (5) "Life expectancy provider" means a person who
 1467 determines, or holds himself or herself out as determining, life
 1468 expectancies or mortality ratings used to determine life
 1469 expectancies:

1470 (a) On behalf of a viatical settlement provider, viatical
 1471 settlement broker, life agent, or person engaged in the business
 1472 of viatical settlements;

1473 (b) In connection with a viatical settlement investment as
 1474 defined in s. 517.021, ~~pursuant to s. 517.021(24)~~; or

1475 (c) On residents of this state in connection with a
 1476 viatical settlement contract or viatical settlement investment.

1477 Section 21. Subsection (6) of section 744.351, Florida
 1478 Statutes, is amended to read:

1479 744.351 Bond of guardian.—

1480 (6) When it is expedient in the judgment of any court
 1481 having jurisdiction of any guardianship property, because the
 1482 size of the bond required of the guardian is burdensome, or for
 1483 other cause, the court may order, in lieu of a bond or in
 1484 addition to a lesser bond, that the guardian place all or part
 1485 of the property of the ward in a designated financial

1486 institution under the same conditions and limitations as are
 1487 contained in s. 69.031. A designated financial institution shall
 1488 also include a dealer~~r~~, as defined in s. 517.021 ~~s. 517.021(6)~~,
 1489 if the dealer is a member of the Security Investment Protection
 1490 Corporation and is doing business in the state.

1491 Section 22. Section 517.1205, Florida Statutes, is amended
 1492 to read:

1493 517.1205 Registration of associated persons specific as to
 1494 securities dealer, investment adviser, or federal covered
 1495 adviser identified at time of registration approval.—Inasmuch as
 1496 this chapter is intended to protect investors in securities
 1497 offerings and other investment transactions regulated by that
 1498 chapter, its provisions are to be construed to require full and
 1499 fair disclosure of all, but only, those matters material to the
 1500 investor's evaluation of the offering or other transaction. It
 1501 should, furthermore, be construed to impose the standards
 1502 provided by law on all those seeking to participate in the
 1503 state's securities industry through registration as a securities
 1504 dealer, investment adviser, or associated person. To this end,
 1505 it is declared to be the intent of the Legislature that the
 1506 registration of associated persons required by law is specific
 1507 to the securities dealer, investment adviser, or federal covered
 1508 adviser identified at the time such registration is approved.
 1509 Notwithstanding any interpretation of law to the contrary, the
 1510 historical practice of the Department of Banking and Finance,

1511 reflected in its rules, that requires a new application for
1512 registration from a previously registered associated person when
1513 that person seeks to be associated with a new securities dealer
1514 or investment adviser is hereby ratified and approved as
1515 consistent with legislative intent. It is, finally, declared to
1516 be the intent of the Legislature that while approval of an
1517 application for registration of a securities dealer, investment
1518 adviser, or associated person requires a finding of compliance
1519 with the applicable registration provisions of this chapter and
1520 applicable rules ~~the applicant's good repute and character~~, such
1521 finding is precluded by a determination that the applicant may
1522 be denied registration on grounds provided by law.

1523 Section 23. This act shall take effect October 1, 2023.