

1                                   A bill to be entitled  
2           An act relating to the Uniform Commercial Code;  
3           providing a directive to the Division of Law Revision;  
4           creating part I of ch. 669, F.S., relating to  
5           controllable electronic records; creating s. 669.101,  
6           F.S.; providing a short title; creating s. 669.102,  
7           F.S.; defining terms; providing construction; creating  
8           s. 669.103, F.S.; providing construction; creating s.  
9           669.104, F.S.; providing applicability; specifying  
10          when a purchaser of a controllable account or  
11          controllable payment intangible is a qualifying  
12          purchaser; specifying rights acquired relating to  
13          controllable electronic records; prohibiting actions  
14          from being asserted against qualifying purchasers  
15          under certain circumstances; specifying that filing a  
16          certain financial statement is not notice of a claim  
17          of a property right in a controllable electronic  
18          record; creating s. 669.105, F.S.; specifying when a  
19          person has control of a controllable electronic  
20          record; providing when a person's power relating to  
21          controllable electronic records is or is not  
22          exclusive; providing that a person who has control of  
23          a controllable electronic record is not required to  
24          acknowledge such control; specifying that a person  
25          that acknowledges control of a controllable electronic

26 record does not owe any duty to the other person and  
27 is not required to confirm the acknowledgment to any  
28 other person; creating s. 669.106, F.S.; authorizing  
29 account debtors on a controllable account or  
30 controllable payment intangible to discharge  
31 obligations under certain circumstances; providing  
32 requirements for such discharge; prohibiting account  
33 debtors from waiving or varying certain rights and  
34 options; providing construction; creating s. 669.107,  
35 F.S.; specifying the governing laws and jurisdictions  
36 relating to controllable electronic records; creating  
37 part II of ch. 669, F.S., relating to transitional  
38 provisions; creating s. 669.501, F.S.; providing a  
39 short title; creating s. 669.502, F.S.; defining  
40 terms; creating ss. 669.601 and 669.701, F.S.;  
41 providing saving clauses for certain transactions;  
42 providing applicability; providing construction;  
43 creating s. 669.702, F.S.; specifying requirements for  
44 perfecting security interests that are enforceable and  
45 perfected before a specified date; creating s.  
46 669.703, F.S.; specifying requirements for security  
47 interests that were unperfected before a specified  
48 date; creating s. 669.704, F.S.; specifying the  
49 effectiveness of certain actions relating to security  
50 interests taken before a specified date; creating ss.

51 669.705 and 669.706, F.S.; providing priority for  
52 conflicting claims to collateral; creating part III of  
53 ch. 669, F.S., entitled "Miscellaneous Provisions";  
54 creating s. 669.711, F.S.; providing construction;  
55 amending s. 670.103, F.S.; revising the definition of  
56 the term "payment order"; amending s. 670.201, F.S.;  
57 revising authorizations and requirements relating to  
58 security procedures; amending s. 670.202, F.S.;  
59 revising the circumstances under which payment orders  
60 received by banks are effective as the order of a  
61 customer; making technical changes; amending s.  
62 670.203, F.S.; revising rules that apply to payment  
63 orders that are not authorized orders of certain  
64 customers; amending ss. 670.207, 670.208, 670.21, and  
65 670.211, F.S.; making technical changes; amending s.  
66 670.305, F.S.; revising liability requirements  
67 relating to payment orders; creating part VI of ch.  
68 670, F.S., relating to transitional provisions;  
69 creating s. 670.601, F.S.; providing applicability;  
70 amending s. 671.101, F.S.; making technical changes;  
71 amending s. 671.105, F.S.; revising applicability;  
72 amending s. 671.107, F.S.; making a technical change;  
73 amending s. 671.201, F.S.; revising definitions;  
74 defining terms; amending s. 671.211, F.S.; conforming  
75 a cross-reference; creating part IV of ch. 671, F.S.,

76 relating to transitional provisions; creating s.  
77 671.401, F.S.; providing applicability; amending s.  
78 672.102, F.S.; revising applicability; amending s.  
79 672.106, F.S.; defining the term "hybrid transaction";  
80 making technical changes; amending ss. 672.201,  
81 672.202, 672.203, and 672.205, F.S.; making technical  
82 changes; amending s. 672.209, F.S.; revising a  
83 prohibition on modifying or rescinding a signed  
84 agreement that excludes modification or rescission;  
85 creating part VIII of ch. 672, F.S., relating to  
86 transitional provisions; creating s. 672.801, F.S.;  
87 providing applicability; amending s. 673.1041, F.S.;  
88 revising the definition of the term "negotiable  
89 instrument"; amending s. 673.1051, F.S.; revising the  
90 definition of the term "issue"; amending s. 673.4011,  
91 F.S.; conforming provisions to changes made by the  
92 act; amending s. 673.6041, F.S.; specifying that the  
93 obligation of a party to pay a check is not discharged  
94 solely by destruction of the check in connection with  
95 a specified process; creating part VII of ch. 673,  
96 F.S., relating to transitional provisions; creating s.  
97 673.702, F.S.; providing applicability; amending s.  
98 675.104, F.S.; conforming provisions to changes made  
99 by the act; amending s. 675.116, F.S.; providing that  
100 a branch of a bank is considered to be located at the

101 address indicated in the branch's undertaking or, if  
102 more than one address is indicated, the address from  
103 which the undertaking was issued; making technical  
104 changes; creating s. 675.119, F.S.; providing  
105 applicability; amending s. 677.102, F.S.; deleting  
106 definitions of the terms "record" and "sign"; amending  
107 s. 677.106, F.S.; specifying when a system satisfies  
108 certain requirements and a person has control of an  
109 electronic document of title; specifying when certain  
110 powers are or are not exclusive; providing that a  
111 person that has control of an electronic document or  
112 title does not need to acknowledge that it has control  
113 on behalf of another person; specifying that a person  
114 does not owe any duty to another person under certain  
115 circumstances; creating part VII of ch. 677, F.S.,  
116 related to transitional provisions; creating s.  
117 677.701, F.S.; providing applicability; amending s.  
118 678.1021, F.S.; revising definitions; revising the  
119 applicability of definitions; amending s. 678.1031,  
120 F.S.; specifying that a controllable account,  
121 controllable electronic record, or controllable  
122 payment intangible is not a financial asset under  
123 certain circumstances; conforming a cross-reference;  
124 amending s. 678.1061, F.S.; revising the circumstances  
125 under which purchasers have control of security

126 | entitlements; specifying that a person that has such  
127 | control is not required to acknowledge such control on  
128 | behalf of a purchaser; specifying that certain persons  
129 | do not owe any duty to purchasers and are not required  
130 | to confirm certain acknowledgment under certain  
131 | circumstances; amending s. 678.1101, F.S.; providing  
132 | applicability; amending s. 678.3031, F.S.; specifying  
133 | that protected purchasers acquire interest in a  
134 | security free of any adverse claim; creating part VI  
135 | of ch. 678, F.S., relating to transitional provisions;  
136 | creating s. 678.601, F.S.; providing applicability;  
137 | amending s. 679.1021, F.S.; defining terms; revising  
138 | and deleting definitions; revising the applicability  
139 | of definitions; amending s. 679.1041, F.S.; revising  
140 | the circumstances under which a secured party has  
141 | control of a deposit account; making a technical  
142 | change; amending s. 679.1051, F.S.; revising when a  
143 | person has control of electronic chattel paper;  
144 | specifying when power of such control is or is not  
145 | exclusive; creating s. 679.1052, F.S.; specifying when  
146 | a person has control of electronic money; specifying  
147 | when power of such control is or is not exclusive;  
148 | creating s. 679.1053, F.S.; specifying when a person  
149 | has control of controllable electronic records,  
150 | controllable accounts, or controllable payment

151 intangibles; creating s. 679.1054, F.S.; providing  
152 that specified persons with certain control are not  
153 required to acknowledge such control; specifying that  
154 such persons do not owe any duty to certain persons  
155 and are not required to confirm acknowledgment to any  
156 other person; amending s. 679.2031, F.S.; revising the  
157 circumstances under which a security interest is  
158 enforceable against a debtor and third parties;  
159 conforming a cross-reference and provisions to changes  
160 made by the act; amending s. 679.2041, F.S.; revising  
161 the circumstances under which a security interest does  
162 not attach under a term constituting an after-acquired  
163 property clause; amending s. 679.2071, F.S.;  
164 conforming a provision to changes made by the act;  
165 amending s. 679.2081, F.S.; revising duties relating  
166 to secured parties having control of collateral;  
167 amending s. 679.209, F.S.; revising duties relating to  
168 secured parties if an account debtor has been notified  
169 of an assignment; revising cross-references; amending  
170 s. 679.210, F.S.; conforming provisions to changes  
171 made by the act; amending s. 679.3011, F.S.; revising  
172 requirements relating to laws governing perfection and  
173 priority of security interests; revising a cross-  
174 reference; amending s. 679.3041, F.S.; specifying that  
175 the local law of a bank's jurisdiction governs even if

176 a transaction does not bear any relation to the bank's  
177 jurisdiction; amending s. 679.3051, F.S.; revising  
178 applicability; creating s. 679.3062, F.S.; specifying  
179 which laws govern the perfection and priority of  
180 security interests in chattel paper; creating s.  
181 679.3063, F.S.; specifying which laws govern the  
182 perfection and priority of security interests in  
183 controllable accounts, controllable electronic  
184 records, and controllable payment intangibles;  
185 amending s. 679.3101, F.S.; revising the circumstances  
186 under which the filing of a financing statement is not  
187 necessary to perfect a security interest; amending s.  
188 679.3121, F.S.; providing requirements for perfecting  
189 a security interest in controllable accounts,  
190 controllable electronic records, and controllable  
191 payment intangibles; amending s. 679.3131, F.S.;  
192 conforming provisions to changes made by the act;  
193 amending s. 679.3141, F.S.; revising requirements for  
194 perfection by control; creating s. 679.3152, F.S.;  
195 providing requirements for perfecting a security  
196 interest in chattel paper by possession and control;  
197 amending s. 679.3161, F.S.; revising requirements  
198 relating to maintaining perfection of security  
199 interests following a change in governing law;  
200 revising cross-references; amending s. 679.3171, F.S.;

201 revising the circumstances under which persons take  
202 free of a security interest or agricultural lien;  
203 amending s. 679.323, F.S.; revising the circumstances  
204 under which a buyer or lessee of goods takes free of a  
205 security interest or leasehold; amending s. 679.324,  
206 F.S.; conforming provisions to changes made by the  
207 act; creating s. 679.3251, F.S.; specifying that  
208 certain security interests in controllable accounts,  
209 controllable electronic records, or controllable  
210 payment intangibles have priority over conflicting  
211 security interests; amending s. 679.330, F.S.;  
212 revising the circumstances under which purchasers of  
213 chattel paper have priority over certain security  
214 interests in the chattel paper; revising  
215 applicability; making a technical change; amending s.  
216 679.331, F.S.; revising construction; amending s.  
217 679.332, F.S.; revising the circumstances under which  
218 a transferee takes money or funds free of a security  
219 interest; amending ss. 679.341 and 679.4041, F.S.;  
220 conforming provisions to changes made by the act;  
221 amending s. 679.4061, F.S.; defining the term  
222 "promissory note"; conforming provisions to changes  
223 made by the act; revising applicability; amending s.  
224 679.4081, F.S.; defining the term "promissory note";  
225 amending ss. 679.509, 679.513, 679.601, and 679.604,

226 F.S.; conforming provisions to changes made by the  
 227 act; amending s. 679.605, F.S.; specifying when a  
 228 secured party owes a duty to a person based on the  
 229 party's status as a secured party; amending ss.  
 230 679.608 and 679.611, F.S.; conforming provisions to  
 231 changes made by the act; making technical changes;  
 232 amending s. 679.613, F.S.; revising the form for  
 233 notification of the disposition of collateral;  
 234 providing requirements relating to such form; amending  
 235 s. 679.614, F.S.; revising form requirements for  
 236 notice of a plan to sell property; providing  
 237 requirements relating to such form; amending ss.  
 238 679.615, 679.616, 679.619, 679.620, 679.621, 679.624,  
 239 and 679.625, F.S.; conforming provisions to changes  
 240 made by the act; amending s. 679.628, F.S.; providing  
 241 applicability; creating part IX of ch. 670, F.S.,  
 242 relating to transitional provisions; creating ss.  
 243 679.901 and 679.902, F.S.; providing construction;  
 244 amending s. 680.1021, F.S.; revising applicability;  
 245 amending s. 680.1031, F.S.; defining the term "hybrid  
 246 lease"; conforming cross-references; amending ss.  
 247 680.1071, 680.201, 680.202, 680.203, 680.205, 680.208,  
 248 F.S.; conforming provisions to changes made by the  
 249 act; creating part VI of ch. 680, F.S., relating to  
 250 transitional provisions; creating s. 680.601, F.S.;

251 providing applicability; amending ss. 55.205, 319.27,  
252 328.0015, 517.061, 559.9232, 563.022, 668.50, F.S.;  
253 conforming cross-references; reenacting ss. 655.55(1)  
254 and (2) and 685.101(2), F.S., relating to law  
255 applicable to deposits in and contracts relating to  
256 extensions of credit by a deposit or lending  
257 institution located in this state and choice of law,  
258 respectively, to incorporate the amendment made to s.  
259 671.105, F.S., in references thereto; reenacting ss.  
260 90.953(1), 673.1061(1), (3), and (4), and 673.1151(2),  
261 F.S., relating to admissibility of duplicates,  
262 unconditional promise or order, and incomplete  
263 instruments, respectively, to incorporate the  
264 amendment made to s. 673.1041, F.S., in references  
265 thereto; reenacting s. 673.1031(2), F.S., relating to  
266 definitions, to incorporate the amendments made to ss.  
267 673.1041 and 673.1051, F.S., in references thereto;  
268 reenacting s. 673.6051(2), F.S., relating to discharge  
269 of indorsers and accommodation parties, to incorporate  
270 the amendment made to s. 673.6041, F.S., in a  
271 reference thereto; reenacting s. 679.3061(2), F.S.,  
272 relating to law governing perfection and priority of  
273 security interests in letter-of-credit rights, to  
274 incorporate the amendment made to s. 675.116, F.S., in  
275 a reference thereto; reenacting s. 675.103(1)(j),

276 F.S., relating to definitions, to incorporate the  
277 amendment made to s. 675.104, F.S., in a reference  
278 thereto; reenacting ss. 674.2101(3), 675.1181(2), and  
279 679.1101, F.S., relating to security interest of  
280 collecting bank in items, accompanying documents, and  
281 proceeds; security interest of issuer or nominated  
282 person; and security interests arising under chapter  
283 672 or chapter 680, respectively, to incorporate the  
284 amendment made to s. 679.2031, F.S., in references  
285 thereto; reenacting ss. 672.103(3) and 674.104(3),  
286 F.S., relating to definitions and index of  
287 definitions, to incorporate the amendment made to s.  
288 677.106, F.S., in references thereto; reenacting ss.  
289 678.5101(3) and 679.1061(1), F.S., relating to rights  
290 of purchaser of security entitlement from entitlement  
291 holder and control of investment property,  
292 respectively, to incorporate the amendment made to s.  
293 678.1061, F.S., in references thereto; reenacting s.  
294 679.328(2), (5), and (7), F.S., relating to priority  
295 of security interests in investment property, to  
296 incorporate the amendments made to ss. 678.1061,  
297 679.3131, 679.3141, and 679.323, F.S., in references  
298 thereto; reenacting s. 679.327(1) and (2), F.S.,  
299 relating to priority of security interests in deposit  
300 account, to incorporate the amendment made to ss.

301 679.1041 and 679.3141, F.S., in references thereto;  
302 reenacting s. 679.1091(4), F.S., relating to scope, to  
303 incorporate the amendment made to ss. 679.2031 and  
304 679.4041, F.S., in references thereto; reenacting s.  
305 679.709(2), F.S., relating to priority, to incorporate  
306 the amendment made to s. 679.2031, F.S., in a  
307 reference thereto; reenacting s. 679.602(2), F.S.,  
308 relating to waiver and variance of rights and duties,  
309 to incorporate the amendment made to s. 679.210, F.S.,  
310 in a reference thereto; reenacting s. 679.329, F.S.,  
311 relating to priority of security interests in deposit  
312 account and priority of security interests in letter-  
313 of-credit right, respectively, to incorporate the  
314 amendment made to s. 679.3141, F.S., in references  
315 thereto; reenacting s. 679.320(3), F.S., buyer of  
316 goods, to incorporate the amendment made to s.  
317 679.3161, F.S., in references thereto; reenacting s.  
318 727.109(8)(b), F.S., relating to power of the court,  
319 to incorporate the amendment made to s. 679.3171,  
320 F.S., in a reference thereto reenacting s. 680.307(3),  
321 F.S., relating to priority of liens arising by  
322 attachment or levy on, security interests in, and  
323 other claims to goods, to incorporate the amendment  
324 made to ss. 679.3171 and 679.323, F.S., in references  
325 thereto; reenacting s. 679.626(3), F.S., relating to

326 action in which deficiency or surplus is in issue, to  
327 incorporate the amendment made to s. 679.628, F.S., in  
328 a reference thereto; providing an effective date.

329  
330 Be It Enacted by the Legislature of the State of Florida:

331  
332 Section 1. The Division of Law Revision is directed to  
333 create chapter 669, Florida Statutes, to be entitled "Uniform  
334 Commercial Code: Controllable Electronic Records and  
335 Transitional Provisions."

336 Section 2. Part I of chapter 669, Florida Statutes,  
337 consisting of ss. 669.101-669.107, Florida Statutes, is created  
338 and entitled "Controllable Electronic Records."

339 Section 3. Section 669.101, Florida Statutes, is created  
340 to read:

341 669.101 Short title.—This part may be cited as "Uniform  
342 Commercial Code—Controllable Electronic Records."

343 Section 4. Section 669.102, Florida Statutes, is created  
344 to read:

345 669.102 Definitions.—

346 (1) As used in this part, the term:

347 (a) "Central bank digital currency" has the same meaning  
348 as provided in s. 671.201.

349 (b) "Controllable electronic record" means a record in an  
350 electronic medium, subject to control under s. 669.105. The term

351 does not include a central bank digital currency, a controllable  
352 account, a controllable payment intangible, a deposit account,  
353 an electronic chattel paper, an electronic document of title,  
354 electronic money, investment property, or a transferable record.

355 (c) "Qualifying purchaser" means a purchaser of a  
356 controllable electronic record or an interest in a controllable  
357 electronic record which obtains control of the controllable  
358 electronic record for value, in good faith, and without notice  
359 of a claim of a property right in the controllable electronic  
360 record.

361 (d) "Transferable record" has the same meaning as provided  
362 in:

363 1. Section 201(a)(1) of the Electronic Signatures in  
364 Global and National Commerce Act, 15 U.S.C. s. 7021(a)(1); or

365 2. Section 668.50(16)(a).

366 (e) "Value" has the meaning provided in s. 673.3031(1), as  
367 if references in that subsection to an "instrument" were  
368 references to a controllable account, controllable electronic  
369 record, or controllable payment intangible. A controllable  
370 electronic record is subject to control as specified in s.  
371 669.105.

372 (2) The definitions in s. 679.1021 for the terms "account  
373 debtor," "chattel paper," "controllable account," "controllable  
374 payment intangible," "deposit account," "electronic money," and  
375 "investment property" apply to this part.

376 (3) Chapter 671 contains general definitions and  
377 principles of construction and interpretation applicable  
378 throughout this part.

379 Section 5. Section 669.103, Florida Statutes, is created  
380 to read:

381 669.103 Relation to chapter 679 and consumer laws.—

382 (1) If there is conflict between this part and chapter  
383 679, chapter 679 governs.

384 (2) A transaction subject to this part is subject to any  
385 applicable rule of law that establishes a different rule for  
386 consumers; any other law or regulation that regulates the rates,  
387 charges, agreements, and practices for loans, credit sales, or  
388 other extensions of credit; and chapter 501.

389 Section 6. Section 669.104, Florida Statutes, is created  
390 to read:

391 669.104 Rights in controllable account, controllable  
392 electronic record, and controllable payment intangible.—

393 (1) This section applies to the acquisition and purchase  
394 of rights in a controllable account or controllable payment  
395 intangible, including the rights and benefits under subsections  
396 (3), (4), (5), (7), and (8) of a purchaser and qualifying  
397 purchaser, in the same manner in which this section applies to a  
398 controllable electronic record.

399 (2) In determining whether a purchaser of a controllable  
400 account or a controllable payment intangible is a qualifying

401 purchaser, the purchaser obtains control of the account or  
402 payment intangible if it obtains control of the controllable  
403 electronic record that evidences the account or payment  
404 intangible.

405 (3) Except as provided in this section, law other than  
406 this part determines whether a person acquires a right in a  
407 controllable electronic record and the right that the person  
408 acquires.

409 (4) A purchaser of a controllable electronic record  
410 acquires all rights in the controllable electronic record which  
411 the transferor had, or had power to transfer, except that a  
412 purchaser of a limited interest in a controllable electronic  
413 record acquires rights only to the extent of the interest  
414 purchased.

415 (5) A qualifying purchaser acquires its rights in the  
416 controllable electronic record free of a claim of a property  
417 right in the controllable electronic record.

418 (6) Except as provided in subsections (1) and (5) for a  
419 controllable account and a controllable payment intangible or in  
420 law other than this part, a qualifying purchaser takes a right  
421 to payment, right to performance, or other interest in property  
422 evidenced by the controllable electronic record subject to a  
423 claim of a property right in the right to payment, right to  
424 performance, or other interest in property.

425 (7) An action may not be asserted against a qualifying

426 purchaser based on both a purchase by the qualifying purchaser  
427 of a controllable electronic record and a claim of a property  
428 right in another controllable electronic record, regardless of  
429 whether the action is framed in conversion, replevin,  
430 constructive trust, equitable lien, or other theory.

431 (8) Filing of a financing statement under chapter 679 is  
432 not notice of a claim of a property right in a controllable  
433 electronic record.

434 Section 7. Section 669.105, Florida Statutes, is created  
435 to read:

436 669.105 Control of controllable electronic record.—

437 (1) A person has control of a controllable electronic  
438 record if the electronic record, a record attached to or  
439 logically associated with the electronic record, or a system in  
440 which the electronic record is recorded:

441 (a) Gives the person:

442 1. Power to avail itself of substantially all of the  
443 benefit from the electronic record; and

444 2. Exclusive power, subject to paragraph (b), to:

445 a. Prevent others from availing themselves of  
446 substantially all of the benefit from the electronic record; and

447 b. Transfer control of the electronic record to another  
448 person or cause another person to obtain control of another  
449 controllable electronic record as a result of the transfer of  
450 the electronic record; and

451 (b) Enables the person to identify itself readily in any  
452 way, including by name, identifying number, cryptographic key,  
453 office, or account number, as having the powers specified in  
454 paragraph (a).

455 (2) Except as provided in subsection (3), a power is  
456 exclusive under sub-subparagraphs (1)(a)2.a. and b. even if:

457 (a) The controllable electronic record, a record attached  
458 to or logically associated with the electronic record, or a  
459 system in which the electronic record is recorded limits the use  
460 of the electronic record or has a protocol programmed to cause a  
461 change, including a transfer or loss of control or a  
462 modification of benefits afforded by the electronic record; or

463 (b) The power is shared with another person.

464 (3) A power of a person is not shared with another person  
465 under paragraph (2)(b) and the person's power is not exclusive  
466 if:

467 (a) The person can exercise the power only if the power  
468 also is exercised by the other person; and

469 (b) The other person:

470 1. Can exercise the power without exercise of the power by  
471 the person; or

472 2. Is the transferor to the person of an interest in the  
473 controllable electronic record or a controllable account or  
474 controllable payment intangible evidenced by the controllable  
475 electronic record.

476 (4) If a person has the powers specified in sub-  
477 subparagraphs (1) (a)2.a. and b., the powers are presumed to be  
478 exclusive.

479 (5) A person has control of a controllable electronic  
480 record if another person, other than the transferor to the  
481 person of an interest in the controllable electronic record or a  
482 controllable account or controllable payment intangible  
483 evidenced by the controllable electronic record:

484 (a) Has control of the electronic record and acknowledges  
485 that it has control on behalf of the person; or

486 (b) Obtains control of the electronic record after having  
487 acknowledged that it will obtain control of the electronic  
488 record on behalf of the person.

489 (6) A person that has control under this section is not  
490 required to acknowledge that it has control on behalf of another  
491 person unless the person otherwise agrees or law other than this  
492 part or chapter 679 provides otherwise.

493 (7) If a person acknowledges that it has or will obtain  
494 control on behalf of another person, the person does not owe any  
495 duty to the other person and is not required to confirm the  
496 acknowledgment to any other person.

497 Section 8. Section 669.106, Florida Statutes, is created  
498 to read:

499 669.106 Discharge of account debtor on controllable  
500 account or controllable payment intangible.-

501       (1) An account debtor on a controllable account or  
502 controllable payment intangible may discharge its obligation by  
503 paying:

504       (a) The person having control of the controllable  
505 electronic record that evidences the controllable account or  
506 controllable payment intangible; or

507       (b) Except as provided in subsection (2), a person that  
508 formerly had control of the controllable electronic record.

509       (2) Subject to subsection (4), the account debtor may not  
510 discharge its obligation by paying a person that formerly had  
511 control of the controllable electronic record if the account  
512 debtor receives a notification that:

513       (a) Is signed by a person that formerly had control or the  
514 person to which control was transferred;

515       (b) Reasonably identifies the controllable account or  
516 controllable payment intangible;

517       (c) Notifies the account debtor that control of the  
518 controllable electronic record that evidences the controllable  
519 account or controllable payment intangible was transferred;

520       (d) Identifies the transferee, in any reasonable way,  
521 including by name, identifying number, cryptographic key,  
522 office, or account number; and

523       (e) Provides a commercially reasonable method by which the  
524 account debtor is to pay the transferee.

525       (3) After receipt of a notification that complies with

526 subsection (2), the account debtor may discharge its obligation  
527 by paying in accordance with the notification and may not  
528 discharge the obligation by paying a person that formerly had  
529 control.

530 (4) Subject to subsection (8), notification is ineffective  
531 under subsection (2):

532 (a) Unless, before the notification is sent, the account  
533 debtor and the person that, at that time, had control of the  
534 controllable electronic record that evidences the controllable  
535 account or controllable payment intangible agree in a signed  
536 record to a commercially reasonable method by which a person may  
537 furnish reasonable proof that control has been transferred;

538 (b) To the extent an agreement between the account debtor  
539 and seller of a payment intangible limits the account debtor's  
540 duty to pay a person other than the seller and the limitation is  
541 effective under law other than this part; or

542 (c) At the option of the account debtor, if the  
543 notification notifies the account debtor to:

544 1. Divide a payment;

545 2. Make less than the full amount of an installment or  
546 other periodic payment; or

547 3. Pay any part of a payment by more than one method or to  
548 more than one person.

549 (5) Subject to subsection (8), if requested by the account  
550 debtor, the person giving the notification under subsection (2)

551 must seasonably furnish reasonable proof that, using the method  
552 in the agreement referred to in paragraph (4) (a), control of the  
553 controllable electronic record has been transferred. Unless the  
554 person complies with the request, the account debtor may  
555 discharge its obligation by paying a person that formerly had  
556 control, even if the account debtor has received a notification  
557 under subsection (2).

558 (6) A person furnishes reasonable proof under subsection  
559 (5) that control has been transferred if the person demonstrates  
560 that, using the method in an agreement made under paragraph  
561 (4) (a), the transferee has the power to:

562 (a) Avail itself of substantially all the benefit from the  
563 controllable electronic record;

564 (b) Prevent others from availing themselves of  
565 substantially all the benefit from the controllable electronic  
566 record; and

567 (c) Transfer the powers specified in paragraphs (a) and  
568 (b) to another person.

569 (7) Subject to subsection (8), an account debtor may not  
570 wave or vary its rights under paragraph (4) (a) and subsection  
571 (5) or its option under paragraph (4) (c).

572 (8) This section is subject to law other than this part  
573 which establishes a different rule for an account debtor who is  
574 an individual and who incurred the obligation primarily for  
575 personal, family, or household purposes.

576 Section 9. Section 669.107, Florida Statutes, is created  
577 to read:

578 669.107 Governing law.—

579 (1) Except as provided in subsection (2), the local law of  
580 a controllable electronic record's jurisdiction governs a matter  
581 covered by this part.

582 (2) For a controllable electronic record that evidences a  
583 controllable account or controllable payment intangible, the  
584 local law of the controllable electronic record's jurisdiction  
585 governs a matter covered by s. 669.106 unless an effective  
586 agreement determines that the local law of another jurisdiction  
587 governs.

588 (3) The following rules determine a controllable  
589 electronic record's jurisdiction under this section:

590 (a) If the controllable electronic record, or a record  
591 attached to or logically associated with the controllable  
592 electronic record and readily available for review, expressly  
593 provides that a particular jurisdiction is the controllable  
594 electronic record's jurisdiction for purposes of this part or  
595 the Uniform Commercial Code, that jurisdiction is the  
596 controllable electronic record's jurisdiction.

597 (b) If paragraph (a) does not apply and the rules of the  
598 system in which the controllable electronic record is recorded  
599 are readily available for review and expressly provide that a  
600 particular jurisdiction is the controllable electronic record's

601 jurisdiction for purposes of this part or the Uniform Commercial  
602 Code, that jurisdiction is the controllable electronic record's  
603 jurisdiction.

604 (c) If paragraphs (a) and (b) do not apply and the  
605 controllable electronic record, or a record attached to or  
606 logically associated with the controllable electronic record and  
607 readily available for review, expressly provides that the  
608 controllable electronic record is governed by the law of a  
609 particular jurisdiction, that jurisdiction is the controllable  
610 electronic record's jurisdiction.

611 (d) If paragraphs (a), (b), and (c) do not apply and the  
612 rules of the system in which the controllable electronic record  
613 is recorded are readily available for review and expressly  
614 provide that the controllable electronic record or the system is  
615 governed by the law of a particular jurisdiction, that  
616 jurisdiction is the controllable electronic record's  
617 jurisdiction.

618 (e) If paragraphs (a)-(d) do not apply, the controllable  
619 electronic record's jurisdiction is the District of Columbia.

620 (4) If paragraph (3)(e) applies, and Article 12 is not in  
621 effect without material modification in the District of  
622 Columbia, the governing law for a matter subject to this part is  
623 the law of the District of Columbia as though Article 12 were in  
624 effect without material modification in the District of  
625 Columbia. For the purposes of this subsection, the term "Article

626 12" means Article 12 of the Uniform Commercial Code Amendments  
627 (2022).

628 (5) To the extent subsections (1) and (2) provide that the  
629 local law of the controllable electronic record's jurisdiction  
630 governs a matter covered by this part, that law governs even if  
631 the matter or a transaction to which the matter relates does not  
632 bear any relation to the controllable electronic record's  
633 jurisdiction.

634 (6) The rights acquired under s. 669.104 by a purchaser or  
635 qualifying purchaser are governed by the law applicable under  
636 this section at the time of purchase.

637 Section 10. Part II of chapter 669, Florida Statutes,  
638 consisting of ss. 669.501-669.706, Florida Statutes, is created  
639 and entitled "Transitional Provisions."

640 Section 11. Section 669.501, Florida Statutes, is created  
641 to read:

642 669.501 Short title.—This part may be cited as "Uniform  
643 Commercial Code—Transitional Provisions."

644 Section 12. Section 669.502, Florida Statutes, is created  
645 to read:

646 669.502 Definitions.—As used in this part:

647 (1) (a) "Adjustment date" means July 1, 2026.

648 (b) "Article 12" means Article 12 of the Uniform  
649 Commercial Code.

650 (c) "Article 12 property" means a controllable account,

651 controllable electronic record, or controllable payment  
652 intangible.

653 (2) Other definitions applying to this chapter and the  
654 sections in which they appear are:

655 "Controllable account," s. 679.1021.

656 "Controllable electronic record," s. 669.102.

657 "Controllable payment intangible," s. 679.1021.

658 "Electronic money," s. 679.1021.

659 "Financing statement," s. 679.1021.

660 (3) The general definitions and principles of construction  
661 and interpretation contained in chapter 671 apply to this part.

662 Section 13. Section 669.601, Florida Statutes, is created  
663 to read:

664 669.601 Saving clause.—Except as otherwise provided in  
665 this part, a transaction validly entered into before July 1,  
666 2025, and the rights, duties, and interests flowing from such  
667 transaction remain valid thereafter and may be terminated,  
668 completed, consummated, or enforced as required or permitted by  
669 law other than the Uniform Commercial Code or, if applicable, by  
670 the Uniform Commercial Code as though this act had not taken  
671 effect.

672 Section 14. Section 669.701, Florida Statutes, is created  
673 to read:

674 669.701 Saving clause.—

675 (1) Except as provided in this part, chapter 679 as it

676 existed on July 1, 2025, and Article 12 apply to a transaction,  
677 lien, or other interest in property, even if the transaction,  
678 lien, or interest was entered into, created, or acquired before  
679 July 1, 2025.

680 (2) Except as provided in subsection (3) and ss. 669.702-  
681 669.706, both of the following apply:

682 (a) A transaction, lien, or interest in property that was  
683 validly entered into, created, or transferred before July 1,  
684 2025, and that was not governed by the Uniform Commercial Code  
685 but would be subject to chapter 679 as it existed on July 1,  
686 2025, or to Article 12 if the transaction had been entered into,  
687 created, or transferred on or after July 1, 2025, including the  
688 rights, duties, and interests flowing from the transaction,  
689 lien, or interest, remains valid on and after July 1, 2025.

690 (b) The transaction, lien, or interest may be terminated,  
691 completed, consummated, and enforced as required or permitted by  
692 this part or by the law that would apply if this part had not  
693 taken effect.

694 (3) This section does not affect an action, a case, or a  
695 proceeding commenced before July 1, 2025.

696 Section 15. Section 669.702, Florida Statutes, is created  
697 to read:

698 669.702 Security interest perfected before effective  
699 date.—

700 (1) A security interest that is enforceable and perfected

701 immediately before July 1, 2025, is a perfected security  
702 interest under this act if, on July 1, 2025, the requirements  
703 for enforceability and perfection under this section are fully  
704 satisfied without further action.

705 (2) If a security interest is enforceable and perfected  
706 immediately before July 1, 2025, but the requirements for  
707 enforceability or perfection under this act are not satisfied by  
708 July 1, 2025, all of the following apply to the security  
709 interest:

710 (a) It is a perfected security interest until the earlier  
711 of the time perfection would have ceased under the law in effect  
712 immediately before July 1, 2025, or the adjustment date.

713 (b) It remains enforceable thereafter only if the security  
714 interest satisfies the requirements for enforceability under s.  
715 679.2031, as it existed on July 1, 2025, before the adjustment  
716 date.

717 (c) It remains perfected thereafter only if the  
718 requirements for perfection under this section are satisfied  
719 immediately before July 1, 2025.

720 Section 16. Section 669.703, Florida Statutes, is created  
721 to read:

722 669.703 Security interest unperfected before effective  
723 date.—A security interest that is enforceable immediately before  
724 July 1, 2025, but is unperfected by that date:

725 (1) Remains an enforceable security interest until the

726 adjustment date;

727 (2) Remains enforceable thereafter if the security  
728 interest becomes enforceable under s. 679.2031, as it existed on  
729 July 1, 2025, or before the adjustment date; and

730 (3) Becomes perfected:

731 (a) Without further action, by July 1, 2025, if the  
732 requirements for perfection under this act are satisfied on or  
733 before that date; or

734 (b) When the requirements for perfection are satisfied, if  
735 satisfaction occurs after July 1, 2025.

736 Section 17. Section 669.704, Florida Statutes, is created  
737 to read:

738 669.704 Effectiveness of actions taken before effective  
739 date.—

740 (1) If action, other than the filing of a financing  
741 statement, is taken before July 1, 2025, and the action would  
742 have resulted in perfection of the security interest had the  
743 security interest become enforceable before July 1, 2025, the  
744 action is effective to perfect a security interest that attaches  
745 under this part before the adjustment date. An attached security  
746 interest becomes unperfected on the adjustment date unless the  
747 security interest becomes a perfected security interest under  
748 this part before the adjustment date.

749 (2) The filing of a financing statement before July 1,  
750 2025, is effective to perfect a security interest on July 1,

751 2025, to the extent the filing would satisfy the requirements  
752 for perfection under this part.

753 (3) Action taken before July 1, 2025, is sufficient for  
754 the enforceability of a security interest as of July 1, 2025, if  
755 the action satisfies the requirements for enforceability under  
756 this part.

757 Section 18. Section 669.705, Florida Statutes, is created  
758 to read:

759 669.705 Priority.—

760 (1) Subject to subsections (2) and (3), this section  
761 determines the priority of conflicting claims to collateral.

762 (2) Subject to subsection (3), if the priority of claims  
763 to collateral was established before July 1, 2025, chapter 679  
764 as in effect before July 1, 2025, determines priority.

765 (3) On the adjustment date, to the extent the priorities  
766 determined by chapter 679 as amended by this part modify the  
767 priorities established before July 1, 2025, the priorities of  
768 claims to Article 12 property and electronic money established  
769 before July 1, 2025, cease to apply.

770 Section 19. Section 669.706, Florida Statutes, is created  
771 to read:

772 669.706 Priority of claims when priority rules of chapter  
773 679 do not apply.—

774 (1) Subject to subsections (2) and (3), Article 12  
775 determines the priority of conflicting claims to Article 12

776 property when the priority rules of chapter 679 as amended by  
777 this act do not apply.

778 (2) Subject to subsection (3), when the priority rules of  
779 chapter 679 as amended by this act do not apply and the  
780 priorities of claims to Article 12 property were established  
781 before July 1, 2025, law other than Article 12 determines  
782 priority.

783 (3) When the priority rules of chapter 679 as amended by  
784 this part do not apply, to the extent the priorities determined  
785 by this act modify the priorities established as of July 1,  
786 2025, the priorities of claims to Article 12 property  
787 established before July 1, 2025, cease to apply on the  
788 adjustment date.

789 Section 20. Part III of chapter 669, Florida Statutes,  
790 consisting of s. 669.711, Florida Statutes, is created and  
791 entitled "Miscellaneous Provisions."

792 Section 21. Section 669.711, Florida Statutes, is created  
793 to read:

794 669.711 Construction.—This chapter does not authorize,  
795 create, or imply the endorsement of a central bank digital  
796 currency.

797 Section 22. Paragraph (c) of subsection (1) of section  
798 670.103, Florida Statutes, is amended to read:

799 670.103 Payment order: definitions.—

800 (1) In this chapter, the term:

801 (c) "Payment order" means an instruction of a sender to a  
 802 receiving bank, transmitted orally or in a record,  
 803 ~~electronically, or in writing~~, to pay, or to cause another bank  
 804 to pay, a fixed or determinable amount of money to a beneficiary  
 805 if:

806 1. The instruction does not state a condition to payment  
 807 to the beneficiary other than time of payment;

808 2. The receiving bank is to be reimbursed by debiting an  
 809 account of, or otherwise receiving payment from, the sender; and

810 3. The instruction is transmitted by the sender directly  
 811 to the receiving bank or to an agent, funds-transfer system, or  
 812 communication system for transmittal to the receiving bank.

813 Section 23. Section 670.201, Florida Statutes, is amended  
 814 to read:

815 670.201 Security procedure.—For purposes of this section,  
 816 the term "security procedure" means a procedure established by  
 817 agreement of a customer and a receiving bank for the purpose of:

818 (1) Verifying that a payment order or communication  
 819 amending or canceling a payment order is that of the customer;  
 820 or

821 (2) Detecting error in the transmission or the content of  
 822 the payment order or communication.

823  
 824 A security procedure may impose an obligation on the receiving  
 825 bank or the customer and may require the use of algorithms or

826 other codes, identifying words, ~~or~~ numbers, symbols, sounds,  
827 biometrics, encryption, callback procedures, or similar security  
828 devices. Comparison of a signature on a payment order or  
829 communication with an authorized specimen signature of the  
830 customer or requiring a payment order to be sent from a known e-  
831 mail address, Internet protocol address, or telephone number is  
832 not by itself a security procedure.

833 Section 24. Subsections (2) and (3) of section 670.202,  
834 Florida Statutes, are amended, and subsection (6) of that  
835 section is republished, to read:

836 670.202 Authorized and verified payment orders.—

837 (2) If a bank and its customer have agreed that the  
838 authenticity of payment orders issued to the bank in the name of  
839 the customer as sender will be verified pursuant to a security  
840 procedure, a payment order received by the receiving bank is  
841 effective as the order of the customer, whether or not  
842 authorized, if the security procedure is a commercially  
843 reasonable method of providing security against unauthorized  
844 payment orders and the bank proves that it accepted the payment  
845 order in good faith and in compliance with the bank's  
846 obligations under the security procedure and any ~~written~~  
847 agreement or instruction of the customer, evidenced by a record,  
848 restricting acceptance of payment orders issued in the name of  
849 the customer. The bank is not required to follow an instruction  
850 that violates an ~~a written~~ agreement with the customer,

851 evidenced by a record, or notice of which is not received at a  
852 time and in a manner affording the bank a reasonable opportunity  
853 to act on it before the payment order is accepted.

854 (3) The commercial reasonableness of a security procedure  
855 is a question of law to be determined by considering the wishes  
856 of the customer expressed to the bank; the circumstances of the  
857 customer known to the bank, including the size, type, and  
858 frequency of payment orders normally issued by the customer to  
859 the bank; alternative security procedures offered to the  
860 customer; and security procedures in general use by customers  
861 and receiving banks similarly situated. A security procedure is  
862 deemed to be commercially reasonable if:

863 (a) The security procedure was chosen by the customer  
864 after the bank offered, and the customer refused, a security  
865 procedure that was commercially reasonable for that customer;  
866 and

867 (b) The customer expressly agreed in a record ~~writing~~ to  
868 be bound by any payment order, whether or not authorized, issued  
869 in its name and accepted by the bank in compliance with the  
870 bank's obligations under the security procedure chosen by the  
871 customer.

872 (6) Except as provided in this section and in s.  
873 670.203(1)(a), rights and obligations arising under this section  
874 or s. 670.203 may not be varied by agreement.

875 Section 25. Paragraph (a) of subsection (1) of section

876 | 670.203, Florida Statutes, is amended to read:

877 |       670.203 Unenforceability of certain verified payment  
878 | orders.—

879 |       (1) If an accepted payment order is not, under s.  
880 | 670.202(1), an authorized order of a customer identified as  
881 | sender, but is effective as an order of the customer pursuant to  
882 | s. 670.202(2), the following rules apply:

883 |       (a) By express ~~written~~ agreement evidenced by a record,  
884 | the receiving bank may limit the extent to which it is entitled  
885 | to enforce or retain payment of the payment order.

886 |       Section 26. Paragraph (b) of subsection (3) of section  
887 | 670.207, Florida Statutes, is amended to read:

888 |       670.207 Misdescription of beneficiary.—

889 |       (3) If a payment order described in subsection (2) is  
890 | accepted, the originator's payment order described the  
891 | beneficiary inconsistently by name and number, and the  
892 | beneficiary's bank pays the person identified by number as  
893 | permitted by paragraph (2)(a), the following rules apply:

894 |       (b) If the originator is not a bank and proves that the  
895 | person identified by number was not entitled to receive payment  
896 | from the originator, the originator is not obliged to pay its  
897 | order unless the originator's bank proves that the originator,  
898 | before acceptance of the originator's order, had notice that  
899 | payment of a payment order issued by the originator might be  
900 | made by the beneficiary's bank on the basis of an identifying or

901 bank account number even if it identifies a person different  
902 from the named beneficiary. Proof of notice may be made by any  
903 admissible evidence. The originator's bank satisfies the burden  
904 of proof if it proves that the originator, before the payment  
905 order was accepted, signed a record ~~writing~~ stating the  
906 information to which the notice relates.

907 Section 27. Paragraph (b) of subsection (2) of section  
908 670.208, Florida Statutes, is amended to read:

909 670.208 Misdescription of intermediary bank or  
910 beneficiary's bank.—

911 (2) This subsection applies to a payment order identifying  
912 an intermediary bank or the beneficiary's bank both by name and  
913 an identifying number if the name and number identify different  
914 persons.

915 (b) If the sender is not a bank and the receiving bank  
916 proves that the sender, before the payment order was accepted,  
917 had notice that the receiving bank might rely on the number as  
918 the proper identification of the intermediary or beneficiary's  
919 bank even if it identifies a person different from the bank  
920 identified by name, the rights and obligations of the sender and  
921 the receiving bank are governed by paragraph (a), as though the  
922 sender were a bank. Proof of notice may be made by any  
923 admissible evidence. The receiving bank satisfies the burden of  
924 proof if it proves that the sender, before the payment order was  
925 accepted, signed a record ~~writing~~ stating the information to

926 | which the notice relates.

927 |       Section 28. Subsection (1) of section 670.21, Florida  
928 | Statutes, is amended to read:

929 |       670.21 Rejection of payment order.—

930 |       (1) A payment order is rejected by the receiving bank by a  
931 | notice of rejection transmitted to the sender orally~~7~~  
932 | ~~electronically,~~ or in a record ~~writing~~. A notice of rejection  
933 | need not use any particular words and is sufficient if it  
934 | indicates that the receiving bank is rejecting the order or will  
935 | not execute or pay the order. Rejection is effective when the  
936 | notice is given if transmission is by a means that is reasonable  
937 | in the circumstances. If notice of rejection is given by a means  
938 | that is not reasonable, rejection is effective when the notice  
939 | is received. If an agreement of the sender and receiving bank  
940 | establishes the means to be used to reject a payment order:

941 |       (a) Any means complying with the agreement is reasonable;  
942 | and

943 |       (b) Any means not complying is not reasonable unless no  
944 | significant delay in receipt of the notice resulted from the use  
945 | of the noncomplying means.

946 |       Section 29. Subsection (1) of section 670.211, Florida  
947 | Statutes, is amended to read:

948 |       670.211 Cancellation and amendment of payment order.—

949 |       (1) A communication of the sender of a payment order  
950 | canceling or amending the order may be transmitted to the

951 receiving bank orally,~~electronically,~~ or in a record ~~writing~~.  
952 If a security procedure is in effect between the sender and the  
953 receiving bank, the communication is not effective to cancel or  
954 amend the order unless the communication is verified pursuant to  
955 the security procedure or the bank agrees to the cancellation or  
956 amendment.

957 Section 30. Subsections (3) and (4) of section 670.305,  
958 Florida Statutes, are amended to read:

959 670.305 Liability for late or improper execution or  
960 failure to execute payment order.—

961 (3) In addition to the amounts payable under subsections  
962 (1) and (2), damages, including consequential damages, are  
963 recoverable to the extent provided in an express ~~written~~  
964 agreement of the receiving bank, evidenced by a record.

965 (4) If a receiving bank fails to execute a payment order  
966 it was obliged by express agreement to execute, the receiving  
967 bank is liable to the sender for its expenses in the transaction  
968 and for incidental expenses and interest losses resulting from  
969 the failure to execute. Additional damages, including  
970 consequential damages, are recoverable to the extent provided in  
971 an express ~~written~~ agreement of the receiving bank, evidenced by  
972 a record, but are not otherwise recoverable.

973 Section 31. Part VI of chapter 670, Florida Statutes,  
974 consisting of s. 670.601, Florida Statutes, is created and  
975 entitled "Transitional Provisions."

976 Section 32. Section 670.601, Florida Statutes, is created  
977 to read:

978 670.601 Saving clause.—Except as provided in ss. 669.501-  
979 669.706, a transaction validly entered into before July 1, 2025,  
980 and the rights, duties, and interests flowing from such  
981 transaction remain valid thereafter and may be terminated,  
982 completed, consummated, or enforced as required or permitted by  
983 law other than the Uniform Commercial Code or, if applicable,  
984 the Uniform Commercial Code as though this act had not taken  
985 effect.

986 Section 33. Subsection (1) of section 671.101, Florida  
987 Statutes, is amended to read:

988 671.101 Short title; scope of chapter.—

989 (1) Chapters 669-680 ~~670-680~~ may be cited as the "Uniform  
990 Commercial Code" or "code."

991 Section 34. Paragraphs (a) through (g) of subsection (2)  
992 of section 671.105, Florida Statutes, are redesignated as  
993 paragraphs (b) through (h), respectively, a new paragraph (a) is  
994 added to that subsection, and present paragraphs (d) and (e) of  
995 that subsection are republished, to read:

996 671.105 Territorial application of the code; parties'  
997 power to choose applicable law.—

998 (2) When one of the following provisions of this code  
999 specifies the applicable law, that provision governs; and a  
1000 contrary agreement is effective only to the extent permitted by

1001 the law (including the conflict-of-laws rules) so specified:

1002 (a) Governing law in the chapter on controllable  
 1003 electronic records. (s. 669.107).

1004 (e)~~(d)~~ Applicability of the chapter on letters of credit.  
 1005 (s. 675.116)

1006 (f)~~(e)~~ Applicability of the chapter on investment  
 1007 securities. (s. 678.1101)

1008 Section 35. Section 671.107, Florida Statutes, is amended  
 1009 to read:

1010 671.107 Waiver or renunciation of claim or right after  
 1011 breach.—A claim or right arising out of an alleged breach can be  
 1012 discharged in whole or in part without consideration by  
 1013 agreement of the aggrieved party in a signed ~~an authenticated~~  
 1014 record.

1015 Section 36. Present subsections (18) through (47) of  
 1016 section 671.201, Florida Statutes, are redesignated as  
 1017 subsections (19) through (48), respectively, a new subsection  
 1018 (18) is added to that section, and present subsections (11),  
 1019 (16), (22), (26), (27), (31), (40), and (41) of that section are  
 1020 amended, to read:

1021 671.201 General definitions.—Unless the context otherwise  
 1022 requires, words or phrases defined in this section, or in the  
 1023 additional definitions contained in other chapters of this code  
 1024 which apply to particular chapters or parts thereof, have the  
 1025 meanings stated. Subject to definitions contained in other

1026 chapters of this code which apply to particular chapters or  
1027 parts thereof, the term:

1028 (11) "Conspicuous," with reference to a term, means so  
1029 written, displayed, or presented that, based on the totality of  
1030 the circumstances, a reasonable person against which it is to  
1031 operate ought to have noticed it. Whether a term is  
1032 "conspicuous" is a decision for the court. ~~Conspicuous terms~~  
1033 ~~include the following:~~

1034 ~~(a) A heading in capitals equal to or greater in size than~~  
1035 ~~the surrounding text, or in contrasting type, font, or color to~~  
1036 ~~the surrounding text of the same or lesser size; and~~

1037 ~~(b) Language in the body of a record or display in larger~~  
1038 ~~type than the surrounding text or set off from surrounding text~~  
1039 ~~of the same size by symbols or other marks that call attention~~  
1040 ~~to the language.~~

1041 (16) "Delivery," with respect to an electronic document of  
1042 title, means voluntary transfer of control and, "delivery," with  
1043 respect to instruments, tangible document of title, or an  
1044 authoritative tangible copy of a record evidencing chattel  
1045 paper, or certificated securities, means voluntary transfer of  
1046 possession.

1047 (18) "Electronic" means relating to technology having  
1048 electrical, digital, magnetic, wireless, optical,  
1049 electromagnetic, or similar capabilities.

1050 (23)~~(22)~~ "Holder" means:

1051 (a) The person in possession of a negotiable instrument  
 1052 that is payable either to bearer or to an identified person that  
 1053 is the person in possession;

1054 (b) The person in possession of a negotiable tangible  
 1055 document of title if the goods are deliverable either to bearer  
 1056 or to the order of the person in possession; or

1057 (c) The person in control, other than pursuant to s.  
 1058 677.106(7), of a negotiable electronic document of title.

1059 ~~(27)~~~~(26)~~ Subject to subsection (29) ~~(28)~~, a person has  
 1060 "notice" of a fact if the person:

1061 (a) Has actual knowledge of it;

1062 (b) Has received a notice or notification of it; or

1063 (c) From all the facts and circumstances known to the  
 1064 person at the time in question, has reason to know that it  
 1065 exists. A person "knows" or has "knowledge" of a fact when the  
 1066 person has actual knowledge of it. "Discover" or "learn" or a  
 1067 word or phrase of similar import refers to knowledge rather than  
 1068 to reason to know. The time and circumstances under which a  
 1069 notice or notification may cease to be effective are not  
 1070 determined by this section.

1071 ~~(28)~~~~(27)~~ A person "notifies" or "gives" a notice or  
 1072 notification to another person by taking such steps as may be  
 1073 reasonably required to inform the other person in ordinary  
 1074 course, whether or not the other person actually comes to know  
 1075 of it. Subject to subsection (29) ~~(28)~~, a person "receives" a

1076 notice or notification when:

1077 (a) It comes to that person's attention; or

1078 (b) It is duly delivered in a form reasonable under the  
 1079 circumstances at the place of business through which the  
 1080 contract was made or at another location held out by that person  
 1081 as the place for receipt of such communications.

1082 (32)~~(31)~~ "Person" means an individual; corporation;  
 1083 business trust; estate; trust; partnership; limited liability  
 1084 company; association; joint venture; government; governmental  
 1085 subdivision, agency, or instrumentality; ~~public corporation;~~ or  
 1086 any other legal or commercial entity. The term includes a  
 1087 protected series, however denominated, of an entity if the  
 1088 protected series is established under law other than the Uniform  
 1089 Commercial Code which limits, or conditionally limits if  
 1090 conditions specified under the law are satisfied, the ability of  
 1091 a creditor of the entity or of any other protected series of the  
 1092 entity to satisfy a claim from assets of the protected series.

1093 (41)~~(40)~~ "Send," in connection with a ~~writing,~~ record, or  
 1094 notification ~~notice,~~ means:

1095 (a) To deposit in the mail, ~~or~~ or deliver for transmission,  
 1096 or transmit by any other usual means of communication, with  
 1097 postage or cost of transmission provided for, ~~and properly~~  
 1098 ~~addressed and, in the case of an instrument, to an address~~  
 1099 ~~specified thereon or otherwise agreed or, if there be none, to~~  
 1100 any address reasonable under the circumstances; or

1101           (b) To cause the record or notification to be received  
1102 within the time it would have been received if properly sent  
1103 under paragraph (a) ~~In any other way to cause to be received any~~  
1104 ~~record or notice within the time it would have arrived if~~  
1105 ~~properly sent.~~

1106           (42) ~~(41)~~ "Sign," "signing," "signed," or "signature"  
1107 means, with present intent to authenticate or adopt a record,  
1108 to:

1109           (a) Execute or adopt a tangible symbol; or

1110           (b) Attach to or logically associate with the record an  
1111 electronic symbol, sound, or process ~~means bearing any symbol~~  
1112 ~~executed or adopted by a party with present intention to adopt~~  
1113 ~~or accept a writing.~~

1114           Section 37. Section 671.211, Florida Statutes, is amended  
1115 to read:

1116           671.211 Value.—Except as otherwise provided with respect  
1117 to negotiable instruments and bank collections as provided in  
1118 chapter 669 and ss. 673.3031, 674.2101, and 674.2111, a person  
1119 gives value for rights if the person acquires them:

1120           (1) In return for a binding commitment to extend credit or  
1121 for the extension of immediately available credit whether or not  
1122 drawn upon and whether or not a charge-back is provided for in  
1123 the event of difficulties in collection;

1124           (2) As security for, or in total or partial satisfaction  
1125 of, a preexisting claim;

1126 (3) By accepting delivery under a preexisting contract for  
1127 purchase; or

1128 (4) In return for any consideration sufficient to support  
1129 a simple contract.

1130 Section 38. Part IV of chapter 671, Florida Statutes,  
1131 consisting of s. 671.401, Florida Statutes, is created and  
1132 entitled "Transitional Provisions."

1133 Section 39. Section 671.401, Florida Statutes, is created  
1134 to read:

1135 671.401 Saving clause.—Except as provided in ss. 669.501-  
1136 669.706, a transaction validly entered into before July 1, 2025,  
1137 and the rights, duties, and interests flowing from such  
1138 transaction remain valid thereafter and may be terminated,  
1139 completed, consummated, or enforced as required or permitted by  
1140 law other than the Uniform Commercial Code or, if applicable, by  
1141 the Uniform Commercial Code as though this act had not taken  
1142 effect.

1143 Section 40. Section 672.102, Florida Statutes, is amended  
1144 to read:

1145 672.102 Scope; certain security and other transactions  
1146 excluded from this chapter.—

1147 (1) Unless the context otherwise requires, and except as  
1148 provided in subsection (2), this chapter applies to transactions  
1149 in goods and, in the case of a hybrid transaction:

1150 (a) If the sale-of-goods aspects do not predominate, only

1151 those provisions of this chapter which relate primarily to the  
1152 sale-of-goods aspects of the transaction apply, and those  
1153 provisions that relate primarily to the transaction as a whole  
1154 do not apply.

1155 (b) If the sale-of-goods aspects predominate, this chapter  
1156 applies to the transaction but does not preclude application in  
1157 appropriate circumstances of other law to aspects of the  
1158 transaction which do not relate to the sale of goods.

1159 (2) This chapter does not do the following:

1160 (a) Apply to a transaction that, even though in the form  
1161 of an unconditional contract to sell or present sale, operates  
1162 only to create a security interest.

1163 (b) Impair or repeal a statute regulating sales to  
1164 consumers, farmers, or other specified classes of buyers; it  
1165 does not apply to any transaction which although in the form of  
1166 an unconditional contract to sell or present sale is intended to  
1167 operate only as a security transaction nor does this chapter  
1168 impair or repeal any statute regulating sales to consumers,  
1169 farmers or other specified classes of buyers.

1170 Section 41. Section 672.106, Florida Statutes, is amended  
1171 to read:

1172 672.106 Definitions: "contract"; "agreement"; "contract  
1173 for sale"; "sale"; "present sale"; "conforming" to contract;  
1174 "termination"; "cancellation-"; "hybrid transaction."-

1175 (1) In this chapter, unless the context clearly requires

1176 otherwise, the meaning of the terms ~~requires~~ "contract" and  
1177 "agreement" is ~~are~~ limited to those contracts and agreements  
1178 relating to the present or future sale of goods. The term  
1179 "contract for sale" includes both a present sale of goods and a  
1180 contract to sell goods at a future time. A "sale" consists in  
1181 the passing of title from the seller to the buyer for a price  
1182 (s. 672.401). A "present sale" means a sale which is  
1183 accomplished by the making of the contract.

1184 (2) Goods or conduct including any part of a performance  
1185 are "conforming" or conform to the contract when they are in  
1186 accordance with the obligations under the contract.

1187 (3) "Termination" occurs when either party pursuant to a  
1188 power created by agreement or law puts an end to the contract  
1189 otherwise than for its breach. Upon ~~On~~ termination, all  
1190 obligations that ~~which~~ are still executory on both sides are  
1191 discharged but any right based on prior breach or performance  
1192 survives.

1193 (4) "Cancellation" occurs when either party puts an end to  
1194 the contract for breach by the other and its effect is the same  
1195 as that of "termination" except that the canceling party also  
1196 retains any remedy for breach of the whole contract or any  
1197 unperformed balance.

1198 (5) The term "hybrid transaction" means a single  
1199 transaction involving a sale of goods and any of the following:

1200 (a) The provision of services.

1201 (b) A lease of other goods.

1202 (c) A sale, lease, or license of property other than  
 1203 goods.

1204 Section 42. Subsections (1) and (2) of section 672.201,  
 1205 Florida Statutes, are amended to read:

1206 672.201 Formal requirements; statute of frauds.—

1207 (1) Except as otherwise provided in this section a  
 1208 contract for the sale of goods for the price of \$500 or more is  
 1209 not enforceable by way of action or defense unless there is a  
 1210 record ~~some writing~~ sufficient to indicate that a contract for  
 1211 sale has been made between the parties and signed by the party  
 1212 against whom enforcement is sought or by the party's ~~his or her~~  
 1213 authorized agent or broker. A record ~~writing~~ is not insufficient  
 1214 because it omits or incorrectly states a term agreed upon but  
 1215 the contract is not enforceable under this subsection ~~paragraph~~  
 1216 beyond the quantity of goods shown in the record ~~such writing~~.

1217 (2) Between merchants if within a reasonable time a record  
 1218 ~~writing~~ in confirmation of the contract and sufficient against  
 1219 the sender is received and the party receiving it has reason to  
 1220 know its contents, it satisfies the requirements of subsection  
 1221 (1) against the ~~such~~ party unless ~~written~~ notice in a record of  
 1222 objection to its contents is given within 10 days after it is  
 1223 received.

1224 Section 43. Section 672.202, Florida Statutes, is amended  
 1225 to read:

1226           672.202 Final ~~written~~ expression; parol or extrinsic  
1227 evidence.—Terms with respect to which the confirmatory memoranda  
1228 of the parties agree or which are otherwise set forth in a  
1229 record writing intended by the parties as a final expression of  
1230 their agreement with respect to such terms as are included  
1231 therein may not be contradicted by evidence of any prior  
1232 agreement or of a contemporaneous oral agreement but may be  
1233 explained or supplemented:

1234           (1) By course of dealing or usage of trade (s. 671.205) or  
1235 by course of performance (s. 672.208); and

1236           (2) By evidence of consistent additional terms unless the  
1237 court finds the record writing to have been intended also as a  
1238 complete and exclusive statement of the terms of the agreement.

1239           Section 44. Section 672.203, Florida Statutes, is amended  
1240 to read:

1241           672.203 Seals inoperative.—The affixing of a seal to a  
1242 record writing evidencing a contract for sale or an offer to buy  
1243 or sell goods does not constitute a record ~~the writing~~ a sealed  
1244 instrument and the law with respect to sealed instruments does  
1245 not apply to such a contract or offer.

1246           Section 45. Section 672.205, Florida Statutes, is amended  
1247 to read:

1248           672.205 Firm offers.—An offer by a merchant to buy or sell  
1249 goods in a signed record writing which by its terms gives  
1250 assurance that it will be held open is not revocable, for lack

1251 of consideration, during the time stated or if no time is stated  
1252 for a reasonable time, but in no event may such period of  
1253 irrevocability exceed 3 months; but any such term of assurance  
1254 on a form supplied by the offeree must be separately signed by  
1255 the offeror.

1256 Section 46. Subsection (2) of section 672.209, Florida  
1257 Statutes, is amended to read:

1258 672.209 Modification, rescission, and waiver.—

1259 (2) A signed agreement which excludes modification or  
1260 rescission except by a signed writing or other signed record  
1261 cannot be otherwise modified or rescinded, but except as between  
1262 merchants such a requirement on a form supplied by the merchant  
1263 must be separately signed by the other party.

1264 Section 47. Part VIII of chapter 672, Florida Statutes,  
1265 consisting of s. 672.801, Florida Statutes, is created and  
1266 entitled "Transitional Provisions."

1267 Section 48. Section 672.801, Florida Statutes, is created  
1268 to read:

1269 672.801 Saving clause.—Except as provided in ss. 669.501-  
1270 669.706, a transaction validly entered into before July 1, 2025,  
1271 and the rights, duties, and interests flowing from such  
1272 transaction remain valid thereafter and may be terminated,  
1273 completed, consummated, or enforced as required or permitted by  
1274 law other than the Uniform Commercial Code or, if applicable, by  
1275 the Uniform Commercial Code as though this act had not taken

1276 effect.

1277 Section 49. Subsection (1) of section 673.1041, Florida  
 1278 Statutes, is amended to read:

1279 673.1041 Negotiable instrument.—

1280 (1) Except as provided in subsections (3), (4), and (11),  
 1281 the term "negotiable instrument" means an unconditional promise  
 1282 or order to pay a fixed amount of money, with or without  
 1283 interest or other charges described in the promise or order, if  
 1284 it:

1285 (a) Is payable to bearer or to order at the time it is  
 1286 issued or first comes into possession of a holder;

1287 (b) Is payable on demand or at a definite time; and

1288 (c) Does not state any other undertaking or instruction by  
 1289 the person promising or ordering payment to do any act in  
 1290 addition to the payment of money, but the promise or order may  
 1291 contain:

1292 1. An undertaking or power to give, maintain, or protect  
 1293 collateral to secure payment;

1294 2. An authorization or power to the holder to confess  
 1295 judgment or realize on or dispose of collateral; ~~or~~

1296 3. A waiver of the benefit of any law intended for the  
 1297 advantage or protection of an obligor;

1298 4. A term that specifies the law that governs the promise  
 1299 or order; or

1300 5. An undertaking to resolve, in a specified forum, a

1301 dispute concerning the promise or order.

1302 Section 50. Subsection (1) of section 673.1051, Florida  
1303 Statutes, is amended to read:

1304 673.1051 Issue of instrument.—

1305 (1) The term "issue" means:

1306 (a) The first delivery of an instrument by the maker or  
1307 drawer, whether to a holder or nonholder, for the purpose of  
1308 giving rights on the instrument to any person; or

1309 (b) If agreed to by the payee, the first transmission by  
1310 the drawer to the payee of an image of an item and information  
1311 derived from the item which enables the depository bank to  
1312 collect the item under federal law by transferring or presenting  
1313 an electronic check.

1314 Section 51. Section 673.4011, Florida Statutes, is amended  
1315 to read:

1316 673.4011 Signature.—

1317 ~~(1) A person is not liable on an instrument unless:~~

1318 ~~(a) the person signed the instrument; or~~

1319 ~~(b) the person is represented by an agent or~~

1320 ~~representative who signed the instrument,~~ and the signature is  
1321 binding on the represented person under s. 673.4021.

1322 ~~(2) A signature may be made:~~

1323 ~~(a) Manually or by means of a device or machine; and~~

1324 ~~(b) By the use of any name, including a trade or assumed~~  
1325 ~~name, or by a word, mark, or symbol executed or adopted by a~~

1326 ~~person with present intention to authenticate a writing.~~

1327 Section 52. Subsection (1) of section 673.6041, Florida  
1328 Statutes, is amended to read:

1329 673.6041 Discharge by cancellation or renunciation.—

1330 (1) A person entitled to enforce an instrument, with or  
1331 without consideration, may discharge the obligation of a party  
1332 to pay the instrument:

1333 (a) By an intentional voluntary act, such as:

1334 1. Surrender of the instrument to the party;

1335 2. Destruction, mutilation, or cancellation of the  
1336 instrument;

1337 3. Cancellation or striking out of the party's signature;

1338 or

1339 4. Addition of words to the instrument indicating  
1340 discharge; or

1341 (b) By agreeing not to sue or otherwise renouncing rights  
1342 against the party by a signed writing.

1343

1344 The obligation of a party to pay a check is not discharged  
1345 solely by destruction of the check in connection with a process  
1346 that involves the extraction of information from the check and  
1347 an image of the check is made and, subsequently, the information  
1348 and image are transmitted for payment.

1349 Section 53. Part VII of chapter 673, Florida Statutes,  
1350 consisting of s. 673.702, Florida Statutes, is created and

1351 entitled "Transitional Provisions."

1352 Section 54. Section 673.702, Florida Statutes, is created  
1353 to read:

1354 673.702 Savings clause.—Except as provided in ss. 669.501-  
1355 669.706, a transaction validly entered into before July 1, 2025,  
1356 and the rights, duties, and interests flowing from such  
1357 transaction remain valid thereafter and may be terminated,  
1358 completed, consummated, or enforced as required or permitted by  
1359 law other than the Uniform Commercial Code or, if applicable, by  
1360 the Uniform Commercial Code as though this act had not taken  
1361 effect.

1362 Section 55. Section 675.104, Florida Statutes, is amended  
1363 to read:

1364 675.104 Formal requirements.—A letter of credit,  
1365 confirmation, advice, transfer, amendment, or cancellation may  
1366 be issued in any form that is a signed record ~~and is~~  
1367 ~~authenticated by a signature or in accordance with the agreement~~  
1368 ~~of the parties or the standard practice referred to in s.~~  
1369 ~~675.108(5).~~

1370 Section 56. Section 675.116, Florida Statutes, is amended  
1371 to read:

1372 675.116 Choice of law and forum.—

1373 (1) The liability of an issuer, nominated person, or  
1374 adviser for action or omission is governed by the law of the  
1375 jurisdiction chosen by an agreement in the form of a record

1376 signed ~~or otherwise authenticated~~ by the affected parties ~~in the~~  
1377 ~~manner provided in s. 675.104~~ or by a provision in the person's  
1378 letter of credit, confirmation, or other undertaking. The  
1379 jurisdiction whose law is chosen need not bear any relation to  
1380 the transaction.

1381 (2) Unless subsection (1) applies, the liability of an  
1382 issuer, nominated person, or adviser for action or omission is  
1383 governed by the law of the jurisdiction in which the person is  
1384 located. The person is considered to be located at the address  
1385 indicated in the person's undertaking. If more than one address  
1386 is indicated, the person is considered to be located at the  
1387 address from which the person's undertaking was issued.

1388 (a) For the purpose of jurisdiction, choice of law, and  
1389 recognition of interbranch letters of credit, but not  
1390 enforcement of a judgment, all branches of a bank are considered  
1391 separate juridical entities and a bank is considered to be  
1392 located at the place where its relevant branch is considered to  
1393 be located under paragraph (b) ~~this subsection~~.

1394 (b) A bank branch is considered to be located at the  
1395 address indicated in the branch's undertaking. If more than one  
1396 address is indicated, the branch is considered to be located at  
1397 the address from which the undertaking was issued.

1398 (c) ~~(3)~~ Except as otherwise provided in this paragraph  
1399 ~~subsection~~, the liability of an issuer, nominated person, or  
1400 adviser is governed by any rules of custom or practice, such as

1401 the Uniform Customs and Practice for Documentary Credits, to  
1402 which the letter of credit, confirmation, or other undertaking  
1403 is expressly made subject. If this chapter governs the liability  
1404 of an issuer, nominated person, or adviser under subsection (1)  
1405 or this subsection ~~(2)~~, the relevant undertaking incorporates  
1406 rules of custom or practice, and there is conflict between this  
1407 chapter and such rules as applied to that undertaking, such  
1408 rules govern except to the extent of any conflict with the  
1409 nonvariable provisions specified in s. 675.102(3).

1410 (3)~~(4)~~ This chapter governs to the extent of any conflict  
1411 between this chapter and chapter 670, chapter 673, chapter 674,  
1412 or chapter 679.

1413 (4)~~(5)~~ The forum for settling disputes arising out of an  
1414 undertaking within this chapter may be chosen in the manner and  
1415 with the binding effect that governing law may be chosen in  
1416 accordance with subsection (1).

1417 Section 57. Section 675.119, Florida Statutes, is created  
1418 to read:

1419 675.119 Saving clause.—Except as provided in ss. 669.501-  
1420 669.706, a transaction validly entered into before July 1, 2025,  
1421 and the rights, duties, and interests flowing from such  
1422 transaction remain valid thereafter and may be terminated,  
1423 completed, consummated, or enforced as required or permitted by  
1424 law other than the Uniform Commercial Code or, if applicable, by  
1425 the Uniform Commercial Code as though this act had not taken

1426 effect.

1427 Section 58. Paragraphs (j) and (l) of subsection (1) of  
1428 section 677.102, Florida Statutes, are amended to read:

1429 677.102 Definitions and index of definitions.—

1430 (1) In this chapter, unless the context otherwise  
1431 requires:

1432 ~~(j) "Record" means information that is inscribed on a~~  
1433 ~~tangible medium or that is stored in an electronic or other~~  
1434 ~~medium and is retrievable in perceivable form.~~

1435 ~~(l) "Sign" means, with present intent to authenticate or~~  
1436 ~~adopt a record:~~

1437 ~~1. To execute or adopt a tangible symbol; or~~

1438 ~~2. To attach to or logically associate with the record an~~  
1439 ~~electronic sound, symbol, or process.~~

1440 Section 59. Subsection (2) of section 677.106, Florida  
1441 Statutes, is amended, and subsections (3) through (9) are added  
1442 to that section, to read:

1443 677.106 Control of electronic document of title.—

1444 (2) A system satisfies subsection (1), and a person has ~~is~~  
1445 ~~deemed to have~~ control of an electronic document of title, if  
1446 the document is created, stored, and transferred ~~assigned~~ in a  
1447 manner that:

1448 (a) A single authoritative copy of the document exists  
1449 which is unique, identifiable, and, except as otherwise provided  
1450 in paragraphs (d), (e), and (f), unalterable;

1451 (b) The authoritative copy identifies the person asserting  
 1452 control as:

- 1453 1. The person to which the document was issued; or
- 1454 2. If the authoritative copy indicates that the document  
 1455 has been transferred, the person to which the document was most  
 1456 recently transferred;

1457 (c) The authoritative copy is communicated to and  
 1458 maintained by the person asserting control or its designated  
 1459 custodian;

1460 (d) Copies or amendments that add or change an identified  
 1461 transferee ~~assignee~~ of the authoritative copy can be made only  
 1462 with the consent of the person asserting control;

1463 (e) Each copy of the authoritative copy and any copy of a  
 1464 copy is readily identifiable as a copy that is not the  
 1465 authoritative copy; and

1466 (f) Any amendment of the authoritative copy is readily  
 1467 identifiable as authorized or unauthorized.

1468 (3) A system satisfies subsection (1), and a person has  
 1469 control of an electronic document of title, if an authoritative  
 1470 electronic copy of the document, a record attached to or  
 1471 logically associated with the electronic copy, or a system in  
 1472 which the electronic copy is recorded:

1473 (a) Enables the person to readily identify each electronic  
 1474 copy as either an authoritative copy or a nonauthoritative copy;

1475 (b) Enables the person to readily identify itself in any

1476 way, including by name, identifying number, cryptographic key,  
1477 office, or account number, as the person to which each  
1478 authoritative electronic copy was issued or transferred; and  
1479 (c) Gives the person exclusive power, subject to  
1480 subsection (4), to:  
1481 1. Prevent others from adding or changing the person to  
1482 which each authoritative electronic copy has been issued or  
1483 transferred; and  
1484 2. Transfer control of each authoritative electronic copy.  
1485 (4) Subject to subsection (5), a power is exclusive under  
1486 subparagraphs (3) (c)1. and 2. even if:  
1487 (a) The authoritative electronic copy, a record attached  
1488 to or logically associated with the authoritative electronic  
1489 copy, or a system in which the authoritative electronic copy is  
1490 recorded limits the use of the document of title or has a  
1491 protocol that is programmed to cause a change, including a  
1492 transfer or loss of control; or  
1493 (b) The power is shared with another person.  
1494 (5) A power of a person is not shared with another person  
1495 under paragraph (4) (b) and the person's power is not exclusive  
1496 if:  
1497 (a) The person can exercise the power only if the power  
1498 also is exercised by the other person; and  
1499 (b) The other person:  
1500 1. Can exercise the power without exercise of the power by

1501 the person; or

1502 2. Is the transferor to the person of an interest in the  
1503 document of title.

1504 (6) If a person has the powers specified in subparagraphs  
1505 (3)(c)1. and 2., the powers are presumed to be exclusive.

1506 (7) A person has control of an electronic document of  
1507 title if another person, other than the transferor to the person  
1508 of an interest in the document:

1509 (a) Has control of the document and acknowledges that it  
1510 has control on behalf of the person; or

1511 (b) Obtains control of the document after having  
1512 acknowledged that it will obtain control of the document on  
1513 behalf of the person.

1514 (8) A person that has control as provided under this  
1515 section is not required to acknowledge that it has control on  
1516 behalf of another person.

1517 (9) If a person acknowledges that it has or will obtain  
1518 control on behalf of another person, unless the person otherwise  
1519 agrees or law other than this chapter or chapter 679 otherwise  
1520 provides, the person does not owe any duty to the other person  
1521 and is not required to confirm the acknowledgment to any other  
1522 person.

1523 Section 60. Part VII of chapter 677, Florida Statutes,  
1524 consisting of s. 677.701, Florida Statutes, is created and  
1525 entitled "Transitional Provisions."

1526 Section 61. Section 677.701, Florida Statutes, is created  
 1527 to read:

1528 677.701 Saving clause.—Except as provided in ss. 669.501-  
 1529 669.706, a transaction validly entered into before July 1, 2025,  
 1530 and the rights, duties, and interests flowing from such  
 1531 transaction remain valid thereafter and may be terminated,  
 1532 completed, consummated, or enforced as required or permitted by  
 1533 law other than the Uniform Commercial Code or, if applicable, by  
 1534 the Uniform Commercial Code as though this act had not have  
 1535 taken effect.

1536 Section 62. Paragraph (f) of subsection (1) and subsection  
 1537 (2) of section 678.1021, Florida Statutes, are amended, and  
 1538 paragraph (i) of subsection (1) of that section is republished,  
 1539 to read:

1540 678.1021 Definitions.—

1541 (1) In this chapter:

1542 (f) "Communicate" means to:

1543 1. Send a signed record ~~writing~~; or

1544 2. Transmit information by any mechanism agreed upon by  
 1545 the persons transmitting and receiving the information.

1546 (i) "Financial asset," except as otherwise provided in s.  
 1547 678.1031, means:

1548 1. A security;

1549 2. An obligation of a person or a share, participation, or  
 1550 other interest in a person or in property or an enterprise of a

1551 person, which is, or is of a type, dealt in or traded on  
 1552 financial markets, or which is recognized in any area in which  
 1553 it is issued or dealt in as a medium for investment; or

1554 3. Any property that is held by a securities intermediary  
 1555 for another person in a securities account if the securities  
 1556 intermediary has expressly agreed with the other person that the  
 1557 property is to be treated as a financial asset under this  
 1558 chapter. As context requires, the term means either the interest  
 1559 itself or the means by which a person's claim to it is  
 1560 evidenced, including a certificated or uncertificated security,  
 1561 a security certificate, or a security entitlement.

1562 (2) The following ~~Other~~ definitions in ~~applying to~~ this  
 1563 chapter and other chapters apply to this section ~~the sections in~~  
 1564 ~~which they appear are:~~

- 1565 "Appropriate person," s. 678.1071.
- 1566 "Control," s. 678.1061.
- 1567 "Controllable account," s. 679.1021.
- 1568 "Controllable electronic record," s. 669.102.
- 1569 "Controllable payment intangible," s. 679.1021.
- 1570 "Delivery," s. 678.3011.
- 1571 "Investment company security," s. 678.1031(2).
- 1572 "Issuer," s. 678.2011.
- 1573 "Overissue," s. 678.2101.
- 1574 "Protected purchaser," s. 678.3031.
- 1575 "Securities account," s. 678.5011.

1576 Section 63. Subsection (6) of section 678.1031, Florida  
 1577 Statutes, is amended, and subsection (8) is added to that  
 1578 section, to read:

1579 678.1031 Rules for determining whether certain obligations  
 1580 and interests are securities or financial assets.—

1581 (6) A commodity contract, as defined in s. 679.1021(1) ~~s.~~  
 1582 ~~679.1021(1)(e)~~, is not a security or a financial asset.

1583 (8) A controllable account, controllable electronic  
 1584 record, or controllable payment intangible is not a financial  
 1585 asset unless s. 678.1021(1)(i) applies.

1586 Section 64. Subsection (4) of section 678.1061, Florida  
 1587 Statutes, is amended, and subsections (8) and (9) are added to  
 1588 that section, to read:

1589 678.1061 Control.—

1590 (4) A purchaser has "control" of a security entitlement  
 1591 if:

1592 (a) The purchaser becomes the entitlement holder;

1593 (b) The securities intermediary has agreed that it will  
 1594 comply with entitlement orders originated by the purchaser  
 1595 without further consent by the entitlement holder; or

1596 (c) Another person, other than the transferor to the  
 1597 purchaser of an interest in the security entitlement:

1598 1. Has control of the security entitlement and  
 1599 acknowledges that it has control on behalf of the purchaser; or

1600 2. Obtains control of the security entitlement after

1601 having acknowledged that it will obtain control of the security  
1602 entitlement on behalf of the purchaser ~~has control of the~~  
1603 ~~security entitlement on behalf of the purchaser or, having~~  
1604 ~~previously acquired control of the security entitlement,~~  
1605 ~~acknowledges that the person has control on behalf of the~~  
1606 ~~purchaser.~~

1607 (8) A person that has control under this section is not  
1608 required to acknowledge that it has control on behalf of a  
1609 purchaser.

1610 (9) If a person acknowledges that it has or will obtain  
1611 control on behalf of a purchaser unless the person otherwise  
1612 agrees, or law other than this section or chapter 679 otherwise  
1613 provides, the person does not owe any duty to the purchaser and  
1614 is not required to confirm the acknowledgment to any other  
1615 person.

1616 Section 65. Subsection (7) is added to section 678.1101,  
1617 Florida Statutes, to read:

1618 678.1101 Applicability; choice of law.—

1619 (7) The local law of the issuer's jurisdiction or the  
1620 securities intermediary's jurisdiction governs a matter or  
1621 transaction specified in subsection (1) or subsection (2) even  
1622 if the matter or transaction does not bear any relation to the  
1623 jurisdiction.

1624 Section 66. Subsection (2) of section 678.3031, Florida  
1625 Statutes, is amended to read:

1626           678.3031 Protected purchaser.—

1627           (2) ~~In addition to acquiring the rights of a purchaser, A~~  
1628 protected purchaser ~~also~~ acquires its interest in the security  
1629 free of any adverse claim.

1630           Section 67. Part VI of chapter 678, Florida Statutes,  
1631 consisting of s. 678.601, Florida Statutes, is created and  
1632 entitled "Transitional Provisions."

1633           Section 68. Section 678.601, Florida Statutes, is created  
1634 to read:

1635           678.601 Saving clause.—Except as provided in ss. 669.501-  
1636 669.706, a transaction validly entered into before July 1, 2025,  
1637 and the rights, duties, and interests flowing from such  
1638 transaction remain valid thereafter and may be terminated,  
1639 completed, consummated, or enforced as required or permitted by  
1640 law other than the Uniform Commercial Code, or if applicable, by  
1641 the Uniform Commercial Code as though this act had not taken  
1642 effect.

1643           Section 69. Present paragraphs (h) through (aa), (bb)  
1644 through (bbb), and (ccc) through (bbbb) of subsection (1) of  
1645 section 679.1021, Florida Statutes, are redesignated as  
1646 paragraphs (i) through (bb), (ee) through (eee), and (ggg)  
1647 through (eeee), respectively, new paragraphs (g), (h), (cc),  
1648 (dd), and (fff) are added to that subsection, and paragraphs  
1649 (b), (c), (d), and (g) and present paragraphs (k), (ee), (pp),  
1650 (uu), (iii), (nnn), (vvv), and (zzz) of subsection (1) and

1651 subsection (2) of that section are amended, to read:  
1652       679.1021 Definitions and index of definitions.—  
1653       (1) In this chapter, the term:  
1654       (b) "Account," except as used in "account for," "account  
1655 statement," "account to," "commodity account" as used in  
1656 paragraph (o), "customer account," "deposit account" as used in  
1657 paragraph (ff), "on account of," and "statement of account,"  
1658 means a right to payment of a monetary obligation, regardless of  
1659 ~~whether or not~~ earned by performance, for property that has been  
1660 or is to be sold, leased, licensed, assigned, or otherwise  
1661 disposed of; for services rendered or to be rendered; for a  
1662 policy of insurance issued or to be issued; for a secondary  
1663 obligation incurred or to be incurred; for energy provided or to  
1664 be provided; for the use or hire of a vessel under a charter or  
1665 other contract; arising out of the use of a credit or charge  
1666 card or information contained on or for use with the card; or as  
1667 winnings in a lottery or other game of chance operated or  
1668 sponsored by a state, governmental unit of a state, or person  
1669 licensed or authorized to operate the game by a state or  
1670 governmental unit of a state. The term includes controllable  
1671 accounts and health-care-insurance receivables. The term does  
1672 not include ~~rights to payment evidenced by chattel paper or an~~  
1673 ~~instrument~~; commercial tort claims; deposit accounts; investment  
1674 property; letter-of-credit rights or letters of credit; ~~or~~  
1675 rights to payment for money or funds advanced or sold, other

1676 than rights arising out of the use of a credit or charge card or  
1677 information contained on or for use with the card; or rights to  
1678 payment evidenced by an instrument.

1679 (c) "Account debtor" means a person obligated on an  
1680 account, chattel paper, or general intangible. The term does not  
1681 include persons obligated to pay a negotiable instrument, even  
1682 if the negotiable instrument evidences ~~constitutes part of~~  
1683 chattel paper.

1684 (d) "Accounting," except as used in the term "accounting  
1685 for," means a record:

- 1686 1. Signed ~~Authenticated~~ by a secured party;
- 1687 2. Indicating the aggregate unpaid secured obligations as  
1688 of a date not more than 35 days earlier or 35 days later than  
1689 the date of the record; and
- 1690 3. Identifying the components of the obligations in  
1691 reasonable detail.

1692 (g) "Assignee," except as used in "assignee for benefit of  
1693 creditors," means a person:

- 1694 1. In whose favor a security interest that secures an  
1695 obligation is created or provided for under a security  
1696 agreement, regardless of whether the obligation is outstanding;  
1697 or
- 1698 2. To which an account, chattel paper, payment intangible,  
1699 or promissory note has been sold.

1700

1701 The term includes a person to which a security interest has been  
1702 transferred by a secured party.

1703 (h) "Assignor" means a person that:

1704 1. Under a security agreement creates or provides for a  
1705 security interest that secures an obligation; or

1706 2. Sells an account, chattel paper, payment intangible, or  
1707 promissory note.

1708  
1709 The term includes a secured party that has transferred a  
1710 security interest to another person

1711 ~~(g) "Authenticate" means:~~

1712 ~~1. To sign; or~~

1713 ~~2. With the present intent to adopt or accept a record, to~~  
1714 ~~attach to or logically associate with the record an electronic~~  
1715 ~~sound, symbol, or process.~~

1716 (1) ~~(k)~~ "Chattel paper" means:

1717 1. A right to payment of a monetary obligation secured by  
1718 specific goods, if the right to payment and security agreement  
1719 are evidenced by a record; or

1720 2. A right to payment of a monetary obligation owed by a  
1721 lessee under a lease agreement with respect to specific goods  
1722 and a monetary obligation owed by the lessee in connection with  
1723 the transaction giving rise to the lease, if:

1724 a. The right to payment and lease agreement are evidenced  
1725 by a record; and

1726 b. The predominant purpose of the transaction giving rise  
1727 to the lease was to give the lessee the right to possession and  
1728 use of the goods.

1729  
1730 The term does not include a right to payment arising out of a  
1731 charter or other contract involving the use or hire of a vessel  
1732 or a right to payment arising out of the use of a credit or  
1733 charge card or information contained on or for use with the card  
1734 ~~a record or records that evidence both a monetary obligation and~~  
1735 ~~a security interest in specific goods, a security interest in~~  
1736 ~~specific goods and software used in the goods, a security~~  
1737 ~~interest in specific goods and license of software used in the~~  
1738 ~~goods, a lease of specific goods, or a lease of specific goods~~  
1739 ~~and license of software used in the goods. In this paragraph,~~  
1740 ~~"monetary obligation" means a monetary obligation secured by the~~  
1741 ~~goods or owed under a lease of the goods and includes a monetary~~  
1742 ~~obligation with respect to software used in the goods. The term~~  
1743 ~~does not include charters or other contracts involving the use~~  
1744 ~~or hire of a vessel or records that evidence a right to payment~~  
1745 ~~arising out of the use of a credit or charge card or information~~  
1746 ~~contained on or for use with the card. If a transaction is~~  
1747 ~~evidenced by records that include an instrument or series of~~  
1748 ~~instruments, the group of records taken together constitutes~~  
1749 ~~chattel paper.~~

1750 (cc) "Controllable account" means an account evidenced by

1751 a controllable electronic record that provides that the account  
 1752 debtor undertakes to pay the person that has control under s.  
 1753 669.105 of the controllable electronic record.

1754 (dd) "Controllable payment intangible" means a payment  
 1755 intangible evidenced by a controllable electronic record that  
 1756 provides that the account debtor undertakes to pay the person  
 1757 that has control under s. 669.105 of the controllable electronic  
 1758 record.

1759 (hh)~~(ee)~~ "Electronic money" means money in an electronic  
 1760 form ~~chattel paper" means chattel paper evidenced by a record or~~  
 1761 ~~records consisting of information stored in an electronic~~  
 1762 ~~medium.~~

1763 (ss)~~(pp)~~ "General intangible" means any personal property,  
 1764 including things in action, other than accounts, chattel paper,  
 1765 commercial tort claims, deposit accounts, documents, goods,  
 1766 instruments, investment property, letter-of-credit rights,  
 1767 letters of credit, money, and oil, gas, or other minerals before  
 1768 extraction. The term includes controllable electronic records,  
 1769 payment intangibles, and software.

1770 (xx)~~(uu)~~ "Instrument" means a negotiable instrument or any  
 1771 other writing that evidences a right to the payment of a  
 1772 monetary obligation, is not itself a security agreement or  
 1773 lease, and is of a type that in the ordinary course of business  
 1774 is transferred by delivery with any necessary indorsement or  
 1775 assignment. The term does not include investment property,

1776 letters of credit, ~~or~~ writings that evidence a right to payment  
 1777 arising out of the use of a credit or charge card or information  
 1778 contained on or for use with the card, or writings that evidence  
 1779 chattel paper.

1780 (fff) "Money" has the same meaning as in s. 671.201, but  
 1781 does not include a deposit account, a central bank digital  
 1782 currency, or money in an electronic form that cannot be  
 1783 subjected to control under s. 679.1052.

1784 (mmm) ~~(iii)~~ "Payment intangible" means a general intangible  
 1785 under which the account debtor's principal obligation is a  
 1786 monetary obligation. The term includes a controllable payment  
 1787 intangible.

1788 (rrr) ~~(nnn)~~ "Proposal" means a record signed ~~authenticated~~  
 1789 by a secured party which includes the terms on which the secured  
 1790 party is willing to accept collateral in full or partial  
 1791 satisfaction of the obligation it secures pursuant to ss.  
 1792 679.620, 679.621, and 679.622.

1793 ~~(vvv) "Send," in connection with a record or notification,~~  
 1794 ~~means:~~

1795 ~~1. To deposit in the mail, deliver for transmission, or~~  
 1796 ~~transmit by any other usual means of communication, with postage~~  
 1797 ~~or cost of transmission provided for, addressed to any address~~  
 1798 ~~reasonable under the circumstances; or~~

1799 ~~2. To cause the record or notification to be received~~  
 1800 ~~within the time that it would have been received if properly~~

1801 ~~sent under subparagraph 1.~~  
 1802        (cccc)~~(zzz)~~ "Tangible money chattel paper" means money in  
 1803 tangible form ~~chattel paper evidenced by a record or records~~  
 1804 ~~consisting of information that is inscribed on a tangible~~  
 1805 ~~medium.~~

1806        (2) The following definitions in other chapters apply to  
 1807 this chapter:

1808        "Applicant," s. 675.103.  
 1809        "Beneficiary," s. 675.103.  
 1810        "Broker," s. 678.1021.  
 1811        "Certificated security," s. 678.1021.  
 1812        "Check," s. 673.1041.  
 1813        "Clearing corporation," s. 678.1021.  
 1814        "Contract for sale," s. 672.106.  
 1815        "Control," s. 677.106.  
 1816        "Controllable electronic record," s. 699.102.  
 1817        "Customer," s. 674.104.  
 1818        "Entitlement holder," s. 678.1021.  
 1819        "Financial asset," s. 678.1021.  
 1820        "Holder in due course," s. 673.3021.  
 1821        "Issuer" (with respect to a letter of credit  
 1822 or letter-of-credit right), s. 675.103.  
 1823        "Issuer" (with respect to a security), s. 678.2011.  
 1824        "Issuer" (with respect to documents  
 1825 of title), s. 677.102.

1826 "Lease," s. 680.1031.  
 1827 "Lease agreement," s. 680.1031.  
 1828 "Lease contract," s. 680.1031.  
 1829 "Leasehold interest," s. 680.1031.  
 1830 "Lessee," s. 680.1031.  
 1831 "Lessee in ordinary course of  
 1832 business," s. 680.1031.  
 1833 "Lessor," s. 680.1031.  
 1834 "Lessor's residual interest," s. 680.1031.  
 1835 "Letter of credit," s. 675.103.  
 1836 "Merchant," s. 672.104.  
 1837 "Negotiable instrument," s. 673.1041.  
 1838 "Nominated person," s. 675.103.  
 1839 "Note," s. 673.1041.  
 1840 "Proceeds of a letter of credit," s. 675.114.  
 1841 "Protected purchaser," s. 678.3031.  
 1842 "Prove," s. 673.1031.  
 1843 "Qualifying purchaser," s. 669.102.  
 1844 "Sale," s. 672.106.  
 1845 "Securities account," s. 678.5011.  
 1846 "Securities intermediary," s. 678.1021.  
 1847 "Security," s. 678.1021.  
 1848 "Security certificate," s. 678.1021.  
 1849 "Security entitlement," s. 678.1021.  
 1850 "Uncertificated security," s. 678.1021.

1851 Section 70. Subsection (1) of section 679.1041, Florida  
 1852 Statutes, is amended to read:

1853 679.1041 Control of deposit account.—

1854 (1) A secured party has control of a deposit account if  
 1855 any of the following applies:

1856 (a) The secured party is the bank with which the deposit  
 1857 account is maintained.;

1858 (b) The debtor, secured party, and bank have agreed in a  
 1859 signed ~~an authenticated~~ record that the bank will comply with  
 1860 instructions originated by the secured party directing  
 1861 disposition of the funds in the deposit account without further  
 1862 consent by the debtor. ~~or~~

1863 (c) The secured party becomes the bank's customer with  
 1864 respect to the deposit account.

1865 (d) Another person, other than the debtor:

1866 1. Has control of the deposit account and acknowledges  
 1867 that it has control on behalf of the secured party; or

1868 2. Obtains control of the deposit account after having  
 1869 acknowledged that it will obtain control of the deposit account  
 1870 on behalf of the secured party.

1871 Section 71. Section 679.1051, Florida Statutes, is amended  
 1872 to read:

1873 679.1051 Control of electronic chattel paper.—

1874 (1) A purchaser has control of an authoritative electronic  
 1875 copy of a record evidencing chattel paper if a system employed

1876 for evidencing the assignment of interests in the chattel paper  
1877 reliably establishes the purchaser as the person to which the  
1878 authoritative electronic copy was assigned.

1879 (2) A system satisfies subsection (1) if the record or  
1880 records evidencing the chattel paper are created, stored, and  
1881 assigned in a manner that:

1882 (a) A single authoritative copy of the record or records  
1883 exists which is unique, identifiable, and, except as otherwise  
1884 provided in paragraphs (d), (e), and (f), unalterable;

1885 (b) The authoritative copy identifies the purchaser as the  
1886 assignee of the record or records;

1887 (c) The authoritative copy is communicated to and  
1888 maintained by the purchaser or its designated custodian;

1889 (d) Copies or amendments that add or change an identified  
1890 assignee of the authoritative copy can be made only with the  
1891 consent of the purchaser;

1892 (e) Each copy of the authoritative copy and any copy of a  
1893 copy is readily identifiable as a copy that is not the  
1894 authoritative copy; and

1895 (f) Any amendment of the authoritative copy is readily  
1896 identifiable as authorized or unauthorized.

1897 (3) A system satisfies subsection (1), and a purchaser has  
1898 control of an authoritative electronic copy of a record  
1899 evidencing chattel paper, if the electronic copy, a record  
1900 attached to or logically associated with the electronic copy, or

1901 a system in which the electronic copy is recorded:

1902 (a) Enables the purchaser to readily identify each

1903 electronic copy as either an authoritative copy or a

1904 nonauthoritative copy;

1905 (b) Enables the purchaser to readily identify itself in

1906 any way, including by name, identifying number, cryptographic

1907 key, office, or account number, as the assignee of the

1908 authoritative electronic copy; and

1909 (c) Gives the purchaser exclusive power, subject to

1910 subsection (4), to:

1911 1. Prevent others from adding or changing an identified

1912 assignee of the authoritative electronic copy; and

1913 2. Transfer control of the authoritative electronic copy.

1914 (4) Subject to subsection (5), a power is exclusive under

1915 subparagraphs (3)(c)1. and 2. even if:

1916 (a) The authoritative electronic copy, a record attached

1917 to or logically associated with the authoritative electronic

1918 copy, or a system in which the authoritative electronic copy is

1919 recorded limits the use of the authoritative electronic copy or

1920 has a protocol programmed to cause a change, including a

1921 transfer or loss of control; or

1922 (b) The power is shared with another person.

1923 (5) A power of a purchaser is not shared with another

1924 person as provided in paragraph (4)(b) and the purchaser's power

1925 is not exclusive if:

1926        (a) The purchaser can exercise the power only if the power  
 1927 also is exercised by the other person; and

1928        (b) The other person:

1929        1. Can exercise the power without exercise of the power by  
 1930 the purchaser; or

1931        2. Is the transferor to the purchaser of an interest in  
 1932 the chattel paper.

1933        (6) If a purchaser has the powers specified in  
 1934 subparagraphs (3) (c)1. and 2., the powers are presumed to be  
 1935 exclusive.

1936        (7) A purchaser has control of an authoritative electronic  
 1937 copy of a record evidencing chattel paper if another person,  
 1938 other than the transferor to the purchaser of an interest in the  
 1939 chattel paper:

1940        (a) Has control of the authoritative electronic copy and  
 1941 acknowledges that it has control on behalf of the purchaser; or

1942        (b) Obtains control of the authoritative electronic copy  
 1943 after having acknowledged that it will obtain control of the  
 1944 electronic copy on behalf of the purchaser ~~A secured party has~~  
 1945 ~~control of electronic chattel paper if a system employed for~~  
 1946 ~~evidencing the transfer of interests in the chattel paper~~  
 1947 ~~reliably establishes the secured party as the person to which~~  
 1948 ~~the chattel paper was assigned.~~

1949        ~~(2) A system satisfies subsection (1), and a secured party~~  
 1950 ~~has control of electronic chattel paper, if the record or~~

1951 ~~records comprising the chattel paper are created, stored, and~~  
1952 ~~assigned in such a manner that:~~

1953 ~~(a) A single authoritative copy of the record or records~~  
1954 ~~exists which is unique, identifiable and, except as otherwise~~  
1955 ~~provided in paragraphs (d), (e), and (f), unalterable;~~

1956 ~~(b) The authoritative copy identifies the secured party as~~  
1957 ~~the assignee of the record or records;~~

1958 ~~(c) The authoritative copy is communicated to and~~  
1959 ~~maintained by the secured party or its designated custodian;~~

1960 ~~(d) Copies or amendments that add or change an identified~~  
1961 ~~assignee of the authoritative copy can be made only with the~~  
1962 ~~consent of the secured party;~~

1963 ~~(e) Each copy of the authoritative copy and any copy of a~~  
1964 ~~copy is readily identifiable as a copy that is not the~~  
1965 ~~authoritative copy; and~~

1966 ~~(f) Any amendment of the authoritative copy is readily~~  
1967 ~~identifiable as authorized or unauthorized.~~

1968 Section 72. Section 679.1052, Florida Statutes, is created  
1969 to read:

1970 679.1052 Control of electronic money.-

1971 (1) A person has control of electronic money if both of  
1972 the following apply:

1973 (a) The electronic money, a record attached to or  
1974 logically associated with the electronic money, or a system in  
1975 which the electronic money is recorded gives the person:

1976 1. Power to avail itself of substantially all the benefit  
 1977 from the electronic money; and

1978 2. Exclusive power, subject to subsection (2), to:

1979 a. Prevent others from availing themselves of  
 1980 substantially all the benefit from the electronic money; and

1981 b. Transfer control of the electronic money to another  
 1982 person or cause another person to obtain control of other  
 1983 electronic money as a result of the transfer of the electronic  
 1984 money.

1985 (b) The electronic money, a record attached to or  
 1986 logically associated with the electronic money, or a system in  
 1987 which the electronic money is recorded enables the person  
 1988 readily to identify itself in any way, including by name,  
 1989 identifying number, cryptographic key, office, or account  
 1990 number, as having the powers under paragraph (a).

1991 (2) Subject to subsection (3), a power is exclusive under  
 1992 sub-subparagraphs (1)(a)2.a. and b. even if:

1993 (a) The electronic money, a record attached to or  
 1994 logically associated with the electronic money, or a system in  
 1995 which the electronic money is recorded limits the use of the  
 1996 electronic money or has a protocol programmed to cause a change,  
 1997 including a transfer or loss of control; or

1998 (b) The power is shared with another person.

1999 (3) A power of a person is not shared with another person  
 2000 under paragraph (2)(b) and the person's power is not exclusive

2001 if:

2002 (a) The person can exercise the power only if the power

2003 also is exercised by the other person; and

2004 (b) The other person:

2005 1. Can exercise the power without exercise of the power by

2006 the person; or

2007 2. Is the transferor to the person of an interest in the

2008 electronic money.

2009 (4) If a person has the powers specified in sub-

2010 subparagraphs (1) (a)2.a. and b., the powers are presumed to be

2011 exclusive.

2012 (5) A person has control of electronic money if another

2013 person, other than the transferor to the person of an interest

2014 in the electronic money:

2015 (a) Has control of the electronic money and acknowledges

2016 that it has control on behalf of the person; or

2017 (b) Obtains control of the electronic money after having

2018 acknowledged that it will obtain control of the electronic money

2019 on behalf of the person.

2020 Section 73. Section 679.1053, Florida Statutes, is created

2021 to read:

2022 679.1053 Control of controllable electronic record,

2023 controllable account, or controllable payment intangible.-

2024 (1) A secured party has control of a controllable

2025 electronic record as provided in s. 669.105.

2026        (2) A secured party has control of a controllable account  
2027 or controllable payment intangible if the secured party has  
2028 control of the controllable electronic record that evidences the  
2029 controllable account or controllable payment intangible.

2030        Section 74. Section 679.1054, Florida Statutes, is created  
2031 to read:

2032        679.1054 No requirement to acknowledge or confirm; no  
2033 duties.-

2034        (1) A person that has control under s. 679.1051, s.  
2035 679.1052, or s. 679.1053 is not required to acknowledge that it  
2036 has control on behalf of another person.

2037        (2) If a person acknowledges that it has or will obtain  
2038 control on behalf of another person, unless the person otherwise  
2039 agrees, or law other than this chapter otherwise provides, the  
2040 person does not owe any duty to the other person and is not  
2041 required to confirm the acknowledgment to any other person.

2042        Section 75. Subsections (2) and (10) of section 679.2031,  
2043 Florida Statutes, are amended to read:

2044        679.2031 Attachment and enforceability of security  
2045 interest; proceeds; supporting obligations; formal requisites.-

2046        (2) Except as otherwise provided in subsections (3)  
2047 through (10), a security interest is enforceable against the  
2048 debtor and third parties with respect to the collateral only if:

2049        (a) Value has been given;

2050        (b) The debtor has rights in the collateral or the power

2051 to transfer rights in the collateral to a secured party; and

2052 (c) One of the following conditions is met:

2053 1. The debtor has signed ~~authenticated~~ a security  
 2054 agreement that provides a description of the collateral and, if  
 2055 the security interest covers timber to be cut, a description of  
 2056 the land concerned;

2057 2. The collateral is not a certificated security and is in  
 2058 the possession of the secured party under s. 679.3131 pursuant  
 2059 to the debtor's security agreement;

2060 3. The collateral is a certificated security in registered  
 2061 form and the security certificate has been delivered to the  
 2062 secured party under s. 678.3011 pursuant to the debtor's  
 2063 security agreement; ~~or~~

2064 4. The collateral is controllable accounts, controllable  
 2065 electronic records, controllable payment intangibles, deposit  
 2066 accounts, electronic documents, electronic money ~~chattel paper,~~  
 2067 investment property, or letter-of-credit rights, ~~or electronic~~  
 2068 ~~documents,~~ and the secured party has control under s. 669.105,  
 2069 s. 677.106, s. 679.1041, s. 679.1051, s. 679.1061, or s.  
 2070 679.1071 pursuant to the debtor's security agreement; or

2071 5. The collateral is chattel paper and the secured party  
 2072 has possession and control under s. 679.3152 pursuant to the  
 2073 debtor's security agreement.

2074 (10) A security interest in an account consisting of a  
 2075 right to payment of a monetary obligation for the sale of real

2076 | property that is the debtor's homestead under the laws of this  
 2077 | state is not enforceable unless:

2078 |       (a) The description of the account in the security  
 2079 | agreement conspicuously states that the collateral includes the  
 2080 | debtor's right to payment of a monetary obligation for the sale  
 2081 | of real property;

2082 |       (b) The description of the account in the security  
 2083 | agreement includes a legal description of the real property;

2084 |       (c) The description of the account in the security  
 2085 | agreement conspicuously states that the real property is the  
 2086 | debtor's homestead; and

2087 |       (d) The security agreement is also signed ~~authenticated~~ by  
 2088 | the debtor's spouse, if the debtor is married; if the debtor's  
 2089 | spouse is incompetent, then the method of signature  
 2090 | ~~authentication~~ by the debtor's spouse is the same as provided by  
 2091 | the laws of this state, other than this chapter, which apply to  
 2092 | the alienation or encumbrance of homestead property by an  
 2093 | incompetent person.

2094 |       Section 76. Present subsection (3) of section 679.2041,  
 2095 | Florida Statutes, is redesignated as subsection (4), a new  
 2096 | subsection (3) is added to that section, and subsection (2) of  
 2097 | that section is amended, to read:

2098 |       679.2041 After-acquired property; future advances.—

2099 |       (2) Subject to subsection (3), a security interest does  
 2100 | not attach under a term constituting an after-acquired property

2101 clause to:

2102 (a) Consumer goods, other than an accession when given as  
 2103 additional security, unless the debtor acquires rights in them  
 2104 within 10 days after the secured party gives value; or

2105 (b) A commercial tort claim.

2106 (3) Subsection (2) does not prevent a security interest  
 2107 from attaching:

2108 (a) To a consumer good as proceeds under s. 679.3151(1) or  
 2109 commingled goods under s. 679.336(3);

2110 (b) To a commercial tort claim as proceeds under s.  
 2111 679.3151(1); or

2112 (c) Under an after-acquired property clause to property  
 2113 that is proceeds of consumer goods or a commercial tort claim.

2114 Section 77. Subsection (3) of section 679.2071, Florida  
 2115 Statutes, is amended to read:

2116 679.2071 Rights and duties of secured party having  
 2117 possession or control of collateral.—

2118 (3) Except as otherwise provided in subsection (4), a  
 2119 secured party having possession of collateral or control of  
 2120 collateral under s. 677.106, s. 679.1041, s. 679.1051, s.  
 2121 679.1052, s. 679.1061, or s. 679.1071:

2122 (a) May hold as additional security any proceeds, except  
 2123 money or funds, received from the collateral;

2124 (b) Shall apply money or funds received from the  
 2125 collateral to reduce the secured obligation, unless remitted to

2126 | the debtor; and

2127 |       (c) May create a security interest in the collateral.

2128 |       Section 78. Subsection (2) of section 679.2081, Florida

2129 | Statutes, is amended to read:

2130 |       679.2081 Additional duties of secured party having control

2131 | of collateral.—

2132 |       (2) Within 10 days after receiving a signed ~~an~~

2133 | ~~authenticated~~ demand by the debtor:

2134 |       (a) A secured party having control of a deposit account

2135 | under s. 679.1041(1)(b) shall send to the bank with which the

2136 | deposit account is maintained a signed record ~~an authenticated~~

2137 | ~~statement~~ that releases the bank from any further obligation to

2138 | comply with instructions originated by the secured party;

2139 |       (b) A secured party having control of a deposit account

2140 | under s. 679.1041(1)(c) shall:

2141 |       1. Pay the debtor the balance on deposit in the deposit

2142 | account; or

2143 |       2. Transfer the balance on deposit into a deposit account

2144 | in the debtor's name;

2145 |       (c) A secured party, other than a buyer, having control

2146 | under s. 679.1051 of an authoritative electronic copy of a

2147 | record evidencing chattel paper shall transfer control of the

2148 | electronic copy to the debtor or a person designated by the

2149 | debtor; a secured party, other than a buyer, having control of

2150 | ~~electronic chattel paper under s. 679.1051 shall:~~

2151           ~~1. Communicate the authoritative copy of the electronic~~  
2152 ~~chattel paper to the debtor or its designated custodian;~~

2153           ~~2. If the debtor designates a custodian that is the~~  
2154 ~~designated custodian with which the authoritative copy of the~~  
2155 ~~electronic chattel paper is maintained for the secured party,~~  
2156 ~~communicate to the custodian an authenticated record releasing~~  
2157 ~~the designated custodian from any further obligation to comply~~  
2158 ~~with instructions originated by the secured party and~~  
2159 ~~instructing the custodian to comply with instructions originated~~  
2160 ~~by the debtor; and~~

2161           ~~3. Take appropriate action to enable the debtor or the~~  
2162 ~~debtor's designated custodian to make copies of or revisions to~~  
2163 ~~the authoritative copy which add or change an identified~~  
2164 ~~assignee of the authoritative copy without the consent of the~~  
2165 ~~secured party;~~

2166           (d) A secured party having control of investment property  
2167 under s. 678.1061(4)(b) or s. 679.1061(2) shall send to the  
2168 securities intermediary or commodity intermediary with which the  
2169 security entitlement or commodity contract is maintained a  
2170 signed ~~an authenticated~~ record that releases the securities  
2171 intermediary or commodity intermediary from any further  
2172 obligation to comply with entitlement orders or directions  
2173 originated by the secured party;

2174           (e) A secured party having control of a letter-of-credit  
2175 right under s. 679.1071 shall send to each person having an

2176 unfulfilled obligation to pay or deliver proceeds of the letter  
2177 of credit to the secured party a signed ~~an authenticated~~ release  
2178 from any further obligation to pay or deliver proceeds of the  
2179 letter of credit to the secured party; ~~and~~

2180 (f) A secured party having control under s. 677.106 of an  
2181 authoritative electronic copy of an electronic document of title  
2182 shall transfer control of the electronic copy to the debtor or a  
2183 person designated by the debtor;

2184 (g) A secured party having control under s. 679.1052 of  
2185 electronic money shall transfer control of the electronic money  
2186 to the debtor or a person designated by the debtor; and

2187 (h) A secured party having control under s. 669.105 of a  
2188 controllable electronic record, other than a buyer of a  
2189 controllable account or controllable payment intangible  
2190 evidenced by the controllable electronic record, shall transfer  
2191 control of the controllable electronic record to the debtor or a  
2192 person designated by the debtor ~~of an electronic document shall:~~

2193 ~~1. Give control of the electronic document to the debtor~~  
2194 ~~or its designated custodian;~~

2195 ~~2. If the debtor designates a custodian that is the~~  
2196 ~~designated custodian with which the authoritative copy of the~~  
2197 ~~electronic document is maintained for the secured party,~~  
2198 ~~communicate to the custodian an authenticated record releasing~~  
2199 ~~the designated custodian from any further obligation to comply~~  
2200 ~~with instructions originated by the secured party and~~

2201 ~~instructing the custodian to comply with instructions originated~~  
2202 ~~by the debtor; and~~

2203 ~~3. Take appropriate action to enable the debtor or its~~  
2204 ~~designated custodian to make copies of or revisions to the~~  
2205 ~~authenticated copy which add or change an identified assignee of~~  
2206 ~~the authoritative copy without the consent of the secured party.~~

2207 Section 79. Subsection (2) of section 679.209, Florida  
2208 Statutes, is amended to read:

2209 679.209 Duties of secured party if account debtor has been  
2210 notified of assignment.—

2211 (2) Within 10 days after receiving a signed ~~an~~  
2212 ~~authenticated~~ demand by the debtor, a secured party shall send  
2213 to an account debtor that has received notification under s.  
2214 669.106(2) or s. 679.4016(1) of an assignment to the secured  
2215 party as assignee a signed ~~under s. 679.4061(1) an authenticated~~  
2216 record that releases the account debtor from any further  
2217 obligation to the secured party.

2218 Section 80. Section 679.210, Florida Statutes, is amended  
2219 to read:

2220 679.210 Request for accounting; request regarding list of  
2221 collateral or statement of account.—

2222 (1) In this section, the term:

2223 (a) "Request" means a record of a type described in  
2224 paragraph (b), paragraph (c), or paragraph (d).

2225 (b) "Request for an accounting" means a record signed

2226 ~~authenticated~~ by a debtor requesting that the recipient provide  
2227 an accounting of the unpaid obligations secured by collateral  
2228 and reasonably identifying the transaction or relationship that  
2229 is the subject of the request.

2230 (c) "Request regarding a list of collateral" means a  
2231 record signed ~~authenticated~~ by a debtor requesting that the  
2232 recipient approve or correct a list of what the debtor believes  
2233 to be the collateral securing an obligation and reasonably  
2234 identifying the transaction or relationship that is the subject  
2235 of the request.

2236 (d) "Request regarding a statement of account" means a  
2237 record signed ~~authenticated~~ by a debtor requesting that the  
2238 recipient approve or correct a statement indicating what the  
2239 debtor believes to be the aggregate amount of unpaid obligations  
2240 secured by collateral as of a specified date and reasonably  
2241 identifying the transaction or relationship that is the subject  
2242 of the request.

2243 (e) "Reasonably identifying the transaction or  
2244 relationship" means that the request provides information  
2245 sufficient for the person to identify the transaction or  
2246 relationship and respond to the request. Pursuant to s.  
2247 679.603(1), a secured party and debtor may determine by  
2248 agreement the standards for measuring fulfillment of this duty.

2249 (f) "Person" means a person or entity that is or was a  
2250 secured party or otherwise claims or has claimed an interest in

2251 the collateral.

2252 (2) Subject to subsections (3)-(6) ~~(3), (4), (5), and (6)~~,  
 2253 a secured party, other than a buyer of accounts, chattel paper,  
 2254 payment intangibles, or promissory notes or a consignor, shall  
 2255 comply with a request within 14 days after receipt:

2256 (a) In the case of a request for an accounting, by signing  
 2257 ~~authenticating~~ and sending to the debtor an accounting; and

2258 (b) In the case of a request regarding a list of  
 2259 collateral or a request regarding a statement of account, by  
 2260 signing ~~authenticating~~ and sending to the debtor an approval or  
 2261 correction.

2262 (3) A secured party that claims a security interest in all  
 2263 of a particular type of collateral owned by the debtor may  
 2264 comply with a request regarding a list of collateral by sending  
 2265 to the debtor a signed ~~an authenticated~~ record including a  
 2266 statement to that effect within 14 days after receipt.

2267 (4) A person who receives a request regarding a list of  
 2268 collateral, claims no interest in the collateral when the  
 2269 request is received, and claimed an interest in the collateral  
 2270 at an earlier time shall comply with the request within 14 days  
 2271 after receipt by sending to the debtor a signed ~~an authenticated~~  
 2272 record:

2273 (a) Disclaiming any interest in the collateral; and

2274 (b) If known to the recipient, providing the name and  
 2275 mailing address of any assignee of or successor to the

2276 recipient's interest in the collateral.

2277 (5) A person who receives a request for an accounting or a  
2278 request regarding a statement of account, claims no interest in  
2279 the obligations when the request is received, and claimed an  
2280 interest in the obligations at an earlier time shall comply with  
2281 the request within 14 days after receipt by sending to the  
2282 debtor a signed ~~an authenticated~~ record:

2283 (a) Disclaiming any interest in the obligations; and

2284 (b) If known to the recipient, providing the name and  
2285 mailing address of any assignee of or successor to the  
2286 recipient's interest in the obligations.

2287 (6) A debtor is entitled under this section without charge  
2288 to one response to a request for an accounting or a request  
2289 regarding a statement of account for each secured obligation  
2290 during any 6-month period. A debtor in a consumer transaction is  
2291 entitled to a single response to a request regarding a list of  
2292 collateral without charge during any 6-month period. The secured  
2293 party may require payment of a charge not exceeding \$25 for each  
2294 additional response to a request for an accounting, a request  
2295 regarding a statement of account, or a request regarding a list  
2296 of collateral for a consumer transaction. To the extent provided  
2297 in a signed ~~an authenticated~~ record, the secured party may  
2298 require the payment of reasonable expenses, including attorney's  
2299 fees, reasonably incurred in providing a response to a request  
2300 regarding a list of collateral for a transaction other than a

2301 consumer transaction under this section; otherwise, the secured  
 2302 party may not charge more than \$25 for each request regarding a  
 2303 list of collateral. Excluding a request related to a proposed  
 2304 satisfaction of the secured obligation, a secured party is not  
 2305 required to respond to more than 12 of each of the permitted  
 2306 requests in any 12-month period.

2307 Section 81. Section 679.3011, Florida Statutes, is amended  
 2308 to read:

2309 679.3011 Law governing perfection and priority of security  
 2310 interests.—Except as otherwise provided in ss. 679.1091,  
 2311 679.3031, 679.3041, 679.3051, ~~and~~ 679.3061, and 679.3062, the  
 2312 following rules determine the law governing perfection, the  
 2313 effect of perfection or nonperfection, and the priority of a  
 2314 security interest in collateral:

2315 (1) Except as otherwise provided in this section, while a  
 2316 debtor is located in a jurisdiction, the local law of that  
 2317 jurisdiction governs perfection, the effect of perfection or  
 2318 nonperfection, and the priority of a security interest in  
 2319 collateral.

2320 (2) While collateral is located in a jurisdiction, the  
 2321 local law of that jurisdiction governs perfection, the effect of  
 2322 perfection or nonperfection, and the priority of a possessory  
 2323 security interest in that collateral.

2324 (3) Except as otherwise provided in subsections (4) and  
 2325 (5), while tangible negotiable documents, goods, instruments, or

2326 tangible money, ~~or tangible chattel paper~~ is located in a  
 2327 jurisdiction, the local law of that jurisdiction governs:  
 2328 (a) Perfection of a security interest in the goods by  
 2329 filing a fixture filing;  
 2330 (b) Perfection of a security interest in timber to be cut;  
 2331 and  
 2332 (c) The effect of perfection or nonperfection and the  
 2333 priority of a nonpossessory security interest in the collateral.  
 2334 (4) The local law of the jurisdiction in which the  
 2335 wellhead or minehead is located governs perfection, the effect  
 2336 of perfection or nonperfection, and the priority of a security  
 2337 interest in as-extracted collateral.  
 2338 (5) The law of this state governs:  
 2339 (a) The perfection of a security interest in goods that  
 2340 are or are to become fixtures in this state by the filing of a  
 2341 fixture filing.  
 2342 (b) The effect of perfection or nonperfection and the  
 2343 priority of a security interest in goods that are or are to  
 2344 become fixtures in this state.  
 2345 Section 82. Subsection (1) of section 679.3041, Florida  
 2346 Statutes, is amended to read:  
 2347 679.3041 Law governing perfection and priority of security  
 2348 interests in deposit accounts.—  
 2349 (1) The local law of a bank's jurisdiction governs  
 2350 perfection, the effect of perfection or nonperfection, and the

2351 | priority of a security interest in a deposit account maintained  
 2352 | with that bank even if the transaction does not bear any  
 2353 | relation to the bank's jurisdiction.

2354 | Section 83. Paragraph (e) is added to subsection (1) of  
 2355 | section 679.3051, Florida Statutes, to read:

2356 | 679.3051 Law governing perfection and priority of security  
 2357 | interests in investment property.—

2358 | (1) Except as otherwise provided in subsection (3), the  
 2359 | following rules apply:

2360 | (e) Paragraphs (b), (c), and (d) apply even if the  
 2361 | transaction does not bear any relation to the jurisdiction.

2362 | Section 84. Section 679.3062, Florida Statutes, is created  
 2363 | to read:

2364 | 679.3062 Law governing perfection and priority of security  
 2365 | interests in chattel paper.—

2366 | (1) Except as provided in subsection (4), if chattel paper  
 2367 | is evidenced only by an authoritative electronic copy of the  
 2368 | chattel paper or is evidenced by an authoritative electronic  
 2369 | copy and an authoritative tangible copy, the local law of the  
 2370 | chattel paper's jurisdiction governs perfection, the effect of  
 2371 | perfection or nonperfection, and the priority of a security  
 2372 | interest in the chattel paper, even if the transaction does not  
 2373 | bear any relation to the chattel paper's jurisdiction.

2374 | (2) The following rules determine the chattel paper's  
 2375 | jurisdiction under this section:

2376 (a) If the authoritative electronic copy of the record  
2377 evidencing chattel paper, or a record attached to or logically  
2378 associated with the electronic copy and readily available for  
2379 review, expressly provides that a particular jurisdiction is the  
2380 chattel paper's jurisdiction for purposes of s. 679.3061, this  
2381 chapter, or the Uniform Commercial Code, that jurisdiction is  
2382 the chattel paper's jurisdiction.

2383 (b) If paragraph (a) does not apply and the rules of the  
2384 system in which the authoritative electronic copy is recorded  
2385 are readily available for review and expressly provide that a  
2386 particular jurisdiction is the chattel paper's jurisdiction for  
2387 purposes of s. 679.3061, this chapter, or the Uniform Commercial  
2388 Code, that jurisdiction is the chattel paper's jurisdiction.

2389 (c) If paragraphs (a) and (b) do not apply and the  
2390 authoritative electronic copy, or a record attached to or  
2391 logically associated with the electronic copy and readily  
2392 available for review, expressly provides that the chattel paper  
2393 is governed by the law of a particular jurisdiction, that  
2394 jurisdiction is the chattel paper's jurisdiction.

2395 (d) If paragraphs (a), (b), and (c) do not apply and the  
2396 rules of the system in which the authoritative electronic copy  
2397 is recorded are readily available for review and expressly  
2398 provide that the chattel paper or the system is governed by the  
2399 law of a particular jurisdiction, that jurisdiction is the  
2400 chattel paper's jurisdiction.

2401 (e) If paragraphs (a)-(d) do not apply, the chattel  
2402 paper's jurisdiction is the jurisdiction in which the debtor is  
2403 located.

2404 (3) If an authoritative tangible copy of a record  
2405 evidences chattel paper and the chattel paper is not evidenced  
2406 by an authoritative electronic copy, while the authoritative  
2407 tangible copy of the record evidencing chattel paper is located  
2408 in a jurisdiction, the local law of that jurisdiction governs:

2409 (a) Perfection of a security interest in the chattel paper  
2410 by possession under s. 679.3152; and

2411 (b) The effect of perfection or nonperfection and the  
2412 priority of a security interest in the chattel paper.

2413 (4) The local law of the jurisdiction in which the debtor  
2414 is located governs perfection of a security interest in chattel  
2415 paper by filing.

2416 Section 85. Section 679.3063, Florida Statutes, is created  
2417 to read:

2418 679.3063 Law governing perfection and priority of security  
2419 interests in controllable accounts, controllable electronic  
2420 records, and controllable payment intangibles.-

2421 (1) Except as provided in subsection (2), the local law of  
2422 the controllable electronic record's jurisdiction specified in  
2423 s. 669.107(3) and (4) governs perfection, the effect of  
2424 perfection or nonperfection, and the priority of a security  
2425 interest in a controllable electronic record and a security

2426 interest in a controllable account or controllable payment  
 2427 intangible evidenced by the controllable electronic record.

2428 (2) The local law of the jurisdiction in which the debtor  
 2429 is located governs:

2430 (a) Perfection of a security interest in a controllable  
 2431 account, controllable electronic record, or controllable payment  
 2432 intangible by filing; and

2433 (b) Automatic perfection of a security interest in a  
 2434 controllable payment intangible created by a sale of the  
 2435 controllable payment intangible.

2436 Section 86. Subsection (2) of section 679.3101, Florida  
 2437 Statutes, is amended, and subsection (1) of that section is  
 2438 republished, to read:

2439 679.3101 When filing required to perfect security interest  
 2440 or agricultural lien; security interests and agricultural liens  
 2441 to which filing provisions do not apply.—

2442 (1) Except as otherwise provided in subsection (2) and s.  
 2443 679.3121(2), a financing statement must be filed to perfect all  
 2444 security interests and agricultural liens.

2445 (2) The filing of a financing statement is not necessary  
 2446 to perfect a security interest:

2447 (a) That is perfected under s. 679.3081(4), (5), (6), or  
 2448 (7);

2449 (b) That is perfected under s. 679.3091 when it attaches;

2450 (c) In property subject to a statute, regulation, or

2451 treaty described in s. 679.3111(1);

2452 (d) In goods in possession of a bailee which is perfected

2453 under s. 679.3121(4) (a) or (b);

2454 (e) In certificated securities, documents, goods, or

2455 instruments which is perfected without filing, control, or

2456 possession under s. 679.3121(5), (6), or (7);

2457 (f) In collateral in the secured party's possession under

2458 s. 679.3131;

2459 (g) In a certificated security which is perfected by

2460 delivery of the security certificate to the secured party under

2461 s. 679.3131;

2462 (h) In controllable accounts, controllable electronic

2463 records, controllable payment intangibles, deposit accounts,

2464 ~~electronic chattel paper,~~ electronic documents, investment

2465 property, or letter-of-credit rights which is perfected by

2466 control under s. 679.3141(1) ~~s. 679.3141~~;

2467 (i) In proceeds which is perfected under s. 679.3151; or

2468 (j) That is perfected under s. 679.3161.

2469 Section 87. Section 679.3121, Florida Statutes, is amended

2470 to read:

2471 679.3121 Perfection of security interests in chattel

2472 paper, controllable accounts, controllable electronic records,

2473 controllable payment intangibles, deposit accounts, documents,

2474 goods covered by documents, instruments, investment property,

2475 letter-of-credit rights, and money; perfection by permissive

2476 filing; temporary perfection without filing or transfer of  
2477 possession.—

2478 (1) A security interest in chattel paper, controllable  
2479 accounts, controllable electronic records, controllable payment  
2480 intangibles ~~negotiable documents~~, instruments, ~~or~~ investment  
2481 property, or negotiable documents may be perfected by filing.

2482 (2) Except as otherwise provided in s. 679.3151(3) and (4)  
2483 for proceeds:

2484 (a) A security interest in a deposit account may be  
2485 perfected only by control under s. 679.3141.

2486 (b) And except as otherwise provided in s. 679.3081(4), a  
2487 security interest in a letter-of-credit right may be perfected  
2488 only by control under s. 679.3141.

2489 (c) A security interest in tangible money may be perfected  
2490 only by the secured party's taking possession under s. 679.3131.

2491 (d) A security interest in electronic money may be  
2492 perfected only by control under s. 679.3141.

2493 (3) While goods are in the possession of a bailee that has  
2494 issued a negotiable document covering the goods:

2495 (a) A security interest in the goods may be perfected by  
2496 perfecting a security interest in the document; and

2497 (b) A security interest perfected in the document has  
2498 priority over any security interest that becomes perfected in  
2499 the goods by another method during that time.

2500 (4) While goods are in the possession of a bailee that has

2501 issued a nonnegotiable document covering the goods, a security  
 2502 interest in the goods may be perfected by:

2503 (a) Issuance of a document in the name of the secured  
 2504 party;

2505 (b) The bailee's receipt of notification of the secured  
 2506 party's interest; or

2507 (c) Filing as to the goods.

2508 (5) A security interest in certificated securities,  
 2509 negotiable documents, or instruments is perfected without filing  
 2510 or the taking of possession or control for a period of 20 days  
 2511 from the time it attaches to the extent that it arises for new  
 2512 value given under a signed ~~an authenticated~~ security agreement.

2513 (6) A perfected security interest in a negotiable document  
 2514 or goods in possession of a bailee, other than one that has  
 2515 issued a negotiable document for the goods, remains perfected  
 2516 for 20 days without filing if the secured party makes available  
 2517 to the debtor the goods or documents representing the goods for  
 2518 the purpose of:

2519 (a) Ultimate sale or exchange; or

2520 (b) Loading, unloading, storing, shipping, transshipping,  
 2521 manufacturing, processing, or otherwise dealing with them in a  
 2522 manner preliminary to their sale or exchange.

2523 (7) A perfected security interest in a certificated  
 2524 security or instrument remains perfected for 20 days without  
 2525 filing if the secured party delivers the security certificate or

2526 instrument to the debtor for the purpose of:

2527 (a) Ultimate sale or exchange; or

2528 (b) Presentation, collection, enforcement, renewal, or  
2529 registration of transfer.

2530 (8) After the 20-day period specified in subsection (5),  
2531 subsection (6), or subsection (7) expires, perfection depends  
2532 upon compliance with this chapter.

2533 Section 88. Subsections (1), (3), and (4) of section  
2534 679.3131, Florida Statutes, are amended to read:

2535 679.3131 When possession by or delivery to secured party  
2536 perfects security interest without filing.-

2537 (1) Except as otherwise provided in subsection (2), a  
2538 secured party may perfect a security interest in ~~tangible~~  
2539 ~~negotiable documents~~, goods, instruments, negotiable tangible  
2540 documents, or tangible money, ~~or tangible chattel paper~~ by  
2541 taking possession of the collateral. A secured party may perfect  
2542 a security interest in certificated securities by taking  
2543 delivery of the certificated securities under s. 678.3011.

2544 (3) With respect to collateral other than certificated  
2545 securities and goods covered by a document, a secured party  
2546 takes possession of collateral in the possession of a person  
2547 other than the debtor, the secured party, or a lessee of the  
2548 collateral from the debtor in the ordinary course of the  
2549 debtor's business, when:

2550 (a) The person in possession signs ~~authenticates~~ a record

2551 acknowledging that it holds possession of the collateral for the  
2552 secured party's benefit; or

2553 (b) The person takes possession of the collateral after  
2554 having signed ~~authenticated~~ a record acknowledging that the  
2555 person will hold possession of the collateral for the secured  
2556 party's benefit.

2557 (4) If perfection of a security interest depends upon  
2558 possession of the collateral by a secured party, perfection  
2559 occurs not ~~no~~ earlier than the time the secured party takes  
2560 possession and continues only while the secured party retains  
2561 possession.

2562 Section 89. Section 679.3141, Florida Statutes, is amended  
2563 to read:

2564 679.3141 Perfection by control.—

2565 (1) A security interest in controllable accounts,  
2566 controllable electronic records, controllable payment  
2567 intangibles, deposit accounts, electronic documents, electronic  
2568 money, investment property, or letter-of-credit rights  
2569 ~~investment property, deposit accounts, letter-of-credit rights,~~  
2570 ~~electronic chattel paper, or electronic documents~~ may be  
2571 perfected by control of the collateral under s. 677.106, s.  
2572 679.1041, s. 679.1052, s. 679.1053 ~~s. 679.1051~~, s. 679.1061, or  
2573 s. 679.1071.

2574 (2) A security interest in controllable accounts,  
2575 controllable electronic records, controllable payment

2576 intangibles, deposit accounts, electronic documents, electronic  
2577 money, or letter-of-credit rights ~~deposit accounts, electronic~~  
2578 ~~chattel paper, letter-of-credit rights, or electronic documents~~  
2579 is perfected by control under s. 677.106, s. 679.1041, s.  
2580 679.1052, s. 679.1053 ~~s. 679.1051~~, or s. 679.1071 not earlier  
2581 than the time ~~when~~ the secured party obtains control and remains  
2582 perfected by control only while the secured party retains  
2583 control.

2584 (3) A security interest in investment property is  
2585 perfected by control under s. 679.1061 not earlier than ~~from~~ the  
2586 time the secured party obtains control and remains perfected by  
2587 control until:

2588 (a) The secured party does not have control; and

2589 (b) One of the following occurs:

2590 1. If the collateral is a certificated security, the  
2591 debtor has or acquires possession of the security certificate;

2592 2. If the collateral is an uncertificated security, the  
2593 issuer has registered or registers the debtor as the registered  
2594 owner; or

2595 3. If the collateral is a security entitlement, the debtor  
2596 is or becomes the entitlement holder.

2597 Section 90. Section 679.3152, Florida Statutes, is created  
2598 to read:

2599 679.3152 Perfection by possession and control of chattel  
2600 paper.—

2601           (1) A secured party may perfect a security interest in  
 2602 chattel paper by taking possession of each authoritative  
 2603 tangible copy of the record evidencing the chattel paper and  
 2604 obtaining control of each authoritative electronic copy of the  
 2605 electronic record evidencing the chattel paper.

2606           (2) A security interest is perfected under subsection (1)  
 2607 not earlier than the time the secured party takes possession and  
 2608 obtains control and remains perfected under subsection (1) only  
 2609 while the secured party retains possession and control.

2610           (3) Section 679.3131(3) and (5)-(8) applies to perfection  
 2611 by possession of an authoritative tangible copy of a record  
 2612 evidencing chattel paper.

2613           Section 91. Subsections (1) and (6) of section 679.3161,  
 2614 Florida Statutes, are amended to read:

2615           679.3161 Continued perfection of security interest  
 2616 following change in governing law.—

2617           (1) A security interest perfected pursuant to the law of  
 2618 the jurisdiction designated in s. 679.3011(1), ~~or~~ s.  
 2619 679.3051(3), s. 679.3062(4), or s. 679.3063(2) remains perfected  
 2620 until the earliest of:

2621           (a) The time perfection would have ceased under the law of  
 2622 that jurisdiction;

2623           (b) The expiration of 4 months after a change of the  
 2624 debtor's location to another jurisdiction; or

2625           (c) The expiration of 1 year after a transfer of

2626 collateral to a person who thereby becomes a debtor and is  
2627 located in another jurisdiction.

2628 (6) A security interest in chattel paper, controllable  
2629 accounts, controllable electronic records, controllable payment  
2630 intangibles, deposit accounts, letter-of-credit rights, or  
2631 investment property which is perfected under the law of the  
2632 chattel paper's jurisdiction, the controllable electronic  
2633 record's jurisdiction, the bank's jurisdiction, the issuer's  
2634 jurisdiction, a nominated person's jurisdiction, the securities  
2635 intermediary's jurisdiction, or the commodity intermediary's  
2636 jurisdiction, as applicable, remains perfected until the earlier  
2637 of:

2638 (a) The time the security interest would have become  
2639 unperfected under the law of that jurisdiction; or

2640 (b) The expiration of 4 months after a change of the  
2641 applicable jurisdiction to another jurisdiction.

2642 Section 92. Subsections (2) and (4) of section 679.3171,  
2643 Florida Statutes, are amended, subsections (8) through (11) are  
2644 added to that section, and subsection (1) of that section is  
2645 republished, to read:

2646 679.3171 Interests that take priority over or take free of  
2647 security interest or agricultural lien.—

2648 (1) A security interest or agricultural lien is  
2649 subordinate to the rights of:

2650 (a) A person entitled to priority under s. 679.322; and

2651 (b) Except as otherwise provided in subsection (5), a  
 2652 person who becomes a lien creditor before the earlier of the  
 2653 time:

2654 1. The security interest or agricultural lien is  
 2655 perfected; or

2656 2. One of the conditions specified in s. 679.2031(2)(c) is  
 2657 met and a financing statement covering the collateral is filed.

2658 (2) Except as otherwise provided in subsection (5), a  
 2659 buyer, other than a secured party, of ~~tangible chattel paper,~~  
 2660 ~~tangible documents,~~ goods, instruments, tangible documents, or a  
 2661 certificated security takes free of a security interest or  
 2662 agricultural lien if the buyer gives value and receives delivery  
 2663 of the collateral without knowledge of the security interest or  
 2664 agricultural lien and before it is perfected.

2665 (4) Subject to subsections (6), (7), and (8), a licensee  
 2666 of a general intangible or a buyer, other than a secured party,  
 2667 of collateral other than electronic money ~~tangible chattel~~  
 2668 ~~paper,~~ tangible documents, goods, instruments, tangible  
 2669 documents, or a certificated security takes free of a security  
 2670 interest if the licensee or buyer gives value without knowledge  
 2671 of the security interest and before it is perfected.

2672 (8) A buyer, other than a secured party, of chattel paper  
 2673 takes free of a security interest if, without knowledge of the  
 2674 security interest and before it is perfected, the buyer gives  
 2675 value and:

2676 (a) Receives delivery of each authoritative tangible copy  
2677 of the record evidencing the chattel paper; and

2678 (b) If each authoritative electronic copy of the record  
2679 evidencing the chattel paper can be subjected to control under  
2680 s. 679.1052, obtains control of each authoritative electronic  
2681 copy.

2682 (9) A buyer of an electronic document takes free of a  
2683 security interest if, without knowledge of the security interest  
2684 and before it is perfected, the buyer gives value and, if each  
2685 authoritative electronic copy of the document can be subjected  
2686 to control under s. 677.106, obtains control of each  
2687 authoritative electronic copy.

2688 (10) A buyer of a controllable electronic record takes  
2689 free of a security interest if, without knowledge of the  
2690 security interest and before it is perfected, the buyer gives  
2691 value and obtains control of the controllable electronic record.

2692 (11) A buyer, other than a secured party, of a  
2693 controllable account or a controllable payment intangible takes  
2694 free of a security interest if, without knowledge of the  
2695 security interest and before it is perfected, the buyer gives  
2696 value and obtains control of the controllable account or  
2697 controllable payment intangible.

2698 Section 93. Subsections (4) and (6) of section 679.323,  
2699 Florida Statutes, are amended, and subsection (1) of that  
2700 section is republished, to read:

2701           679.323 Future advances.—

2702           (1) Except as otherwise provided in subsection (3), for

2703 purposes of determining the priority of a perfected security

2704 interest under s. 679.322(1)(a), perfection of the security

2705 interest dates from the time an advance is made to the extent

2706 that the security interest secures an advance that:

2707           (a) Is made while the security interest is perfected only:

2708           1. Under s. 679.3091 when it attaches; or

2709           2. Temporarily under s. 679.3121(5), (6), or (7); and

2710           (b) Is not made pursuant to a commitment entered into

2711 before or while the security interest is perfected by a method

2712 other than under s. 679.3091 or s. 679.3121(5), (6), or (7).

2713           (4) Except as otherwise provided in subsection (5), a

2714 buyer of goods ~~other than a buyer in ordinary course of business~~

2715 takes free of a security interest to the extent that it secures

2716 advances made after the earlier of:

2717           (a) The time the secured party acquires knowledge of the

2718 buyer's purchase; or

2719           (b) Forty-five days after the purchase.

2720           (6) Except as otherwise provided in subsection (7), a

2721 lessee of goods, ~~other than a lessee in ordinary course of~~

2722 ~~business,~~ takes the leasehold interest free of a security

2723 interest to the extent that it secures advances made after the

2724 earlier of:

2725           (a) The time the secured party acquires knowledge of the

2726 | lease; or

2727 |       (b) Forty-five days after the lease contract becomes  
2728 | enforceable.

2729 |       Section 94. Subsections (2) and (4) of section 679.324,  
2730 | Florida Statutes, are amended to read:

2731 |       679.324 Priority of purchase-money security interests.—

2732 |       (2) Subject to subsection (3) and except as otherwise  
2733 | provided in subsection (7), a perfected purchase-money security  
2734 | interest in inventory has priority over a conflicting security  
2735 | interest in the same inventory, has priority over a conflicting  
2736 | security interest in chattel paper or an instrument constituting  
2737 | proceeds of the inventory and in proceeds of the chattel paper,  
2738 | if so provided in s. 679.330, and, except as otherwise provided  
2739 | in s. 679.327, also has priority in identifiable cash proceeds  
2740 | of the inventory to the extent the identifiable cash proceeds  
2741 | are received on or before the delivery of the inventory to a  
2742 | buyer, if:

2743 |       (a) The purchase-money security interest is perfected when  
2744 | the debtor receives possession of the inventory;

2745 |       (b) The purchase-money secured party sends a signed an  
2746 | ~~authenticated~~ notification to the holder of the conflicting  
2747 | security interest;

2748 |       (c) The holder of the conflicting security interest  
2749 | receives the notification within 5 years before the debtor  
2750 | receives possession of the inventory; and

2751 (d) The notification states that the person sending the  
 2752 notification has or expects to acquire a purchase-money security  
 2753 interest in inventory of the debtor and describes the inventory.

2754 (4) Subject to subsection (5) and except as otherwise  
 2755 provided in subsection (7), a perfected purchase-money security  
 2756 interest in livestock that are farm products has priority over a  
 2757 conflicting security interest in the same livestock, and, except  
 2758 as otherwise provided in s. 679.327, a perfected security  
 2759 interest in their identifiable proceeds and identifiable  
 2760 products in their unmanufactured states also has priority, if:

2761 (a) The purchase-money security interest is perfected when  
 2762 the debtor receives possession of the livestock;

2763 (b) The purchase-money secured party sends a signed an  
 2764 ~~authenticated~~ notification to the holder of the conflicting  
 2765 security interest;

2766 (c) The holder of the conflicting security interest  
 2767 receives the notification within 6 months before the debtor  
 2768 receives possession of the livestock; and

2769 (d) The notification states that the person sending the  
 2770 notification has or expects to acquire a purchase-money security  
 2771 interest in livestock of the debtor and describes the livestock.

2772 Section 95. Section 679.3251, Florida Statutes, is created  
 2773 to read:

2774 679.3251 Priority of security interest in controllable  
 2775 account, controllable electronic record, and controllable

2776 payment intangible.—A security interest in a controllable  
 2777 account, controllable electronic record, or controllable payment  
 2778 intangible held by a secured party having control of the  
 2779 account, electronic record, or payment intangible has priority  
 2780 over a conflicting security interest held by a secured party  
 2781 that does not have control.

2782 Section 96. Subsections (1), (2), and (6) of section  
 2783 679.330, Florida Statutes, are amended, and subsection (4) of  
 2784 that section is republished, to read:

2785 679.330 Priority of purchaser of chattel paper or  
 2786 instrument.—

2787 (1) A purchaser of chattel paper has priority over a  
 2788 security interest in the chattel paper which is claimed merely  
 2789 as proceeds of inventory subject to a security interest if:

2790 (a) In good faith and in the ordinary course of the  
 2791 purchaser's business, the purchaser gives new value, ~~and~~ takes  
 2792 possession of each authoritative tangible copy of the record  
 2793 evidencing the chattel paper, and ~~or~~ obtains control under s.  
 2794 679.1051 of each authoritative electronic copy of the record  
 2795 evidencing chattel paper under s. 679.1051; and

2796 (b) The authoritative copies of the record evidencing the  
 2797 chattel paper ~~do~~ does not indicate that the chattel paper ~~it~~ has  
 2798 been assigned to an identified assignee other than the  
 2799 purchaser.

2800 (2) A purchaser of chattel paper has priority over a

2801 security interest in the chattel paper which is claimed other  
2802 than merely as proceeds of inventory subject to a security  
2803 interest if the purchaser gives new value, ~~and~~ takes possession  
2804 of each authoritative copy of the record evidencing the chattel  
2805 paper, and ~~or~~ obtains control under s. 679.1051 of each  
2806 authoritative electronic copy of the record evidencing the  
2807 chattel paper under s. 679.1051 in good faith, in the ordinary  
2808 course of the purchaser's business, and without knowledge that  
2809 the purchase violates the rights of the secured party.

2810 (4) Except as otherwise provided in s. 679.331(1), a  
2811 purchaser of an instrument has priority over a security interest  
2812 in the instrument perfected by a method other than possession if  
2813 the purchaser gives value and takes possession of the instrument  
2814 in good faith and without knowledge that the purchase violates  
2815 the rights of the secured party.

2816 (6) For purposes of subsections (2) and (4), if the  
2817 authoritative copies of the record evidencing chattel paper or  
2818 an instrument indicate ~~indicates~~ that the chattel paper or  
2819 instrument ~~it~~ has been assigned to an identified secured party  
2820 other than the purchaser, a purchaser of the chattel paper or  
2821 instrument has knowledge that the purchase violates the rights  
2822 of the secured party.

2823 Section 97. Section 679.331, Florida Statutes, is amended  
2824 to read:

2825 679.331 Priority of rights of purchasers of controllable

2826 accounts, controllable electronic records, controllable payment  
2827 intangibles instruments, documents, instruments, and securities  
2828 under other articles; priority of interests in financial assets  
2829 and security entitlements and protection against assertion of  
2830 claim under chapters 669 and ~~chapter~~ 678.—

2831 (1) This chapter does not limit the rights of a holder in  
2832 due course of a negotiable instrument, a holder to which a  
2833 negotiable document of title has been duly negotiated, or a  
2834 protected purchaser of a security, or a qualifying purchase of a  
2835 controllable account, controllable electronic record, or  
2836 controllable payment intangible. These holders or purchasers  
2837 take priority over an earlier security interest, even if  
2838 perfected, to the extent provided in chapters 669, 673, 677, and  
2839 678.

2840 (2) This chapter does not limit the rights of or impose  
2841 liability on a person to the extent that the person is protected  
2842 against the assertion of an adverse claim under chapter 669 or  
2843 chapter 678.

2844 (3) Filing under this chapter does not constitute notice  
2845 of a claim or defense to the holders, purchasers, or persons  
2846 described in subsections (1) and (2).

2847 Section 98. Section 679.332, Florida Statutes, is amended  
2848 to read:

2849 679.332 Transfer of money; transfer of funds from deposit  
2850 account; transfer of electronic money.—

2851 (1) A transferee of tangible money takes the money free of  
2852 a security interest if the transferee receives possession of the  
2853 money without acting ~~unless the transferee acts~~ in collusion  
2854 with the debtor in violating the rights of the secured party.

2855 (2) A transferee of funds from a deposit account takes the  
2856 funds free of a security interest in the deposit account if the  
2857 transferee receives the funds without acting ~~unless the~~  
2858 ~~transferee acts~~ in collusion with the debtor in violating the  
2859 rights of the secured party.

2860 (3) A transferee of electronic money takes the money free  
2861 of a security interest if the transferee obtains control of the  
2862 money without acting in collusion with the debtor in violating  
2863 the rights of the secured party.

2864 Section 99. Section 679.341, Florida Statutes, is amended  
2865 to read:

2866 679.341 Bank's rights and duties with respect to deposit  
2867 account.—Except as otherwise provided in s. 679.340(3), and  
2868 unless the bank otherwise agrees in a signed ~~an authenticated~~  
2869 record, a bank's rights and duties with respect to a deposit  
2870 account maintained with the bank are not terminated, suspended,  
2871 or modified by:

2872 (1) The creation, attachment, or perfection of a security  
2873 interest in the deposit account;

2874 (2) The bank's knowledge of the security interest; or

2875 (3) The bank's receipt of instructions from the secured

2876 party.

2877 Section 100. Subsection (1) of section 679.4041, Florida  
2878 Statutes, is amended to read:

2879 679.4041 Rights acquired by assignee; claims and defenses  
2880 against assignee.—

2881 (1) Unless an account debtor has made an enforceable  
2882 agreement not to assert defenses or claims, and subject to  
2883 subsections (2)-(5) ~~(2) through (5)~~, the rights of an assignee  
2884 are subject to:

2885 (a) All terms of the agreement between the account debtor  
2886 and assignor and any defense or claim in recoupment arising from  
2887 the transaction that gave rise to the contract; and

2888 (b) Any other defense or claim of the account debtor  
2889 against the assignor which accrues before the account debtor  
2890 receives a notification of the assignment signed ~~authenticated~~  
2891 by the assignor or the assignee.

2892 Section 101. Subsections (1) through (4) and (7) of  
2893 section 679.4061, Florida Statutes, are amended, and subsection  
2894 (13) is added to that section, to read:

2895 679.4061 Discharge of account debtor; notification of  
2896 assignment; identification and proof of assignment; restrictions  
2897 on assignment of accounts, chattel paper, payment intangibles,  
2898 and promissory notes ineffective.—

2899 (1) Subject to subsections (2)-(9) ~~(2) through (9)~~ and  
2900 (13), an account debtor on an account, chattel paper, or a

2901 payment intangible may discharge its obligation by paying the  
2902 assignor until, but not after, the account debtor receives a  
2903 notification, signed ~~authenticated~~ by the assignor or the  
2904 assignee, that the amount due or to become due has been assigned  
2905 and that payment is to be made to the assignee. After receipt of  
2906 the notification, the account debtor may discharge its  
2907 obligation by paying the assignee and may not discharge the  
2908 obligation by paying the assignor.

2909 (2) Subject to subsections (8) and (13) ~~subsection (8)~~,  
2910 notification is ineffective under subsection (1):

2911 (a) If it does not reasonably identify the rights  
2912 assigned;

2913 (b) To the extent that an agreement between an account  
2914 debtor and a seller of a payment intangible limits the account  
2915 debtor's duty to pay a person other than the seller and the  
2916 limitation is effective under law other than this chapter; or

2917 (c) At the option of an account debtor, if the  
2918 notification notifies the account debtor to make less than the  
2919 full amount of any installment or other periodic payment to the  
2920 assignee, even if:

2921 1. Only a portion of the account, chattel paper, or  
2922 payment intangible has been assigned to that assignee;

2923 2. A portion has been assigned to another assignee; or

2924 3. The account debtor knows that the assignment to that  
2925 assignee is limited.

2926 (3) Subject to subsections (8) and (13) ~~subsection (8)~~, if  
2927 requested by the account debtor, an assignee shall seasonably  
2928 furnish reasonable proof that the assignment has been made.  
2929 Unless the assignee complies, the account debtor may discharge  
2930 its obligation by paying the assignor, even if the account  
2931 debtor has received a notification under subsection (1).

2932 (4) For the purposes of this subsection, the term  
2933 "promissory note" includes a negotiable instrument that  
2934 evidences chattel paper. Except as otherwise provided in  
2935 subsections (5) and (12) and ss. 680.303 and 679.4071, and  
2936 subject to subsection (8), a term in an agreement between an  
2937 account debtor and an assignor or in a promissory note is  
2938 ineffective to the extent that it:

2939 (a) Prohibits, restricts, or requires the consent of the  
2940 account debtor or person obligated on the promissory note to the  
2941 assignment or transfer of, or the creation, attachment,  
2942 perfection, or enforcement of a security interest in, the  
2943 account, chattel paper, payment intangible, or promissory note;  
2944 or

2945 (b) Provides that the assignment or transfer or the  
2946 creation, attachment, perfection, or enforcement of the security  
2947 interest may give rise to a default, breach, right of  
2948 recoupment, claim, defense, termination, right of termination,  
2949 or remedy under the account, chattel paper, payment intangible,  
2950 or promissory note.

2951 (7) Subject to subsections (8) and (13) ~~subsection (8)~~, an  
 2952 account debtor may not waive or vary its option under paragraph  
 2953 (2) (c).

2954 (13) Subsections (1), (2), (3), and (7) do not apply to a  
 2955 controllable account or controllable payment intangible.

2956 Section 102. Subsection (9) is added to section 679.4081,  
 2957 Florida Statutes, to read:

2958 679.4081 Restrictions on assignment of promissory notes,  
 2959 health-care-insurance receivables, and certain general  
 2960 intangibles ineffective.—

2961 (9) For the purposes of this section, the term "promissory  
 2962 note" includes a negotiable instrument that evidences chattel  
 2963 paper.

2964 Section 103. Subsections (1) and (2) of section 679.509,  
 2965 Florida Statutes, are amended to read:

2966 679.509 Persons entitled to file a record.—

2967 (1) A person may file an initial financing statement,  
 2968 amendment that adds collateral covered by a financing statement,  
 2969 or amendment that adds a debtor to a financing statement only  
 2970 if:

2971 (a) The debtor authorizes the filing in a signed an  
 2972 ~~authenticated~~ record or pursuant to subsection (2) or subsection  
 2973 (3); or

2974 (b) The person holds an agricultural lien that has become  
 2975 effective at the time of filing and the financing statement

2976 covers only collateral in which the person holds an agricultural  
2977 lien.

2978 (2) By signing ~~authenticating~~ or becoming bound as a  
2979 debtor by a security agreement, a debtor or new debtor  
2980 authorizes the filing of an initial financing statement, and an  
2981 amendment, covering:

2982 (a) The collateral described in the security agreement;  
2983 and

2984 (b) Property that becomes collateral under s.  
2985 679.3151(1)(b), whether or not the security agreement expressly  
2986 covers proceeds.

2987 Section 104. Subsections (2) and (3) of section 679.513,  
2988 Florida Statutes, are amended to read:

2989 679.513 Termination statement.—

2990 (2) To comply with subsection (1), a secured party shall  
2991 cause the secured party of record to file the termination  
2992 statement:

2993 (a) Within 1 month after there is no obligation secured by  
2994 the collateral covered by the financing statement and no  
2995 commitment to make an advance, incur an obligation, or otherwise  
2996 give value; or

2997 (b) If earlier, within 20 days after the secured party  
2998 receives a signed ~~an authenticated~~ demand from a debtor.

2999 (3) In cases not governed by subsection (1), within 20  
3000 days after a secured party receives a signed ~~an authenticated~~

3001 demand from a debtor, the secured party shall cause the secured  
 3002 party of record for a financing statement to send to the debtor  
 3003 a termination statement for the financing statement or file the  
 3004 termination statement in the filing office if:

3005 (a) Except in the case of a financing statement covering  
 3006 accounts or chattel paper that has been sold or goods that are  
 3007 the subject of a consignment, there is no obligation secured by  
 3008 the collateral covered by the financing statement and no  
 3009 commitment to make an advance, incur an obligation, or otherwise  
 3010 give value;

3011 (b) The financing statement covers accounts or chattel  
 3012 paper that has been sold but as to which the account debtor or  
 3013 other person obligated has discharged its obligation;

3014 (c) The financing statement covers goods that were the  
 3015 subject of a consignment to the debtor but are not in the  
 3016 debtor's possession; or

3017 (d) The debtor did not authorize the filing of the initial  
 3018 financing statement.

3019 Section 105. Subsection (2) of section 679.601, Florida  
 3020 Statutes, is amended, and subsection (4) of that section is  
 3021 republished, to read:

3022 679.601 Rights after default; judicial enforcement;  
 3023 consignor or buyer of accounts, chattel paper, payment  
 3024 intangibles, or promissory notes.—

3025 (2) A secured party in possession of collateral or control

3026 of collateral under s. 679.1041, s. 679.1051, s. 679.1052, s.  
3027 679.1053, s. 679.1061, or s. 679.1071 has the rights and duties  
3028 provided in s. 679.2071.

3029 (4) Except as otherwise provided in subsection (7) and s.  
3030 679.605, after default, a debtor and an obligor have the rights  
3031 provided in this part and by agreement of the parties.

3032 Section 106. Subsection (4) of section 679.604, Florida  
3033 Statutes, is amended to read:

3034 679.604 Procedure if security agreement covers real  
3035 property or fixtures.—

3036 (4) A secured party that removes collateral shall promptly  
3037 reimburse any encumbrancer or owner of the real property, other  
3038 than the debtor, for the cost of repair of any physical injury  
3039 caused by the removal. The secured party need not reimburse the  
3040 encumbrancer or owner for any diminution in value of the real  
3041 property caused by the absence of the goods removed or by any  
3042 necessity of replacing them. A person entitled to reimbursement  
3043 may refuse permission to remove until the secured party gives  
3044 adequate assurance for the performance of the obligation to  
3045 reimburse. This subsection does not prohibit a secured party and  
3046 the person entitled to reimbursement from entering into a signed  
3047 ~~an authenticated~~ record providing for the removal of fixtures  
3048 and reimbursement for any damage caused thereby.

3049 Section 107. Section 679.605, Florida Statutes, is amended  
3050 to read:

3051 679.605 Unknown debtor or secondary obligor.—

3052 (1) Except as provided in subsection (2), a secured party

3053 does not owe a duty based on its status as secured party:

3054 (a) ~~(1)~~ To a person who is a debtor or obligor, unless the

3055 secured party knows:

3056 1. ~~(a)~~ That the person is a debtor or obligor;

3057 2. ~~(b)~~ The identity of the person; and

3058 3. ~~(c)~~ How to communicate with the person; or

3059 (b) ~~(2)~~ To a secured party or lienholder that has filed a

3060 financing statement against a person, unless the secured party

3061 knows:

3062 1. ~~(a)~~ That the person is a debtor; and

3063 2. ~~(b)~~ The identity of the person.

3064 (2) A secured party owes a duty based on its status as a

3065 secured party to a person if, at the time the secured party

3066 obtains control of collateral that is a controllable account,

3067 controllable electronic record, or controllable payment

3068 intangible or at the time the security interest attaches to the

3069 collateral, whichever is later:

3070 (a) The person is a debtor or obligor; and

3071 (b) The secured party knows that the information relating

3072 to the person in subparagraph (1) (a)1., subparagraph (1) (a)2.,

3073 or subparagraph (1) (a)3. is not provided by the collateral, a

3074 record attached to or logically associated with the collateral,

3075 or the system in which the collateral is recorded.

3076 Section 108. Paragraph (a) of subsection (1) and  
 3077 subsection (3) of section 679.608, Florida Statutes, are amended  
 3078 to read:

3079 679.608 Application of proceeds of collection or  
 3080 enforcement; liability for deficiency and right to surplus.—

3081 (1) If a security interest or agricultural lien secures  
 3082 payment or performance of an obligation, the following rules  
 3083 apply:

3084 (a) A secured party shall apply or pay over for  
 3085 application the cash proceeds of collection or enforcement under  
 3086 s. 679.607 in the following order to:

3087 1. The reasonable expenses of collection and enforcement  
 3088 and, to the extent provided for by agreement and not prohibited  
 3089 by law, reasonable attorney's fees and legal expenses incurred  
 3090 by the secured party;

3091 2. The satisfaction of obligations secured by the security  
 3092 interest or agricultural lien under which the collection or  
 3093 enforcement is made; and

3094 3. The satisfaction of obligations secured by any  
 3095 subordinate security interest in or other lien on the collateral  
 3096 subject to the security interest or agricultural lien under  
 3097 which the collection or enforcement is made if the secured party  
 3098 receives a signed ~~an authenticated~~ demand for proceeds before  
 3099 distribution of the proceeds is completed.

3100 (3) If the secured party in good faith cannot determine

3101 the validity, extent, or priority of a subordinate security  
3102 interest or other lien or there are conflicting claims of  
3103 subordinate interests or liens, the secured party may commence  
3104 an interpleader action with respect to remaining proceeds in  
3105 excess of \$2,500 in the circuit or county court, as applicable  
3106 based upon the amount to be deposited, where the collateral was  
3107 located or collected or in the county where the debtor has its  
3108 chief executive office or principal residence in this state, as  
3109 applicable. If authorized in a signed ~~an authenticated~~ record,  
3110 the interpleading secured party is entitled to be paid from the  
3111 remaining proceeds the actual costs of the filing fee and an  
3112 attorney ~~attorney's~~ fee in the amount of \$250 incurred in  
3113 connection with filing the interpleader action and obtaining an  
3114 order approving the interpleader of funds. The debtor in a  
3115 consumer transaction may not be assessed for the reasonable  
3116 attorney ~~attorney's~~ fees and costs incurred in the interpleader  
3117 action by the holders of subordinate security interests or other  
3118 liens based upon disputes among said holders, and a debtor in a  
3119 transaction other than a consumer transaction may only recover  
3120 such fees and costs to the extent provided for in a signed ~~an~~  
3121 ~~authenticated~~ record. If authorized in a signed ~~an authenticated~~  
3122 record, the court in the interpleader action may award  
3123 reasonable attorney ~~attorney's~~ fees and costs to the prevailing  
3124 party in a dispute between the debtor and a holder of a security  
3125 interest or lien which claims an interest in the remaining

3126 interplead proceeds, but only if the debtor challenges the  
 3127 validity, priority, or extent of said security interest or lien.  
 3128 Except as provided in this subsection, a debtor may not be  
 3129 assessed reasonable attorney ~~attorney's~~ fees and costs incurred  
 3130 by any party in an interpleader action commenced under this  
 3131 section.

3132 Section 109. Subsections (1), (2), (3), (5), and (6) of  
 3133 section 679.611, Florida Statutes, are amended to read:

3134 679.611 Notification before disposition of collateral.—

3135 (1) In this section, the term "notification date" means  
 3136 the earlier of the date on which:

3137 (a) A secured party sends to the debtor and any secondary  
 3138 obligor a signed ~~an authenticated~~ notification of disposition;  
 3139 or

3140 (b) The debtor and any secondary obligor waive the right  
 3141 to notification.

3142 (2) Except as otherwise provided in subsection (4), a  
 3143 secured party that disposes of collateral under s. 679.610 shall  
 3144 send to the persons specified in subsection (3) a reasonable  
 3145 signed ~~authenticated~~ notification of disposition.

3146 (3) To comply with subsection (2), the secured party shall  
 3147 send a signed ~~an authenticated~~ notification of disposition to:

3148 (a) The debtor;

3149 (b) Any secondary obligor; and

3150 (c) If the collateral is other than consumer goods:

3151 1. Any other person from whom the secured party has  
3152 received, before the notification date, a signed an  
3153 ~~authenticated~~ notification of a claim of an interest in the  
3154 collateral;

3155 2. Any other secured party or lienholder that, 10 days  
3156 before the notification date, held a security interest in or  
3157 other lien on the collateral perfected by the filing of a  
3158 financing statement that:

3159 a. Identified the collateral;

3160 b. Was indexed under the debtor's name as of that date;  
3161 and

3162 c. Was filed in the office in which to file a financing  
3163 statement against the debtor covering the collateral as of that  
3164 date; and

3165 3. Any other secured party that, 10 days before the  
3166 notification date, held a security interest in the collateral  
3167 perfected by compliance with a statute, regulation, or treaty  
3168 described in s. 679.3111(1).

3169 (5) A secured party complies with the requirement for  
3170 notification prescribed by subparagraph (3)(c)2. if:

3171 (a) Not later than 20 days or earlier than 30 days before  
3172 the notification date, the secured party requests, in a  
3173 commercially reasonable manner, information concerning financing  
3174 statements indexed under the debtor's name in the office  
3175 indicated in subparagraph (3)(c)2.; and

3176 (b) Before the notification date, the secured party:

3177 1. Did not receive a response to the request for  
3178 information; or

3179 2. Received a response to the request for information and  
3180 sent a signed ~~an authenticated~~ notification of disposition to  
3181 each secured party or other lienholder named in that response  
3182 whose financing statement covered the collateral.

3183 (6) For purposes of subsection (3), the secured party may  
3184 send the signed ~~authenticated~~ notification as follows:

3185 (a) If the collateral is other than consumer goods, to the  
3186 debtor at the address in the financing statement, unless the  
3187 secured party has received a signed ~~an authenticated~~ record from  
3188 the debtor notifying the secured party of a different address  
3189 for such notification purposes or the secured party has actual  
3190 knowledge of the address of the debtor's chief executive office  
3191 or principal residence, as applicable, at the time the  
3192 notification is sent;

3193 (b) If the collateral is other than consumer goods, to any  
3194 secondary obligor at the address, if any, in the signed  
3195 ~~authenticated~~ agreement, unless the secured party has received a  
3196 signed ~~an authenticated~~ record from the secondary obligor  
3197 notifying the secured party of a different address for such  
3198 notification purposes or the secured party has actual knowledge  
3199 of the address of the secondary obligor's chief executive office  
3200 or principal residence, as applicable, at the time the

3201 notification is sent; and

3202 (c) If the collateral is other than consumer goods:

3203 1. To the person described in subparagraph (3)(c)1., at  
3204 the address stated in the notification;

3205 2. To the person described in subparagraph (3)(c)2., at  
3206 the address stated in the financing statement;

3207 3. To the person described in subparagraph (3)(c)3., at  
3208 the address stated in the official records of the recording or  
3209 registration agency.

3210 Section 110. Subsection (5) of section 679.613, Florida  
3211 Statutes, is amended to read:

3212 679.613 Contents and form of notification before  
3213 disposition of collateral; general.—Except in a consumer-goods  
3214 transaction, the following rules apply:

3215 (5) (a) The following form of notification and the form  
3216 appearing in s. 679.614(3)(a) ~~s. 679.614(3)~~, when completed in  
3217 accordance with the instructions in paragraph (b), each provides  
3218 sufficient information:

3219  
3220 NOTIFICATION OF DISPOSITION  
3221 OF COLLATERAL  
3222

3223 To:...(Name of debtor, obligor, or other person to which the  
3224 notification is sent)...

3225 From:...(Name, address, and telephone number of secured

3226 party)...

3227 Item 1. Name of any debtor that is not an addressee

3228 ~~Debtor(s):... (Name of each debtor Include only if debtor(s) are~~

3229 ~~not an addressee)...~~

3230 ~~{For a public disposition:}~~

3231 Item 2. We will sell ~~for lease or license, as applicable}~~

3232 ~~the ... (describe collateral)... to the highest qualified bidder~~

3233 at public sale. A sale could include a lease or a license. The

3234 sale will be held in public as follows:

3235 Day and Date:

3236 Time:

3237 Place:

3238 ~~{For a private disposition:}~~

3239 Item 3. We will sell ~~for lease or license, as applicable}~~

3240 ~~the ... (describe collateral)... at a private sale privately~~

3241 ~~sometime after ... (day and date).... A sale could include a~~

3242 lease or a license.

3243 Item 4. You are entitled to an accounting of the unpaid

3244 indebtedness secured by the property that we intend to sell or,

3245 as applicable, ~~for~~ lease or license.

3246 Item 5. If you request an accounting, you must pay, ~~as~~

3247 ~~applicable}~~ for a charge of \$.....

3248 Item 6. You may request an accounting by calling us at

3249 ...(telephone number)....

3250 (b) The following instructions apply to the form set forth

3251 in paragraph (a):

3252 1. Do not include the item numbers in the notification, as  
 3253 they are used only for the purpose of clarification.

3254 2. Include and complete Item 1 only if there is a debtor  
 3255 that is not an addressee of the notification and list the name  
 3256 or names.

3257 3. Include and complete either Item 2, if the notification  
 3258 relates to a public disposition of the collateral, or Item 3, if  
 3259 the notification relates to a private disposition of the  
 3260 collateral. If Item 2 is completed, include the words "to the  
 3261 highest qualified bidder" only if applicable.

3262 4. Include and complete Items 4 and 6.

3263 5. Include and complete Item 5 only if the sender will  
 3264 charge the recipient for an accounting.

3265 Section 111. Subsection (3) of section 679.614, Florida  
 3266 Statutes, is amended to read:

3267 679.614 Contents and form of notification before  
 3268 disposition of collateral; consumer-goods transaction.—In a  
 3269 consumer-goods transaction, the following rules apply:

3270 (3) (a) The following form of notification, when completed  
 3271 in accordance with the instructions set forth in paragraph (b),  
 3272 provides sufficient information:

3273  
 3274 ... (Name and address of secured party) ...

3275 ... (Date) ...

3276  
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NOTICE OF OUR PLAN TO SELL PROPERTY

...(Name and address of any obligor who is also a debtor)...  
Subject:...(Identify ~~Identification~~ of Transaction)...

We have your ...(describe collateral)..., because you broke promises in our agreement.

~~{For a public disposition:}~~

Item 1. We will sell ...(describe collateral)... at public sale. A sale could include a lease or license. The sale will be held as follows:

Date:

Time:

Place:

You may attend the sale and bring bidders ~~if you want.~~

~~{For a private disposition:}~~

Item 2. We will sell ...(describe collateral)... at private sale sometime after ...(date).... A sale could include a lease or license.

Item 3. The money that we get from the sale (after paying our costs) will reduce the amount you owe. If we get less money than you owe, you ...(will or will not, as applicable)... still owe us the difference. If we get more money than you owe, you will get the extra money, unless we must pay it to someone else.

3301        Item 4. You can get the property back at any time before we  
3302 sell it by paying us the full amount you owe, ~~not just the past~~  
3303 due payments~~),~~ including our expenses. To learn the exact amount  
3304 you must pay, call us at ...(telephone number)....

3305        Item 5. If you want us to explain to you ...(in writing or  
3306 in description of electronic record)... how we have figured the  
3307 amount that you owe us, Item 6. ~~you may~~ call us at ...(telephone  
3308 number).... ~~or~~ write us at ...(secured party's address).... or  
3309 contact us by ...(description of electronic communication  
3310 method)... Item 7. and request a written explanation, an  
3311 explanation in ...(description of electronic record)....

3312        Item 8. We will charge you \$.... for the explanation if we  
3313 sent you another written explanation of the amount you owe us  
3314 within the last 6 months.

3315        Item 9. If you need more information about the sale, call  
3316 us at ...(telephone number).... ~~or~~ write us at ...(secured  
3317 party's address).... or contact us by ...(description of  
3318 electronic communication method)....

3319        Item 10. We are sending this notice to the following other  
3320 people who have an interest in ...(describe collateral)... or  
3321 who owe money under your agreement:

3322        ...(Names of all other debtors and obligors, if any)...

3323        (b) The following instructions apply to the form of  
3324 notification in paragraph (a):

3325        1. The instructions in this paragraph refer to the numbers

3326 before items in the form of notification in paragraph (a). Do  
3327 not include the numbers in the notification. The numbers are  
3328 used only for the purpose of these instructions.

3329 2. Include and complete either Item 1, if the notification  
3330 relates to a public disposition of the collateral, or Item 2, if  
3331 the notification relates to a private disposition of the  
3332 collateral.

3333 3. Include and complete Items 3, 4, 5, 6, and 7.

3334 4. In Item 5, include and complete any one of the three  
3335 alternative methods for the explanation identified in paragraph  
3336 (a).

3337 5. In Item 6, include the telephone number. In addition,  
3338 the sender may include and complete either or both of the two  
3339 additional alternative methods of communication identified in  
3340 paragraph (a) for the recipient of the notification to  
3341 communicate with the sender. Neither of the two additional  
3342 methods of communication is required to be included.

3343 6. In Item 7, include and complete the method or methods  
3344 for the explanation—writing, writing or electronic record, or  
3345 electronic record—included in Item 5.

3346 7. Include and complete Item 8 only if a written  
3347 explanation is included in Item 5 as a method for communicating  
3348 the explanation and the sender will charge the recipient for  
3349 another written explanation.

3350 8. In Item 9, include either the telephone number or the

3351 address, or both. In addition, the sender may include and  
3352 complete the additional method of communication identified in  
3353 paragraph (a) for the recipient of the notification to  
3354 communicate with the sender. The additional method of electronic  
3355 communication is not required to be included.

3356 9. If Item 10 does not apply, insert "None" after  
3357 "agreement:."

3358 Section 112. Subsection (1) of section 679.615, Florida  
3359 Statutes, is amended to read:

3360 679.615 Application of proceeds of disposition; liability  
3361 for deficiency and right to surplus.—

3362 (1) A secured party shall apply or pay over for  
3363 application the cash proceeds of disposition under s. 679.610 in  
3364 the following order to:

3365 (a) The reasonable expenses of retaking, holding,  
3366 preparing for disposition, processing, and disposing, and, to  
3367 the extent provided for by agreement and not prohibited by law,  
3368 reasonable attorney's fees and legal expenses incurred by the  
3369 secured party;

3370 (b) The satisfaction of obligations secured by the  
3371 security interest or agricultural lien under which the  
3372 disposition is made;

3373 (c) The satisfaction of obligations secured by any  
3374 subordinate security interest in or other subordinate lien on  
3375 the collateral if:

3376 1. The secured party receives from the holder of the  
 3377 subordinate security interest or other lien a signed an  
 3378 ~~authenticated~~ demand for proceeds before distribution of the  
 3379 proceeds is completed; and

3380 2. In a case in which a consignor has an interest in the  
 3381 collateral, the subordinate security interest or other lien is  
 3382 senior to the interest of the consignor; and

3383 (d) A secured party that is a consignor of the collateral  
 3384 if the secured party receives from the consignor a signed an  
 3385 ~~authenticated~~ demand for proceeds before distribution of the  
 3386 proceeds is completed.

3387 Section 113. Subsections (1), (2), and (3) of section  
 3388 679.616, Florida Statutes, are amended to read:

3389 679.616 Explanation of calculation of surplus or  
 3390 deficiency.—

3391 (1) In this section, the term:

3392 (a) "Explanation" means a record ~~writing~~ that:

3393 1. States the amount of the surplus or deficiency;

3394 2. Provides an explanation in accordance with subsection  
 3395 (3) of how the secured party calculated the surplus or  
 3396 deficiency;

3397 3. States, if applicable, that future debits, credits,  
 3398 charges, including additional credit service charges or  
 3399 interest, rebates, and expenses may affect the amount of the  
 3400 surplus or deficiency; and

3401 4. Provides a telephone number or mailing address from  
 3402 which additional information concerning the transaction is  
 3403 available.

3404 (b) "Request" means a record:

3405 1. Signed ~~Authenticated~~ by a debtor or consumer obligor;

3406 2. Requesting that the recipient provide an explanation;

3407 and

3408 3. Sent after disposition of the collateral under s.

3409 679.610.

3410 (2) In a consumer-goods transaction in which the debtor is  
 3411 entitled to a surplus or a consumer obligor is liable for a  
 3412 deficiency under s. 679.615, the secured party shall:

3413 (a) Send an explanation to the debtor or consumer obligor,  
 3414 as applicable, after the disposition and:

3415 1. Before or when the secured party accounts to the debtor  
 3416 and pays any surplus or first makes ~~written~~ demand in a record  
 3417 on the consumer obligor after the disposition for payment of the  
 3418 deficiency; and

3419 2. Within 14 days after receipt of a request; or

3420 (b) In the case of a consumer obligor who is liable for a  
 3421 deficiency, within 14 days after receipt of a request, send to  
 3422 the consumer obligor a record waiving the secured party's right  
 3423 to a deficiency.

3424 (3) To comply with subparagraph (1)(a)2., an explanation ~~a~~  
 3425 ~~writing~~ must provide the following information in the following

3426 order:

3427 (a) The aggregate amount of obligations secured by the  
 3428 security interest under which the disposition was made, and, if  
 3429 the amount reflects a rebate of unearned interest or credit  
 3430 service charge, an indication of that fact, calculated as of a  
 3431 specified date:

3432 1. If the secured party takes or receives possession of  
 3433 the collateral after default, not more than 35 days before the  
 3434 secured party takes or receives possession; or

3435 2. If the secured party takes or receives possession of  
 3436 the collateral before default or does not take possession of the  
 3437 collateral, not more than 35 days before the disposition;

3438 (b) The amount of proceeds of the disposition;

3439 (c) The aggregate amount of the obligations after  
 3440 deducting the amount of proceeds;

3441 (d) The amount, in the aggregate or by type, and types of  
 3442 expenses, including expenses of retaking, holding, preparing for  
 3443 disposition, processing, and disposing of the collateral, and  
 3444 attorney's fees secured by the collateral which are known to the  
 3445 secured party and relate to the current disposition;

3446 (e) The amount, in the aggregate or by type, and types of  
 3447 credits, including rebates of interest or credit service  
 3448 charges, to which the obligor is known to be entitled and which  
 3449 are not reflected in the amount in paragraph (a); and

3450 (f) The amount of the surplus or deficiency.

3451 Section 114. Subsection (1) of section 679.619, Florida  
 3452 Statutes, is amended to read:

3453 679.619 Transfer of record or legal title.—

3454 (1) In this section, the term "transfer statement" means a  
 3455 record signed ~~authenticated~~ by a secured party stating:

3456 (a) That the debtor has defaulted in connection with an  
 3457 obligation secured by specified collateral;

3458 (b) That the secured party has exercised its post-default  
 3459 remedies with respect to the collateral;

3460 (c) That, by reason of the exercise, a transferee has  
 3461 acquired the rights of the debtor in the collateral; and

3462 (d) The name and mailing address of the secured party,  
 3463 debtor, and transferee.

3464 Section 115. Subsections (1), (2), (3), and (6) of section  
 3465 679.620, Florida Statutes, are amended to read:

3466 679.620 Acceptance of collateral in full or partial  
 3467 satisfaction of obligation; compulsory disposition of  
 3468 collateral.—

3469 (1) Except as otherwise provided in subsection (7), a  
 3470 secured party may accept collateral in full or partial  
 3471 satisfaction of the obligation it secures only if:

3472 (a) The debtor consents to the acceptance under subsection  
 3473 (3);

3474 (b) The secured party does not receive, within the time  
 3475 set forth in subsection (4), a notification of objection to the

3476 | proposal signed ~~authenticated~~ by:

3477 |       1. A person to whom the secured party was required to send  
3478 | a proposal under s. 679.621; or

3479 |       2. Any other person, other than the debtor, holding an  
3480 | interest in the collateral subordinate to the security interest  
3481 | that is the subject of the proposal;

3482 |       (c) If the collateral is consumer goods, the collateral is  
3483 | not in the possession of the debtor when the debtor consents to  
3484 | the acceptance; and

3485 |       (d) Subsection (5) does not require the secured party to  
3486 | dispose of the collateral or the debtor waives the requirement  
3487 | pursuant to s. 679.624.

3488 |       (2) A purported or apparent acceptance of collateral under  
3489 | this section is ineffective unless:

3490 |       (a) The secured party consents to the acceptance in a  
3491 | signed ~~an authenticated~~ record or sends a proposal to the  
3492 | debtor; and

3493 |       (b) The conditions of subsection (1) are met.

3494 |       (3) For purposes of this section:

3495 |       (a) A debtor consents to an acceptance of collateral in  
3496 | partial satisfaction of the obligation it secures only if the  
3497 | debtor agrees to the terms of the acceptance in a record signed  
3498 | ~~authenticated~~ after default; and

3499 |       (b) A debtor consents to an acceptance of collateral in  
3500 | full satisfaction of the obligation it secures only if the

3501 debtor agrees to the terms of the acceptance in a record signed  
 3502 ~~authenticated~~ after default or the secured party:

3503 1. Sends to the debtor after default a proposal that is  
 3504 unconditional or subject only to a condition that collateral not  
 3505 in the possession of the secured party be preserved or  
 3506 maintained;

3507 2. In the proposal, proposes to accept collateral in full  
 3508 satisfaction of the obligation it secures, and, in a consumer  
 3509 transaction, provides notice that the proposal will be deemed  
 3510 accepted if it is not objected to by an authenticated notice  
 3511 within 30 days after the date the proposal is sent by the  
 3512 secured party; and

3513 3. Does not receive a notification of objection signed  
 3514 ~~authenticated~~ by the debtor within 30 days after the proposal is  
 3515 sent.

3516 (6) To comply with subsection (5), the secured party shall  
 3517 dispose of the collateral:

3518 (a) Within 90 days after taking possession; or

3519 (b) Within any longer period to which the debtor and all  
 3520 secondary obligors have agreed in an agreement to that effect  
 3521 entered into and signed ~~authenticated~~ after default.

3522 Section 116. Subsection (1) of section 679.621, Florida  
 3523 Statutes, is amended to read:

3524 679.621 Notification of proposal to accept collateral.—

3525 (1) A secured party that desires to accept collateral in

3526 full or partial satisfaction of the obligation it secures shall  
 3527 send its proposal to:

3528 (a) Any person from whom the secured party has received,  
 3529 before the debtor consented to the acceptance, a signed an  
 3530 ~~authenticated~~ notification of a claim of an interest in the  
 3531 collateral;

3532 (b) Any other secured party or lienholder that, 10 days  
 3533 before the debtor consented to the acceptance, held a security  
 3534 interest in or other lien on the collateral perfected by the  
 3535 filing of a financing statement that:

- 3536 1. Identified the collateral;
- 3537 2. Was indexed under the debtor's name as of that date;
- 3538 and

3539 3. Was filed in the office or offices in which to file a  
 3540 financing statement against the debtor covering the collateral  
 3541 as of that date; and

3542 (c) Any other secured party that, 10 days before the  
 3543 debtor consented to the acceptance, held a security interest in  
 3544 the collateral perfected by compliance with a statute,  
 3545 regulation, or treaty described in s. 679.3111(1).

3546 Section 117. Section 679.624, Florida Statutes, is amended  
 3547 to read:

3548 679.624 Waiver.—

3549 (1) A debtor or secondary obligor may waive the right to  
 3550 notification of disposition of collateral under s. 679.611 only

3551 by an agreement to that effect entered into and signed  
 3552 ~~authenticated~~ after default.

3553 (2) A debtor may waive the right to require disposition of  
 3554 collateral under s. 679.620(5) only by an agreement to that  
 3555 effect entered into and signed ~~authenticated~~ after default.

3556 (3) Except in a consumer-goods transaction, a debtor or  
 3557 secondary obligor may waive the right to redeem collateral under  
 3558 s. 679.623 only by an agreement to that effect entered into and  
 3559 signed ~~authenticated~~ after default.

3560 Section 118. Subsections (1) and (5) of section 679.625,  
 3561 Florida Statutes, are amended, and subsections (3), (6), and (7)  
 3562 are republished, to read:

3563 679.625 Remedies for failure to comply with article.—

3564 (1) If it is established that a secured party is not  
 3565 proceeding in accordance with this chapter, a court may order or  
 3566 restrain collection, enforcement, or disposition of collateral  
 3567 on appropriate terms and conditions. This subsection does ~~shall~~  
 3568 not preclude a debtor other than a consumer and a secured party,  
 3569 or two or more secured parties in other than a consumer  
 3570 transaction, from agreeing in a signed ~~an authenticated~~ record  
 3571 that the debtor or secured party must first provide to the  
 3572 alleged offending secured party notice of a violation of this  
 3573 chapter and opportunity to cure before commencing any legal  
 3574 proceeding under this section.

3575 (3) Except as otherwise provided in s. 679.628:

3576 (a) A person who, at the time of the failure, was a  
 3577 debtor, was an obligor, or held a security interest in or other  
 3578 lien on the collateral may recover damages under subsection (2)  
 3579 for the person's loss; and

3580 (b) If the collateral is consumer goods, a person who was  
 3581 a debtor or a secondary obligor at the time a secured party  
 3582 failed to comply with this part may recover for that failure in  
 3583 any event an amount not less than the credit service charge plus  
 3584 10 percent of the principal amount of the obligation or the  
 3585 time-price differential plus 10 percent of the cash price.

3586 (5) In lieu of damages recoverable under subsection (2),  
 3587 the debtor, consumer obligor, or person named as a debtor in a  
 3588 filed record, as applicable, may recover \$500 in each case from  
 3589 a person who:

3590 (a) Fails to comply with s. 679.2081;

3591 (b) Fails to comply with s. 679.209;

3592 (c) Files a record that the person is not entitled to file  
 3593 under s. 679.509(1);

3594 (d) Fails to cause the secured party of record to file or  
 3595 send a termination statement as required by s. 679.513(1) or (3)  
 3596 after receipt of a signed ~~an authenticated~~ record notifying the  
 3597 person of such noncompliance;

3598 (e) Fails to comply with s. 679.616(2) (a) and whose  
 3599 failure is part of a pattern, or consistent with a practice, of  
 3600 noncompliance; or

3601 (f) Fails to comply with s. 679.616(2) (b) .

3602 (6) A debtor or consumer obligor may recover damages under  
 3603 subsection (2) and, in addition, \$500 in each case from a person  
 3604 who, without reasonable cause, fails to comply with a request  
 3605 under s. 679.210. A recipient of a request under s. 679.210  
 3606 which never claimed an interest in the collateral or obligations  
 3607 that are the subject of a request under that section has a  
 3608 reasonable excuse for failure to comply with the request within  
 3609 the meaning of this subsection.

3610 (7) If a secured party fails to comply with a request  
 3611 regarding a list of collateral or a statement of account under  
 3612 s. 679.210, the secured party may claim a security interest only  
 3613 as shown in the list or statement included in the request as  
 3614 against a person who is reasonably misled by the failure.

3615 Section 119. Subsections (1) and (2) of section 679.628,  
 3616 Florida Statutes, are amended, and subsection (6) is added to  
 3617 that section, to read:

3618 679.628 Nonliability and limitation on liability of  
 3619 secured party; liability of secondary obligor.—

3620 (1) Subject to subsection (6), unless a secured party  
 3621 knows that a person is a debtor or obligor, knows the identity  
 3622 of the person, and knows how to communicate with the person:

3623 (a) The secured party is not liable to the person, or to a  
 3624 secured party or lienholder that has filed a financing statement  
 3625 against the person, for failure to comply with this chapter; and

3626 (b) The secured party's failure to comply with this  
3627 chapter does not affect the liability of the person for a  
3628 deficiency.

3629 (2) Subject to subsection (6), a secured party is not  
3630 liable because of its status as a secured party:

3631 (a) To a person who is a debtor or obligor, unless the  
3632 secured party knows:

- 3633 1. That the person is a debtor or obligor;
- 3634 2. The identity of the person; and
- 3635 3. How to communicate with the person; or

3636 (b) To a secured party or lienholder that has filed a  
3637 financing statement against a person, unless the secured party  
3638 knows:

- 3639 1. That the person is a debtor; and
- 3640 2. The identity of the person.

3641 (6) Subsections (1) and (2) do not apply to limit the  
3642 liability of a secured party to a person if, at the time the  
3643 secured party obtains control of collateral that is a  
3644 controllable account, controllable electronic record, or  
3645 controllable payment intangible or at the time the security  
3646 interest attaches to the collateral, whichever is later:

3647 (a) The person is a debtor or obligor; and

3648 (b) The secured party knows that the information in  
3649 subparagraph (2) (a) 1., subparagraph (2) (a) 2., or subparagraph  
3650 (2) (a) 3., relating to the person is not provided by the

3651 collateral, a record attached to or logically associated with  
3652 the collateral, or the system in which the collateral is  
3653 recorded.

3654 Section 120. Part IX of chapter 679, Florida Statutes,  
3655 consisting of ss. 679.901 and 679.902, Florida Statutes, is  
3656 created and entitled "Transitional Provisions."

3657 Section 121. Section 679.901, Florida Statutes, is created  
3658 to read:

3659 679.901 Saving clause.—Except as otherwise provided in ss.  
3660 669.501-669.706, a transaction validly entered into before July  
3661 1, 2025, and the rights duties, and interests flowing from such  
3662 transaction remain valid thereafter and may be terminated,  
3663 completed, consummated, or enforced as required or permitted by  
3664 law other than the Uniform Commercial Code or, if applicable, by  
3665 the Uniform Commercial Code as though this act had not taken  
3666 effect.

3667 Section 122. Section 679.902, Florida Statutes, is created  
3668 to read:

3669 679.902 Transitional provisions.—Effective July 1, 2025,  
3670 chapter 679 shall be amended by this act, including the  
3671 transitional provisions for chapters 669 and 679, as amended by  
3672 this act, as provided in part II of chapter 669.

3673 Section 123. Section 680.1021, Florida Statutes, is  
3674 amended to read:

3675 680.1021 Scope.—

3676        (1) This chapter applies to any transaction, regardless of  
3677 form, that creates a lease and, in the case of a hybrid lease,  
3678 applies to the extent provided in subsection (2).

3679        (2) In a hybrid lease, both of the following apply:

3680        (a) If the lease-of-goods aspects do not predominate:

3681        1. Only the provisions of this chapter which relate  
3682 primarily to the lease-of-goods aspects of the transaction  
3683 apply, and the provisions that relate primarily to the  
3684 transaction as a whole do not apply;

3685        2. Section 608.209 applies if the lease is a finance  
3686 lease; and

3687        3. Section 608.407 applies to the promises of the lessee  
3688 in a finance lease to the extent that the promises are  
3689 consideration for the right to possession and use of the leased  
3690 goods.

3691        (b) If the lease-of-goods aspects predominate, this  
3692 chapter applies to the transaction, but does not preclude  
3693 application in appropriate circumstances of other law to aspects  
3694 of the lease which do not relate to the lease of goods.

3695        Section 124. Present paragraphs (i) through (z) of  
3696 subsection (1) of section 680.1031, Florida Statutes, are  
3697 redesignated as paragraphs (j) through (aa), respectively, a new  
3698 paragraph (i) is added to that subsection, and paragraphs (a),  
3699 (d), (e), (f), (h), (j), (l), and (m) of subsection (3) of that  
3700 section are amended, to read:

3701           680.1031 Definitions and index of definitions.—  
 3702           (1) In this chapter, unless the context otherwise  
 3703 requires:  
 3704           (i) "Hybrid lease" means a single transaction involving a  
 3705 lease of goods and:  
 3706           1. The provision of services;  
 3707           2. A sale of other goods; or  
 3708           3. A sale, lease, or license of property other than goods.  
 3709           (3) The following definitions in other chapters of this  
 3710 code apply to this chapter:  
 3711           (a) "Account," s. 679.1021(1) ~~s. 679.1021(1)(b)~~.  
 3712           (d) "Chattel paper," s. 679.1021(1) ~~s. 679.1021(1)(k)~~.  
 3713           (e) "Consumer goods," s. 679.1021(1) ~~s. 679.1021(1)(w)~~.  
 3714           (f) "Document," s. 679.1021(1) ~~s. 679.1021(1)(dd)~~.  
 3715           (h) "General intangible," s. 679.1021(1) ~~s.~~  
 3716 ~~679.1021(1)(pp)~~.  
 3717           (j) "Instrument," s. 679.1021(1) ~~s. 679.1021(1)(uu)~~.  
 3718           (l) "Mortgage," s. 679.1021(1) ~~s. 679.1021(1)(ccc)~~.  
 3719           (m) "Pursuant to a commitment," s. 679.1021(1) ~~s.~~  
 3720 ~~679.1021(1)(ppp)~~.  
 3721           Section 125. Section 680.1071, Florida Statutes, is  
 3722 amended to read:  
 3723           680.1071 Waiver or renunciation of claim or right after  
 3724 default.—Any claim or right arising out of an alleged default or  
 3725 breach of warranty may be discharged in whole or in part without

3726 consideration by a ~~written~~ waiver or renunciation in a signed  
 3727 record ~~and~~ delivered by the aggrieved party.

3728 Section 126. Subsections (1), (3), and (5) of section  
 3729 680.201, Florida Statutes, are amended to read:

3730 680.201 Statute of frauds.—

3731 (1) A lease contract is not enforceable by way of action  
 3732 or defense unless:

3733 (a) In a lease contract that is not a consumer lease, the  
 3734 total payments to be made under the lease contract, excluding  
 3735 payments for options to renew or buy, are less than \$1,000; or

3736 (b) There is a record writing, signed by the party against  
 3737 whom enforcement is sought or by that party's authorized agent,  
 3738 sufficient to indicate that a lease contract has been made  
 3739 between the parties and to describe the goods leased and the  
 3740 lease term.

3741 (3) A record writing is not insufficient because it omits  
 3742 or incorrectly states a term agreed upon, but the lease contract  
 3743 is not enforceable under paragraph (1)(b) beyond the lease term  
 3744 and the quantity of goods shown in the record writing.

3745 (5) The lease term under a lease contract referred to in  
 3746 subsection (4) is:

3747 (a) If there is a record writing signed by the party  
 3748 against whom enforcement is sought or by that party's authorized  
 3749 agent specifying the lease term, the term so specified;

3750 (b) If the party against whom enforcement is sought admits

3751 in that party's pleading, testimony, or otherwise in court a  
 3752 lease term, the term so admitted; or

3753 (c) A reasonable lease term.

3754 Section 127. Section 680.202, Florida Statutes, is amended  
 3755 to read:

3756 680.202 Final ~~written~~ expression: parol or extrinsic  
 3757 evidence.—Terms with respect to which the confirmatory memoranda  
 3758 of the parties agree or which are otherwise set forth in a  
 3759 record ~~writing~~ intended by the parties as a final expression of  
 3760 their agreement with respect to such terms as are included  
 3761 therein may not be contradicted by evidence of any prior  
 3762 agreement or of a contemporaneous oral agreement but may be  
 3763 explained or supplemented:

3764 (1) By course of dealing or usage of trade or by course of  
 3765 performance; and

3766 (2) By evidence of consistent additional terms unless the  
 3767 court finds the record ~~writing~~ to have been intended also as a  
 3768 complete and exclusive statement of the terms of the agreement.

3769 Section 128. Section 680.203, Florida Statutes, is amended  
 3770 to read:

3771 680.203 Seals inoperative.—The affixing of a seal to a  
 3772 record ~~writing~~ evidencing a lease contract or an offer to enter  
 3773 into a lease contract does not render the record ~~writing~~ a  
 3774 sealed instrument, and the law with respect to sealed  
 3775 instruments does not apply to the lease contract or offer.

3776 Section 129. Section 680.205, Florida Statutes, is amended  
3777 to read:

3778 680.205 Firm offers.—An offer by a merchant to lease goods  
3779 to or from another person in a signed record ~~writing~~ that by its  
3780 terms gives assurance it will be held open is not revocable, for  
3781 lack of consideration, during the time stated or, if no time is  
3782 stated, for a reasonable time, but in no event may the period of  
3783 irrevocability exceed 3 months. Any such term of assurance on a  
3784 form supplied by the offeree must be separately signed by the  
3785 offeror.

3786 Section 130. Subsection (2) of section 680.208, Florida  
3787 Statutes, is amended to read:

3788 680.208 Modification, rescission, and waiver.—

3789 (2) A signed lease agreement that excludes modification or  
3790 rescission except by a signed record ~~writing~~ may not be  
3791 otherwise modified or rescinded, but, except as between  
3792 merchants, such a requirement on a form supplied by a merchant  
3793 must be separately signed by the other party.

3794 Section 131. Part VI of chapter 680, Florida Statutes,  
3795 consisting of s. 680.601, Florida Statutes, is created and  
3796 entitled "Transitional Provisions."

3797 Section 132. Section 680.601, Florida Statutes, is created  
3798 to read:

3799 680.601 Saving clause.—Except as provided in ss. 669.501–  
3800 669.706, a transaction validly entered into before July 1, 2025,

3801 and the rights, duties, and interests flowing from such  
3802 transaction remain valid thereafter and may be terminated,  
3803 completed, consummated, or enforced as required or permitted by  
3804 law other than the Uniform Commercial Code or, if applicable, by  
3805 the Uniform Commercial Code as though this act had not taken  
3806 effect.

3807 Section 133. Subsection (6) of section 55.205, Florida  
3808 Statutes, is amended to read:

3809 55.205 Effect of judgment lien.—

3810 (6) A judgment lien acquired under s. 55.202 may be  
3811 enforced only through judicial process, including attachment  
3812 under chapter 76; execution under chapter 56; garnishment under  
3813 chapter 77; a charging order under s. 605.0503, s. 620.1703, or  
3814 s. 620.8504; or proceedings supplementary to execution under s.  
3815 56.29. A holder of a judgment lien acquired under s. 55.202, who  
3816 is not enforcing separate lien rights in a judgment debtor's  
3817 property, may not enforce his or her rights under this section  
3818 through self-help repossession or replevin without a court order  
3819 or without the express consent of the judgment debtor contained  
3820 in a record authenticated in accordance with s. 668.50 or s.  
3821 679.1021(1) ~~s. 679.1021(1)(g)~~ after the judgment lien attaches.

3822 Section 134. Subsection (2) and paragraph (b) of  
3823 subsection (3) of section 319.27, Florida Statutes, are amended  
3824 to read:

3825 319.27 Notice of lien on motor vehicles or mobile homes;

3826 notation on certificate; recording of lien.—

3827 (2) No lien for purchase money or as security for a debt  
3828 in the form of a security agreement, retain title contract,  
3829 conditional bill of sale, chattel mortgage, or other similar  
3830 instrument or any other nonpossessory lien, including a lien for  
3831 child support, upon a motor vehicle or mobile home upon which a  
3832 Florida certificate of title has been issued shall be  
3833 enforceable in any of the courts of this state against creditors  
3834 or subsequent purchasers for a valuable consideration and  
3835 without notice, unless a sworn notice of such lien has been  
3836 filed in the department and such lien has been noted upon the  
3837 certificate of title of the motor vehicle or mobile home. Such  
3838 notice shall be effective as constructive notice when filed. The  
3839 interest of a statutory nonpossessory lienor; the interest of a  
3840 nonpossessory execution, attachment, or equitable lienor; or the  
3841 interest of a lien creditor as defined in s. 679.1021(1) ~~s.~~  
3842 ~~679.1021(1)(zz)~~, if nonpossessory, is ~~shall~~ not be enforceable  
3843 against creditors or subsequent purchasers for a valuable  
3844 consideration unless such interest becomes a possessory lien or  
3845 is noted upon the certificate of title for the subject motor  
3846 vehicle or mobile home prior to the occurrence of the subsequent  
3847 transaction. Provided the provisions of this subsection relating  
3848 to a nonpossessory statutory lienor; a nonpossessory execution,  
3849 attachment, or equitable lienor; or the interest of a lien  
3850 creditor as defined in s. 679.1021(1) ~~does s. 679.1021(1)(zz)~~

3851 ~~shall~~ not apply to liens validly perfected before ~~prior to~~  
 3852 October 1, 1988. The notice of lien must ~~shall~~ provide the  
 3853 following information:

3854 (a) The date of the lien if a security agreement, retain  
 3855 title contract, conditional bill of sale, chattel mortgage, or  
 3856 other similar instrument was executed prior to the filing of the  
 3857 notice of lien;

3858 (b) The name and address of the registered owner;

3859 (c) A description of the motor vehicle or mobile home,  
 3860 showing the make, type, and vehicle identification number; and

3861 (d) The name and address of the lienholder.

3862 (3)

3863 (b) As applied to a determination of the respective rights  
 3864 of a secured party under this chapter and a lien creditor as  
 3865 defined by s. 679.1021(1) ~~s. 679.1021(1)(zz)~~, or a nonpossessory  
 3866 statutory lienor, a security interest under this chapter shall  
 3867 be perfected upon the filing of the notice of lien with the  
 3868 department, the county tax collector, or their agents. Provided,  
 3869 however, the date of perfection of a security interest of such  
 3870 secured party shall be the same date as the execution of the  
 3871 security agreement or other similar instrument if the notice of  
 3872 lien is filed in accordance with this subsection within 15 days  
 3873 after the debtor receives possession of the motor vehicle or  
 3874 mobile home and executes such security agreement or other  
 3875 similar instrument. The date of filing of the notice of lien

3876 shall be the date of its receipt by the department central  
3877 office in Tallahassee, if first filed there, or otherwise by the  
3878 office of the county tax collector, or their agents.

3879 Section 135. Subsection (2) of section 328.0015, Florida  
3880 Statutes, is amended to read:

3881 328.0015 Definitions.—

3882 (2) The following definitions and terms also apply to this  
3883 part:

3884 (a) "Agreement" as defined in s. 671.201 ~~s. 671.201(3)~~.

3885 (b) "Buyer in ordinary course of business" as defined in  
3886 s. 671.201 ~~s. 671.201(9)~~.

3887 (c) "Conspicuous" as defined in s. 671.201 ~~s. 671.201(11)~~.

3888 (d) "Consumer goods" as defined in s. 679.1021(1) ~~s.~~  
3889 ~~679.1021(1)(w)~~.

3890 (e) "Debtor" as defined in s. 679.1021(1) ~~s.~~  
3891 ~~679.1021(1)(bb)~~.

3892 (f) "Knowledge" as defined in s. 671.209.

3893 (g) "Lease" as defined in s. 680.1031(1) ~~s.~~  
3894 ~~680.1031(1)(j)~~.

3895 (h) "Lessor" as defined in s. 680.1031(1) ~~s.~~  
3896 ~~680.1031(1)(p)~~.

3897 (i) "Notice" as defined s. 671.209.

3898 (j) "Representative" as defined in s. 671.201 ~~s.~~  
3899 ~~671.201(37)~~.

3900 (k) "Sale" as defined in s. 672.106(1).

3901 (l) "Security agreement" as defined in s. 679.1021(1) ~~s.~~  
 3902 ~~679.1021(1)(uuu)~~.

3903 (m) "Seller" as defined in s. 672.103(1) ~~s. 672.103(1)(d)~~.

3904 (n) "Send" as defined in s. 671.201 ~~s. 671.201(40)~~.

3905 (o) "Value" as defined in s. 671.211.

3906 Section 136. Subsection (13) of section 517.061, Florida  
 3907 Statutes, is amended to read:

3908 517.061 Exempt transactions.—Except as otherwise provided  
 3909 in subsection (11), the exemptions provided herein from the  
 3910 registration requirements of s. 517.07 are self-executing and do  
 3911 not require any filing with the office before being claimed. Any  
 3912 person who claims entitlement to an exemption under this section  
 3913 bears the burden of proving such entitlement in any proceeding  
 3914 brought under this chapter. The registration provisions of s.  
 3915 517.07 do not apply to any of the following transactions;  
 3916 however, such transactions are subject to s. 517.301:

3917 (13) By or for the account of a pledgeholder, a secured  
 3918 party as defined in s. 679.1021(1) ~~s. 679.1021(1)(ttt)~~, or a  
 3919 mortgagee selling or offering for sale or delivery in the  
 3920 ordinary course of business and not for the purposes of avoiding  
 3921 ~~the provisions of~~ this chapter, to liquidate a bona fide debt, a  
 3922 security pledged in good faith as security for such debt.

3923 Section 137. Subsection (2) of section 559.9232, Florida  
 3924 Statutes, is amended to read:

3925 559.9232 Definitions; exclusion of rental-purchase

3926 | agreements from certain regulations.—

3927 |       (2) A rental-purchase agreement that complies with this  
3928 | act may ~~shall~~ not be construed to be, nor be governed by, any of  
3929 | the following:

3930 |       (a) A lease or agreement that constitutes a credit sale as  
3931 | defined in 12 C.F.R. s. 226.2(a)(16) and s. 1602(g) of the  
3932 | federal Truth in Lending Act, 15 U.S.C. ss. 1601 et seq.;

3933 |       (b) A lease that constitutes a "consumer lease" as defined  
3934 | in 12 C.F.R. s. 213.2(a)(6);

3935 |       (c) Any lease for agricultural, business, or commercial  
3936 | purposes;

3937 |       (d) Any lease made to an organization;

3938 |       (e) A lease or agreement that constitutes a "retail  
3939 | installment contract" or "retail installment transaction" as  
3940 | those terms are defined in s. 520.31; or

3941 |       (f) A security interest as defined in s. 671.201 ~~s.~~  
3942 | ~~671.201(39)~~.

3943 |       Section 138. Paragraph (g) of subsection (2) of section  
3944 | 563.022, Florida Statutes, is amended to read:

3945 |       563.022 Relations between beer distributors and  
3946 | manufacturers.—

3947 |       (2) DEFINITIONS.—In construing this section, unless the  
3948 | context otherwise requires, the word, phrase, or term:

3949 |       (g) "Good faith" means honesty in fact in the conduct or  
3950 | transaction concerned as defined and interpreted under s.

3951 | 671.201 ~~s. 671.201(21)~~.

3952 |       Section 139. Paragraph (d) of subsection (16) of section  
3953 | 668.50, Florida Statutes, is amended, and paragraph (b) of  
3954 | subsection (3) of that section is republished, to read:

3955 |       668.50 Uniform Electronic Transaction Act.—

3956 |       (3) SCOPE.—

3957 |       (b) This section does not apply to a transaction to the  
3958 | extent the transaction is governed by:

3959 |       1. A provision of law governing the creation and execution  
3960 | of wills, codicils, or testamentary trusts;

3961 |       2. The Uniform Commercial Code other than s. 671.107 and  
3962 | chapters 672 and 680; or

3963 |       3. The Uniform Computer Information Transactions Act.

3964 |       (16) TRANSFERABLE RECORDS.—

3965 |       (d) Except as otherwise agreed, a person having control of  
3966 | a transferable record is the holder, as defined in s. 671.201 ~~s.~~  
3967 | ~~671.201(22)~~, of the transferable record and has the same rights  
3968 | and defenses as a holder of an equivalent record or writing  
3969 | under the Uniform Commercial Code, including, if the applicable  
3970 | statutory requirements under s. 673.3021, s. 677.501, or s.  
3971 | 679.330 are satisfied, the rights and defenses of a holder in  
3972 | due course, a holder to which a negotiable document of title has  
3973 | been duly negotiated, or a purchaser, respectively. Delivery,  
3974 | possession, and indorsement are not required to obtain or  
3975 | exercise any of the rights under this paragraph.

3976 Section 140. For the purpose of incorporating the  
 3977 amendment made by this act to section 671.105, Florida Statutes,  
 3978 in a reference thereto, subsections (1) and (2) of section  
 3979 655.55, Florida Statutes, are reenacted to read:

3980 655.55 Law applicable to deposits in and contracts  
 3981 relating to extensions of credit by a deposit or lending  
 3982 institution located in this state.—

3983 (1) The law of this state, excluding its law regarding  
 3984 comity and conflict of laws, governs all aspects, including  
 3985 without limitation the validity and effect, of any deposit  
 3986 account in a branch or office in this state of a deposit or  
 3987 lending institution, including a deposit account otherwise  
 3988 covered by s. 671.105(1), regardless of the citizenship,  
 3989 residence, location, or domicile of any other party to the  
 3990 contract or agreement governing such deposit account, and  
 3991 regardless of any provision of any law of the jurisdiction of  
 3992 the residence, location, or domicile of such other party,  
 3993 whether or not such deposit account bears any other relation to  
 3994 this state, except that this section does not apply to any such  
 3995 deposit account:

3996 (a) To the extent provided to the contrary in s.  
 3997 671.105(2); or

3998 (b) To the extent that all parties to the contract or  
 3999 agreement governing such deposit account have agreed in writing  
 4000 that the law of another jurisdiction will govern it.

4001           (2) The law of this state, excluding its law regarding  
4002 comity and conflict of laws, governs all aspects, including  
4003 without limitation the validity and effect, of any contract  
4004 relating to an extension of credit made by a branch or office in  
4005 this state of a deposit or lending institution, including a  
4006 contract otherwise covered by s. 671.105(1), if the contract  
4007 expressly provides that it will be governed by the law of this  
4008 state, regardless of the citizenship, residence, location, or  
4009 domicile of any other party to such contract and regardless of  
4010 any provision of any law of the jurisdiction of the residence,  
4011 location, or domicile of such other party, whether or not such  
4012 contract bears any other relation to this state, except that  
4013 this section does not apply to any such contract to the extent  
4014 provided to the contrary in s. 671.105(2).

4015           Section 141. For the purpose of incorporating the  
4016 amendment made by this act to section 671.105, Florida Statutes,  
4017 in a reference thereto, subsection (2) of section 685.101,  
4018 Florida Statutes, is reenacted to read:

4019           685.101 Choice of law.—

4020           (2) This section does not apply to any contract,  
4021 agreement, or undertaking:

4022           (a) Regarding any transaction which does not bear a  
4023 substantial or reasonable relation to this state in which every  
4024 party is either or a combination of:

4025           1. A resident and citizen of the United States, but not of

4026 | this state; or

4027 |         2. Incorporated or organized under the laws of another  
4028 | state and does not maintain a place of business in this state;

4029 |         (b) For labor or employment;

4030 |         (c) Relating to any transaction for personal, family, or  
4031 | household purposes, unless such contract, agreement, or  
4032 | undertaking concerns a trust at least one trustee of which  
4033 | resides or transacts business as a trustee in this state, in  
4034 | which case this section applies;

4035 |         (d) To the extent provided to the contrary in s.  
4036 | 671.105(2); or

4037 |         (e) To the extent such contract, agreement, or undertaking  
4038 | is otherwise covered or affected by s. 655.55.

4039 |         Section 142. For the purpose of incorporating the  
4040 | amendment made by this act to section 673.1041, Florida  
4041 | Statutes, in a reference thereto, subsection (1) of section  
4042 | 90.953, Florida Statutes, is reenacted to read:

4043 |         90.953 Admissibility of duplicates.—A duplicate is  
4044 | admissible to the same extent as an original, unless:

4045 |         (1) The document or writing is a negotiable instrument as  
4046 | defined in s. 673.1041, a security as defined in s. 678.1021, or  
4047 | any other writing that evidences a right to the payment of  
4048 | money, is not itself a security agreement or lease, and is of a  
4049 | type that is transferred by delivery in the ordinary course of  
4050 | business with any necessary endorsement or assignment.

4051 Section 143. For the purpose of incorporating the  
4052 amendment made by this act to section 673.1041, Florida  
4053 Statutes, in a reference thereto, subsections (1), (3), and (4)  
4054 of section 673.1061, Florida Statutes, are reenacted to read:

4055 673.1061 Unconditional promise or order.—

4056 (1) Except as provided in this section, for the purposes  
4057 of s. 673.1041(1), a promise or order is unconditional unless it  
4058 states:

4059 (a) An express condition to payment;

4060 (b) That the promise or order is subject to or governed by  
4061 another writing; or

4062 (c) That rights or obligations with respect to the promise  
4063 or order are stated in another writing.

4064  
4065 A reference to another writing does not of itself make the  
4066 promise or order conditional.

4067 (3) If a promise or order requires, as a condition to  
4068 payment, a countersignature by a person whose specimen signature  
4069 appears on the promise or order, the condition does not make the  
4070 promise or order conditional for the purposes of s. 673.1041(1).  
4071 If the person whose specimen signature appears on an instrument  
4072 fails to countersign the instrument, the failure to countersign  
4073 is a defense to the obligation of the issuer, but the failure  
4074 does not prevent a transferee of the instrument from becoming a  
4075 holder of the instrument.

4076 (4) If a promise or order at the time it is issued or  
4077 first comes into possession of a holder contains a statement,  
4078 required by applicable statutory or administrative law, to the  
4079 effect that the rights of a holder or transferee are subject to  
4080 claims or defenses that the issuer could assert against the  
4081 original payee, the promise or order is not thereby made  
4082 conditional for the purposes of s. 673.1041(1); but if the  
4083 promise or order is an instrument, there cannot be a holder in  
4084 due course of the instrument.

4085 Section 144. For the purpose of incorporating the  
4086 amendment made by this act to section 673.1041, Florida  
4087 Statutes, in a reference thereto, subsection (2) of section  
4088 673.1151, Florida Statutes, is reenacted to read:

4089 673.1151 Incomplete instrument.—

4090 (2) Subject to subsection (3), if an incomplete instrument  
4091 is an instrument under s. 673.1041, it may be enforced according  
4092 to its terms if it is not completed, or according to its terms  
4093 as augmented by completion. If an incomplete instrument is not  
4094 an instrument under s. 673.1041, but, after completion, the  
4095 requirements of s. 673.1041 are met, the instrument may be  
4096 enforced according to its terms as augmented by completion.

4097 Section 145. For the purpose of incorporating the  
4098 amendment made by this act to sections 673.1041 and 673.1051,  
4099 Florida Statutes, in a reference thereto, subsection (2) of  
4100 section 673.1031, Florida Statutes, is reenacted to read:

4101           673.1031 Definitions.—

4102           (2) Other definitions applying to this chapter and the

4103 sections in which they appear are:

4104           "Acceptance," s. 673.4091.

4105           "Accommodated party," s. 673.4191.

4106           "Accommodation party," s. 673.4191.

4107           "Alteration," s. 673.4071.

4108           "Anomalous indorsement," s. 673.2051.

4109           "Blank indorsement," s. 673.2051.

4110           "Cashier's check," s. 673.1041.

4111           "Certificate of deposit," s. 673.1041.

4112           "Certified check," s. 673.4091.

4113           "Check," s. 673.1041.

4114           "Consideration," s. 673.3031.

4115           "Draft," s. 673.1041.

4116           "Holder in due course," s. 673.3021.

4117           "Incomplete instrument," s. 673.1151.

4118           "Indorsement," s. 673.2041.

4119           "Indorser," s. 673.2041.

4120           "Instrument," s. 673.1041.

4121           "Issue," s. 673.1051.

4122           "Issuer," s. 673.1051.

4123           "Negotiable instrument," s. 673.1041.

4124           "Negotiation," s. 673.2011.

4125           "Note," s. 673.1041.

4126 "Payable at a definite time," s. 673.1081.  
 4127 "Payable on demand," s. 673.1081.  
 4128 "Payable to bearer," s. 673.1091.  
 4129 "Payable to order," s. 673.1091.  
 4130 "Payment," s. 673.6021.  
 4131 "Person entitled to enforce," s. 673.3011.  
 4132 "Presentment," s. 673.5011.  
 4133 "Reacquisition," s. 673.2071.  
 4134 "Special indorsement," s. 673.2051.  
 4135 "Teller's check," s. 673.1041.  
 4136 "Transfer of instrument," s. 673.2031.  
 4137 "Traveler's check," s. 673.1041.  
 4138 "Value," s. 673.3031.

4139 Section 146. For the purpose of incorporating the  
 4140 amendment made by this act to section 673.6041, Florida  
 4141 Statutes, in a reference thereto, subsection (2) of section  
 4142 673.6051, Florida Statutes, is reenacted to read:

4143 673.6051 Discharge of indorsers and accommodation  
 4144 parties.—

4145 (2) Discharge, under s. 673.6041, of the obligation of a  
 4146 party to pay an instrument does not discharge the obligation of  
 4147 an indorser or accommodation party having a right of recourse  
 4148 against the discharged party.

4149 Section 147. For the purpose of incorporating the  
 4150 amendment made by this act to section 675.116, Florida Statutes,

4151 in a reference thereto, subsection (2) of section 679.3061,  
 4152 Florida Statutes, is reenacted to read:

4153       679.3061 Law governing perfection and priority of security  
 4154 interests in letter-of-credit rights.—

4155       (2) For purposes of this part, an issuer's jurisdiction or  
 4156 nominated person's jurisdiction is the jurisdiction whose law  
 4157 governs the liability of the issuer or nominated person with  
 4158 respect to the letter-of-credit right as provided in s. 675.116.

4159       Section 148. For the purpose of incorporating the  
 4160 amendment made by this act to section 675.104, Florida Statutes,  
 4161 in a reference thereto, paragraph (j) of subsection (1) of  
 4162 section 675.103, Florida Statutes, is reenacted to read:

4163       675.103 Definitions.—

4164       (1) For purposes of this chapter:

4165       (j) "Letter of credit" means a definite undertaking that  
 4166 satisfies the requirements of s. 675.104 by an issuer to a  
 4167 beneficiary at the request or for the account of an applicant  
 4168 or, in the case of a financial institution, to itself or for its  
 4169 own account, to honor a documentary presentation by payment or  
 4170 delivery of an item of value.

4171       Section 149. For the purpose of incorporating the  
 4172 amendment made by this act to section 679.2031, Florida  
 4173 Statutes, in a reference thereto, subsection (3) of section  
 4174 674.2101, Florida Statutes, is reenacted to read:

4175       674.2101 Security interest of collecting bank in items,

4176 accompanying documents, and proceeds.—

4177 (3) Receipt by a collecting bank of a final settlement for  
4178 an item is a realization on its security interest in the item,  
4179 accompanying documents, and proceeds. So long as the bank does  
4180 not receive final settlement for the item or give up possession  
4181 of the item or possession or control of the accompanying or  
4182 associated documents for purposes other than collection, the  
4183 security interest continues to that extent and is subject to  
4184 chapter 679, but:

4185 (a) No security agreement is necessary to make the  
4186 security interest enforceable (s. 679.2031(2)(c)1.);

4187 (b) No filing is required to perfect the security  
4188 interest; and

4189 (c) The security interest has priority over conflicting  
4190 perfected security interests in the item, accompanying  
4191 documents, or proceeds.

4192 Section 150. For the purpose of incorporating the  
4193 amendment made by this act to section 679.2031, Florida  
4194 Statutes, in a reference thereto, subsection (2) of section  
4195 675.1181, Florida Statutes, is reenacted to read:

4196 675.1181 Security interest of issuer or nominated person.—

4197 (2) As long as and to the extent that an issuer or  
4198 nominated person has not been reimbursed or has not otherwise  
4199 recovered the value given with respect to a security interest in  
4200 a document under subsection (1), the security interest continues

4201 and is subject to chapter 679, but a security agreement is not  
 4202 necessary to make the security interest enforceable under s.  
 4203 679.2031(2)(c):

4204 (a) If the document is presented in a medium other than a  
 4205 written or other tangible medium, the security interest is  
 4206 perfected; and

4207 (b) If the document is presented in a written or other  
 4208 tangible medium and is not a certificated security, chattel  
 4209 paper, a document of title, an instrument, or a letter of  
 4210 credit, the security interest is perfected and has priority over  
 4211 a conflicting security interest in the document so long as the  
 4212 debtor does not have possession of the document.

4213 Section 151. For the purpose of incorporating the  
 4214 amendment made by this act to section 679.2031, Florida  
 4215 Statutes, in a reference thereto, section 679.1101, Florida  
 4216 Statutes, is reenacted to read:

4217 679.1101 Security interests arising under chapter 672 or  
 4218 chapter 680.—A security interest arising under s. 672.401, s.  
 4219 672.505, s. 672.711(3), or s. 680.508(5) is subject to this  
 4220 chapter. However, until the debtor obtains possession of the  
 4221 goods:

4222 (1) The security interest is enforceable, even if s.  
 4223 679.2031(2)(c) has not been satisfied;

4224 (2) Filing is not required to perfect the security  
 4225 interest;

4226 (3) The rights of the secured party after default by the  
 4227 debtor are governed by chapter 672 or chapter 680; and

4228 (4) The security interest has priority over a conflicting  
 4229 security interest created by the debtor.

4230 Section 152. For the purpose of incorporating the  
 4231 amendment made by this act to section 677.106, Florida Statutes,  
 4232 in a reference thereto, subsection (3) of section 672.103,  
 4233 Florida Statutes, is reenacted to read:

4234 672.103 Definitions and index of definitions.—

4235 (3) The following definitions in other chapters apply to  
 4236 this chapter:

4237 "Check," s. 673.1041.

4238 "Consignee," s. 677.102.

4239 "Consignor," s. 677.102.

4240 "Consumer goods," s. 679.1021.

4241 "Control," s. 677.106.

4242 "Dishonor," s. 673.5021.

4243 "Draft," s. 673.1041.

4244 Section 153. For the purpose of incorporating the  
 4245 amendment made by this act to section 677.106, Florida Statutes,  
 4246 in a reference thereto, subsection (3) of section 674.104,  
 4247 Florida Statutes, is reenacted to read:

4248 674.104 Definitions and index of definitions.—

4249 (3) The following definitions in other chapters apply to  
 4250 this chapter:

4251 "Acceptance," s. 673.4091.  
 4252 "Alteration," s. 673.4071.  
 4253 "Cashier's check," s. 673.1041.  
 4254 "Certificate of deposit," s. 673.1041.  
 4255 "Certified check," s. 673.4091.  
 4256 "Check," s. 673.1041.  
 4257 "Control," s. 677.106.  
 4258 "Good faith," s. 673.1031.  
 4259 "Holder in due course," s. 673.3021.  
 4260 "Instrument," s. 673.1041.  
 4261 "Notice of dishonor," s. 673.5031.  
 4262 "Order," s. 673.1031.  
 4263 "Ordinary care," s. 673.1031.  
 4264 "Person entitled to enforce," s. 673.3011.  
 4265 "Presentment," s. 673.5011.  
 4266 "Promise," s. 673.1031.  
 4267 "Prove," s. 673.1031.  
 4268 "Teller's check," s. 673.1041.  
 4269 "Unauthorized signature," s. 673.4031.  
 4270 Section 154. For the purpose of incorporating the  
 4271 amendment made by this act to section 678.1061, Florida  
 4272 Statutes, in a reference thereto, subsection (3) of section  
 4273 678.5101, Florida Statutes, is reenacted to read:  
 4274 678.5101 Rights of purchaser of security entitlement from  
 4275 entitlement holder.—

4276 (3) In a case not covered by the priority rules in chapter  
4277 679, a purchaser for value of a security entitlement, or an  
4278 interest therein, who obtains control has priority over a  
4279 purchaser of a security entitlement, or an interest therein, who  
4280 does not obtain control. Except as otherwise provided in  
4281 subsection (4), purchasers who have control rank according to  
4282 priority in time of:

4283 (a) The purchaser's becoming the person for whom the  
4284 securities account, in which the security entitlement is  
4285 carried, is maintained, if the purchaser obtained control under  
4286 s. 678.1061(4) (a);

4287 (b) The securities intermediary's agreement to comply with  
4288 the purchaser's entitlement orders with respect to security  
4289 entitlements carried or to be carried in the securities account  
4290 in which the security entitlement is carried, if the purchaser  
4291 obtained control under s. 678.1061(4) (b); or

4292 (c) If the purchaser obtained control through another  
4293 person under s. 678.1061(4) (c), the time on which priority would  
4294 be based under this subsection if the other person were the  
4295 secured party.

4296 Section 155. For the purpose of incorporating the  
4297 amendment made by this act to section 678.1061, Florida  
4298 Statutes, in a reference thereto, subsection (1) of section  
4299 679.1061, Florida Statutes, is reenacted to read:

4300 679.1061 Control of investment property.—

4301 (1) A person has control of a certificated security,  
 4302 uncertificated security, or security entitlement as provided in  
 4303 s. 678.1061.

4304 Section 156. For the purpose of incorporating the  
 4305 amendment made by this act to sections 678.1061, 679.3131,  
 4306 679.3141, and 679.323, Florida Statutes, in references thereto,  
 4307 subsections (2), (5), and (7) of section 679.328, Florida  
 4308 Statutes, are reenacted to read:

4309 679.328 Priority of security interests in investment  
 4310 property.—The following rules govern priority among conflicting  
 4311 security interests in the same investment property:

4312 (2) Except as otherwise provided in subsections (3) and  
 4313 (4), conflicting security interests held by secured parties each  
 4314 of which has control under s. 679.1061 rank according to  
 4315 priority in time of:

4316 (a) If the collateral is a security, obtaining control;

4317 (b) If the collateral is a security entitlement carried in  
 4318 a securities account and:

4319 1. If the secured party obtained control under s.  
 4320 678.1061(4) (a), the secured party's becoming the person for  
 4321 which the securities account is maintained;

4322 2. If the secured party obtained control under s.  
 4323 678.1061(4) (b), the securities intermediary's agreement to  
 4324 comply with the secured party's entitlement orders with respect  
 4325 to security entitlements carried or to be carried in the

4326 securities account; or

4327         3. If the secured party obtained control through another  
 4328 person under s. 678.1061(4)(c), the time on which priority would  
 4329 be based under this paragraph if the other person were the  
 4330 secured party; or

4331         (c) If the collateral is a commodity contract carried with  
 4332 a commodity intermediary, the satisfaction of the requirement  
 4333 for control specified in s. 679.1061(2)(b) with respect to  
 4334 commodity contracts carried or to be carried with the commodity  
 4335 intermediary.

4336         (5) A security interest in a certificated security in  
 4337 registered form which is perfected by taking delivery under s.  
 4338 679.3131(1) and not by control under s. 679.3141 has priority  
 4339 over a conflicting security interest perfected by a method other  
 4340 than control.

4341         (7) In all other cases, priority among conflicting  
 4342 security interests in investment property is governed by ss.  
 4343 679.322 and 679.323.

4344         Section 157. For the purpose of incorporating the  
 4345 amendment made by this act to sections 679.1041 and 679.3141,  
 4346 Florida Statutes, in references thereto, subsections (1) and (2)  
 4347 of section 679.327, Florida Statutes, are reenacted to read:

4348         679.327 Priority of security interests in deposit  
 4349 account.—The following rules govern priority among conflicting  
 4350 security interests in the same deposit account:

4351 (1) A security interest held by a secured party having  
 4352 control of the deposit account under s. 679.1041 has priority  
 4353 over a conflicting security interest held by a secured party  
 4354 that does not have control.

4355 (2) Except as otherwise provided in subsections (3) and  
 4356 (4), security interests perfected by control under s. 679.3141  
 4357 rank according to priority in time of obtaining control.

4358 Section 158. For the purpose of incorporating the  
 4359 amendment made by this act to sections 679.2031 and 679.4041,  
 4360 Florida Statutes, in a reference thereto, subsection (4) of  
 4361 section 679.1091, Florida Statutes, is reenacted to read:

4362 679.1091 Scope.—

4363 (4) This chapter does not apply to:

4364 (a) A landlord's lien, other than an agricultural lien;

4365 (b) A lien, other than an agricultural lien, given by  
 4366 statute or other rule of law for services or materials, but s.  
 4367 679.333 applies with respect to priority of the lien;

4368 (c) An assignment of a claim for wages, salary, or other  
 4369 compensation of an employee;

4370 (d) A sale of accounts, chattel paper, payment  
 4371 intangibles, or promissory notes as part of a sale of the  
 4372 business out of which they arose;

4373 (e) An assignment of accounts, chattel paper, payment  
 4374 intangibles, or promissory notes which is for the purpose of  
 4375 collection only;

4376 (f) An assignment of a right to payment under a contract  
 4377 to an assignee that is also obligated to perform under the  
 4378 contract;

4379 (g) An assignment of a single account, payment intangible,  
 4380 or promissory note to an assignee in full or partial  
 4381 satisfaction of a preexisting indebtedness;

4382 (h) A transfer of an interest in or an assignment of a  
 4383 claim under a policy of insurance, other than an assignment by  
 4384 or to a health-care provider of a health-care-insurance  
 4385 receivable and any subsequent assignment of the right to  
 4386 payment, but ss. 679.3151 and 679.322 apply with respect to  
 4387 proceeds and priorities in proceeds;

4388 (i) An assignment of a right represented by a judgment,  
 4389 other than a judgment taken on a right to payment that was  
 4390 collateral;

4391 (j) A right of recoupment or set-off, but:

4392 1. Section 679.340 applies with respect to the  
 4393 effectiveness of rights of recoupment or set-off against deposit  
 4394 accounts; and

4395 2. Section 679.4041 applies with respect to defenses or  
 4396 claims of an account debtor;

4397 (k) The creation or transfer of an interest in or lien on  
 4398 real property, including a lease or rents thereunder, except to  
 4399 the extent that provision is made for:

4400 1. Liens on real property in ss. 679.2031 and 679.3081;

4401           2. Fixtures in s. 679.334;

4402           3. Fixture filings in ss. 679.5011, 679.5021, 679.512,

4403 679.516, and 679.519; and

4404           4. Security agreements covering personal and real property

4405 in s. 679.604;

4406           (1) An assignment of a claim arising in tort, other than a

4407 commercial tort claim, but ss. 679.3151 and 679.322 apply with

4408 respect to proceeds and priorities in proceeds;

4409           (m) An assignment of a deposit account, other than a

4410 nonnegotiable certificate of deposit, in a consumer transaction,

4411 but ss. 679.3151 and 679.322 apply with respect to proceeds and

4412 priorities in proceeds;

4413           (n) Any transfer by a government or governmental unit; or

4414           (o) A transfer or pledge of, or creation of a security

4415 interest in, any interest or right or portion of any interest or

4416 right in any storm-recovery property as defined in s. 366.8260.

4417           Section 159. For the purpose of incorporating the

4418 amendment made by this act to section 679.2031, Florida

4419 Statutes, in a reference thereto, subsection (2) of section

4420 679.709, Florida Statutes, is reenacted to read:

4421           679.709 Priority.—

4422           (2) For purposes of s. 679.322(1), the priority of a

4423 security interest that becomes enforceable under s. 679.2031 of

4424 this act dates from the time this act takes effect if the

4425 security interest is perfected under this act by the filing of a

4426 financing statement before this act takes effect which would not  
 4427 have been effective to perfect the security interest under  
 4428 chapter 679, Florida Statutes 2000. This subsection does not  
 4429 apply to conflicting security interests each of which is  
 4430 perfected by the filing of such a financing statement.

4431 Section 160. For the purpose of incorporating the  
 4432 amendment made by this act to section 679.210, Florida Statutes,  
 4433 in a reference thereto, subsection (2) of section 679.602,  
 4434 Florida Statutes, is reenacted to read:

4435 679.602 Waiver and variance of rights and duties.—Except  
 4436 as otherwise provided in s. 679.624, to the extent that they  
 4437 give rights to a debtor or obligor and impose duties on a  
 4438 secured party, the debtor or obligor may not waive or vary the  
 4439 rules stated in the following listed sections:

4440 (2) Section 679.210, which deals with requests for an  
 4441 accounting and requests concerning a list of collateral and  
 4442 statement of account;

4443 Section 161. For the purpose of incorporating the  
 4444 amendment made by this act to section 679.3141, Florida  
 4445 Statutes, in a reference thereto, section 679.329, Florida  
 4446 Statutes, is reenacted to read:

4447 679.329 Priority of security interests in letter-of-credit  
 4448 right.—The following rules govern priority among conflicting  
 4449 security interests in the same letter-of-credit right:

4450 (1) A security interest held by a secured party having

4451 control of the letter-of-credit right under s. 679.1071 has  
 4452 priority to the extent of its control over a conflicting  
 4453 security interest held by a secured party that does not have  
 4454 control.

4455 (2) Security interests perfected by control under s.  
 4456 679.3141 rank according to priority in time of obtaining  
 4457 control.

4458 Section 162. For the purpose of incorporating the  
 4459 amendment made by this act to section 679.3161, Florida  
 4460 Statutes, in a reference thereto, subsection (3) of section  
 4461 679.320, Florida Statutes, is reenacted to read:

4462 679.320 Buyer of goods.—

4463 (3) To the extent that it affects the priority of a  
 4464 security interest over a buyer of goods under subsection (2),  
 4465 the period of effectiveness of a filing made in the jurisdiction  
 4466 in which the seller is located is governed by s. 679.3161(1) and  
 4467 (2).

4468 Section 163. For the purpose of incorporating the  
 4469 amendment made by this act to section 679.3171, Florida  
 4470 Statutes, in a reference thereto, paragraph (b) of subsection  
 4471 (8) of section 727.109, Florida Statutes, is reenacted to read:

4472 727.109 Power of the court.—The court shall have power to:

4473 (8) Hear and determine any of the following actions  
 4474 brought by the assignee, which she or he is empowered to  
 4475 maintain:

4476 (b) Determine the validity, priority, and extent of a lien  
 4477 or other interests in assets of the estate, or to subordinate or  
 4478 avoid an unperfected security interest pursuant to the  
 4479 assignee's rights as a lien creditor under s. 679.3171.

4480 Section 164. For the purpose of incorporating the  
 4481 amendment made by this act to sections 679.3171 and 679.323,  
 4482 Florida Statutes, in references thereto, subsection (3) of  
 4483 section 680.307, Florida Statutes, is reenacted to read:

4484 680.307 Priority of liens arising by attachment or levy  
 4485 on, security interests in, and other claims to goods.—

4486 (3) Except as otherwise provided in ss. 679.3171, 679.321,  
 4487 and 679.323, a lessee takes a leasehold interest subject to a  
 4488 security interest held by a creditor or lessor.

4489 Section 165. For the purpose of incorporating the  
 4490 amendment made by this act to section 679.628, Florida Statutes,  
 4491 in a reference thereto, subsection (3) of section 679.626,  
 4492 Florida Statutes, is reenacted to read:

4493 679.626 Action in which deficiency or surplus is in  
 4494 issue.—In an action arising from a transaction in which the  
 4495 amount of a deficiency or surplus is in issue, the following  
 4496 rules apply:

4497 (3) Except as otherwise provided in s. 679.628, if a  
 4498 secured party fails to prove that the collection, enforcement,  
 4499 disposition, or acceptance was conducted in accordance with the  
 4500 provisions of this part relating to collection, enforcement,

4501 disposition, or acceptance, the liability of a debtor or a  
4502 secondary obligor for a deficiency is limited to an amount by  
4503 which the sum of the secured obligation, reasonable expenses,  
4504 and, to the extent provided for by agreement and not prohibited  
4505 by law, attorney's fees exceeds the greater of:

4506 (a) The proceeds of the collection, enforcement,  
4507 disposition, or acceptance; or

4508 (b) The amount of proceeds that would have been realized  
4509 had the noncomplying secured party proceeded in accordance with  
4510 the provisions of this part relating to collection, enforcement,  
4511 disposition, or acceptance.

4512 Section 166. This act shall take effect July 1, 2025.