

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

26 | applying for registration as a dealer, an associated  
27 | person of a dealer, or an investment adviser;  
28 | conforming provisions to changes made by the act;  
29 | making technical changes; creating s. 517.1214, F.S.;  
30 | defining terms; specifying continuing education  
31 | requirements for associated persons of investment  
32 | advisers and federal covered advisers; providing that  
33 | certain education credits satisfy such requirements if  
34 | certain conditions are met; prohibiting associated  
35 | persons from carrying forward credits to subsequent  
36 | reporting periods; specifying a restriction on  
37 | associated persons who fail to meet such requirements;  
38 | specifying requirements for certain previously  
39 | registered associated persons; amending s. 517.1217,  
40 | F.S.; revising the commission's rulemaking authority  
41 | as to rules of conduct and prohibited business  
42 | practices of dealers, associated persons, and  
43 | intermediaries; amending s. 517.161, F.S.; revising  
44 | grounds on which the office may deny, revoke,  
45 | restrict, or suspend registrations of dealers,  
46 | investment advisers, intermediaries, or associated  
47 | persons; amending s. 517.1611, F.S.; conforming a  
48 | provision to changes made by the act; repealing s.  
49 | 517.181, F.S., relating to escrow agreements; amending  
50 | s. 517.201, F.S.; conforming a provision to changes

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

60

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

62

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

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

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

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

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

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

80            2. The term does not include the following:

81            a. A dealer.

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

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

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

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

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

97            b. Does any of the following:

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

100            (II) Manages accounts or portfolios of clients.

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

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

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

107 2. The term does not include the following:

108 a. An investment adviser.

109 b. An employee whose function is only clerical or  
 110 ministerial

111 ~~or investment adviser, any of the following:~~

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

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

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

122  
 123 ~~The partners of a partnership and the executive officers of a~~  
 124 ~~corporation or other association registered as a dealer, and any~~  
 125 ~~person whose transactions in this state are limited to those~~

126 ~~transactions described in s. 15(h)(2) of the Securities Exchange~~  
127 ~~Act of 1934, are not "associated persons" within the meaning of~~  
128 ~~this definition.~~

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

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

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

151 (6)-(5) "Control," ~~including the terms~~ "controlling,"  
152 "controlled by," or "under control with" ~~and "under common~~  
153 ~~control with,"~~ means the possession, directly or indirectly, of  
154 the power to direct or cause the direction of the management or  
155 policies of a person, whether through the ownership of voting  
156 securities, by contract, or otherwise.

157 (7) "Control person" means, with respect to a money  
158 services business, any of the following:

159 (a) A person who holds the title of president, treasurer,  
160 chief executive officer, chief financial officer, chief  
161 operations officer, chief legal officer, or compliance officer  
162 for a money services business.

163 (b) A person who holds any of the officer, general  
164 partner, manager, or managing member positions named in the  
165 money services business's governing documents. As used in this  
166 paragraph, the term "governing documents" includes bylaws,  
167 articles of incorporation or organization, partnership  
168 agreements, shareholder agreements, and management or operating  
169 agreements.

170 (c) A director of the money services business's board of  
171 directors.

172 (d) A shareholder whose name shares are registered in the  
173 records of a corporation for profit, whether incorporated under  
174 the laws of this state or organized under the laws of any other  
175 jurisdiction and existing in that legal form, who owns 25

176 percent or more of a class of the company's equity securities.

177 (e) A general partner or a limited partner, as those terms  
178 are defined in s. 620.1102, or a special partner who has a 25  
179 percent or greater transferable interest, as defined in s.  
180 620.1102, of a limited partnership, limited liability limited  
181 partnership, foreign limited partnership, or foreign limited  
182 liability limited partnership, as those terms are defined in s.  
183 620.1102. For purposes of this paragraph, a special partner has  
184 the same meaning as a person that has rights, powers, and  
185 obligations similar to those of a limited partner, as defined in  
186 s. 620.1102, in a limited partnership.

187 (f) A member, as defined in s. 605.0102, who holds a 25  
188 percent or greater membership interest in a limited liability  
189 company or a foreign limited liability company, as those terms  
190 are defined in s. 605.0102. As used in this subsection, the term  
191 "membership interest" means a member's right to receive  
192 distributions or other rights, such as voting rights or  
193 management rights, under the articles of organization.

194 (g) A beneficial owner of any legal entity referred to in  
195 paragraphs (d)-(f). As used in this paragraph, the term  
196 "beneficial owner" means each individual, if any, who, directly  
197 or indirectly, through any contract, arrangement, understanding,  
198 or relationship other than a revocable proxy, owns 25 percent or  
199 more of the shares or stock interest, transferable interest as  
200 defined in s. 620.1102, or membership interest of a legal



201 entity.

202 (8)(6)(a) "Dealer" includes, unless otherwise specified,  
 203 any of the following:

204 1. Any person, other than an associated person registered  
 205 under this chapter, who engages, either for all or part of her  
 206 or his time, directly or indirectly, as broker or principal in  
 207 the business of offering, buying, selling, or otherwise dealing  
 208 or trading in securities issued by another person.

209 2. Any issuer who through persons directly compensated or  
 210 controlled by the issuer engages, either for all or part of her  
 211 or his time, directly or indirectly, in the business of offering  
 212 or selling securities which are issued or are proposed to be  
 213 issued by the issuer. a person, other than an associated person  
 214 of a dealer, that engages, for all or part of the person's time,  
 215 directly or indirectly, as agent or principal in the business of  
 216 offering, buying, selling, or otherwise dealing or trading in  
 217 securities issued by another person.

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

219 (a) A licensed practicing attorney who renders or performs  
 220 any such services in connection with the regular practice of the  
 221 attorney's profession.

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

224 (c) A trust company having trust powers that it is  
 225 authorized to exercise in this state, which renders or performs

226 services in a fiduciary capacity incidental to the exercise of  
227 its trust powers.

228 (d) A wholesaler selling exclusively to dealers.

229 (e) A person buying and selling for the person's own  
230 account exclusively through a registered dealer or stock  
231 exchange.

232 (f) An issuer.

233 (g) An individual representing an issuer in the purchase,  
234 sale, or distribution of the issuer's own securities if such  
235 person:

236 1. Is an officer, a director, a limited liability company  
237 manager or managing member, or a bona fide employee of the  
238 issuer;

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

243 3. Primarily performs, or is intended to perform at the  
244 end of the distribution, substantial duties for, or on behalf  
245 of, the issuer other than in connection with transactions in  
246 securities; and

247 4. Does not receive a commission, compensation, or other  
248 consideration for the completed sale of the issuer's securities  
249 apart from the compensation received for regular duties to the  
250 issuer.

- 251           ~~1. Any licensed practicing attorney who renders or~~  
 252 ~~performs any of such services in connection with the regular~~  
 253 ~~practice of her or his profession;~~
- 254           ~~2. Any bank authorized to do business in this state,~~  
 255 ~~except nonbank subsidiaries of a bank;~~
- 256           ~~3. Any trust company having trust powers which it is~~  
 257 ~~authorized to exercise in this state, which renders or performs~~  
 258 ~~services in a fiduciary capacity incidental to the exercise of~~  
 259 ~~its trust powers;~~
- 260           ~~4. Any wholesaler selling exclusively to dealers;~~
- 261           ~~5. Any person buying and selling for her or his own~~  
 262 ~~account exclusively through a registered dealer or stock~~  
 263 ~~exchange; or~~
- 264           ~~6. Pursuant to s. 517.061(11), any person associated with~~  
 265 ~~an issuer of securities if such person is a bona fide employee~~  
 266 ~~of the issuer who has not participated in the distribution or~~  
 267 ~~sale of any securities within the preceding 12 months and who~~  
 268 ~~primarily performs, or is intended to perform at the end of the~~  
 269 ~~distribution, substantial duties for, or on behalf of, the~~  
 270 ~~issuer other than in connection with transactions in securities.~~
- 271           (9)~~(7)~~ "Commission" means the Financial Services  
 272 Commission.
- 273           (10)~~(8)~~ "Office" means the Office of Financial Regulation  
 274 of the commission.
- 275           (11)~~(9)~~ "Federal covered adviser" means a person that ~~who~~

276 is registered or required to be registered under s. 203 of the  
 277 Investment Advisers Act of 1940, as amended. The term "~~federal~~  
 278 ~~covered adviser~~" does not include any person that ~~who~~ is  
 279 excluded from the definition of investment adviser under  
 280 subparagraphs (18)(b)1.-8. ~~(14)(b)1.-8.~~

281 (12)~~(10)~~ "Federal covered security" means a ~~any~~ security  
 282 that is a covered security under s. 18(b) of the Securities Act  
 283 of 1933, as amended, or rules and regulations adopted  
 284 thereunder.

285 (13)~~(11)~~ "Guarantor" means a person that ~~who~~ agrees in  
 286 writing, or that ~~who~~ holds itself out to the public as agreeing,  
 287 to pay the indebtedness of another when due, including, without  
 288 limitation, payments of principal and interest on a bond,  
 289 debenture, note, or other evidence of indebtedness, without  
 290 resort by the holder to any other obligor, whether or not such  
 291 writing expressly states that the person signing is signing as a  
 292 guarantor. The obligation of a guarantor hereunder shall be a  
 293 continuing, absolute, and unconditional guaranty of payment,  
 294 without regard to the validity, regularity, or enforceability of  
 295 the underlying indebtedness.

296 (14)~~(12)~~ "Guaranty" means an agreement in ~~a~~ writing in  
 297 which one party either agrees, or holds itself out to the public  
 298 as agreeing, to pay the indebtedness of another when due,  
 299 including, without limitation, payments of principal and  
 300 interest on a bond, debenture, note, or other evidence of

301 indebtedness, without resort by the holder to any other obligor,  
 302 whether or not such writing expressly states that the person  
 303 signing is signing as a guarantor. An agreement that is not  
 304 specifically denominated as a guaranty shall nevertheless  
 305 constitute a guaranty if the holder of the underlying  
 306 indebtedness or the holder's ~~her or his~~ representative or  
 307 trustee has the right to sue to enforce the guarantor's  
 308 obligations under the guaranty. Words of guaranty or equivalent  
 309 words that ~~which~~ otherwise do not specify guaranty of payment  
 310 create a presumption that payment, rather than collection, is  
 311 guaranteed by the guarantor. Any guaranty in writing is  
 312 enforceable notwithstanding any statute of frauds.

313 ~~(15)-(13)~~ (15) "Intermediary" means a natural person residing in  
 314 this ~~the~~ state or a corporation, trust, partnership, limited  
 315 liability company, association, or other legal entity registered  
 316 with the Secretary of State to do business in this ~~the~~ state,  
 317 which facilitates through its website the offer or sale of  
 318 securities of an issuer with a principal place of business in  
 319 this state ~~under s. 517.0611~~.

320 ~~(16)(a)-(14)(a)~~ (16)(a) "Investment adviser" means a ~~includes any~~  
 321 person, other than an associated person of an investment adviser  
 322 or a federal covered adviser, that ~~who~~ receives compensation,  
 323 directly or indirectly, and engages for all or part of the  
 324 person's ~~her or his~~ time, directly or indirectly, or through  
 325 publications or writings, in the business of advising others as

326 to the value of securities or as to the advisability of  
 327 investments in, purchasing of, or selling of securities, ~~except~~  
 328 ~~a dealer whose performance of these services is solely~~  
 329 ~~incidental to the conduct of her or his business as a dealer and~~  
 330 ~~who receives no special compensation for such services.~~

331 (b) The term "~~investment adviser~~" does not include the  
 332 following:

333 1. A dealer or associated person of a dealer whose  
 334 performance of services in paragraph (a) is solely incidental to  
 335 the conduct of the dealer's or associated person's business as a  
 336 dealer and who does not receive special compensation for those  
 337 services.

338 2. A ~~Any~~ licensed practicing attorney or certified public  
 339 accountant whose performance of such services is solely  
 340 incidental to the practice of the attorney's or accountant's ~~her~~  
 341 ~~or his~~ profession.

342 ~~2. Any licensed certified public accountant whose~~  
 343 ~~performance of such services is solely incidental to the~~  
 344 ~~practice of her or his profession;~~

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

346 4. A ~~Any~~ bank holding company as defined in the Bank  
 347 Holding Company Act of 1956, as amended, authorized to do  
 348 business in this state.

349 5. A ~~Any~~ trust company having trust powers, as defined in  
 350 s. 658.12, which it is authorized to exercise in this ~~the~~ state,

351 which trust company renders or performs investment advisory  
 352 services in a fiduciary capacity incidental to the exercise of  
 353 its trust powers.~~†~~

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

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

360 8. A ~~Any~~ person whose transactions in this state are  
 361 limited to those transactions described in s. 222(d) of the  
 362 Investment Advisers Act of 1940, as amended. Those clients  
 363 listed in subparagraph 6. may not be included when determining  
 364 the number of clients of an investment adviser for purposes of  
 365 s. 222(d) of the Investment Advisers Act of 1940, as amended.~~†~~  
 366 ~~or~~

367 9. A federal covered adviser.

368 ~~(17)-(15)~~ "Issuer" means a ~~any~~ person that ~~who~~ proposes to  
 369 issue, has issued, or shall hereafter issue any security. A ~~Any~~  
 370 person that ~~who~~ acts as a promoter for and on behalf of a  
 371 corporation, trust, ~~or unincorporated association or~~  
 372 partnership, limited liability company, association, or other  
 373 legal entity of any kind to be formed shall be deemed an issuer.

374 (18) "Natural person" means an individual.

375 ~~(19)-(16)~~ "Offer to sell," "offer for sale," or "offer"

376 means an ~~any~~ attempt or offer to dispose of, or solicitation of  
 377 an offer to buy, a security or interest in a security, or an  
 378 investment or interest in an investment, for value.

379 ~~(20)-(17)~~ "Predecessor" means a person whose ~~the~~ major  
 380 portion of ~~whose~~ assets has ~~have~~ been acquired directly or  
 381 indirectly by an issuer.

382 ~~(21)-(18)~~ "Principal" means an executive officer of a  
 383 corporation, partner of a partnership, sole proprietor of a sole  
 384 proprietorship, trustee of a trust, or any other person with  
 385 similar supervisory functions with respect to any organization,  
 386 whether incorporated or unincorporated.

387 ~~(22)-(19)~~ "Promoter" includes the following:

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

392 (b) A ~~Any~~ person that ~~who~~, in connection with the founding  
 393 or organizing of the business or enterprise of an issuer,  
 394 directly or indirectly receives in consideration of services or  
 395 property, or both services and property, 10 percent or more of  
 396 any class of securities of the issuer or 10 percent or more of  
 397 the proceeds from the sale of any class of securities. However,  
 398 a person that ~~who~~ receives such securities or proceeds either  
 399 solely as underwriting commissions or solely in connection with  
 400 property shall not be deemed a promoter if such person does not



401 otherwise take part in founding and organizing the enterprise.

402 (23)~~(20)~~ "Qualified institutional buyer" means a ~~any~~  
 403 qualified institutional buyer, as defined in ~~United States~~  
 404 Securities and Exchange Commission Rule 144A, 17 C.F.R. s.  
 405 230.144A(a), under the Securities Act of 1933, as amended, or  
 406 any foreign buyer that satisfies the minimum financial  
 407 requirements set forth in such rule.

408 (24)~~(21)~~ "Sale" or "sell" means a ~~any~~ contract of sale or  
 409 disposition of an ~~any~~ investment, security, or interest in a  
 410 security, for value. With respect to a security or interest in a  
 411 security, the term ~~defined in this subsection~~ does not include  
 412 preliminary negotiations or agreements between an issuer or any  
 413 person on whose behalf an offering is to be made and any  
 414 underwriter or among underwriters who are or are to be in  
 415 privity of contract with an issuer. Any security given or  
 416 delivered with, or as a bonus on account of, any purchase of  
 417 securities or any other thing shall be conclusively presumed to  
 418 constitute a part of the subject of such purchase and to have  
 419 been offered and sold for value. Every sale or offer of a  
 420 warrant or right to purchase or subscribe to another security of  
 421 the same or another issuer, as well as every sale or offer of a  
 422 security which gives the holder a present or future right or  
 423 privilege to convert into another security or another issuer, is  
 424 considered to include an offer of the other security.

425 (25)~~(22)~~ "Security" includes any of the following:

- 426 (a) A note.
- 427 (b) A stock.
- 428 (c) A treasury stock.
- 429 (d) A bond.
- 430 (e) A debenture.
- 431 (f) An evidence of indebtedness.
- 432 (g) A certificate of deposit.
- 433 (h) A certificate of deposit for a security.
- 434 (i) A certificate of interest or participation.
- 435 (j) A whiskey warehouse receipt or other commodity
- 436 warehouse receipt.
- 437 (k) A certificate of interest in a profit-sharing
- 438 agreement or the right to participate therein.
- 439 (l) A certificate of interest in an oil, gas, petroleum,
- 440 mineral, or mining title or lease or the right to participate
- 441 therein.
- 442 (m) A collateral trust certificate.
- 443 (n) A reorganization certificate.
- 444 (o) A preorganization subscription.
- 445 (p) A ~~Any~~ transferable share.
- 446 (q) An investment contract.
- 447 (r) A beneficial interest in title to property, profits,
- 448 or earnings.
- 449 (s) An interest in or under a profit-sharing or
- 450 participation agreement or scheme.

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

454 (u) Any other instrument commonly known as a security,  
 455 including an interim or temporary bond, debenture, note, or  
 456 certificate.

457 (v) A ~~Any~~ receipt for a security, or for subscription to a  
 458 security, or a ~~any~~ right to subscribe to or purchase any  
 459 security.

460 (w) A viatical settlement investment.

461 (26) ~~(23)~~ "Underwriter" means a person that ~~who~~ has  
 462 purchased from an issuer or an affiliate of an issuer with a  
 463 view to, or offers or sells for an issuer or an affiliate of an  
 464 issuer in connection with, the distribution of any security, or  
 465 participates or has a direct or indirect participation in any  
 466 such undertaking, or participates or has a participation in the  
 467 direct or indirect underwriting of any such undertaking; except  
 468 that a person is ~~shall be~~ presumed not to be an underwriter with  
 469 respect to any security which it ~~she or he~~ has owned  
 470 beneficially for at least 1 year; and, further, a dealer is  
 471 ~~shall not be~~ considered an underwriter with respect to any  
 472 securities which do not represent part of an unsold allotment to  
 473 or subscription by the dealer as a participant in the  
 474 distribution of such securities by the issuer or an affiliate of  
 475 the issuer; and, further, in the case of securities acquired on

476 the conversion of another security without payment of additional  
 477 consideration, the length of time such securities have been  
 478 beneficially owned by a person includes the period during which  
 479 the convertible security was beneficially owned and the period  
 480 during which the security acquired on conversion has been  
 481 beneficially owned.

482 (27)~~(24)~~ "Viatical settlement investment" means an  
 483 agreement for the purchase, sale, assignment, transfer, devise,  
 484 or bequest of all or any portion of a legal or equitable  
 485 interest in a viaticated policy as defined in chapter 626.

486 Section 2. Paragraph (d) of subsection (3) of section  
 487 517.072, Florida Statutes, is amended, and subsection (4) is  
 488 added to that section, to read:

489 517.072 Viatical settlement investments.—

490 (3) The registration provisions of ss. 517.07 and 517.12  
 491 do not apply to any of the following transactions in viatical  
 492 settlement investments; however, such transactions in viatical  
 493 settlement investments are subject to the provisions of ss.  
 494 517.301, 517.311, and 517.312:

495 (d) The transfer or assignment of a viaticated policy to a  
 496 bank, trust company, savings institution, insurance company,  
 497 dealer, investment company as defined in the Investment Company  
 498 Act of 1940, as amended, pension or profit-sharing trust, ~~or~~  
 499 qualified institutional buyer ~~as defined in United States~~  
 500 ~~Securities and Exchange Commission Rule 144A, 17 C.F.R. s.~~

501 ~~230.144A(a)~~, or to an accredited investor ~~as defined by Rule 501~~  
 502 ~~of Regulation D of the Securities Act Rules~~, provided such  
 503 transfer or assignment is not for the direct or indirect  
 504 promotion of any scheme or enterprise with the intent of  
 505 violating or evading any provision of this chapter.

506 (4) The commission may establish by rule requirements and  
 507 standards for disclosures to purchasers of viatical settlement  
 508 investments and recordkeeping requirements for sellers of  
 509 viatical settlement investments.

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

513 517.081 Registration procedure.—

514 (3) The office may require the applicant to submit to the  
 515 office the following information concerning the issuer and such  
 516 other relevant information as the office may in its judgment  
 517 deem necessary to enable it to ascertain whether such securities  
 518 shall be registered pursuant to the provisions of this section:

519 (a) The names and addresses of:

520 1. All the directors, trustees, and officers, if the  
 521 issuer ~~is~~ is ~~be~~ a corporation, association, or trust.

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

524 3. ~~;~~ ~~of~~ All the partners, if the issuer is ~~be~~ a  
 525 partnership.

526           4. ~~;~~ ~~or of~~ The issuer, if the issuer is a sole  
 527 proprietorship or individual ~~be an individual~~.

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

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

539           a. An issuer seeking to register securities for resale by  
 540 persons other than the issuer.

541           b. An issuer that ~~who~~ is subject to any of the  
 542 disqualifications described in 17 C.F.R. s. 230.262, adopted  
 543 pursuant to the Securities Act of 1933, as amended, or that ~~who~~  
 544 has been or is engaged or is about to engage in an activity that  
 545 would be grounds for denial, revocation, or suspension under s.  
 546 517.111. For purposes of this subparagraph, an issuer includes  
 547 an issuer's director, officer, manager or managing member, or  
 548 equity owner ~~shareholder~~ who owns at least 10 percent of the  
 549 ownership interests ~~shares~~ of the issuer, promoter, or selling  
 550 agent of the securities to be offered or any officer, director,

551 or partner of such selling agent.

552 c. An issuer that ~~who~~ is a development-stage company that  
553 either has no specific business plan or purpose or has indicated  
554 that its business plan is to merge with an unidentified company  
555 or companies.

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

558 e. Any issuer the office determines is ineligible because  
559 ~~if~~ the form does ~~would~~ not provide full and fair disclosure of  
560 material information for the type of offering to be registered  
561 by the issuer.

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

565

566 As a condition precedent to qualifying for use of the simplified  
567 offering circular, an issuer ~~a corporation~~ shall agree to  
568 provide the office with an annual financial report containing a  
569 balance sheet as of the end of the issuer's fiscal year and a  
570 statement of income for such year, prepared in accordance with  
571 United States generally accepted accounting principles and  
572 accompanied by an independent accountant's report. If the issuer  
573 has more than 100 security holders at the end of a fiscal year,  
574 the financial statements must be audited. Annual financial  
575 reports must be filed with the office within 90 days after the

576 close of the issuer's fiscal year for each of the first 5 years  
577 following the effective date of the registration.

578 (n) If the issuer is a corporation, there shall be filed  
579 with the application a copy of its articles of incorporation  
580 with all amendments and of its existing bylaws, if not already  
581 on file in the office. If the issuer is a limited liability  
582 company, there shall be filed with the application a copy of the  
583 articles of organization with all the amendments and a copy of  
584 the company's operating agreement, if not already on file with  
585 the office. If the issuer is a trustee, there shall be filed  
586 with the application a copy of all instruments by which the  
587 trust is created or declared and in which it is accepted and  
588 acknowledged. If the issuer is a partnership, unincorporated  
589 association, joint-stock company, or any other form of  
590 organization whatsoever, there shall be filed with the  
591 application a copy of its articles of partnership or association  
592 and all other papers pertaining to its organization, if not  
593 already on file in the office.

594 (6) An issuer filing an application under this section  
595 shall, at the time of filing, pay the office a nonreturnable fee  
596 of \$1,000 per application for each offering that exceeds the  
597 amount provided in s. 3(b) of the Securities Act of 1933, as  
598 amended, or \$200 per application for each offering that does not  
599 exceed the amount provided in s. 3(b) of the Securities Act of  
600 1933, as amended.



601           (8) The office shall deem an application to register  
 602 securities filed with the office abandoned if the issuer or any  
 603 person acting on behalf of the issuer has failed to timely  
 604 complete an application specified by commision rule. ~~The~~  
 605 ~~commission may by rule establish requirements and standards for:~~

606           ~~(a) Disclosures to purchasers of viatical settlement~~  
 607 ~~investments.~~

608           ~~(b) Recordkeeping requirements for sellers of viatical~~  
 609 ~~settlement investments.~~

610           Section 4. Section 517.082, Florida Statutes, is amended  
 611 to read:

612           517.082 ~~Notification~~ Registration by notification; federal  
 613 registration statements.—

614           (1) ~~Except as provided in subsection (3),~~ Securities  
 615 offered or sold pursuant to a registration statement filed under  
 616 the Securities Act of 1933, as amended, are ~~shall be~~ entitled to  
 617 registration by notification in the manner provided in  
 618 subsection (2), provided that before ~~prior to~~ the offer or sale  
 619 the registration statement has become effective.

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

623           (a) An application to sell executed by the issuer, any  
 624 person on whose behalf the offering is made, a dealer registered  
 625 under this chapter, or any duly authorized agent of any such

626 person, setting forth the name and address of the applicant, the  
627 name and address of the issuer, and the title of the securities  
628 to be offered and sold.~~†~~

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

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

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

635

636 A registration under this section becomes effective when the  
637 federal registration statement becomes effective or as of the  
638 date the application is filed with the office, whichever is  
639 later, provided that, in addition to the items listed in  
640 paragraphs (a)-(d), the office has received written notification  
641 of effective registration under the Securities Act of 1933, as  
642 amended, or the Investment Company Act of 1940, as amended,  
643 within 10 business days after ~~from~~ the date federal registration  
644 is granted. Failure to provide all the information required by  
645 this subsection to the office within 60 days after ~~of~~ the date  
646 the registration statement becomes effective with the Securities  
647 and Exchange Commission shall be a violation of this chapter.

648 (3) Except for units of limited partnership interests or  
649 such other securities as the commission describes by rule as  
650 exempt from this subsection due to high investment quality, the

651 provisions of this section may not be used to register  
652 securities if the offering price at the time of effectiveness  
653 with the Securities and Exchange Commission is \$5 or less per  
654 share, unless such securities are listed or designated, or  
655 approved for listing or designation upon notice of issuance, on  
656 a stock exchange registered pursuant to the Securities Exchange  
657 Act of 1934, as amended, or on the National Association of  
658 Securities Dealers Automated Quotation (NASDAQ) System, or  
659 unless such securities are of the same issuer and of senior or  
660 substantially equal rank to securities so listed or designated.

661 (4) In lieu of filing with the office the application,  
662 fees, and documents for registration required by subsection (2),  
663 the commission may establish, by rule, procedures for depositing  
664 fees and filing documents by electronic means, provided such  
665 procedures provide the office with the information and data  
666 required by this section.

667 (5) If the Securities and Exchange Commission has not  
668 declared effective the applicant's federal registration  
669 statement within 180 days after the applicant's filing with the  
670 office of an application for registration by notification, the  
671 office must deem the application abandoned.

672 Section 5. Subsections (1) through (4) of section 517.111,  
673 Florida Statutes, are amended to read:

674 517.111 Revocation or denial of registration of  
675 securities.-

676 (1) The office may revoke or suspend the registration of  
677 any security, or may deny any application to register  
678 securities, if, upon examination or investigation into the  
679 affairs of the issuer of such security, the office determines it  
680 ~~shall appear~~ that:

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

683 (b) The issuer or any officer, director, manager or  
684 managing member, or control person of the issuer has violated  
685 any provision of this chapter or any rule made hereunder or any  
686 order of the office of which such issuer has notice;

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

690 (d) The issuer or any officer, director, manager or  
691 managing member, or control person of the issuer has been found  
692 guilty of a fraudulent act in connection with any sale of  
693 securities, has engaged, is engaged, or is about to engage, in  
694 making a fictitious sale or purchase of any security, or in any  
695 practice or sale of any security which is fraudulent or a  
696 violation of any law;

697 (e) The issuer or any officer, director, manager or  
698 managing member, or control person of the issuer has had a final  
699 judgment entered against such issuer or person in a civil action  
700 on the grounds of fraud, embezzlement, misrepresentation, or

701 | deceit;

702 |       (f) The issuer or any officer, director, manager or  
 703 | managing member, or control person of the issuer has engaged in  
 704 | any action that would be grounds for revocation, denial, or  
 705 | suspension under s. 517.161(1) ~~demonstrated any evidence of~~  
 706 | ~~unworthiness;~~

707 |       (g) The issuer or any officer, director, manager or  
 708 | managing member, or control person of the issuer ~~is in any other~~  
 709 | ~~way dishonest or~~ has made any fraudulent representations or  
 710 | failed to disclose any material information in any prospectus or  
 711 | in any circular or other literature that has been distributed  
 712 | concerning the issuer or its securities;

713 |       (h) The security registered or sought to be registered is  
 714 | the subject of an injunction entered by a court of competent  
 715 | jurisdiction or is the subject of an administrative stop-order  
 716 | or similar order prohibiting the offer or sale of the security;  
 717 | or

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

721 |       ~~(j) The issuer or any person acting on behalf of the~~  
 722 | ~~issuer has failed to timely complete any application for~~  
 723 | ~~registration filed with the office pursuant to the provisions of~~  
 724 | ~~s. 517.081 or s. 517.082 or any rule adopted under such~~  
 725 | ~~sections.~~

726        (2) In making such examination or investigation, the office  
727 shall have access to and may compel the production of all the  
728 books and papers of such issuer and may administer oaths to and  
729 examine the officers of such issuer or any other person  
730 connected therewith as to its business and affairs and may also  
731 require a balance sheet exhibiting the assets and liabilities of  
732 any such issuer or its income statement, or both, to be  
733 certified to by a public accountant either of this state or of  
734 any other state where the issuer's business is located. Whenever  
735 the office deems it necessary, it may also require such balance  
736 sheet or income statement, or both, to be made more specific in  
737 such particulars as the office may require.

738        (3)~~(2)~~ If any issuer refuses ~~shall refuse~~ to permit an  
739 examination or investigation to be made by the office, it shall  
740 be proper ground for revocation of registration.

741        (4)~~(3)~~ If the office deems it necessary, it may enter an  
742 order suspending the right to sell securities pending any  
743 examination or investigation, provided that the order shall  
744 state the office's grounds for taking such action.

745        (5)~~(4)~~ Notice of the entry of such order shall be given  
746 personally or by mail, ~~personally, by telephone confirmed in~~  
747 ~~writing, or by telegraph~~ to the issuer. Before such order is  
748 made final, the issuer ~~applying for registration~~ shall, on  
749 application, be entitled to a hearing.

750        Section 6. Subsections (1), (2), and (3), paragraph (b) of

751 subsection (6), subsections (7) and (11), paragraph (b) of  
 752 subsection (15), and subsections (20) and (21) of section  
 753 517.12, Florida Statutes, are amended to read:

754 517.12 Registration of dealers, associated persons,  
 755 intermediaries, and investment advisers.—

756 (1) No dealer or associated person shall ~~No dealer,~~  
 757 ~~associated person, or issuer of securities shall~~ sell or offer  
 758 for sale any securities in or from offices in this state, or  
 759 sell securities to persons in this state from offices outside  
 760 this state, by mail or otherwise, unless the person is ~~has been~~  
 761 registered with the office as a dealer or as an associated  
 762 person of a dealer pursuant to ~~the provisions of~~ this section.

763 The office shall not register any person as an associated person  
 764 of a dealer unless the dealer with which the applicant seeks  
 765 registration is lawfully registered with the office pursuant to  
 766 this chapter.

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

770 ~~(3) Except as otherwise provided in s. 517.061(11)(a)4.,~~  
 771 ~~(13), (16), (17), or (19),~~ The registration requirements of this  
 772 section do not apply in a transaction exempted by s. 517.061(1) -  
 773 (10) and (12), s. 517.061(1) - (12), (14), and (15).

774 ~~(5)-(6)~~ A dealer, associated person, or investment adviser,  
 775 in order to obtain registration, must file with the office a

776 written application, on a form which the commission may by rule  
777 prescribe. The commission may establish, by rule, procedures for  
778 depositing fees and filing documents by electronic means  
779 provided such procedures provide the office with the information  
780 and data required by this section. Each dealer or investment  
781 adviser must also file an irrevocable written consent to service  
782 of civil process similar to that provided for in s. 517.101. The  
783 application shall contain such information as the commission or  
784 office may require concerning such matters as:

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

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

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

791 3. ~~if~~ A partnership, a copy of the partnership  
792 agreement.

793 (6)-(7) The application must also contain such information  
794 as the commission or office may require about the applicant; any  
795 member, principal, or director of the applicant or any person  
796 having a similar status or performing similar functions; any  
797 control person of ~~directly or indirectly controlling~~ the  
798 applicant; or any employee of a dealer or of an investment  
799 adviser rendering investment advisory services. Each applicant  
800 and any direct owners, principals, or indirect owners that are



801 required to be reported on Form BD or Form ADV pursuant to  
802 subsection (14) ~~(15)~~ shall submit fingerprints for live-scan  
803 processing in accordance with rules adopted by the commission.  
804 The fingerprints may be submitted through a third-party vendor  
805 authorized by the Department of Law Enforcement to provide live-  
806 scan fingerprinting. The costs of fingerprint processing shall  
807 be borne by the person subject to the background check. The  
808 Department of Law Enforcement shall conduct a state criminal  
809 history background check, and a federal criminal history  
810 background check must be conducted through the Federal Bureau of  
811 Investigation. The office shall review the results of the state  
812 and federal criminal history background checks and determine  
813 whether the applicant meets licensure requirements. The  
814 commission may waive, by rule, the requirement that applicants,  
815 including any direct owners, principals, or indirect owners that  
816 are required to be reported on Form BD or Form ADV pursuant to  
817 subsection (14) ~~(15)~~, submit fingerprints or the requirement  
818 that such fingerprints be processed by the Department of Law  
819 Enforcement or the Federal Bureau of Investigation. The  
820 commission or office may require information about any such  
821 applicant or person concerning such matters as:

822 (a) The applicant's or person's ~~His or her~~ full name, and  
823 any other names by which the applicant or person ~~he or she~~ may  
824 have been known, and the applicant's or person's ~~his or her~~ age,  
825 social security number, photograph, qualifications, and

826 educational and business history.

827 (b) Any injunction or administrative order by a state or  
 828 federal agency, national securities exchange, or national  
 829 securities association involving a security or any aspect of a  
 830 dealer's or investment adviser's regulated ~~the securities~~  
 831 business and any injunction or administrative order by a state  
 832 or federal agency regulating banking, insurance, finance, or  
 833 small loan companies, real estate, mortgage brokers, or other  
 834 related or similar industries, which injunctions or  
 835 administrative orders relate to such person.

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

840 (d) The names and addresses of other persons of whom the  
 841 office may inquire as to his or her character, reputation, and  
 842 financial responsibility.

843 (10) (a) (11) (a) ~~If the office finds that the applicant is~~  
 844 ~~of good repute and character and~~ has complied with the  
 845 applicable registration provisions of this chapter and the rules  
 846 made pursuant hereto, it shall register the applicant unless the  
 847 applicant is otherwise disqualified for registration pursuant to  
 848 law. The registration of each dealer, investment adviser, and  
 849 associated person expires on December 31 of the year the  
 850 registration became effective unless the registrant has renewed

851 its ~~his or her~~ registration on or before that date. Registration  
852 may be renewed by furnishing such information as the commission  
853 may require, together with payment of the fee required in  
854 paragraph (9)(a) ~~(10)(a)~~ for dealers, investment advisers, or  
855 associated persons and the payment of any amount lawfully due  
856 and owing to the office pursuant to any order of the office or  
857 pursuant to any agreement with the office. Any dealer,  
858 investment adviser, or associated person who has not renewed a  
859 registration by the time the current registration expires may  
860 request reinstatement of such registration by filing with the  
861 office, on or before January 31 of the year following the year  
862 of expiration, such information as may be required by the  
863 commission, together with payment of the fee required in  
864 paragraph (9)(a) ~~(10)(a)~~ for dealers, investment advisers, or  
865 associated persons and a late fee equal to the amount of such  
866 fee. Any reinstatement of registration granted by the office  
867 during the month of January shall be deemed effective  
868 retroactive to January 1 of that year.

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

872 1. Is an active duty member of the United States Armed  
873 Forces or the spouse of such member;

874 2. Is or was a member of the United States Armed Forces  
875 and served on active duty within the 2 years preceding the

876 expiration date of the registration pursuant to paragraph (a).  
877 To qualify for the fee waiver, a registrant who is a former  
878 member of the United States Armed Forces who served on active  
879 duty within the 2 years preceding the expiration date of the  
880 registration must have received an honorable discharge upon  
881 separation or discharge from the United States Armed Forces; or

882 3. Is the surviving spouse of a member of the United  
883 States Armed Forces if the member was serving on active duty at  
884 the time of death and died within the 2 years preceding the  
885 surviving spouse's registration expiration date pursuant to  
886 paragraph (a).

887  
888 A registrant seeking such fee waiver must submit proof, in a  
889 form prescribed by commission rule, that the registrant meets  
890 one of the qualifications in this paragraph.

891 ~~(14)~~~~(15)~~

892 (b) In lieu of filing with the office the applications  
893 specified in subsection (5) ~~(6)~~, the fees required by subsection  
894 (9) ~~(10)~~, the renewals required by subsection (10) ~~(11)~~, and the  
895 termination notices required by subsection (11) ~~(12)~~, the  
896 commission may by rule establish procedures for the deposit of  
897 such fees and documents with the Central Registration Depository  
898 or the Investment Adviser Registration Depository of the  
899 Financial Industry Regulatory Authority, as developed under  
900 contract with the North American Securities Administrators

901 Association, Inc.

902 ~~(19)-(20)~~ An intermediary may not engage in business in  
 903 this state unless the intermediary is registered as a dealer or  
 904 as an intermediary with the office pursuant to this section to  
 905 facilitate the offer or sale of securities in accordance with s.  
 906 517.0611. An intermediary, in order to obtain registration, must  
 907 file with the office a written application on a form prescribed  
 908 by commission rule and pay a registration fee of \$200. The fees  
 909 under this subsection shall be deposited into the Regulatory  
 910 Trust Fund of the office. The commission may establish by rule  
 911 procedures for depositing fees and filing documents by  
 912 electronic means if such procedures provide the office with the  
 913 information and data required by this section. Each intermediary  
 914 must also file an irrevocable written consent to service of  
 915 civil process, as provided in s. 517.101.

916 (a) The application must contain such information as the  
 917 commission or office may require concerning:

918 1. The name of the applicant and address of its principal  
 919 office and each office in this state.

920 2. The applicant's form and place of organization; and, if  
 921 the applicant is:

922 a. A corporation, a copy of its articles of incorporation  
 923 and amendments to the articles of incorporation;

924 b. A limited liability company, a copy of its articles of  
 925 organization and amendments to the articles and a copy of the

926 | company's operating agreement; or

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

929 |        3. The website address where securities of the issuer will  
930 | be offered.

931 |        4. Contact information.

932 |        (b) The application must also contain such information as  
933 | the commission may require by rule about the applicant; any  
934 | member, principal, or director of the applicant or any person  
935 | having a similar status or performing similar functions; or any  
936 | control person of ~~persons directly or indirectly controlling~~ the  
937 | applicant. Each applicant and any direct owners, principals, or  
938 | indirect owners that are required to be reported on a form  
939 | adopted by commission rule shall submit fingerprints for live-  
940 | scan processing in accordance with rules adopted by the  
941 | commission. The fingerprints may be submitted through a third-  
942 | party vendor authorized by the Department of Law Enforcement to  
943 | provide live-scan fingerprinting. The costs of fingerprint  
944 | processing shall be borne by the person subject to the  
945 | background check. The Department of Law Enforcement shall  
946 | conduct a state criminal history background check, and a federal  
947 | criminal history background check must be conducted through the  
948 | Federal Bureau of Investigation. The office shall review the  
949 | results of the state and federal criminal history background  
950 | checks and determine whether the applicant meets registration

951 requirements. The commission may waive, by rule, the requirement  
952 that applicants, including any direct owners, principals, or  
953 indirect owners, which are required to be reported on a form  
954 adopted by commission rule, submit fingerprints or the  
955 requirement that such fingerprints be processed by the  
956 Department of Law Enforcement or the Federal Bureau of  
957 Investigation. The commission, by rule, or the office may  
958 require information about any applicant or person, including:

959 1. The applicant's or person's ~~His or her~~ full name and  
960 any other names by which the applicant or person ~~he or she~~ may  
961 have been known and the applicant's or person's ~~his or her~~ age,  
962 social security number, photograph, qualifications, and  
963 educational and business history.

964 2. Any injunction or administrative order by a state or  
965 federal agency, national securities exchange, or national  
966 securities association involving a security or any aspect of an  
967 intermediary's regulated ~~the securities~~ business and any  
968 injunction or administrative order by a state or federal agency  
969 regulating banking, insurance, finance, ~~or small loan companies,~~  
970 real estate, mortgage brokers, or other related or similar  
971 industries, which relate to such person.

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

976 (c) The application must be amended within 30 days if any  
 977 information contained in the form becomes inaccurate for any  
 978 reason.

979 (d) An intermediary or persons affiliated with the  
 980 intermediary are not subject to any disqualification described  
 981 in s. 517.1611 or ~~United States~~ Securities and Exchange  
 982 Commission Rule 506(d), 17 C.F.R. 230.506(d), adopted pursuant  
 983 to the Securities Act of 1933, as amended. Each director,  
 984 officer, manager or managing member, control person of the  
 985 issuer, any person occupying a similar status or performing a  
 986 similar function, and each person holding more than 20 percent  
 987 of the ownership interests ~~shares~~ of the intermediary is subject  
 988 to this requirement.

989 (e) If the office finds that the applicant ~~is of good~~  
 990 ~~repute and character and~~ has complied with the applicable  
 991 registration provisions of this chapter and the rules adopted  
 992 thereunder, it shall register the applicant. The registration of  
 993 each intermediary expires on December 31 of the year the  
 994 registration became effective unless the registrant renews his  
 995 or her registration on or before that date. Registration may be  
 996 renewed by furnishing such information as the commission may  
 997 require by rule, together with payment of a \$200 fee and the  
 998 payment of any amount due to the office pursuant to any order of  
 999 the office or pursuant to any agreement with the office. An  
 1000 intermediary who has not renewed a registration by the time that



1001 the current registration expires may request reinstatement of  
 1002 such registration by filing with the office, on or before  
 1003 January 31 of the year following the year of expiration, such  
 1004 information as required by the commission, together with payment  
 1005 of the \$200 fee and a late fee of \$200. Any reinstatement of  
 1006 registration granted by the office during the month of January  
 1007 is deemed effective retroactive to January 1 of that year.

1008 (20)~~(21)~~ The registration requirements of this section do  
 1009 not apply to any general lines insurance agent or life insurance  
 1010 agent licensed under chapter 626, for the sale of a security as  
 1011 defined in s. 517.021(28) (g) ~~s. 517.021(22) (g)~~, if the  
 1012 individual is directly authorized by the issuer to offer or sell  
 1013 the security on behalf of the issuer and the issuer is a  
 1014 federally chartered savings bank subject to regulation by the  
 1015 Federal Deposit Insurance Corporation. Actions under this  
 1016 subsection shall constitute activity under the insurance agent's  
 1017 license for purposes of ss. 626.611 and 626.621.

1018 Section 7. Section 517.1214, Florida Statutes, is created  
 1019 to read:

1020 517.1214 Continuing education requirements for associated  
 1021 persons of investment advisers and federal covered advisers.-

1022 (1) As used in this section, the term:

1023 (a) "Approved continuing education content" means the  
 1024 materials, written, oral, or otherwise, which have been approved  
 1025 by NASAA or its designee and which make up the educational

1026 program provided to an associated person under this section.

1027 (b) "Credit" means a unit designated by NASAA or its  
 1028 designee as at least 50 minutes of educational instruction.

1029 (c) "Home state" means the state in which an associated  
 1030 person of an investment adviser or a federal covered adviser has  
 1031 his or her principal office and place of business.

1032 (d) "NASAA" means the North American Securities  
 1033 Administrators Association, Inc.

1034 (e) "Reporting period" means one 12-month period beginning  
 1035 January 1 and ending December 31. An associated person's initial  
 1036 reporting period with this state commences the first day of the  
 1037 first full reporting period after the individual is registered  
 1038 or required to be registered with this state.

1039 (2) By December 31, 2024, and each December 31 thereafter,  
 1040 each associated person of an investment adviser or a federal  
 1041 covered adviser shall complete the following continuing  
 1042 education content requirements offered by a person that NASAA or  
 1043 its designee has authorized to provide the continuing education  
 1044 content required by this section:

1045 (a) Six credits of approved continuing education content  
 1046 that addresses an associated person's ethical and regulatory  
 1047 obligations, with at least 3 hours covering the topic of ethics;  
 1048 and

1049 (b) Six credits of approved continuing education content  
 1050 that addresses an associated person's skills and knowledge

1051 regarding financial products, investment features, and practices  
1052 in the investment advisory industry.

1053 (3) An associated person of an investment adviser or  
1054 federal covered adviser who is also registered as an associated  
1055 person of a Financial Industry Regulatory Authority (FINRA)  
1056 member dealer and who complies with FINRA's continuing education  
1057 requirements is considered to be in compliance with this  
1058 section's products and practice requirement for each applicable  
1059 reporting period, provided that the FINRA continuing education  
1060 content is approved continuing education content.

1061 (4) Credits of continuing education completed by an  
1062 associated person who was awarded and currently holds a  
1063 credential that qualifies for examination waiver by passing any  
1064 tests as prescribed in s. 15(b)(7) of the Securities Exchange  
1065 Act of 1934, as amended, comply with paragraphs (2)(a) and (b),  
1066 provided all of the following conditions are met:

1067 (a) The associated person completes the credits of  
1068 continuing education as a condition of maintaining the  
1069 credential for the relevant reporting period.

1070 (b) The credits of continuing education completed during  
1071 the relevant reporting period by the associated person are  
1072 mandatory to maintain the credential.

1073 (c) The continuing education content provided by the  
1074 credentialing organization during the relevant reporting period  
1075 is approved continuing education content.

1076        (5) Each associated person is responsible for ensuring  
 1077 that the authorized provider reports the associated person's  
 1078 completion of the applicable continuing education requirements.

1079        (6) An associated person who completes credits of  
 1080 continuing education in excess of the credits required for the  
 1081 reporting period may not carry forward excess credits to a  
 1082 subsequent reporting period.

1083        (7) An associated person who fails to comply with this  
 1084 section by the end of a reporting period shall renew as "CE  
 1085 inactive" at the close of the calendar year in this state until  
 1086 the associated person completes and reports all required  
 1087 continuing education credits for all reporting periods as  
 1088 required by this section. If an associated person renews as "CE  
 1089 inactive" at the close of the calendar year and fails to  
 1090 complete and report all required continuing education credits  
 1091 for all reporting periods as required by this section by the  
 1092 close of the next calendar year, the associated person becomes  
 1093 unregistered for purposes of this chapter.

1094        (8) An associated person registered or required to be  
 1095 registered in this state who is registered as an associated  
 1096 person of an investment adviser or federal covered adviser in  
 1097 the individual's home state is considered to be in compliance  
 1098 with this section if:

1099        (a) By December 24, 2024, and each December 31 thereafter,  
 1100 the associated person completes the continuing education

1101 requirements set forth in s. 517.1214(2); and

1102 (b) The associated person is in compliance with the home  
 1103 state's associated person of an investment adviser or federal  
 1104 covered adviser continuing education requirements.

1105 (9) An associated person who was previously registered  
 1106 under s. 517.12 and became unregistered must complete continuing  
 1107 education for all reporting periods that occurred between the  
 1108 time that the associated person became unregistered and when the  
 1109 person became registered again under s. 517.12, unless the  
 1110 associated person takes and passes the required examinations or  
 1111 the examination requirements are waived in connection with the  
 1112 subsequent application for registration.

1113 Section 8. Section 517.1217, Florida Statutes, is amended  
 1114 to read:

1115 517.1217 Rules of conduct and prohibited business  
 1116 practices for dealers and their associated persons and for  
 1117 intermediaries.—

1118 The commission by rule may establish rules of conduct and  
 1119 prohibited business practices for dealers and their associated  
 1120 persons and for intermediaries. In adopting the rules, the  
 1121 commission shall consider general industry standards as  
 1122 expressed in the rules and regulations of the various federal  
 1123 and self-regulatory agencies and regulatory associations,  
 1124 including, but not limited to, the ~~United States~~ Securities and  
 1125 Exchange Commission, the Financial Industry Regulatory

1126 Authority, and the North American Securities Administrators  
 1127 Association, Inc.

1128 Section 9. Subsections (1), (4), and (5) of section  
 1129 517.161, Florida Statutes, are amended to read:

1130 517.161 Revocation, denial, or suspension of registration  
 1131 of dealer, investment adviser, intermediary, or associated  
 1132 person.—

1133 (1) Registration under s. 517.12 may be denied or any  
 1134 registration granted may be revoked, restricted, or suspended by  
 1135 the office if the office determines that such applicant or  
 1136 registrant; any member, principal, or director of the applicant  
 1137 or registrant or any person having a similar status or  
 1138 performing similar functions; or any control person of ~~directly~~  
 1139 ~~or indirectly controlling~~ the applicant or registrant:

1140 (a) Has violated any provision of this chapter or any rule  
 1141 or order made under this chapter;

1142 (b) Has made a material false statement in the application  
 1143 for registration;

1144 (c) Has been guilty of a fraudulent act in connection with  
 1145 rendering investment advice or in connection with any sale of  
 1146 securities, has been or is engaged or is about to engage in  
 1147 making fictitious or pretended sales or purchases of any such  
 1148 securities or in any practice involving the rendering of  
 1149 investment advice or the sale of securities which is fraudulent  
 1150 or in violation of the law;

1151 (d) Has made a misrepresentation or false statement to, or  
 1152 concealed any essential or material fact from, any person in the  
 1153 rendering of investment advice or the sale of a security to such  
 1154 person;

1155 (e) Has failed to account to persons interested for all  
 1156 money and property received;

1157 (f) Has not delivered, after a reasonable time, to persons  
 1158 entitled thereto securities held or agreed to be delivered by  
 1159 the dealer, ~~broker,~~ or investment adviser, as and when paid for,  
 1160 and due to be delivered;

1161 (g) Is rendering investment advice or selling or offering  
 1162 for sale securities through any associated person not registered  
 1163 in compliance with ~~the provisions of~~ this chapter;

1164 (h) ~~Has demonstrated unworthiness to transact the business~~  
 1165 ~~of dealer, investment adviser, intermediary, or associated~~  
 1166 ~~person;~~

1167 ~~(i)~~ Has exercised management or policy control over or  
 1168 owned 10 percent or more of the securities of any dealer,  
 1169 intermediary, or investment adviser that has been declared  
 1170 bankrupt, or had a trustee appointed under the Securities  
 1171 Investor Protection Act; or is, in the case of a dealer,  
 1172 intermediary, or investment adviser, unable to pay its debts as  
 1173 they become due in the usual course of business ~~insolvent;~~

1174 ~~(i)~~ ~~(j)~~ Has been convicted of, or has entered a plea of  
 1175 guilty or nolo contendere to, regardless of whether adjudication

1176 | was withheld, a crime against the laws of this state or any  
 1177 | other state or of the United States or of any other country or  
 1178 | government which relates to registration as a dealer, investment  
 1179 | adviser, issuer of securities, intermediary, or associated  
 1180 | person; which relates to the application for such registration;  
 1181 | or which involves moral turpitude or fraudulent or dishonest  
 1182 | dealing;

1183 |       (j)~~(k)~~ Has had a final judgment entered against her or him  
 1184 | in a civil action upon grounds of fraud, embezzlement,  
 1185 | misrepresentation, or deceit;

1186 |       ~~(l) Is of bad business repute;~~

1187 |       (k)~~(m)~~ Has been the subject of any decision, finding,  
 1188 | injunction, suspension, prohibition, revocation, denial,  
 1189 | judgment, or administrative order by any court of competent  
 1190 | jurisdiction, administrative law judge, or by any state or  
 1191 | federal agency, national securities, commodities, or option  
 1192 | exchange, or national securities, commodities, or option  
 1193 | association, involving a violation of any federal or state  
 1194 | securities or commodities law or any rule or regulation  
 1195 | promulgated thereunder, or any rule or regulation of any  
 1196 | national securities, commodities, or options exchange or  
 1197 | national securities, commodities, or options association, or has  
 1198 | been the subject of any injunction or adverse administrative  
 1199 | order by a state or federal agency regulating banking,  
 1200 | insurance, finance ~~or small loan companies~~, real estate,



1201 mortgage brokers or lenders, money transmitters, or other  
 1202 related or similar industries. For purposes of this subsection,  
 1203 the office may not deny registration to any applicant who has  
 1204 been continuously registered with the office for 5 years after  
 1205 the date of entry of such decision, finding, injunction,  
 1206 suspension, prohibition, revocation, denial, judgment, or  
 1207 administrative order provided such decision, finding,  
 1208 injunction, suspension, prohibition, revocation, denial,  
 1209 judgment, or administrative order has been timely reported to  
 1210 the office pursuant to the commission's rules; ~~or~~

1211 (l)~~(n)~~ Made payment to the office for a registration with  
 1212 a check or electronic transmission of funds that is dishonored  
 1213 by the applicant's or registrant's financial institution;

1214 (m) Failed to pay and fully satisfy any final judgment or  
 1215 arbitration award resulting from an investment-related, client-  
 1216 or customer-initiated arbitration or court proceeding, unless  
 1217 alternative payment arrangements are agreed to in writing  
 1218 between the client or customer and the investment adviser,  
 1219 dealer, or associated person and the investment adviser, dealer,  
 1220 or associated person complies with the terms of the alternative  
 1221 payment arrangement;

1222 (n) Attempted to avoid payment of any final judgment or  
 1223 arbitration award resulting from an investment-related, client-  
 1224 or customer-initiated arbitration or court proceeding, unless  
 1225 alternative payment arrangements are agreed to in writing

1226 between the client or customer and the investment adviser,  
1227 dealer, or associated person and the investment adviser, dealer,  
1228 or associated person complies with the terms of the alternative  
1229 payment arrangements; or

1230 (o) Failed to pay and fully satisfy any fine, civil  
1231 penalty, order of restitution, order of disgorgement, or similar  
1232 monetary payment obligation imposed upon the investment adviser,  
1233 dealer, or associated person by the Securities and Exchange  
1234 Commission, the securities regulator or other financial services  
1235 regulator of any state or province, or any securities industry  
1236 self-regulatory organization.

1237 (4) It shall be sufficient cause for denial of an  
1238 application or revocation of registration, in the case of a  
1239 partnership, corporation, limited liability company, or  
1240 unincorporated association, if any member of the partnership,  
1241 any manager or managing member of the limited liability company,  
1242 or any officer, director, or ultimate equitable owner of the  
1243 corporation or association has committed any act or omission  
1244 which would be cause for denying, revoking, restricting, or  
1245 suspending the registration of an individual dealer, investment  
1246 adviser, intermediary, or associated person. As used in this  
1247 subsection, the term "ultimate equitable owner" means a natural  
1248 person who directly or indirectly owns or controls an ownership  
1249 interest in the corporation, partnership, association, or other  
1250 legal entity however organized, regardless of whether such

1251 natural person owns or controls such ownership interest through  
 1252 one or more proxies, powers of attorney, nominees, corporations,  
 1253 associations, partnerships, trusts, joint stock companies, or  
 1254 other entities or devices, or any combination thereof.

1255 (5) The office may deny any request to terminate or  
 1256 withdraw any application or registration if the office believes  
 1257 that an act that ~~which~~ would be a ground for denial, suspension,  
 1258 restriction, or revocation under this chapter has been  
 1259 committed.

1260 Section 10. Subsection (2) of section 517.1611, Florida  
 1261 Statutes, is amended to read:

1262 517.1611 Guidelines.—

1263 (2) The commission shall adopt by rule disqualifying  
 1264 periods pursuant to which an applicant will be disqualified from  
 1265 eligibility for registration based upon criminal convictions,  
 1266 pleas of nolo contendere, or pleas of guilt, regardless of  
 1267 whether adjudication was withheld, by the applicant; any  
 1268 partner, member, officer, or director of the applicant or any  
 1269 person having a similar status or performing similar functions;  
 1270 or any control person of ~~directly or indirectly controlling~~ the  
 1271 applicant.

1272 (a) The disqualifying periods shall be 15 years for a  
 1273 felony and 5 years for a misdemeanor.

1274 (b) The disqualifying periods shall be related to crimes  
 1275 involving registration as a dealer, investment adviser, issuer

1276 of securities, or associated person or the application for such  
1277 registration or involving moral turpitude or fraudulent or  
1278 dishonest dealing.

1279 (c) The rules may also address mitigating factors, an  
1280 additional waiting period based upon dates of imprisonment or  
1281 community supervision, an additional waiting period based upon  
1282 commitment of multiple crimes, and other factors reasonably  
1283 related to the consideration of an applicant's criminal history.

1284 (d) An applicant is not eligible for registration until  
1285 the expiration of the disqualifying period set by rule. Section  
1286 112.011 does not apply to the registration provisions under this  
1287 chapter. Nothing in this section changes or amends the grounds  
1288 for denial under s. 517.161.

1289 Section 11. Section 517.181, Florida Statutes, is  
1290 repealed.

1291 Section 12. Paragraph (a) of subsection (4) of section  
1292 517.201, Florida Statutes, is amended to read:

1293 517.201 Investigations; examinations; subpoenas; hearings;  
1294 witnesses.—

1295 (4) (a) In the event of substantial noncompliance with a  
1296 subpoena or subpoena duces tecum issued or caused to be issued  
1297 by the office pursuant to this section, the office may petition  
1298 the circuit court of the county in which the person subpoenaed  
1299 resides or has its principal place of business for an order  
1300 requiring the subpoenaed person to appear and testify and to

1301 produce such books, records, and documents as are specified in  
 1302 such subpoena duces tecum. The court may grant injunctive relief  
 1303 restraining the issuance, sale or offer for sale, purchase or  
 1304 offer to purchase, promotion, negotiation, advertisement, or  
 1305 distribution ~~in or from offices in this state~~ of securities or  
 1306 investments in or from this state by the noncompliant a person  
 1307 or its agent, employee, broker, partner, officer, director,  
 1308 manager, managing member, control person, or equity holder  
 1309 ~~stockholder thereof~~, and may grant such other relief, including,  
 1310 but not limited to, the restraint, by injunction or appointment  
 1311 of a receiver, of any transfer, pledge, assignment, or other  
 1312 disposition of such person's assets or any concealment,  
 1313 alteration, destruction, or other disposition of subpoenaed  
 1314 books, records, or documents, as the court deems appropriate,  
 1315 until such person has fully complied with such subpoena or  
 1316 subpoena duces tecum and the office has completed its  
 1317 investigation or examination. The office is entitled to the  
 1318 summary procedure provided in s. 51.011, and the court shall  
 1319 advance the cause on its calendar. Costs incurred by the office  
 1320 to obtain an order granting, in whole or in part, such petition  
 1321 for enforcement of a subpoena or subpoena duces tecum shall be  
 1322 taxed against the subpoenaed person, and failure to comply with  
 1323 such order shall be a contempt of court.

1324 Section 13. Paragraph (d) of subsection (3) of section  
 1325 921.0022, Florida Statutes, is amended to read:

1326	921.0022	Criminal Punishment Code; offense severity
1327		ranking chart.—
1328	(3)	OFFENSE SEVERITY RANKING CHART
1329	(d)	LEVEL 4
1330		
	Florida	Felony
	Statute	Degree
		Description
1331	316.1935(3)(a)	2nd Driving at high speed or with wanton disregard for safety while fleeing or attempting to elude law enforcement officer who is in a patrol vehicle with siren and lights activated.
1332	499.0051(1)	3rd Failure to maintain or deliver transaction history, transaction information, or transaction statements.
1333	499.0051(5)	2nd Knowing sale or delivery,

			or possession with intent to sell, contraband prescription drugs.
1334	517.07(1)	3rd	Failure to register securities.
1335	517.12(1)	3rd	Failure of dealer <u>or</u> associated person <u>of a dealer</u> , <del>or issuer</del> of securities to register.
1336	784.07(2)(b)	3rd	Battery of law enforcement officer, firefighter, etc.
1337	784.074(1)(c)	3rd	Battery of sexually violent predators facility staff.
1338	784.075	3rd	Battery on detention or commitment facility staff.
1339	784.078	3rd	Battery of facility employee by throwing, tossing, or expelling certain fluids or

1340			materials.
	784.08(2)(c)	3rd	Battery on a person 65 years of age or older.
1341			
	784.081(3)	3rd	Battery on specified official or employee.
1342			
	784.082(3)	3rd	Battery by detained person on visitor or other detainee.
1343			
	784.083(3)	3rd	Battery on code inspector.
1344			
	784.085	3rd	Battery of child by throwing, tossing, projecting, or expelling certain fluids or materials.
1345			
	787.03(1)	3rd	Interference with custody; wrongly takes minor from appointed guardian.
1346			



1347	787.04 (2)	3rd	Take, entice, or remove child beyond state limits with criminal intent pending custody proceedings.
1348	787.04 (3)	3rd	Carrying child beyond state lines with criminal intent to avoid producing child at custody hearing or delivering to designated person.
1349	787.07	3rd	Human smuggling.
1350	790.115 (1)	3rd	Exhibiting firearm or weapon within 1,000 feet of a school.
1351	790.115 (2) (b)	3rd	Possessing electric weapon or device, destructive device, or other weapon on school property.
	790.115 (2) (c)	3rd	Possessing firearm on

1352			school property.
	794.051 (1)	3rd	Indecent, lewd, or lascivious touching of certain minors.
1353			
	800.04 (7) (c)	3rd	Lewd or lascivious exhibition; offender less than 18 years.
1354			
	806.135	2nd	Destroying or demolishing a memorial or historic property.
1355			
	810.02 (4) (a)	3rd	Burglary, or attempted burglary, of an unoccupied structure; unarmed; no assault or battery.
1356			
	810.02 (4) (b)	3rd	Burglary, or attempted burglary, of an unoccupied conveyance; unarmed; no assault or battery.
1357			

1358	810.06	3rd	Burglary; possession of tools.
1359	810.08(2)(c)	3rd	Trespass on property, armed with firearm or dangerous weapon.
1360	812.014(2)(c)3.	3rd	Grand theft, 3rd degree \$10,000 or more but less than \$20,000.
1361	812.014 (2)(c)4.-10.	3rd	Grand theft, 3rd degree; specified items.
1362	812.0195(2)	3rd	Dealing in stolen property by use of the Internet; property stolen \$300 or more.
1363	817.505(4)(a)	3rd	Patient brokering.
	817.563(1)	3rd	Sell or deliver substance other than controlled substance agreed upon, excluding s. 893.03(5)

			drugs.
1364	817.568 (2) (a)	3rd	Fraudulent use of personal identification information.
1365	817.625 (2) (a)	3rd	Fraudulent use of scanning device, skimming device, or reencoder.
1366	817.625 (2) (c)	3rd	Possess, sell, or deliver skimming device.
1367	828.125 (1)	2nd	Kill, maim, or cause great bodily harm or permanent breeding disability to any registered horse or cattle.
1368	836.14 (2)	3rd	Person who commits theft of a sexually explicit image with intent to promote it.

1369	836.14 (3)	3rd	Person who willfully possesses a sexually explicit image with certain knowledge, intent, and purpose.
1370	837.02 (1)	3rd	Perjury in official proceedings.
1371	837.021 (1)	3rd	Make contradictory statements in official proceedings.
1372	838.022	3rd	Official misconduct.
1373	839.13 (2) (a)	3rd	Falsifying records of an individual in the care and custody of a state agency.
1374	839.13 (2) (c)	3rd	Falsifying records of the Department of Children and Families.
1375	843.021	3rd	Possession of a concealed

1376			handcuff key by a person in custody.
1376	843.025	3rd	Deprive law enforcement, correctional, or correctional probation officer of means of protection or communication.
1377	843.15(1)(a)	3rd	Failure to appear while on bail for felony (bond estreature or bond jumping).
1378	847.0135(5)(c)	3rd	Lewd or lascivious exhibition using computer; offender less than 18 years.
1379	870.01(3)	2nd	Aggravated rioting.
1380	870.01(5)	2nd	Aggravated inciting a riot.
1381	874.05(1)(a)	3rd	Encouraging or recruiting another to join a

1382	893.13(2)(a)1.	2nd	criminal gang. Purchase of cocaine (or other s. 893.03(1)(a), (b), or (d), (2)(a), (2)(b), or (2)(c)5. drugs).
1383	914.14(2)	3rd	Witnesses accepting bribes.
1384	914.22(1)	3rd	Force, threaten, etc., witness, victim, or informant.
1385	914.23(2)	3rd	Retaliation against a witness, victim, or informant, no bodily injury.
1386	916.1085 (2)(c)1.	3rd	Introduction of specified contraband into certain DCF facilities.
1387	918.12	3rd	Tampering with jurors.
1388			

1389 934.215 3rd Use of two-way communications  
device to facilitate commission  
of a crime.

944.47(1) (a) 6. 3rd Introduction of  
contraband (cellular  
telephone or other  
portable communication  
device) into correctional  
institution.

1390 951.22(1) (h) ,  
(j) & (k) 3rd Intoxicating drug,  
instrumentality or other  
device to aid escape, or  
cellular telephone or other  
portable communication  
device introduced into  
county detention facility.

1391

1392 Section 14. Section 517.1215, Florida Statutes, is amended  
1393 to read:

1394 517.1215 Requirements, rules of conduct, and prohibited  
1395 business practices for investment advisers ~~advisors~~ and their  
1396 associated persons.—

1397 (1) The commission shall specify by rule requirements for



1398 investment advisers ~~advisors~~ deemed to have custody of client  
 1399 funds which concern the following:

1400 (a) Notification of custody of, maintenance of, and  
 1401 safeguards for client funds.

1402 (b) Communications with clients and independent  
 1403 representatives.

1404 (c) Requirements for investment advisers who have custody  
 1405 of pooled investments.

1406 (d) Exceptions to the custody requirements.

1407  
 1408 In adopting the rules, the commission shall consider the rules  
 1409 and regulations of the federal regulatory authority and the  
 1410 North American Securities Administrators Association, Inc.

1411 (2) The commission shall by rule establish rules of  
 1412 conduct and prohibited business practices for investment  
 1413 advisers and their associated persons. In adopting the rules,  
 1414 the commission shall consider general industry standards as  
 1415 expressed in the rules and regulations of the various federal  
 1416 and self-regulatory agencies and regulatory associations,  
 1417 including, but not limited to, the ~~United States~~ Securities and  
 1418 Exchange Commission, the Financial Industry Regulatory  
 1419 Authority, and the North American Securities Administrators  
 1420 Association, Inc.

1421 Section 15. Subsection (1) of section 517.075, Florida  
 1422 Statutes, is amended to read:

1423 517.075 Cuba, prospectus disclosure of doing business  
 1424 with, required.—

1425 (1) Any issuer of securities that will be sold in this  
 1426 state pursuant to a prospectus must disclose in the prospectus  
 1427 if the issuer or any affiliate thereof, ~~as defined in s.~~  
 1428 ~~517.021(1)~~, does business with the government of Cuba or with  
 1429 any person or affiliate located in Cuba. The prospectus  
 1430 disclosure required by this subsection does not apply with  
 1431 respect to prospectuses prepared before April 10, 1992.

1432 Section 16. Paragraph (a) of subsection (1) of section  
 1433 517.131, Florida Statutes, is amended to read:

1434 517.131 Securities Guaranty Fund.—

1435 (1)(a) The Chief Financial Officer shall establish a  
 1436 Securities Guaranty Fund. An amount not exceeding 20 percent of  
 1437 all revenues received as assessment fees pursuant to s.  
 1438 517.12(9) and (10) ~~s. 517.12(10) and (11)~~ for dealers and  
 1439 investment advisers or s. 517.1201 for federal covered advisers  
 1440 and an amount not exceeding 10 percent of all revenues received  
 1441 as assessment fees pursuant to s. 517.12(9) and (10) ~~s.~~  
 1442 ~~517.12(10) and (11)~~ for associated persons shall be part of the  
 1443 regular license fee and shall be transferred to or deposited in  
 1444 the Securities Guaranty Fund.

1445 Section 17. Subsection (1) of section 517.211, Florida  
 1446 Statutes, is amended to read:

1447 517.211 Remedies available in cases of unlawful sale.—

1448 (1) Every sale made in violation of either s. 517.07 or s.  
 1449 517.12(1), (3), (4), (8), (10), (12), (15), or (17) ~~(4), (5),~~  
 1450 ~~(9), (11), (13), (16), or (18)~~ may be rescinded at the election  
 1451 of the purchaser, except a sale made in violation of the  
 1452 provisions of s. 517.1202(3) relating to a renewal of a branch  
 1453 office notification shall not be subject to this section, and a  
 1454 sale made in violation of the provisions of s. 517.12(12) ~~s.~~  
 1455 ~~517.12(13)~~ relating to filing a change of address amendment  
 1456 shall not be subject to this section. Each person making the  
 1457 sale and every director, officer, partner, or agent of or for  
 1458 the seller, if the director, officer, partner, or agent has  
 1459 personally participated or aided in making the sale, is jointly  
 1460 and severally liable to the purchaser in an action for  
 1461 rescission, if the purchaser still owns the security, or for  
 1462 damages, if the purchaser has sold the security. No purchaser  
 1463 otherwise entitled will have the benefit of this subsection who  
 1464 has refused or failed, within 30 days of receipt, to accept an  
 1465 offer made in writing by the seller, if the purchaser has not  
 1466 sold the security, to take back the security in question and to  
 1467 refund the full amount paid by the purchaser or, if the  
 1468 purchaser has sold the security, to pay the purchaser an amount  
 1469 equal to the difference between the amount paid for the security  
 1470 and the amount received by the purchaser on the sale of the  
 1471 security, together, in either case, with interest on the full  
 1472 amount paid for the security by the purchaser at the legal rate,

1473 pursuant to s. 55.03, for the period from the date of payment by  
 1474 the purchaser to the date of repayment, less the amount of any  
 1475 income received by the purchaser on the security.

1476 Section 18. Section 517.315, Florida Statutes, is amended  
 1477 to read:

1478 517.315 Fees.—All fees of any nature collected by the  
 1479 office pursuant to this chapter shall be disbursed as follows:

1480 (1) The office shall transfer the amount of fees required  
 1481 to be deposited into the Securities Guaranty Fund pursuant to s.  
 1482 517.131.~~†~~

1483 (2) After the transfer required in subsection (1), the  
 1484 office shall transfer the \$50 assessment fee collected from each  
 1485 associated person under s. 517.12(9) and (10) ~~s. 517.12(10) and~~  
 1486 ~~(11)~~ and 30.44 percent of the \$100 assessment fee paid by  
 1487 dealers and investment advisers ~~advisors~~ for each office in the  
 1488 state under s. 517.12(9) and (10) ~~s. 517.12(10) and (11)~~ to the  
 1489 Regulatory Trust Fund.~~†~~ and

1490 (3) All remaining fees shall be deposited into the General  
 1491 Revenue Fund.

1492 Section 19. Subsection (5) of section 626.9911, Florida  
 1493 Statutes, is amended to read:

1494 626.9911 Definitions.—As used in this act, the term:

1495 (5) "Life expectancy provider" means a person who  
 1496 determines, or holds himself or herself out as determining, life  
 1497 expectancies or mortality ratings used to determine life

1498 expectancies:

1499 (a) On behalf of a viatical settlement provider, viatical  
 1500 settlement broker, life agent, or person engaged in the business  
 1501 of viatical settlements;

1502 (b) In connection with a viatical settlement investment as  
 1503 defined in s. 517.021, ~~pursuant to s. 517.021(24)~~; or

1504 (c) On residents of this state in connection with a  
 1505 viatical settlement contract or viatical settlement investment.

1506 Section 20. Subsection (6) of section 744.351, Florida  
 1507 Statutes, is amended to read:

1508 744.351 Bond of guardian.—

1509 (6) When it is expedient in the judgment of any court  
 1510 having jurisdiction of any guardianship property, because the  
 1511 size of the bond required of the guardian is burdensome, or for  
 1512 other cause, the court may order, in lieu of a bond or in  
 1513 addition to a lesser bond, that the guardian place all or part  
 1514 of the property of the ward in a designated financial  
 1515 institution under the same conditions and limitations as are  
 1516 contained in s. 69.031. A designated financial institution shall  
 1517 also include a dealer, as defined in s. 517.021 ~~s. 517.021(6)~~,  
 1518 if the dealer is a member of the Security Investment Protection  
 1519 Corporation and is doing business in the state.

1520 Section 21. Section 517.1205, Florida Statutes, is amended  
 1521 to read:

1522 517.1205 Registration of associated persons specific as to

1523 securities dealer, investment adviser, or federal covered  
1524 adviser identified at time of registration approval.—Inasmuch as  
1525 this chapter is intended to protect investors in securities  
1526 offerings and other investment transactions regulated by that  
1527 chapter, its provisions are to be construed to require full and  
1528 fair disclosure of all, but only, those matters material to the  
1529 investor's evaluation of the offering or other transaction. It  
1530 should, furthermore, be construed to impose the standards  
1531 provided by law on all those seeking to participate in the  
1532 state's securities industry through registration as a securities  
1533 dealer, investment adviser, or associated person. To this end,  
1534 it is declared to be the intent of the Legislature that the  
1535 registration of associated persons required by law is specific  
1536 to the securities dealer, investment adviser, or federal covered  
1537 adviser identified at the time such registration is approved.  
1538 Notwithstanding any interpretation of law to the contrary, the  
1539 historical practice of the Department of Banking and Finance,  
1540 reflected in its rules, that requires a new application for  
1541 registration from a previously registered associated person when  
1542 that person seeks to be associated with a new securities dealer  
1543 or investment adviser is hereby ratified and approved as  
1544 consistent with legislative intent. It is, finally, declared to  
1545 be the intent of the Legislature that while approval of an  
1546 application for registration of a securities dealer, investment  
1547 adviser, or associated person requires a finding of compliance

1548 | with the applicable registration provisions of this chapter and  
1549 | applicable rules ~~the applicant's good repute and character,~~ such  
1550 | finding is precluded by a determination that the applicant may  
1551 | be denied registration on grounds provided by law.

1552 |       Section 22. This act shall take effect October 1, 2023.