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# **Government Operations Appropriations Subcommittee**

**Friday, April 8, 2011  
8:45 AM – 10:45 AM  
404 HOB**

**Action Packet**

**Dean Cannon  
Speaker**

**Ed Hooper  
Chair**

# Committee Meeting Notice

## HOUSE OF REPRESENTATIVES

### Government Operations Appropriations Subcommittee

**Start Date and Time:** Friday, April 08, 2011 08:45 am  
**End Date and Time:** Friday, April 08, 2011 10:45 am  
**Location:** 404 HOB  
**Duration:** 2.00 hrs

#### Consideration of the following bill(s):

CS/HB 187 Streamlining the Issuance of Licenses, Certifications, and Registrations Issued by State Agencies by Business & Consumer Affairs Subcommittee, Horner

HB 331 Firesafety by Weinstein

CS/HB 723 Extraterritorial Reciprocity in Workers' Compensation Claims by Insurance & Banking Subcommittee, Weinstein

CS/HB 823 Loan Processing by Insurance & Banking Subcommittee, Workman

CS/HB 1121 Financial Institutions by Insurance & Banking Subcommittee, Ingram

Pursuant to rule 7.12, the filing deadline for amendments to bills on the agenda by a member who is not a member of the committee or subcommittee considering the bill is 6:00 p.m., Thursday, April 7, 2011.

By request of the Chair, all Subcommittee members are asked to have amendments to bills on the agenda submitted to staff by 6:00 p.m., Thursday, April 7, 2011.

**NOTICE FINALIZED on 04/06/2011 16:17 by MRI**

**COMMITTEE MEETING REPORT**  
**Government Operations Appropriations Subcommittee**  
**4/8/2011 8:45:00AM**

**Location:** 404 HOB

**Summary:**

**Government Operations Appropriations Subcommittee**

*Friday April 08, 2011 08:45 am*

CS/HB 187	Favorable	Yeas: 10	Nays: 0
HB 331	Favorable	Yeas: 12	Nays: 0
CS/HB 723	Favorable	Yeas: 12	Nays: 0
CS/HB 823	Favorable With Committee Substitute Amendment 1 Strikeall    Adopted Without Objection	Yeas: 12	Nays: 0
CS/HB 1121	Favorable	Yeas: 11	Nays: 0

**Committee meeting was reported out: Friday, April 08, 2011 12:33:19PM**

**COMMITTEE MEETING REPORT**  
**Government Operations Appropriations Subcommittee**

**4/8/2011 8:45:00AM**

**Location:** 404 HOB

**Attendance:**

	<i>Present</i>	<i>Absent</i>	<i>Excused</i>
Ed Hooper (Chair)	X		
Daphne Campbell	X		
Fredrick Costello			X
Matt Gaetz	X		
Joseph Gibbons	X		
Shawn Harrison	X		
John Julien	X		
Debbie Mayfield	X		
Bryan Nelson	X		
Jeanette Nuñez			X
H. Marlene O'Toole	X		
Jimmy Patronis	X		
Perry Thurston, Jr.	X		
James Waldman	X		
<b>Totals:</b>	<b>12</b>	<b>0</b>	<b>2</b>

Committee meeting was reported out: Friday, April 08, 2011 12:33:19PM

**COMMITTEE MEETING REPORT**  
**Government Operations Appropriations Subcommittee**  
**4/8/2011 8:45:00AM**

**Location:** 404 HOB

**CS/HB 187 : Streamlining the Issuance of Licenses, Certifications, and Registrations Issued by State Agencies**

Favorable

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Daphne Campbell				X	
Fredrick Costello			X		
Matt Gaetz	X				
Joseph Gibbons	X				
Shawn Harrison			X		
John Julien	X				
Debbie Mayfield	X				
Bryan Nelson	X				
Jeanette Nufiez			X		
H. Marlene O'Toole	X				
Jimmy Patronis	X				
Perry Thurston, Jr.	X				
James Waldman	X				
Ed Hooper (Chair)	X				
<b>Total Yeas: 10</b>		<b>Total Nays: 0</b>			

**Appearances:**

Babington, Adam (Lobbyist) - Waive In Support  
 Florida Chamber of Commerce  
 136 S Bronough St  
 Tallahassee FL 32301  
 Phone: (850)521-1200

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**COMMITTEE MEETING REPORT**  
**Government Operations Appropriations Subcommittee**

4/8/2011 8:45:00AM

**Location:** 404 HOB

**HB 331 : Firesafety**

Favorable

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Daphne Campbell	X				
Fredrick Costello			X		
Matt Gaetz	X				
Joseph Gibbons	X				
Shawn Harrison	X				
John Julien	X				
Debbie Mayfield	X				
Bryan Nelson	X				
Jeanette Nuñez			X		
H. Marlene O'Toole	X				
Jimmy Patronis	X				
Perry Thurston, Jr.	X				
James Waldman	X				
Ed Hooper (Chair)	X				
<b>Total Yeas: 12      Total Nays: 0</b>					

**Appearances:**

Williams, Michael (Lobbyist) - Waive In Support  
 Building Officials Association of Florida  
 101 S. Monroe Street  
 Tallahassee Florida 32301  
 Phone: 850-545-8860

Holliday, Matthew (Lobbyist) (State Employee) - Waive In Support  
 Edison State College  
 Office of the President 8099 College Pky  
 Ft Myers FL 33919  
 Phone: (239)826-7864

Woodruff Jr., Edward (Lobbyist) - Waive In Support  
 St. Petersburg College  
 6021 142nd Ave. North  
 St Petersburg FL 33733-3489  
 Phone: (727)638-3577

Crow, Sharon (Lobbyist) - Waive In Support  
 Daytona State College  
 1200 W. ISB Blvd.  
 Daytona Beach FL 32114  
 Phone: 386-295-6258

Frank, Joy (Lobbyist) - Waive In Support  
 Florida Association of District School Superintendents  
 208 S Monroe St  
 Tallahassee FL 32301  
 Phone: (850)222-2280

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**Government Operations Appropriations Subcommittee**

**4/8/2011 8:45:00AM**

**Location:** 404 HOB

O'Farrell, Michael (Lobbyist) - Waive In Support  
Duval County Public Schools  
3020 Godfrey Place  
Tallahassee Florida 32309  
Phone: (850)509-6372

Mayer, Ashley (Lobbyist) (State Employee) - Waive In Support  
Florida Department of Financial Services  
Capitol PL-11  
Tallahassee Florida 32399  
Phone: 850-413-2863

**Committee meeting was reported out: Friday, April 08, 2011 12:33:19PM**

**COMMITTEE MEETING REPORT**  
**Government Operations Appropriations Subcommittee**  
**4/8/2011 8:45:00AM**

**Location:** 404 HOB

**CS/HB 723 : Extraterritorial Reciprocity in Workers' Compensation Claims**

*Favorable*

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Daphne Campbell	X				
Fredrick Costello			X		
Matt Gaetz	X				
Joseph Gibbons	X				
Shawn Harrison	X				
John Julien	X				
Debbie Mayfield	X				
Bryan Nelson	X				
Jeanette Nuñez			X		
H. Marlene O'Toole	X				
Jimmy Patronis	X				
Perry Thurston, Jr.	X				
James Waldman	X				
Ed Hooper (Chair)	X				
<b>Total Yeas: 12</b>		<b>Total Nays: 0</b>			

**Appearances:**

Perdue, Tammy (Lobbyist) - Waive In Support  
 Associated Industries of Florida  
 516 N. Adams St.  
 Tallahassee Florida 32301  
 Phone: 224-7173

Carmody, Christopher (Lobbyist) - Waive In Support  
 Orlando Magic & Jacksonville Jaguars  
 301 E. Pine Street, 1400  
 Orlando FL 32810  
 Phone: (407)843-8880

Babington, Adam (Lobbyist) - Waive In Support  
 Florida Chamber of Commerce  
 136 S Bronough St  
 Tallahassee FL 32301  
 Phone: (850)521-1224

King, Natalie (Lobbyist) - Information Only  
 Tampa Bay Lighting  
 235 W. Brandon Blvd.  
 Brandon Florida 33511  
 Phone: 813-924-8218

Committee meeting was reported out: Friday, April 08, 2011 12:33:19PM



**COMMITTEE MEETING REPORT**  
**Government Operations Appropriations Subcommittee**  
**4/8/2011 8:45:00AM**

**Location:** 404 HOB

**CS/HB 823 : Loan Processing**

*Favorable With Committee Substitute*

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Daphne Campbell	X				
Fredrick Costello			X		
Matt Gaetz	X				
Joseph Gibbons	X				
Shawn Harrison	X				
John Julien	X				
Debbie Mayfield	X				
Bryan Nelson	X				
Jeanette Nuñez			X		
H. Marlene O'Toole	X				
Jimmy Patronis	X				
Perry Thurston, Jr.	X				
James Waldman	X				
Ed Hooper (Chair)	X				
<b>Total Yeas: 12</b>		<b>Total Nays: 0</b>			

**CS/HB 823 Amendments**

**Amendment 1 Strikeall**

*Adopted Without Objection*

**Appearances:**

Prutsmann, Eric (Lobbyist) - Waive In Support  
Mortgage Bankers Association of Florida  
P.O. Box 10448  
Tallahassee Florida 32302`

Committee meeting was reported out: Friday, April 08, 2011 12:33:19PM

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 823 (2011)

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	—	(Y/N)
ADOPTED AS AMENDED	—	(Y/N)
ADOPTED W/O OBJECTION	<input checked="" type="checkbox"/>	(Y/N)
FAILED TO ADOPT	—	(Y/N)
WITHDRAWN	—	(Y/N)
OTHER	—	

Adopted w/out  
objection  
4.8.11

1 Committee/Subcommittee hearing bill: Government Operations  
 2 Appropriations Subcommittee  
 3 Representative(s) Workman offered the following:  
 4

**Amendment (with title amendment)**

Remove everything after the enacting clause and insert:

7 Section 1. Subsections (5) through (9), (10) through (14),  
 8 (15) through (24), and (26) through (34) of section 494.001,  
 9 Florida Statutes, are renumbered as subsections (6) through  
 10 (10), (12) through (16), (18) through (27), and (28) through  
 11 (36), respectively, new subsections (5), (11), and (17) are  
 12 added to that section, and present subsections (14), (25), and  
 13 (26) of that section are amended, to read:

14 494.001 Definitions.—As used in ss. 494.001-494.0077, the  
15 term:

16 (5) "Contract loan processor" means an individual who is  
 17 licensed under part II of this chapter as a loan originator, who  
 18 is an independent contractor for a mortgage broker or mortgage  
 19 lender, and who engages only in loan processing.

## Amendment No. 1

20       (11) "In-house loan processor" means an individual who is  
21 an employee of a mortgage broker or a mortgage lender who  
22 engages only in loan processing.

23       ~~(16)-(14)~~ "Loan originator" means an individual who,  
24 directly or indirectly, solicits or offers to solicit a mortgage  
25 loan, accepts or offers to accept an application for a mortgage  
26 loan, negotiates or offers to negotiate the terms or conditions  
27 of a new or existing mortgage loan on behalf of a borrower or  
28 lender, ~~processes a mortgage loan application,~~ or negotiates or  
29 offers to negotiate the sale of an existing mortgage loan to a  
30 noninstitutional investor for compensation or gain. The term  
31 includes an individual who is required to be licensed as a loan  
32 originator under the activities of a loan originator as that  
33 term is defined in the S.A.F.E. Mortgage Licensing Act of 2008,  
34 and an individual acting as a loan originator pursuant to that  
35 definition is acting as a loan originator for purposes of this  
36 definition. The term does not include an employee of a mortgage  
37 broker or mortgage lender whose duties are limited to who  
38 performs only administrative or clerical tasks, including  
39 quoting available interest rates, physically handling a  
40 completed application form, or transmitting a completed  
41 application form to a lender on behalf of a prospective  
42 borrower.

43       (17) "Loan processing" means:

44       (a) Receiving, collecting, distributing, and analyzing  
45 information common for the processing of a mortgage loan; or

46       (b) Communicating with a consumer to obtain information  
47 necessary for the processing of a mortgage loan if such

Amendment No. 1

48 communication does not include offering or negotiating loan  
49 rates or terms, or counseling consumers about residential  
50 mortgage loan rates or terms.

51 ~~(25) "Person" has the same meaning as in s. 1.01.~~

52 (28)~~(26)~~ "Principal loan originator" means the licensed  
53 loan originator in charge of, and responsible for, the operation  
54 of a mortgage lender or mortgage broker, including all of the  
55 activities of the mortgage lender's or mortgage broker's loan  
56 originators, in-house loan processors, and branch managers,  
57 whether employees or independent contractors.

58 Section 2. Subsection (2) of section 494.0011, Florida  
59 Statutes, is amended to read:

60 494.0011 Powers and duties of the commission and office.—

61 ~~(2) To administer ss. 494.001-494.0077, The commission may~~  
62 adopt rules to administer parts I, II, and III of this chapter,  
63 including rules:

64 (a) Requiring electronic submission of any forms,  
65 documents, or fees required by this act.

66 (b) Relating to compliance with the S.A.F.E. Mortgage  
67 Licensing Act of 2008, including rules to:

68 1. Require loan originators, mortgage brokers, mortgage  
69 lenders, and branch offices to register through the registry.

70 2. Require the use of uniform forms that have been  
71 approved by the registry, and any subsequent amendments to such  
72 forms if the forms are substantially in compliance with the  
73 provisions of this chapter. Uniform forms that the commission  
74 may adopt include, but are not limited to:

75 a. Uniform Mortgage Lender/Mortgage Broker Form, MU1.

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 823 (2011)

Amendment No. 1

76 b. Uniform Mortgage Biographical Statement & Consent Form,  
77 MU2.

78 c. Uniform Mortgage Branch Office Form, MU3.

79 d. Uniform Individual Mortgage License/Registration &  
80 Consent Form, MU4.

81 3. Require the filing of forms, documents, and fees in  
82 accordance with the requirements of the registry.

83 4. Prescribe requirements for amending or surrendering a  
84 license or other activities as the commission deems necessary  
85 for the office's participation in the registry.

86 5. Prescribe procedures that allow a licensee to challenge  
87 information contained in the registry.

88 6. Prescribe procedures for reporting violations of this  
89 chapter and disciplinary actions on licensees to the registry.

90 (c) Establishing time periods during which a loan  
91 originator, mortgage broker, or mortgage lender license  
92 applicant under part II or part III is barred from licensure due  
93 to prior criminal convictions of, or guilty or nolo contendere  
94 pleas by, any of the applicant's control persons, regardless of  
95 adjudication.

96 1. The rules must provide:

97 a. Permanent bars for felonies involving fraud,  
98 dishonesty, breach of trust, or money laundering;

99 b. A 15-year disqualifying period for felonies involving  
100 moral turpitude;

101 c. A 7-year disqualifying period for all other felonies;  
102 and

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103 d. A 5-year disqualifying period for misdemeanors  
104 involving fraud, dishonesty, or any other act of moral  
105 turpitude.

106 2. The rules may provide for an additional waiting period  
107 due to dates of imprisonment or community supervision, the  
108 commitment of multiple crimes, and other factors reasonably  
109 related to the applicant's criminal history.

110 3. The rules may provide for mitigating factors for crimes  
111 identified in sub-subparagraph 1.b. However, the mitigation may  
112 not result in a period of disqualification less than 7 years.  
113 The rule may not mitigate the disqualifying periods in sub-  
114 subparagraphs 1.a., 1.c., and 1.d.

115 4. An applicant is not eligible for licensure until the  
116 expiration of the disqualifying period set by rule.

117 5. Section 112.011 is not applicable to eligibility for  
118 licensure under this part.

119 Section 3. Subsections (3), (4), (5), and (6) of section  
120 494.00255, Florida Statutes, are amended, and paragraph (m) of  
121 subsection (1) is reenacted, to read:

122 494.00255 Administrative penalties and fines; license  
123 violations.—

124 (1) Each of the following acts constitutes a ground for  
125 which the disciplinary actions specified in subsection (2) may  
126 be taken against a person licensed or required to be licensed  
127 under part II or part III of this chapter:

128 (m) In any mortgage transaction, violating any provision  
129 of the federal Real Estate Settlement Procedures Act, as  
130 amended, 12 U.S.C. ss. 2601 et seq.; the federal Truth in

Amendment No. 1

131 Lending Act, as amended, 15 U.S.C. ss. 1601 et seq.; or any  
132 regulations adopted under such acts.

133 (3) A mortgage broker or mortgage lender, as applicable,  
134 is subject to the disciplinary actions specified in subsection  
135 (2) for a violation of subsection (1) by:

136 (a) A control person of the mortgage broker or mortgage  
137 lender; ~~or~~

138 (b) A loan originator employed by or contracting with the  
139 mortgage broker or mortgage lender; or

140 (c) An in-house loan processor who is an employee of the  
141 mortgage broker or mortgage lender.

142 (4) A principal loan originator of a mortgage broker is  
143 subject to the disciplinary actions specified in subsection (2)  
144 for violations of subsection (1) by a loan originator or an in-  
145 house loan processor in the course of an association with the  
146 mortgage broker if there is a pattern of repeated violations by  
147 the loan originator or in-house loan processor or if the  
148 principal loan originator has knowledge of the violations.

149 (5) A principal loan originator of a mortgage lender is  
150 subject to the disciplinary actions specified in subsection (2)  
151 for violations of subsection (1) by a loan originator or an in-  
152 house loan processor in the course of an association with a  
153 mortgage lender if there is a pattern of repeated violations by  
154 the loan originator or in-house loan processor or if the  
155 principal loan originator has knowledge of the violations.

156 (6) A branch manager is subject to the disciplinary  
157 actions specified in subsection (2) for violations of subsection  
158 (1) by a loan originator or an in-house loan processor in the

Amendment No. 1

159 course of an association with the mortgage broker or mortgage  
160 lender if there is a pattern of repeated violations by the loan  
161 originator or in-house loan processor or if the branch manager  
162 has knowledge of the violations.

163 Section 4. Section 494.00331, Florida Statutes, is amended  
164 to read:

165 494.00331 Loan originator and loan processor employment.—

166 (1) LOAN ORIGINATORS.—An individual may not act as a loan  
167 originator unless he or she is an employee of, or an independent  
168 contractor for, a mortgage broker or a mortgage lender, and may  
169 not be employed by or contract with more than one mortgage  
170 broker or mortgage lender, or either simultaneously.

171 (2) CONTRACT LOAN PROCESSORS.—~~Subsection (1) However, this~~  
172 ~~provision does not apply to a contract loan processor who has a~~  
173 ~~declaration of intent to act solely as a contract loan processor~~  
174 ~~on file with the office. The declaration of intent must be on a~~  
175 ~~form as prescribed by commission rule any licensed loan~~  
176 ~~originator who acts solely as a loan processor and contracts~~  
177 ~~with more than one mortgage broker or mortgage lender, or either~~  
178 ~~simultaneously.~~

179 ~~(2) For purposes of this section, the term "loan~~  
180 ~~processor" means an individual who is licensed as a loan~~  
181 ~~originator who engages only in:~~

182 ~~(a) The receipt, collection, distribution, and analysis of~~  
183 ~~information common for the processing or underwriting of a~~  
184 ~~residential mortgage loan; or~~

185 ~~(b) Communication with consumers to obtain the information~~  
186 ~~necessary for the processing or underwriting of a loan, to the~~



Amendment No. 1

187 ~~extent that such communication does not include offering or~~  
188 ~~negotiating loan rates or terms or does not include counseling~~  
189 ~~consumers about residential mortgage loan rates or terms.~~

190 ~~(3) A person may not act as a loan processor unless the~~  
191 ~~person is licensed as a loan originator under this chapter and~~  
192 ~~has on file with the office a declaration of intent to engage~~  
193 ~~solely in loan processing. The declaration of intent must be on~~  
194 ~~such form as prescribed by the commission by rule.~~

195 ~~(a)(4) A loan originator that currently has a declaration~~  
196 ~~of intent to engage solely in loan processing on file with the~~  
197 ~~office may withdraw his or her declaration of intent to engage~~  
198 ~~solely in loan processing. The withdrawal of declaration of~~  
199 ~~intent must be on such form as prescribed by commission rule.~~

200 ~~(b)(5) A declaration of intent or a withdrawal of~~  
201 ~~declaration of intent is effective upon receipt by the office.~~

202 ~~(c)(6) The fee earned by a contract loan processor may be~~  
203 ~~paid to the company that employs the loan processor without~~  
204 ~~violating the restriction in s. 494.0025(8)(7) requiring fees or~~  
205 ~~commissions to be paid to a licensed mortgage broker or mortgage~~  
206 ~~lender or a person exempt from licensure under this chapter.~~

207 ~~(3) IN-HOUSE LOAN PROCESSORS.—An individual may not act as~~  
208 ~~an in-house loan processor unless he or she is an employee of a~~  
209 ~~mortgage broker or a mortgage lender and may not be employed by~~  
210 ~~more than one mortgage broker or mortgage lender, or either,~~  
211 ~~simultaneously. An in-house loan processor must work at the~~  
212 ~~direction of and be subject to the supervision and instruction~~  
213 ~~of a loan originator licensed under this part.~~

Amendment No. 1

214 Section 5. Subsection (1) of section 494.0035, Florida  
215 Statutes, is amended to read:

216 494.0035 Principal loan originator and branch manager for  
217 mortgage broker.—

218 (1) Each mortgage broker must be operated by a principal  
219 loan originator who shall have full charge, control, and  
220 supervision of the mortgage broker ~~business~~. The principal loan  
221 originator must have been licensed as a loan originator for at  
222 least 1 year before being designated as the principal loan  
223 originator, or must demonstrate to the satisfaction of the  
224 office that he or she has been actively engaged in a mortgage-  
225 related ~~mortgage broker related~~ business for at least 1 year  
226 before being designated as a principal loan originator. Each  
227 mortgage broker must keep the office informed of the person  
228 designated as the principal loan originator as prescribed by  
229 commission rule. If the designation is inaccurate, the mortgage  
230 broker ~~business~~ shall be deemed to be operated under the full  
231 charge, control, and supervision of each officer, director, or  
232 ultimate equitable owner of a 10-percent or greater interest in  
233 the mortgage broker, or any other person in a similar capacity.  
234 A loan originator may not be a principal loan originator for  
235 more than one mortgage broker at any given time.

236 Section 6. Paragraph (c) of subsection (3) of section  
237 494.0038, Florida Statutes, is amended to read:

238 494.0038 Loan origination and mortgage broker fees and  
239 disclosures.—

240 (3) At the time a written mortgage broker agreement is  
241 signed by the borrower or forwarded to the borrower for

Amendment No. 1

242 signature, or at the time the mortgage broker business accepts  
243 an application fee, credit report fee, property appraisal fee,  
244 or any other third-party fee, but at least 3 business days  
245 before execution of the closing or settlement statement, the  
246 mortgage broker shall disclose in writing to any applicant for a  
247 mortgage loan the following information:

248 (c) A good faith estimate that discloses settlement  
249 charges and loan terms, ~~signed and dated by the borrower, which~~  
250 ~~discloses the total amount of each of the fees the borrower may~~  
251 ~~reasonably expect to pay if the loan is closed, including, but~~  
252 ~~not limited to, fees earned by the mortgage broker, lender fees,~~  
253 ~~third party fees, and official fees, together with the terms and~~  
254 ~~conditions for obtaining a refund of such fees, if any.~~

255 1. Any amount collected in excess of the actual cost shall  
256 be returned within 60 days after rejection, withdrawal, or  
257 closing.

258 2. At the time a good faith estimate is provided to the  
259 borrower, the loan originator must identify in writing an  
260 itemized list that provides the recipient of all payments  
261 charged the borrower, which, except for all fees to be received  
262 by the mortgage broker, may be disclosed in generic terms, such  
263 as, but not limited to, paid to lender, appraiser, officials,  
264 title company, or any other third-party service provider. This  
265 requirement does not supplant or is not a substitute for the  
266 written mortgage broker agreement described in subsection (1).  
267 The disclosure required under this subparagraph must be signed  
268 and dated by the borrower.

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 823 (2011)

Amendment No. 1

269 Section 7. Paragraph (a) of subsection (7) of section  
270 494.00421, Florida Statutes, is amended to read:

271 494.00421 Fees earned upon obtaining a bona fide  
272 commitment.—Notwithstanding the provisions of ss. 494.001-  
273 494.0077, any mortgage broker which contracts to receive a loan  
274 origination fee from a borrower upon obtaining a bona fide  
275 commitment shall accurately disclose in the mortgage broker  
276 agreement:

277 (7) (a) The following statement, in at least 12-point  
278 boldface type immediately above the signature lines for the  
279 borrowers:

280 "You are entering into a contract with a mortgage broker to  
281 obtain a bona fide mortgage loan commitment under the same terms  
282 and conditions as stated hereinabove or in a separate executed  
283 good faith estimate form. If the mortgage broker obtains a bona  
284 fide commitment under the same terms and conditions, you will be  
285 obligated to pay the loan origination fees even if you choose  
286 not to complete the loan transaction. If the provisions of s.  
287 494.00421, Florida Statutes, are not met, the loan origination  
288 fee can only be earned upon the funding of the mortgage loan.  
289 The borrower may contact the Office of Financial Regulation  
290 ~~Department of Financial Services~~, Tallahassee, Florida,  
291 regarding any complaints that the borrower may have against the  
292 loan originator. The telephone number of the office department  
293 is: ... (insert telephone number) ...."

294 Section 8. Paragraph (e) of subsection (1) of section  
295 494.00612, Florida Statutes, is amended to read:

296 494.00612 Mortgage lender license renewal.—

Amendment No. 1

297 (1) In order to renew a mortgage lender license, a  
298 mortgage lender must:

299 (e) Authorize the registry to obtain an independent credit  
300 report on each of the mortgage lender's control persons ~~lender~~  
301 from a consumer reporting agency, and transmit or provide access  
302 to the report to the office. The cost of the credit report shall  
303 be borne by the licensee.

304 Section 9. Subsection (13) is added to section 494.0067,  
305 Florida Statutes, to read:

306 494.0067 Requirements of mortgage lenders.—

307 (13) Each mortgage lender shall submit to the registry  
308 reports of condition which are in a form and which contain such  
309 information as the registry may require.

310 Section 10. This act shall take effect July 1, 2011.

311

312

313 **T I T L E A M E N D M E N T**

314 Remove the entire title and insert:

315 A bill to be entitled

316 An act relating to loan processing; amending s.

317 494.001, F.S.; creating and revising definitions;

318 deleting a redundant definition; amending s. 494.0011,

319 F.S.; specifying rulemaking powers of the Financial

320 Services Commission; amending s. 494.00255, F.S.;

321 including in-house loan processors in disciplinary

322 provisions; amending s. 494.00331, F.S.; providing

323 that specified provisions do not apply to a licensed

324 contract loan processor who has on file with the

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 823 (2011)

Amendment No. 1

325 office a declaration of intent to act solely as a  
326 contract loan processor; deleting a definition;  
327 providing restrictions on employment of persons  
328 licensed as in-house loan processors; amending s.  
329 494.0035, F.S.; clarifying provisions concerning  
330 operation of mortgage brokers; amending s. 494.0038,  
331 F.S.; revising provisions relating to disclosure of  
332 settlement charges and loan terms; amending s.  
333 494.00421, F.S.; revising an agency reference in the  
334 mortgage broker agreement; providing that a borrower  
335 may contact the Office of Financial Regulation rather  
336 than the Department of Financial Services regarding  
337 any complaints against a loan originator; amending s.  
338 494.00612, F.S.; requiring that in order to renew a  
339 mortgage lender license a mortgage lender must  
340 authorize the Nationwide Mortgage Licensing System and  
341 Registry to obtain an independent credit report on  
342 each of the mortgage lender's control persons;  
343 amending s. 494.0067, F.S.; requiring each mortgage  
344 lender to submit certain reports to the registry as  
345 may be required; providing an effective date.

**COMMITTEE MEETING REPORT**  
**Government Operations Appropriations Subcommittee**  
**4/8/2011 8:45:00AM**

**Location:** 404 HOB

**CS/HB 1121 : Financial Institutions**

Favorable

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Daphne Campbell	X				
Fredrick Costello			X		
Matt Gaetz	X				
Joseph Gibbons	X				
Shawn Harrison			X		
John Julien	X				
Debbie Mayfield	X				
Bryan Nelson	X				
Jeanette Nuñez			X		
H. Marlene O'Toole	X				
Jimmy Patronis	X				
Perry Thurston, Jr.	X				
James Waldman	X				
Ed Hooper (Chair)	X				
<b>Total Yeas: 11</b>		<b>Total Nays: 0</b>			

**Appearances:**

Jared Ross, Director Leg. Affairs (Lobbyist) - Waive In Support  
 League of Southeastern Credit Unions  
 3773 Commonwealth Blvd.  
 Tallahassee Florida 32303  
 Phone: 590-6570

Moreland, Andrea (Lobbyist) (State Employee) - Waive In Support  
 Office of Financial Regulation  
 200 E Gaines St Ste 118  
 Tallahassee FL 32399-0370  
 Phone: (850)410-9601

DiMarco, Anthony (Lobbyist) - Waive In Support  
 Florida Bankers Association  
 1001 Thomasville Rd Ste 201  
 Tallahassee FL 32302-1360  
 Phone: (850)224-2265

Committee meeting was reported out: Friday, April 08, 2011 12:33:19PM