



Insurance & Banking Subcommittee

Action Packet

Wednesday, March 23, 2011

1:00 PM - 4:00 PM

404 HOB

COMMITTEE MEETING REPORT
Insurance & Banking Subcommittee

3/23/2011 1:00:00PM

Location: 404 HOB

Summary:

Insurance & Banking Subcommittee

Wednesday March 23, 2011 01:00 pm

CS/HB 445	Favorable With Committee Substitute	Yeas: 10	Nays: 0
HB 823	Favorable With Committee Substitute	Yeas: 12	Nays: 0
HB 1121	Favorable With Committee Substitute	Yeas: 10	Nays: 0
HB 1227	Favorable With Committee Substitute	Yeas: 13	Nays: 0
HB 1411	Favorable With Committee Substitute	Yeas: 12	Nays: 2
CS/HB 4101	Favorable	Yeas: 9	Nays: 1
PCB INBS 11-01	Favorable	Yeas: 10	Nays: 1
PCS for HB 1007	Favorable	Yeas: 10	Nays: 0
PCS for HB 723	Favorable	Yeas: 11	Nays: 0

Committee meeting was reported out: Wednesday, March 23, 2011 6:53:20PM

COMMITTEE MEETING REPORT
Insurance & Banking Subcommittee

3/23/2011 1:00:00PM

Location: 404 HOB

Attendance:

	<i>Present</i>	<i>Absent</i>	<i>Excused</i>
Bryan Nelson (Chair)	X		
Ben Albritton	X		
Mack Bernard	X		
Jim Boyd	X		
Rachel V. Burgin	X		
Janet Cruz	X		
Daniel Davis	X		
Erik Fresen			X
Bill Hager	X		
Clay Ingram	X		
Evan Jenne	X		
John Julien	X		
Perry Thurston, Jr.	X		
John Wood	X		
Ritch Workman	X		
Totals:	14	0	1

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COMMITTEE MEETING REPORT
Insurance & Banking Subcommittee

3/23/2011 1:00:00PM

Location: 404 HOB

CS/HB 445 : Wellness or Health Improvement Programs

Favorable With Committee Substitute

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Ben Albritton	X				
Mack Bernard	X				
Jim Boyd	X				
Rachel V. Burgin	X				
Janet Cruz	X				
Daniel Davis	X				
Erik Fresen			X		
Bill Hager			X		
Clay Ingram	X				
Evan Jenne	X				
John Julien	X				
Perry Thurston, Jr.			X		
John Wood				X	
Ritch Workman			X		
Bryan Nelson (Chair)	X				
Total Yeas: 10		Total Nays: 0			

Appearances:

Wellness or Health Improvement Programs

David Hart, Exec. VP (Lobbyist) - Waive In Support
 Florida Chamber
 136 S. Bronough
 Tallahassee FL
 Phone: 850-320-0636

Wellness or Health Improvement Programs

James Mosteller, Government Relations Director (Lobbyist) - Waive In Support
 American Heart Association
 2851 Remington Green Circle, Ste. C
 Tallahassee FL 32308
 Phone: 850-727-3712

Wellness or Health Improvement Programs

Jose Gonzalez, VP Government Affairs (Lobbyist) - Waive In Support
 Associated Industries

Wellness or Health Improvement Programs

Cecil Pearce, Pres. (Lobbyist) - Waive In Support
 FL Ins. Council
 2888 Remington
 Tallahassee FL 32308
 Phone: 850-386-6668

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Insurance & Banking Subcommittee

3/23/2011 1:00:00PM

Location: 404 HOB

Wellness or Health Improvement Programs

Harry Spring, Reg. Director of State Govt. Relations (Lobbyist) - Waive In Support

HUMANA

106 E. College Ave., Suite 650

Tallahassee FL 32301

Phone: 850-224-9995

Committee meeting was reported out: Wednesday, March 23, 2011 6:53:20PM

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 445 (2011)

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

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

1 Committee/Subcommittee hearing bill: Insurance & Banking
2 Subcommittee

3 Representative(s) Ingram offered the following:
4

5 **Amendment (with title amendment)**

6 Remove everything after the enacting clause and insert:

7 Section 1. Subsection (4) is added to section 626.9541,
8 Florida Statutes, to read:

9 626.9541 Unfair methods of competition and unfair or
10 deceptive acts or practices defined.—

11 (4) WELLNESS OR HEALTH IMPROVEMENT PROGRAMS.—

12 (a) Authorization to offer rewards or incentives for
13 participation.—An insurer issuing a group or individual health
14 benefit plan may offer a voluntary wellness or health
15 improvement program and may encourage or reward participation in
16 the program by authorizing rewards or incentives, including, but
17 not limited to, merchandise, gift cards, debit cards, premium
18 discounts or rebates, contributions to a member's health savings
19 account, or modifications to copayment, deductible, or

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20 coinsurance amounts. Any advertisement of the program is not
21 subject to the limitations set forth in paragraph (1)(m).

22 (b) Verification of medical condition by nonparticipants
23 due to medical condition.—An insurer may require a health
24 benefit plan member to provide verification, such as an
25 affirming statement from the member's physician, that the
26 member's medical condition makes it unreasonably difficult or
27 inadvisable to participate in the wellness or health improvement
28 program in order for that nonparticipant to receive the reward
29 or incentive.

30 (c) Disclosure requirement.—A reward or incentive offered
31 under this subsection shall be disclosed in the policy or
32 certificate.

33 (d) Other incentives.—This subsection does not prohibit
34 insurers from offering other incentives or rewards for adherence
35 to a wellness or health improvement program if otherwise
36 authorized by state or federal law.

37 Section 2. Subsection (15) is added to section 641.3903,
38 Florida Statutes, to read:

39 641.3903 Unfair methods of competition and unfair or
40 deceptive acts or practices defined.—The following are defined
41 as unfair methods of competition and unfair or deceptive acts or
42 practices:

43 (15) EXCEPTION FOR WELLNESS OR HEALTH IMPROVEMENT
44 PROGRAMS.—

45 (a) Authorization to offer rewards or incentives for
46 participation.—A health maintenance organization issuing a group
47 or individual health benefit plan may offer a voluntary wellness

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48 or health improvement program and may encourage or reward
49 participation in the program by authorizing rewards or
50 incentives, including, but not limited to, merchandise, gift
51 cards, debit cards, premium discounts or rebates, contributions
52 to a member's health savings account, or modifications to
53 copayment, deductible, or coinsurance amounts.

54 (b) Verification of medical condition by nonparticipants.-

55 A health maintenance organization may require a health benefit
56 plan member to provide verification, such as an affirming
57 statement from the member's physician, that the member's medical
58 condition makes it unreasonably difficult or inadvisable to
59 participate in the wellness or health improvement program.

60 (c) A reward or incentive offered under this subsection is
61 not a violation of this section if the program is disclosed in
62 the contract or certificate.

63 (d) This subsection does not prohibit a health maintenance
64 organization from offering other incentives or rewards for
65 adherence to a wellness or health improvement program if
66 otherwise authorized by state or federal law.

67 Section 3. This act shall take effect July 1, 2011.

68 -----
69
70 **T I T L E A M E N D M E N T**

71 Remove the entire title and insert:

72 A bill to be entitled
73 An act relating to wellness or health improvement
74 programs; amending s. 626.9541, F.S.; authorizing
75 insurers to offer a voluntary wellness or health

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Bill No. CS/HB 445 (2011)

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76 improvement program and to encourage or reward
77 participation in the program by offering rewards or
78 incentives to health benefit plan members; authorizing
79 insurers to require plan members not participating in
80 the wellness or health improvement programs to provide
81 verification that their medical condition warrants
82 nonparticipation in order for the nonparticipants to
83 receive rewards or incentives; requiring that the
84 reward or incentive be disclosed in the policy or
85 certificate; amending s. 641.3903, F.S.; providing for
86 a wellness or health improvement program; providing
87 authorization to offer certain rewards or incentives
88 for participation; authorizing verification of a
89 nonparticipant's medical condition; requiring that the
90 reward or incentive be disclosed in the policy or
91 certificate; providing an effective date.

COMMITTEE MEETING REPORT
Insurance & Banking Subcommittee

3/23/2011 1:00:00PM

Location: 404 HOB

HB 823 : Loan Processing

Favorable With Committee Substitute

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Ben Albritton	X				
Mack Bernard	X				
Jim Boyd	X				
Rachel V. Burgin	X				
Janet Cruz	X				
Daniel Davis	X				
Erik Fresen			X		
Bill Hager	X				
Clay Ingram	X				
Evan Jenne	X				
John Julien	X				
Perry Thurston, Jr.			X		
John Wood				X	
Ritch Workman	X				
Bryan Nelson (Chair)	X				
Total Yeas: 12		Total Nays: 0			

Appearances:

Loan Processing

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

Loan Processing

Frank Cicione, Executive Director - Waive In Support
 Florida Association of Mortgage Professionals
 1292 Cedar Center Drive
 Tallahassee FL 32301
 Phone: 850-942-6411

Loan Processing

Eric Prutsman (Lobbyist) - Waive In Support
 Mortgage Bankers Association
 P.O. Box 10448
 Tallahassee FL
 Phone: 850-210-2525

Committee meeting was reported out: Wednesday, March 23, 2011 6:53:20PM

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. 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	_____	

1 Committee/Subcommittee hearing bill: Insurance & Banking
2 Subcommittee

3 Representative(s) Workman offered the following:
4

5 **Amendment (with title amendment)**

6 Remove everything after the enacting clause and insert:

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

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

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Bill No. HB 823 (2011)

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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

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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 in-house loan processors, loan originators,
 69 mortgage brokers, mortgage lenders, and branch offices to
 70 register through the registry.

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

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Bill No. HB 823 (2011)

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- 76 a. Uniform Mortgage Lender/Mortgage Broker Form, MU1.
77 b. Uniform Mortgage Biographical Statement & Consent Form,
78 MU2.
79 c. Uniform Mortgage Branch Office Form, MU3.
80 d. Uniform Individual Mortgage License/Registration &
81 Consent Form, MU4.

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

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

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

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

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

97 1. The rules must provide:

- 98 a. Permanent bars for felonies involving fraud,
99 dishonesty, breach of trust, or money laundering;
100 b. A 15-year disqualifying period for felonies involving
101 moral turpitude;
102 c. A 7-year disqualifying period for all other felonies;
103 and

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

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

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

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

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

120 Section 3. Subsection (1) of section 494.0018, Florida
121 Statutes, is amended to read:

122 494.0018 Penalties.—

123 (1) Whoever knowingly violates any provision of s.
124 494.00255(1)(a), (b), or (c) or s. 494.0025(1), ~~(3)-(2)~~, ~~(4)-(3)~~,
125 ~~(5)-(4)~~, or ~~(6)-(5)~~, except as provided in subsection (2) of this
126 section, commits a felony of the third degree, punishable as
127 provided in s. 775.082, s. 775.083, or s. 775.084. Each such
128 violation constitutes a separate offense.

129 Section 4. Subsections (2) through (10) of section
130 494.0025, Florida Statutes, are renumbered as subsections (3)

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131 through (11), respectively, and a new subsection (2) is added to
132 that section, to read:

133 494.0025 Prohibited practices.—It is unlawful for any
134 person:

135 (2) To act as an in-house loan processor in this state
136 without a current, active in-house processor license issued by
137 the office pursuant to part II of this chapter.

138 Section 5. Paragraphs (n) and (p) of subsection (1),
139 paragraph (f) of subsection (2), and subsections (3), (4), (5),
140 (6), and (8) of section 494.00255, Florida Statutes, are
141 amended, and paragraph (m) of subsection (1) is reenacted, to
142 read:

143 494.00255 Administrative penalties and fines; license
144 violations.—

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

149 (m) In any mortgage transaction, violating any provision
150 of the federal Real Estate Settlement Procedures Act, as
151 amended, 12 U.S.C. ss. 2601 et seq.; the federal Truth in
152 Lending Act, as amended, 15 U.S.C. ss. 1601 et seq.; or any
153 regulations adopted under such acts.

154 (n) Having a loan originator, an in-house loan processor,
155 a mortgage broker, or a mortgage lender license, or the
156 equivalent of such license, revoked in any jurisdiction.

157 (p) Acting as a loan originator, an in-house loan
158 processor, a mortgage broker, or a mortgage lender without a

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159 current license issued under part II or part III of this
160 chapter.

161 (2) If the office finds a person in violation of any act
162 specified in this section, it may enter an order imposing one or
163 more of the following penalties:

164 (f) An administrative fine of up to \$1,000 per day, but
165 not to exceed \$25,000 cumulatively, for each day that:

166 1. A mortgage broker or mortgage lender conducts business
167 at an unlicensed branch office.

168 2. An unlicensed person acts as a loan originator, an in-
169 house loan processor, a mortgage broker, or a mortgage lender.

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

173 (a) A control person of the mortgage broker or mortgage
174 lender; ~~or~~

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

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

179 (4) A principal loan originator of a mortgage broker is
180 subject to the disciplinary actions specified in subsection (2)
181 for violations of subsection (1) by a loan originator or an in-
182 house loan processor in the course of an association with the
183 mortgage broker if there is a pattern of repeated violations by
184 the loan originator or in-house loan processor or if the
185 principal loan originator has knowledge of the violations.

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186 (5) A principal loan originator of a mortgage lender is
187 subject to the disciplinary actions specified in subsection (2)
188 for violations of subsection (1) by a loan originator or an in-
189 house loan processor in the course of an association with a
190 mortgage lender if there is a pattern of repeated violations by
191 the loan originator or in-house loan processor or if the
192 principal loan originator has knowledge of the violations.

193 (6) A branch manager is subject to the disciplinary
194 actions specified in subsection (2) for violations of subsection
195 (1) by a loan originator or an in-house loan processor in the
196 course of an association with the mortgage broker or mortgage
197 lender if there is a pattern of repeated violations by the loan
198 originator or in-house loan processor or if the branch manager
199 has knowledge of the violations.

200 (8) Pursuant to s. 120.60(6), the office may summarily
201 suspend the license of a loan originator, an in-house loan
202 processor, a mortgage broker, or a mortgage lender if the office
203 has reason to believe that a licensee poses an immediate,
204 serious danger to the public's health, safety, or welfare. The
205 arrest of the licensee, or the mortgage broker or the mortgage
206 lender's control person, for any felony or any crime involving
207 fraud, dishonesty, breach of trust, money laundering, or any
208 other act of moral turpitude is deemed sufficient to constitute
209 an immediate danger to the public's health, safety, or welfare.
210 Any proceeding for the summary suspension of a license must be
211 conducted by the commissioner of the office, or designee, who
212 shall issue the final summary order.

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213 Section 6. Subsection (5) of section 494.00312, Florida
214 Statutes, is amended to read:

215 494.00312 Loan originator license.—

216 (5) The office may not issue a license to an applicant who
217 has had a loan originator or an in-house loan processor license
218 or its equivalent revoked in any jurisdiction.

219 Section 7. Section 494.00314, Florida Statutes, is created
220 to read:

221 494.00314 In-house loan processor license.—

222 (1) An individual acting as an in-house loan processor
223 must be licensed under this section.

224 (2) In order to apply for an in-house loan processor
225 license, an applicant must:

226 (a) Be at least 18 years of age and have a high school
227 diploma or its equivalent.

228 (b) Submit a completed license application form as
229 prescribed by commission rule.

230 (c) Submit a nonrefundable application fee of \$100.
231 Application fees may not be prorated for partial years of
232 licensure.

233 (d) Submit fingerprints in accordance with rules adopted
234 by the commission.

235 1. The fingerprints must be submitted to a live-scan
236 vendor authorized by the Department of Law Enforcement.

237 2. A state criminal history background check must be
238 conducted through the Department of Law Enforcement, and a
239 federal criminal history check must be conducted through the
240 Federal Bureau of Investigation.

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241 3. All fingerprints submitted to the Department of Law
242 Enforcement must be submitted electronically and entered into
243 the statewide automated fingerprint identification system
244 established in s. 943.05(2)(b) and available for use in
245 accordance with s. 943.05(2)(g) and (h). The office shall pay an
246 annual fee to the department to participate in the system and
247 inform the department of any person whose fingerprints are no
248 longer required to be retained.

249 4. The costs of fingerprint processing, including the cost
250 of retaining fingerprints, shall be borne by the person subject
251 to the background check.

252 5. The office is responsible for reviewing the results of
253 the state and federal criminal history checks and determining
254 whether the applicant meets licensure requirements.

255 (e) Submit additional information or documentation
256 requested by the office and required by rule concerning the
257 applicant. Additional information may include documentation of
258 pending or prior disciplinary or criminal history events,
259 including arrest reports and certified copies of charging
260 documents, plea agreements, judgments and sentencing documents,
261 documents relating to pretrial intervention, orders terminating
262 probation or supervised release, final administrative agency
263 orders, or other comparable documents that may provide the
264 office with the appropriate information to determine eligibility
265 for licensure.

266 (f) Submit any other information required by the registry
267 for processing the application.

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268 (3) An application is considered received for the purposes
269 of s. 120.60 upon the office's receipt of all documentation from
270 the registry, including the completed application form, criminal
271 history information, and license application fee.

272 (4) The office shall issue an in-house loan processor
273 license to each person who is not otherwise ineligible and who
274 meets the requirements of this section. However, it is a ground
275 for denial of licensure if the applicant:

276 (a) Has committed any violation specified in ss. 494.001-
277 494.0077; or

278 (b) Is the subject of a pending felony criminal
279 prosecution or a prosecution or an administrative enforcement
280 action in any jurisdiction which involves fraud, dishonesty,
31 breach of trust, money laundering, or any other act of moral
282 turpitude.

283 (5) The office may not issue a license to an applicant who
284 has had an in-house loan processor or loan originator license or
285 its equivalent revoked in any jurisdiction.

286 (6) An in-house loan processor license shall be annulled
287 pursuant to s. 120.60 if it was issued by the office by mistake.
288 A license must be reinstated if the applicant demonstrates that
289 the requirements for obtaining the license have been satisfied.

290 (7) All in-house loan processor licenses must be renewed
291 annually by December 31, pursuant to s. 494.00315. If a person
292 holding an active license has not applied to renew the license
293 on or before December 31, the license expires on December 31. If
294 a person holding an active license has applied to renew on or
295 before December 31, the license remains active until the renewal

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296 application is approved or denied. An in-house loan processor is
297 not precluded from reapplying for licensure upon expiration of a
298 previous license.

299 (8) An in-house loan processor licensed under this section
300 may not act as a loan originator without a loan originator
301 license issued under this part.

302 (9) A loan originator licensed under this part may also
303 act as an in-house loan processor without an in-house loan
304 processor license.

305 Section 8. Section 494.00315, Florida Statutes, is created
306 to read:

307 494.00315 In-house loan processor license renewal.—In
308 order to renew an in-house loan processor license, an in-house
309 loan processor must:

310 (1) Submit a completed license renewal form as prescribed
311 by commission rule.

312 (2) Submit a nonrefundable renewal fee of \$75 and
313 nonrefundable fees to cover the costs of further fingerprint
314 processing and retention as set forth in commission rule.

315 (3) Submit any additional information or documentation
316 requested by the office and required by rule concerning the
317 licensee. Additional information may include documentation of
318 pending and prior disciplinary and criminal history events,
319 including arrest reports and certified copies of charging
320 documents, plea agreements, judgments and sentencing documents,
321 documents relating to pretrial intervention, orders terminating
322 probation or supervised release, final administrative agency
323 orders, or other comparable documents that may provide the

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324 office with the appropriate information to determine eligibility
325 for renewal of licensure.

326 Section 9. Section 494.00331, Florida Statutes, is amended
327 to read:

328 494.00331 Loan originator and loan processor employment.—

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

334 (2) CONTRACT LOAN PROCESSORS.—Subsection (1) ~~However, this~~
335 ~~provision~~ does not apply to a contract loan processor who has a
336 declaration of intent to act solely as a contract loan processor
337 on file with the office. The declaration of intent must be on a
338 form as prescribed by commission rule ~~any licensed loan~~
339 ~~originator who acts solely as a loan processor and contracts~~
340 ~~with more than one mortgage broker or mortgage lender, or either~~
341 ~~simultaneously.~~

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

345 ~~(a) The receipt, collection, distribution, and analysis of~~
346 ~~information common for the processing or underwriting of a~~
347 ~~residential mortgage loan; or~~

348 ~~(b) Communication with consumers to obtain the information~~
349 ~~necessary for the processing or underwriting of a loan, to the~~
350 ~~extent that such communication does not include offering or~~

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 823 (2011)

Amendment No. 1

351 ~~negotiating loan rates or terms or does not include counseling~~
352 ~~consumers about residential mortgage loan rates or terms.~~

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

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

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

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

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

377 Section 10. Subsection (1) of section 494.0035, Florida
378 Statutes, is amended to read:

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 823 (2011)

Amendment No. 1

379 494.0035 Principal loan originator and branch manager for
380 mortgage broker.—

381 (1) Each mortgage broker must be operated by a principal
382 loan originator who shall have full charge, control, and
383 supervision of the mortgage broker ~~business~~. The principal loan
384 originator must have been licensed as a loan originator for at
385 least 1 year before being designated as the principal loan
386 originator, or must demonstrate to the satisfaction of the
387 office that he or she has been actively engaged in a mortgage-
388 related ~~mortgage broker-related~~ business for at least 1 year
389 before being designated as a principal loan originator. Each
390 mortgage broker must keep the office informed of the person
391 designated as the principal loan originator as prescribed by
392 commission rule. If the designation is inaccurate, the mortgage
393 broker ~~business~~ shall be deemed to be operated under the full
394 charge, control, and supervision of each officer, director, or
395 ultimate equitable owner of a 10-percent or greater interest in
396 the mortgage broker, or any other person in a similar capacity.
397 A loan originator may not be a principal loan originator for
398 more than one mortgage broker at any given time.

399 Section 11. Paragraph (c) of subsection (3) of section
400 494.0038, Florida Statutes, is amended to read:

401 494.0038 Loan origination and mortgage broker fees and
402 disclosures.—

403 (3) At the time a written mortgage broker agreement is
404 signed by the borrower or forwarded to the borrower for
405 signature, or at the time the mortgage broker business accepts
406 an application fee, credit report fee, property appraisal fee,

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 823 (2011)

Amendment No. 1

407 or any other third-party fee, but at least 3 business days
408 before execution of the closing or settlement statement, the
409 mortgage broker shall disclose in writing to any applicant for a
410 mortgage loan the following information:

411 (c) A good faith estimate that discloses settlement
412 charges and loan terms, ~~signed and dated by the borrower, which~~
413 ~~discloses the total amount of each of the fees the borrower may~~
414 ~~reasonably expect to pay if the loan is closed, including, but~~
415 ~~not limited to, fees earned by the mortgage broker, lender fees,~~
416 ~~third-party fees, and official fees, together with the terms and~~
417 ~~conditions for obtaining a refund of such fees, if any.~~

418 1. Any amount collected in excess of the actual cost shall
419 be returned within 60 days after rejection, withdrawal, or
420 closing.

421 2. At the time a good faith estimate is provided to the
422 borrower, the loan originator must identify in writing an
423 itemized list that provides the recipient of all payments
424 charged the borrower, which, except for all fees to be received
425 by the mortgage broker, may be disclosed in generic terms, such
426 as, but not limited to, paid to lender, appraiser, officials,
427 title company, or any other third-party service provider. This
428 requirement does not supplant or is not a substitute for the
429 written mortgage broker agreement described in subsection (1).
430 The disclosure required under this subparagraph must be signed
431 and dated by the borrower.

432 Section 12. Paragraph (a) of subsection (7) of section
433 494.00421, Florida Statutes, is amended to read:

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 823 (2011)

Amendment No. 1

434 494.00421 Fees earned upon obtaining a bona fide
435 commitment.—Notwithstanding the provisions of ss. 494.001-
436 494.0077, any mortgage broker which contracts to receive a loan
437 origination fee from a borrower upon obtaining a bona fide
438 commitment shall accurately disclose in the mortgage broker
439 agreement:

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

443 "You are entering into a contract with a mortgage broker to
444 obtain a bona fide mortgage loan commitment under the same terms
445 and conditions as stated hereinabove or in a separate executed
446 good faith estimate form. If the mortgage broker obtains a bona
17 fide commitment under the same terms and conditions, you will be
448 obligated to pay the loan origination fees even if you choose
449 not to complete the loan transaction. If the provisions of s.
450 494.00421, Florida Statutes, are not met, the loan origination
451 fee can only be earned upon the funding of the mortgage loan.
452 The borrower may contact the Office of Financial Regulation
453 ~~Department of Financial Services~~, Tallahassee, Florida,
454 regarding any complaints that the borrower may have against the
455 loan originator. The telephone number of the office ~~department~~
456 is: ...(insert telephone number)...."

457 Section 13. Subsection (5) of section 494.00611, Florida
458 Statutes, is amended to read:

459 494.00611 Mortgage lender license.—

460 (5) The office may not issue a license if the applicant
461 has had a mortgage lender license or its equivalent revoked in

Amendment No. 1

462 any jurisdiction, or any of the applicant's control persons has
463 ever had a loan originator or an in-house loan processor license
464 or its equivalent revoked in any jurisdiction.

465 Section 14. Paragraph (e) of subsection (1) of section
466 494.00612, Florida Statutes, is amended to read:

467 494.00612 Mortgage lender license renewal.—

468 (1) In order to renew a mortgage lender license, a
469 mortgage lender must:

470 (e) Authorize the registry to obtain an independent credit
471 report on each of the mortgage lender's control persons lender
472 from a consumer reporting agency, and transmit or provide access
473 to the report to the office. The cost of the credit report shall
474 be borne by the licensee.

475 Section 15. Subsection (13) is added to section 494.0067,
476 Florida Statutes, to read:

477 494.0067 Requirements of mortgage lenders.—

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

481 Section 16. This act shall take effect January 1, 2012.

482

483

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

485 Remove the entire title and insert:

486 A bill to be entitled

487 An act relating to loan processing; amending s.

488 494.001, F.S.; creating and revising definitions;

489 deleting a redundant definition; amending s. 494.0011,

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 823 (2011)

Amendment No. 1

490 F.S.; specifying rulemaking powers of the Financial
491 Services Commission; amending s. 494.0018, F.S.;

492 revising cross-references; amending s. 494.0025, F.S.;

493 prohibiting acting as an in-house loan processor
494 without a specified license; amending s. 494.00255,
495 F.S.; including licensed in-house loan processors in
496 disciplinary provisions; amending s. 494.00312, F.S.;

497 providing that a loan originator license may not be
498 issued to a person who has had an in-house loan
499 processor license or its equivalent revoked in any
500 jurisdiction; creating s. 494.00314, F.S.; providing
501 for licensing of in-house loan processors; providing
502 application requirements; specifying when an
503 application is considered received; providing grounds
504 for denial of licensure; prohibiting issuance of
505 licenses to applicants who have had certain licenses
506 revoked in other jurisdictions; providing for
507 annulment of licenses in certain circumstances;

508 requiring annual renewal of licenses; prohibiting an
509 in-house loan processor from acting as a loan
510 originator without a loan originator license;

511 authorizing a licensed loan originator to act as an
512 in-house loan processor without an in-house loan
513 processor license; creating s. 494.00315, F.S.;

514 providing for license renewals; amending s. 494.00331,
515 F.S.; providing that specified provisions do not apply
516 to a licensed contract loan processor who has on file
517 with the office a declaration of intent to act solely

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 823 (2011)

Amendment No. 1

518 as a contract loan processor; deleting a definition;
519 providing restrictions on employment of persons
520 licensed as in-house loan processors; amending s.
521 494.0035, F.S.; clarifying provisions concerning
522 operation of mortgage brokers; amending s. 494.0038,
523 F.S.; revising provisions relating to disclosure of
524 settlement charges and loan terms; amending s.
525 494.00421, F.S.; revising an agency reference in the
526 mortgage broker agreement; providing that a borrower
527 may contact the Office of Financial Regulation rather
528 than the Department of Financial Services regarding
529 any complaints against a loan originator; amending s.
530 494.00611, F.S.; providing that a mortgage lender
531 license may not be issued to an applicant if any of
532 the applicant's control persons has ever had an in-
533 house loan processor license or its equivalent revoked
534 in any jurisdiction; amending s. 494.00612, F.S.;
535 requiring that in order to renew a mortgage lender
536 license a mortgage lender must authorize the
537 Nationwide Mortgage Licensing System and Registry to
538 obtain an independent credit report on each of the
539 mortgage lender's control persons; amending s.
540 494.0067, F.S.; requiring each mortgage lender to
541 submit certain reports to the registry as may be
542 required; providing an effective date.

COMMITTEE MEETING REPORT
Insurance & Banking Subcommittee

3/23/2011 1:00:00PM

Location: 404 HOB

HB 1121 : Financial Institutions

Favorable With Committee Substitute

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Ben Albritton	X				
Mack Bernard	X				
Jim Boyd	X				
Rachel V. Burgin	X				
Janet Cruz	X				
Daniel Davis	X				
Erik Fresen			X		
Bill Hager			X		
Clay Ingram	X				
Evan Jenne	X				
John Julien	X				
Perry Thurston, Jr.			X		
John Wood				X	
Ritch Workman			X		
Bryan Nelson (Chair)	X				
Total Yeas: 10		Total Nays: 0			

Appearances:

Financial Institutions

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

Financial Institutions

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

Financial Institutions

Jared Ross, Director of Legislative Affairs (Lobbyist) - Waive In Support
 League of Southeastern Credit Union
 3773 Commonwealth Blvd.
 Tallahassee FL 32303
 Phone: 850-590-6570

Committee meeting was reported out: Wednesday, March 23, 2011 6:53:20PM

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 1121 (2011)

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

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

1 Committee/Subcommittee hearing bill: Insurance & Banking
2 Subcommittee

3 Representative(s) Ingram offered the following:

4

5 **Amendment**

6 Remove lines 91-92 and insert:

7 company of a financial institution pursuant to ss. 658.27-

8 658.285.

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 1121 (2011)

Amendment No. 2

COMMITTEE/SUBCOMMITTEE ACTION

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

1 Committee/Subcommittee hearing bill: Insurance & Banking
2 Subcommittee
3 Representative(s) Ingram offered the following:

4

5 **Amendment**

6 Remove line 234 and insert:
7 incorporation or bylaws.

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 1121 (2011)

Amendment No. 3

COMMITTEE/SUBCOMMITTEE ACTION

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

1 Committee/Subcommittee hearing bill: Insurance & Banking
2 Subcommittee

3 Representative(s) Ingram offered the following:

4

5 **Amendment**

6 Remove lines 352-354 and insert:

7 accounting principles ~~and practices~~. The commission may
8 authorize ~~by rule~~ exceptions to such accounting principles by
9 rule practices as necessary.

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 1121 (2011)

Amendment No. 4

COMMITTEE/SUBCOMMITTEE ACTION

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

1 Committee/Subcommittee hearing bill: Insurance & Banking
2 Subcommittee
3 Representative(s) Ingram offered the following:

4
5 **Amendment (with title amendment)**

6 **Remove lines 390-394 and insert:**

7 investigation, or review, or as otherwise authorized by s.
8 655.057.

9 -----
10 **T I T L E A M E N D M E N T**

11 Remove lines 15-17 and insert:

12 certain examination methods; amending s. 655.41, F.S.;

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 1121 (2011)

Amendment No. 5

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	✓	(Y/N)
FAILED TO ADOPT	___	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

1 Committee/Subcommittee hearing bill: Insurance & Banking
2 Subcommittee

3 Representative(s) Ingram offered the following:

4

5 **Amendment**

6 Remove lines 464-465 and insert:
7 financial institution that ~~entity which~~ is authorized to issue
8 capital stock.

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 1121 (2011)

Amendment No. 6

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	_____	

1 Committee/Subcommittee hearing bill: Insurance & Banking
2 Subcommittee

3 Representative(s) Ingram offered the following:

4
5 **Amendment (with title amendment)**

6 Remove lines 920-941 and insert:

7 Section 19. Subsections (3), (4), and (25) of section
8 658.12, Florida Statutes, are amended to read:

9 658.12 Definitions.—Subject to other definitions contained
10 in the financial institutions codes and unless the context
11 otherwise requires:

12 (3) "Banker's bank" means a bank insured by the Federal
13 Deposit Insurance Corporation, or a holding company which owns
14 or controls such ~~an~~ insured bank, if a minimum of 75 percent of
15 ~~when~~ the stock of such bank or holding company is owned
16 exclusively by other banks, the bank is organized solely to do
17 business with other financial institutions, and the bank does
18 not do business with the general public and such bank or holding
19 ~~company and all subsidiaries thereof are engaged exclusively in~~

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 1121 (2011)

Amendment No. 6

20 ~~providing services for other financial institutions and their~~
21 ~~officers, directors, and employees.~~

22 (4) "Branch" or "branch office" of a bank means any office
23 or place of business of a bank, other than its main office and
24 the facilities and operations authorized by ss. 658.26(4),
25 ~~658.65~~, and 660.33, at which deposits are received, checks are
26 paid, or money is lent. With respect to a bank that ~~which~~ has a
27 trust department, the terms "~~branch~~" and "~~branch office~~" have
28 the meanings herein ascribed to a branch or a branch office of a
29 trust company and mean. "~~Branch~~" or "~~branch office~~" of a trust
30 ~~company means~~ any office or place of business of a trust
31 company, other than its main office and its trust service
32 offices established pursuant to s. 660.33, where trust business
33 is transacted with its customers.

34 ~~(25) Terms used but not defined in this code, but which~~
35 ~~are defined in Revised Article 3 or Article 4 of the Uniform~~
36 ~~Commercial Code as enacted in chapters 673 and 674 shall, in~~
37 ~~this code, unless the context otherwise requires, have the~~
38 ~~meanings ascribed to them in chapters 673 and 674.~~

39 Section 20. Section 658.165, Florida Statutes, is amended
40 to read:

41 658.165 Banker's banks; formation; ~~applicability of~~
42 ~~financial institutions codes; exceptions.~~

43 (1) If ~~When~~ authorized by the office, a corporation may be
44 formed under the laws of this state for the purpose of becoming
45 a banker's bank. An application for authority to organize a
46 banker's bank is subject to ~~the provisions of~~ ss. 658.19,
47 658.20, and 658.21, except that s. ~~the provisions of ss.~~

Amendment No. 6

48 658.20(1) (b) and (c) and the minimum stock ownership
49 requirements for the organizing directors provided in s.
50 658.21(2) do not apply.

51 (2) A banker's bank chartered pursuant to subsection (1)
52 is shall be subject to the ~~provisions of the~~ financial
53 institutions codes and rules adopted thereunder; and, except as
54 otherwise specifically provided herein or by rule or order of
55 the commission or office, a banker's bank is shall be vested
56 with or subject to the same rights, privileges, duties,
57 restrictions, penalties, liabilities, conditions, and
58 limitations that would apply to a state bank. A banker's bank is
59 organized solely to do business with other financial
60 institutions, and is not deemed to be doing business with the
61 general public even if, as an incidental part of its activities,
62 it does business to a limited extent with entities and persons
63 other than financial institutions as follows:

64 (a) The range of customers with which the banker's bank
65 does business is limited to financial institutions, including
66 subsidiaries or organizations owned by financial institutions;
67 directors, officers, or employees of the same or other financial
68 institutions; individuals whose accounts are acquired at the
69 request of a financial institution's supervisory authority due
70 to the actual or impending failure of a financial institution;
71 and financial institution trade associations; and

72 (b) The banker's bank does not make loans to, or
73 investments in, entities and persons other than financial
74 institutions which exceed 10 percent of the banker's bank's
75 total assets, and the banker's bank does not receive deposits

Amendment No. 6

76 from, or issue other liabilities to, entities and persons other
77 than financial institutions which exceed 10 percent of the
78 banker's bank total liabilities.

79 (3) Notwithstanding any other provision of this chapter, a
80 banker's bank may repurchase, for its own account, shares of its
81 own capital stock; however, the outstanding capital stock may
82 not be reduced below the minimum required by this chapter
83 without the prior approval of the office.

84 (4) A banker's bank may provide services at the request of
85 financial institutions in organization ~~organizations~~ that have:

86 (a) Received conditional regulatory approval from the
87 office in the case of a state bank or trust company, or from the
88 appropriate state regulatory agency in the case of an out-of-
89 state bank or trust company, or received preliminary approval
90 from the Office of the Comptroller of the Currency in the case
91 of a national bank.

92 (b) Filed articles of incorporation or organization
93 pursuant to s. 658.23 in the case of a state bank or trust
94 company, or pursuant to applicable state law in the case of an
95 out-of-state bank or trust company, or filed acceptable articles
96 of incorporation and an organization certificate in the case of
97 a national bank.

98 (c) Received capital funds in an amount not less than the
99 minimum capitalization required in any notice of or order
100 granting conditional regulatory approval.

101 (5) A banker's bank may provide services to the organizers
102 of a ~~proposed~~ financial institution in organization which that
103 has not received conditional regulatory approval if provided

Amendment No. 6

104 ~~that~~ such services are limited to the financing of the expenses
105 of organizing such proposed financial institution and expenses
106 relating to the acquisition or construction of the institution's
107 proposed operating facilities and associated fixtures and
108 equipment.

109 (6) If the commission or office finds that any provision
110 of this chapter is inconsistent with the purpose for which a
111 banker's bank is organized and that the welfare of the public or
112 any financial institution would not be jeopardized thereby, the
113 commission, by rule, or the office, by order, may exempt a
114 banker's bank from such provision or limit the application
115 thereof.

116

17

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

118
119 Remove lines 40-42 and insert:

120 s. 658.12, F.S., revising the definition of "banker's bank";
121 conforming a cross-reference; deleting a provision relating to
122 the application of definitions in the financial institutions
123 codes; amending s. 658.165, F.S.; revising provisions relating
124 to banker's banks; specifying the type of business such a bank
125 may do with entities or individuals that are not banks; revising
126 provisions relating to the services a banker's bank may provide
127 to financial institutions in organization; repealing s.
128 658.20(3),

COMMITTEE MEETING REPORT
Insurance & Banking Subcommittee

3/23/2011 1:00:00PM

Location: 404 HOB

HB 1227 : Surplus Lines Insurance

Favorable With Committee Substitute

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Ben Albritton	X				
Mack Bernard	X				
Jim Boyd	X				
Rachel V. Burgin	X				
Janet Cruz	X				
Daniel Davis	X				
Erik Fresen			X		
Bill Hager	X				
Clay Ingram	X				
Evan Jenne	X				
John Julien	X				
Perry Thurston, Jr.	X				
John Wood				X	
Ritch Workman	X				
Bryan Nelson (Chair)	X				
Total Yeas: 13		Total Nays: 0			

Appearances:

Surplus Lines Insurance

Monte Stevens, Director (Lobbyist) (State Employee) - Waive In Support

OIR

200 E. Gaines St.

Tallahassee FL 32399

Phone: 850-413-2571

Surplus Lines Insurance

Sandy Safley (Lobbyist) - Waive In Support

Fla. Surplus Lines Service Office

Box 10095

Tallahassee FL 32302

Phone: 850-222-3533

Committee meeting was reported out: Wednesday, March 23, 2011 6:53:20PM

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 1227 (2011)

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

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

1 Committee/Subcommittee hearing bill: Insurance & Banking
2 Subcommittee

3 Representative(s) Hager offered the following:

4

5 **Amendment (with title amendment)**

6

7

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

8

Remove line 23 and insert:

9

626.938, F.S.; requiring certain insureds or self-insurers

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 1227 (2011)

Amendment No. 2

COMMITTEE/SUBCOMMITTEE ACTION

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

1 Committee/Subcommittee hearing bill: Insurance & Banking
2 Subcommittee

3 Representative(s) Hager offered the following:

4

5 **Amendment (with title amendment)**

6

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

8

Remove line 27 and insert:

9

circumstances; requiring such insureds or self-insurers to pay

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 1227 (2011)

Amendment No. 3

COMMITTEE/SUBCOMMITTEE ACTION

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

1 Committee/Subcommittee hearing bill: Insurance & Banking
2 Subcommittee

3 Representative(s) Hager offered the following:

4

5 **Amendment**

6 Remove line 49 and insert:

7 expiration of a 330-day period that began on July 21, 2010, to

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 1227 (2011)

Amendment No. 4

COMMITTEE/SUBCOMMITTEE ACTION

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

1 Committee/Subcommittee hearing bill: Insurance & Banking
2 Subcommittee

3 Representative(s) Hager offered the following:

4

5 **Amendment**

6 Remove lines 153-154 and insert:

7 following each calendar quarter ~~Within 30 days~~ after the

8 insurance is procured, continued, or renewed, ~~and simultaneously~~

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 1227 (2011)

Amendment No. 5

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	_____	

1 Committee/Subcommittee hearing bill: Insurance & Banking
2 Subcommittee
3 Representative(s) Hager offered the following:

4

5 **Amendment**

6 Remove line 128 and insert:

7 (4) The department

COMMITTEE MEETING REPORT
Insurance & Banking Subcommittee

3/23/2011 1:00:00PM

Location: 404 HOB

HB 1411 : Motor Vehicle Personal Injury Protection Insurance

Favorable With Committee Substitute

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Ben Albritton	X				
Mack Bernard	X				
Jim Boyd	X				
Rachel V. Burgin	X				
Janet Cruz	X				
Daniel Davis	X				
Erik Fresen			X		
Bill Hager	X				
Clay Ingram	X				
Evan Jenne		X			
John Julien	X				
Perry Thurston, Jr.		X			
John Wood	X				
Ritch Workman	X				
Bryan Nelson (Chair)	X				
Total Yeas: 12		Total Nays: 2			

Appearances:

Motor Vehicle Personal Injury Protection Insurance

Bonny Gordon, Sr. Counsel (Lobbyist) - Waive In Support
 GEICO
 1 GEICO Plaza
 DC 20076
 Phone: 301-986-2653

Motor Vehicle Personal Injury Protection Insurance

Leslie Dughi (Lobbyist) - Waive In Support
 Enterprise, National and Alamo
 Tallahassee FL

Motor Vehicle Personal Injury Protection Insurance

Jose L. Gonzalez, VP Govt. Affairs (Lobbyist) - Waive In Support
 AIF
 516 N. Adams
 Tallahassee FL 32301
 Phone: 850-224-7173

Motor Vehicle Personal Injury Protection Insurance

Kim Driggers, Lawyer (Lobbyist) - Opponent
 Florida Chiropractic Assn.
 Tallahassee FL

Committee meeting was reported out: Wednesday, March 23, 2011 6:53:20PM

COMMITTEE MEETING REPORT
Insurance & Banking Subcommittee

3/23/2011 1:00:00PM

Location: 404 HOB

Motor Vehicle Personal Injury Protection Insurance
Robert Heath, Attorney - Opponent
Florida Justice Association
423 N. Bayler St.
Pensacola FL 32501
Phone: 850-466-3888

Motor Vehicle Personal Injury Protection Insurance
William Stander, Asst.VP (Lobbyist) - Proponent
Property Casualty Insurers Association of America
P.O. Box 11174
Tallahassee FL 32302
Phone: 850-681-2615

Motor Vehicle Personal Injury Protection Insurance
Robert Reyes (Lobbyist) - Waive In Support
Florida Insurance Council
200 S. Monroe St.
Tallahassee FL 32301
Phone: 850-681-0024

Motor Vehicle Personal Injury Protection Insurance
Ashly Mayer, Director Legislative Affairs (Lobbyist) (State Employee) - Proponent
DFS
Capitol
Tallahassee FL
Phone: 850-413-4938

Motor Vehicle Personal Injury Protection Insurance
Teye Reeves, Policy Director (Lobbyist) - Waive In Support
FL Chamber of Commerce
136 S. Bronough St.
Tallahassee FL 32301
Phone: 850-521-1235

Motor Vehicle Personal Injury Protection Insurance
Gerald Wester (Lobbyist) - Waive In Support
American Insurance Association
101 E. College v
Tallahassee FL

Motor Vehicle Personal Injury Protection Insurance
Paul Jess (Lobbyist) - Information Only
Florida Justice Association
218 S. Monroe St.
Tallahassee FL
Phone: 850-224-9403

Florida Justice Associatoin
John Askins, Director (State Employee) (At Request Of Chair) - Information Only
DFS-Div. Ins. Fraud
200 E. Gaines St.
Tallahassee FL
Phone: 850-413-4001

Committee meeting was reported out: Wednesday, March 23, 2011 6:53:20PM

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. (2011)

Amendment No.

COMMITTEE/SUBCOMMITTEE ACTION

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

1 Committee/Subcommittee hearing bill: Insurance & Banking
2 Subcommittee
3 Representative Boyd offered the following:

Amendment (with directory amendment)

Remove lines 224-341

D I R E C T O R Y A M E N D M E N T

Remove lines 11-24 and insert:
fraud; amending s. 627.730,

COMMITTEE MEETING REPORT
Insurance & Banking Subcommittee

3/23/2011 1:00:00PM

Location: 404 HOB

CS/HB 4101 : Repeal of Health Insurance Provisions

Favorable

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Ben Albritton	X				
Mack Bernard	X				
Jim Boyd	X				
Rachel V. Burgin	X				
Janet Cruz	X				
Daniel Davis			X		
Erik Fresen			X		
Bill Hager	X				
Clay Ingram	X				
Evan Jenne		X			
John Julien	X				
Perry Thurston, Jr.			X		
John Wood				X	
Ritch Workman			X		
Bryan Nelson (Chair)	X				
Total Yeas: 9		Total Nays: 1			

Committee meeting was reported out: Wednesday, March 23, 2011 6:53:20PM

COMMITTEE MEETING REPORT
Insurance & Banking Subcommittee

3/23/2011 1:00:00PM

Location: 404 HOB

PCB INBS 11-01 : Repeal of the Correlation of Mitigation Discounts, Credits, or Other Rate Differentials to the Uniform Home Grading Scale

Favorable

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Ben Albritton	X				
Mack Bernard	X				
Jim Boyd	X				
Rachel V. Burgin	X				
Janet Cruz	X				
Daniel Davis			X		
Erik Fresen			X		
Bill Hager	X				
Clay Ingram	X				
Evan Jenne		X			
John Jullen	X				
Perry Thurston, Jr.			X		
John Wood				X	
Ritch Workman	X				
Bryan Nelson (Chair)	X				
Total Yeas: 10		Total Nays: 1			

Committee meeting was reported out: Wednesday, March 23, 2011 6:53:20PM

COMMITTEE MEETING REPORT
Insurance & Banking Subcommittee

3/23/2011 1:00:00PM

Location: 404 HOB

PCS for HB 1007 : Insurer Insolvency

Favorable

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Ben Albritton	X				
Mack Bernard	X				
Jim Boyd	X				
Rachel V. Burgin	X				
Janet Cruz	X				
Daniel Davis			X		
Erik Fresen			X		
Bill Hager	X				
Clay Ingram	X				
Evan Jenne	X				
John Julien	X				
Perry Thurston, Jr.			X		
John Wood				X	
Ritch Workman			X		
Bryan Nelson (Chair)	X				
Total Yeas: 10		Total Nays: 0			

Appearances:

Insurer Insolvency

Robert Reyes (Lobbyist) - Waive In Support
 FL Workers' Compensation Insurance Guaranty Fund
 200 S. Monroe St.
 Tallahassee FL 32301
 Phone: 850-681-0024

Insurer Insolvency

Tim Meenan (Lobbyist) - Waive In Support
 Florida Insurance Guaranty Assn.
 204 S. Monroe St.
 Tallahassee FL
 Phone: 850-681-6710

Committee meeting was reported out: Wednesday, March 23, 2011 6:53:20PM

COMMITTEE MEETING REPORT
Insurance & Banking Subcommittee

3/23/2011 1:00:00PM

Location: 404 HOB

PCS for HB 723 : Extraterritorial Reciprocity in Workers' Compensation Claims

Favorable

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Ben Albritton	X				
Mack Bernard	X				
Jim Boyd	X				
Rachel V. Burgin	X				
Janet Cruz	X				
Daniel Davis	X				
Erik Fresen			X		
Bill Hager	X				
Clay Ingram	X				
Evan Jenne	X				
John Julien	X				
Perry Thurston, Jr.			X		
John Wood				X	
Ritch Workman			X		
Bryan Nelson (Chair)	X				
Total Yeas: 11		Total Nays: 0			

Appearances:

Loan Processing

Perdue, Tammy, General Counsel (Lobbyist) - Waive In Support
 Associated Industries of Florida
 516 N. Adams St.
 Tallahassee FL 32301
 Phone: 850-224-7173

Loan Processing

Reeves, Teye (Lobbyist) - Proponent
 Florida Chamber of Commerce
 136 S. Bronough Street
 Tallahassee FL 32301
 Phone: 850-521-1235

Loan Processing

Cam Fentriss, Legislative Counsel (Lobbyist) - Proponent
 FRSA & FRSA Self Insurers Fund
 1400 Village Square #3-243
 Tallahassee FL 32312
 Phone: 850-222-2772

Loan Processing

Carmody, Chris (Lobbyist) - Waive In Support
 Orlando Magic & Jacksonville Jaguars
 301 E. Pine St., Suite 1400
 Orlando FL 32801
 Phone: (352)514-2196

Committee meeting was reported out: Wednesday, March 23, 2011 6:53:20PM

COMMITTEE MEETING REPORT
Insurance & Banking Subcommittee

3/23/2011 1:00:00PM

Location: 404 HOB

Loan Processing

Pierce, Ronald (Lobbyist) - Waive In Support

Tampa Bay Lightning

235 W. Brandon Blvd., Suite 640

Brandon FL 33511

Phone: (813)777-5578

Committee meeting was reported out: Wednesday, March 23, 2011 6:53:20PM