

Council Substitute for House Bill No. 743

An act relating to mortgage fraud; creating s. 193.133, F.S.; requiring law enforcement agencies to notify property appraisers of incidents of mortgage fraud under certain circumstances; authorizing property appraisers to adjust property assessments under certain circumstances; requiring property appraisers to reassess certain properties under certain circumstances; amending s. 817.545, F.S.; providing an increased penalty for certain types of mortgage fraud; providing an effective date.

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

Section 1. Section 193.133, Florida Statutes, is created to read:

193.133 Effect of mortgage fraud on property assessments.—

(1) Upon the finding of probable cause of any person for the crime of mortgage fraud, as defined in s. 817.545, or any other fraud involving real property that may have artificially inflated or could artificially inflate the value of property affected by such fraud, the arresting agency shall promptly notify the property appraiser of the county in which such property or properties are located of the nature of the alleged fraud and the property or properties affected. If notification as required in this section would jeopardize or negatively impact a continuing investigation, notification may be delayed until such time as notice may be made without such effect.

(2) The property appraiser may adjust the assessment of any affected real property.

(3) Upon a conviction of fraud as defined in subsection (1), the property appraiser of the county in which such property or properties are located shall, if necessary, reassess such property or properties affected by such fraud.

Section 2. Subsection (5) of section 817.545, Florida Statutes, is amended to read:

817.545 Mortgage fraud.—

(2) A person commits the offense of mortgage fraud if, with the intent to defraud, the person knowingly:

(a) Makes any material misstatement, misrepresentation, or omission during the mortgage lending process with the intention that the misstatement, misrepresentation, or omission will be relied on by a mortgage lender, borrower, or any other person or entity involved in the mortgage lending process; however, omissions on a loan application regarding employment, income, or assets for a loan which does not require this information are not considered a material omission for purposes of this subsection.

(b) Uses or facilitates the use of any material misstatement, misrepresentation, or omission during the mortgage lending process with the intention that the material misstatement, misrepresentation, or omission will be relied on by a mortgage lender, borrower, or any other person or entity involved in the mortgage lending process; however, omissions on a loan application regarding employment, income, or assets for a loan which does not require this information are not considered a material omission for purposes of this subsection.

(c) Receives any proceeds or any other funds in connection with the mortgage lending process that the person knew resulted from a violation of paragraph (a) or paragraph (b).

(d) Files or causes to be filed with the clerk of the circuit court for any county of this state a document involved in the mortgage lending process which contains a material misstatement, misrepresentation, or omission.

(5)(a) Any person who violates subsection (2) commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(b) Any person who violates subsection (2), and the loan value stated on documents used in the mortgage lending process exceeds \$100,000, commits a felony of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Section 3. This act shall take effect July 1, 2008.

Approved by the Governor May 28, 2008.

Filed in Office Secretary of State May 28, 2008.