

Council Substitute for  
Committee Substitute for House Bill No. 483

An act relating to investor protection; amending s. 16.56, F.S.; expanding jurisdiction of the Office of Statewide Prosecution to investigate and prosecute certain additional offenses; amending s. 517.021, F.S.; revising definitions; amending s. 517.072, F.S.; exempting certain transactions in viatical settlement investments from certain registration requirements; specifying application of certain provisions; amending s. 517.12, F.S.; revising requirements for registration of dealers, associated persons, investment advisers, and branch offices; amending s. 517.121, F.S.; authorizing the Office of Financial Regulation to suspend registration for registrant failure to provide certain records; providing for rescinding suspensions; amending ss. 517.1215 and 517.1217, F.S.; changing an agency reference; amending s. 517.141, F.S.; excluding postjudgment interest from payments from the fund; amending s. 517.161, F.S.; expanding the class of persons related to or associated with an applicant or registrant for which certain violations may result in adverse actions taken against registrations; authorizing the office to suspend a registration under certain circumstances; creating s. 517.1611, F.S.; requiring the Financial Services Commission to adopt rules providing certain disciplinary guidelines; specifying criteria for such guidelines; requiring the commission to adopt rules for disqualifying registrants for certain periods of time for certain criminal actions; providing rules criteria; amending s. 517.191, F.S.; authorizing the office to apply to the court for orders directing restitution; authorizing the office to apply to the court to impose civil penalties for certain violations; specifying limitations; requiring deposit of civil penalties into the Anti-Fraud Trust Fund; authorizing the Attorney General to act as an enforcing authority for certain provisions of law; authorizing the Attorney General, with approval of the office, to investigate and enforce certain provisions; authorizing the Attorney General to bring certain actions for injunctive relief; authorizing the Attorney General to recover certain investigation and enforcement costs and attorney fees; providing for deposit of certain recovered moneys into the Legal Affairs Revolving Trust Fund; authorizing the Legal Affairs Revolving Trust Fund to be used for investigation and enforcement purposes; preserving the authority of the office to bring certain administrative actions; prohibiting subjecting persons to a civil penalty and an administrative fine under certain circumstances; specifying time limitations on bringing certain enforcement actions; amending s. 517.221, F.S.; increasing the amount of certain administrative fines; authorizing the office to bar certain persons from submitting applications or notifications for a license or registration under certain circumstances; amending s. 517.275, F.S.; revising criteria for prohibited practices relating to commodities; creating s. 896.108, F.S.; authorizing the Department of Law Enforcement to enter into agreements to pay rewards for information leading to the

recovery of certain fines, penalties, or forfeitures; authorizing the executive director of the department to determine the amount of the reward; authorizing the executive director to exceed certain statutory limits of rewards under certain circumstances; providing limitations; providing for deposit of certain funds into certain trust funds; excluding certain persons from eligibility to collect rewards; providing that a payment of an award does not affect the admissibility of testimony in court; amending s. 905.34, F.S.; expanding subject matter jurisdiction of the statewide grand jury to include certain additional offenses; providing an effective date.

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

Section 1. Paragraphs (a) and (b) of subsection (1) of section 16.56, Florida Statutes, are amended to read:

16.56 Office of Statewide Prosecution.—

(1) There is created in the Department of Legal Affairs an Office of Statewide Prosecution. The office shall be a separate “budget entity” as that term is defined in chapter 216. The office may:

(a) Investigate and prosecute the offenses of:

1. Bribery, burglary, criminal usury, extortion, gambling, kidnapping, larceny, murder, prostitution, perjury, robbery, carjacking, and home-invasion robbery;

2. Any crime involving narcotic or other dangerous drugs;

3. Any violation of the provisions of the Florida RICO (Racketeer Influenced and Corrupt Organization) Act, including any offense listed in the definition of racketeering activity in s. 895.02(1)(a), providing such listed offense is investigated in connection with a violation of s. 895.03 and is charged in a separate count of an information or indictment containing a count charging a violation of s. 895.03, the prosecution of which listed offense may continue independently if the prosecution of the violation of s. 895.03 is terminated for any reason;

4. Any violation of the provisions of the Florida Anti-Fencing Act;

5. Any violation of the provisions of the Florida Antitrust Act of 1980, as amended;

6. Any crime involving, or resulting in, fraud or deceit upon any person;

7. Any violation of s. 847.0135, relating to computer pornography and child exploitation prevention, or any offense related to a violation of s. 847.0135 or any violation of chapter 827 where the crime is facilitated by or connected to the use of the Internet or any device capable of electronic data storage or transmission;

8. Any violation of the provisions of chapter 815;

9. Any criminal violation of part I of chapter 499;
10. Any violation of the provisions of the Florida Motor Fuel Tax Relief Act of 2004;
11. Any criminal violation of s. 409.920 or s. 409.9201; ~~or~~
12. Any crime involving voter registration, voting, or candidate or issue petition activities;
13. Any criminal violation of the Florida Money Laundering Act; or
14. Any criminal violation of the Florida Securities and Investor Protection Act;

or any attempt, solicitation, or conspiracy to commit any of the crimes specifically enumerated above. The office shall have such power only when any such offense is occurring, or has occurred, in two or more judicial circuits as part of a related transaction, or when any such offense is connected with an organized criminal conspiracy affecting two or more judicial circuits. Informations or indictments charging such offenses shall contain general allegations stating the judicial circuits and counties in which crimes are alleged to have occurred or the judicial circuits and counties in which crimes affecting such circuits or counties are alleged to have been connected with an organized criminal conspiracy.

(b) Investigate and prosecute any crime enumerated in subparagraphs (a)1.-14. ~~(a)1.-12.~~ facilitated by or connected to the use of the Internet. Any such crime is a crime occurring in every judicial circuit within the state.

Section 2. Subsection (4), paragraph (a) of subsection (13), and subsection (23) of section 517.021, Florida Statutes, are amended to read:

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

(4) “Branch office” means any location in this state of a dealer or investment adviser at which one or more associated persons regularly conduct the business of rendering investment advice or effecting any transactions in, or inducing or attempting to induce the purchase or sale of, any security or any location that is held out as such. The commission may adopt by rule exceptions to this definition for dealers in order to maintain consistency with the definition of a branch office used by self-regulatory organizations authorized by the Securities and Exchange Commission, including, but not limited to, the Financial Industry Regulatory Authority National Association of Securities Dealers or the New York Stock Exchange. The commission may adopt by rule exceptions to this definition for investment advisers.

(13)(a) “Investment adviser” includes any person who receives for ~~compensation, directly or indirectly, and~~ engages for all or part of her or his time, directly or indirectly, or through publications or writings, in the business of advising others as to the value of securities or as to the advisability of

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

(23) “Viatical settlement investment” means an agreement for the purchase, sale, assignment, transfer, devise, or bequest of all or any portion of a legal or equitable interest in a viaticated policy as defined in chapter 626. ~~The term does not include:~~

~~(a) The transfer or assignment of an interest in a previously viaticated policy from a natural person who transfers or assigns no more than one such interest in 1 calendar year.~~

~~(b) The provision of stop-loss coverage to a viatical settlement provider, financing entity, or related provider trust, as those terms are defined in s. 626.9911, by an authorized or eligible insurer.~~

~~(c) The transfer or assignment of a viaticated policy from a licensed viatical settlement provider to another licensed viatical settlement provider, a related provider trust, a financing entity, or a special purpose entity, as those terms are defined in s. 626.9911, or to a contingency insurer provided that such transfer or assignment is not the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of this chapter.~~

~~(d) The transfer or assignment of a viaticated policy to a bank, trust company, savings institution, insurance company, dealer, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or qualified institutional buyer as defined in United States Securities and Exchange Commission Rule 144A, 17 C.F.R. s. 230.144A(a), or to an accredited investor as defined by Rule 501 of Regulation D of the Securities Act Rules, provided such transfer or assignment is not for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of this chapter.~~

~~(e) The transfer or assignment of a viaticated policy by a conservator of a viatical settlement provider appointed by a court of competent jurisdiction who transfers or assigns ownership of viaticated policies pursuant to that court’s order.~~

Section 3. Section 517.072, Florida Statutes, is amended to read:

517.072 Viatical settlement investments.—

(1) The exemptions provided for by ss. 517.051(6), (8), and (10) do not apply to a viatical settlement investment.

(2) The offering of a viatical settlement investment is not an exempt transaction under s. 517.061(2), (3), (8), (11), and (18), regardless of whether the offering otherwise complies with the conditions of that section, unless such offering is to a qualified institutional buyer.

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

(a) The transfer or assignment of an interest in a previously viaticated policy from a natural person who transfers or assigns no more than one such interest in a single calendar year.

(b) The provision of stop-loss coverage to a viatical settlement provider, financing entity, or related provider trust, as those terms are defined in s. 626.9911, by an authorized or eligible insurer.

(c) The transfer or assignment of a viaticated policy from a licensed viatical settlement provider to another licensed viatical settlement provider, a related provider trust, a financing entity, or a special purpose entity, as those terms are defined in s. 626.9911, or to a contingency insurer, provided such transfer or assignment is not the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of this chapter.

(d) The transfer or assignment of a viaticated policy to a bank, trust company, savings institution, insurance company, dealer, investment company as defined in the Investment Company Act of 1940, pension or profit-sharing trust, or qualified institutional buyer as defined in United States Securities and Exchange Commission Rule 144A, 17 C.F.R. s. 230.144A(a), or to an accredited investor as defined by Rule 501 of Regulation D of the Securities Act Rules, provided such transfer or assignment is not for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of this chapter.

(e) The transfer or assignment of a viaticated policy by a conservator of a viatical settlement provider appointed by a court of competent jurisdiction who transfers or assigns ownership of viaticated policies pursuant to that court's order.

Section 4. Subsections (7), (8), and (11) and paragraph (b) of subsection (15) of section 517.12, Florida Statutes, are amended to read:

517.12 Registration of dealers, associated persons, investment advisers, and branch offices.—

(7) The application shall also contain such information as the commission or office may require about the applicant; any ~~member, principal partner, officer,~~ or director of the applicant or any person having a similar status or performing similar functions; any person directly or indirectly controlling the applicant; or any employee of a dealer or of an investment adviser rendering investment advisory services. Each applicant and any direct owners, principals, or indirect owners that are required to be reported on Form BD or Form ADV pursuant to subsection (15) shall file a complete set of fingerprints. A fingerprint card submitted to the office must be taken by an authorized law enforcement agency or in a manner approved by the commission by rule. The office shall submit the fingerprints to the Department of

Law Enforcement for state processing, and the Department of Law Enforcement shall forward the fingerprints to the Federal Bureau of Investigation for federal processing. The cost of the fingerprint processing may be borne by the office, the employer, or the person subject to the background check. The Department of Law Enforcement shall submit an invoice to the office for the fingerprints received each month. The office shall screen the background results to determine if the applicant meets licensure requirements. The commission may waive, by rule, the requirement that applicants, including any direct owners, principals, or indirect owners that are required to be reported on Form BD or Form ADV pursuant to subsection (15), must file a set of fingerprints or the requirement that such fingerprints ~~must~~ be processed by the Department of Law Enforcement or the Federal Bureau of Investigation. The commission or office may require information about any such applicant or person concerning such matters as:

(a) His or her full name, and any other names by which he or she may have been known, and his or her age, social security number, photograph, qualifications, and educational and business history.

(b) Any injunction or administrative order by a state or federal agency, national securities exchange, or national securities association involving a security or any aspect of the securities business and any injunction or administrative order by a state or federal agency regulating banking, insurance, finance, or small loan companies, real estate, mortgage brokers, or other related or similar industries, which injunctions or administrative orders relate to such person.

(c) His or her conviction of, or plea of nolo contendere to, a criminal offense or his or her commission of any acts which would be grounds for refusal of an application under s. 517.161.

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

(8) The commission or office may require the applicant or one or more principals or general partners, or natural persons exercising similar functions, or any associated person applicant to successfully pass oral or written examinations. Because any principal, manager, supervisor, or person exercising similar functions shall be responsible for the acts of the associated persons affiliated with a dealer ~~or investment adviser~~, the examination standards may be higher for a dealer, office manager, principal, or person exercising similar functions than for a nonsupervisory associated person. The commission may waive the examination process when it determines that such examinations are not in the public interest. The office shall waive the examination requirements for any person who has passed any tests as prescribed in s. 15(b)(7) of the Securities Exchange Act of 1934 that relates to the position to be filled by the applicant.

(11) If the office finds that the applicant is of good repute and character and has complied with the provisions of this chapter and the rules made pursuant hereto, it shall register the applicant. The registration of each dealer, investment adviser, branch office, and associated person expires on

December 31 of the year the registration became effective unless the registrant has renewed his or her registration on or before that date. The commission may establish by rule procedures for renewing the registration of a branch office through the Central Registration Depository. Registration may be renewed by furnishing such information as the commission may require, together with payment of the fee required in subsection (10) for dealers, investment advisers, associated persons, or branch offices and the payment of any amount lawfully due and owing to the office pursuant to any order of the office or pursuant to any agreement with the office. Any dealer, investment adviser, ~~or associated person, or branch office~~ registrant who has not renewed a registration by the time the current registration expires may request reinstatement of such registration by filing with the office, on or before January 31 of the year following the year of expiration, such information as may be required by the commission, together with payment of the fee required in subsection (10) for dealers, investment advisers, ~~or associated persons, or branch office~~ and a late fee equal to the amount of such fee. Any reinstatement of registration granted by the office during the month of January shall be deemed effective retroactive to January 1 of that year.

(15)

(b) In lieu of filing with the office the applications specified in subsection (6), the fees required by subsection (10), the renewals required by subsection (11), and the termination notices required by subsection (12), the commission may by rule establish procedures for the deposit of such fees and documents with the Central Registration Depository or the Investment Adviser Registration Depository of the Financial Industry Regulatory Authority National Association of Securities Dealers, Inc., as developed under contract with the North American Securities Administrators Association, Inc.

Section 5. Subsection (3) is added to section 517.121, Florida Statutes, to read:

517.121 Books and records requirements; examinations.—

(3) Registration under s. 517.12 may be summarily suspended by the office pursuant to s. 120.60(6) if the registrant fails to promptly provide to the office, after a written request, any of the records required by this section and the rules adopted under this section. The suspension may be rescinded if the registrant submits the requested records to the office. For purposes of s. 120.60(6), failure to provide substantially all of such records constitutes immediate and serious danger to the public health, safety, and welfare.

Section 6. Subsection (2) of section 517.1215, Florida Statutes, is amended to read:

517.1215 Requirements, rules of conduct, and prohibited business practices for investment advisers and their associated persons.—

(2) The commission shall by rule establish rules of conduct and prohibited business practices for investment advisers and their associated persons. In adopting the rules, the commission shall consider general industry standards as expressed in the rules and regulations of the various federal and self-

regulatory agencies and regulatory associations, including, but not limited to, the United States Securities and Exchange Commission, the Financial Industry Regulatory Authority ~~National Association of Securities Dealers~~, and the North American Securities Administrators Association.

Section 7. Section 517.1217, Florida Statutes, is amended to read:

517.1217 Rules of conduct and prohibited business practices for dealers and their associated persons.—The commission by rule may establish rules of conduct and prohibited business practices for dealers and their associated persons. In adopting the rules, the commission shall consider general industry standards as expressed in the rules and regulations of the various federal and self-regulatory agencies and regulatory associations, including, but not limited to, the United States Securities and Exchange Commission, the Financial Industry Regulatory Authority ~~National Association of Securities Dealers~~, and the North American Securities Administrators Association.

Section 8. Subsection (1) of section 517.141, Florida Statutes, is amended to read:

517.141 Payment from the fund.—

(1) Any person who meets all of the conditions prescribed in s. 517.131 may apply to the office for payment to be made to such person from the Securities Guaranty Fund in the amount equal to the unsatisfied portion of such person's judgment or \$10,000, whichever is less, but only to the extent and amount reflected in the judgment as being actual or compensatory damages, excluding postjudgment interest, costs, and attorney's fees.

Section 9. Subsections (1) and (6) of section 517.161, Florida Statutes, are amended to read:

517.161 Revocation, denial, or suspension of registration of dealer, investment adviser, associated person, or branch office.—

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

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

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

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



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

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

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

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

(h) Has demonstrated unworthiness to transact the business of dealer, investment adviser, or associated person;

(i) Has exercised management or policy control over or owned 10 percent or more of the securities of any dealer or investment adviser that has been declared bankrupt, or had a trustee appointed under the Securities Investor Protection Act; or is, in the case of a dealer or investment adviser, insolvent;

(j) Has been convicted of, or has entered a plea of guilty or nolo contendere to, regardless of whether adjudication was withheld, a crime against the laws of this state or any other state or of the United States or of any other country or government which relates to registration as a dealer, investment adviser, issuer of securities, associated person, or branch office; which relates to the application for such registration; or which involves moral turpitude or fraudulent or dishonest dealing;

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

(l) Is of bad business repute;

(m) Has been the subject of any decision, finding, injunction, suspension, prohibition, revocation, denial, judgment, or administrative order by any court of competent jurisdiction, administrative law judge, or by any state or federal agency, national securities, commodities, or option exchange, or national securities, commodities, or option association, involving a violation of any federal or state securities or commodities law or any rule or regulation promulgated thereunder, or any rule or regulation of any national securities, commodities, or options exchange or national securities, commodities, or options association, or has been the subject of any injunction or adverse administrative order by a state or federal agency regulating banking, insurance, finance or small loan companies, real estate, mortgage brokers or lenders, money transmitters, or other related or similar industries. For purposes of this subsection, the office may not deny registration to any applicant who has been continuously registered with the office for 5 years after from the date of entry of such decision, finding, injunction, suspension, prohibition, revocation, denial, judgment, or administrative order provided such decision, finding, injunction, suspension, prohibition, revocation, de-

nial, judgment, or administrative order has been timely reported to the office pursuant to the commission's rules; or

(n) Made payment to the office for a registration or notice filing with a check or electronic transmission of funds that is dishonored by the applicant's, registrant's, or notice filer's financial institution.

(6) Registration under s. 517.12 may be denied or any registration granted may be suspended or restricted if an applicant or registrant is charged, in a pending enforcement action or pending criminal prosecution, with any conduct that would authorize denial or revocation under subsection (1). Registration under s. 517.12 may be suspended or restricted if a registrant is arrested for any conduct that would authorize revocation under subsection (1).

(a) Any denial of registration ordered under this subsection shall be without prejudice to the applicant's ability to reapply for registration.

(b) Any order of suspension or restriction under this subsection shall:

1. Take effect only after a hearing, unless no hearing is requested by the registrant or unless the suspension or restriction is made in accordance with s. 120.60(6).

2. Contain a finding that evidence of a prima facie case supports the charge made in the enforcement action or criminal prosecution.

3. Operate for no longer than 10 days beyond receipt of notice by the office of termination with respect to the registrant of the enforcement action or criminal prosecution.

(c) For purposes of this subsection:

1. The term "enforcement action" means any judicial proceeding or any administrative proceeding where such judicial or administrative proceeding is brought by an agency of the United States or of any state to enforce or restrain violation of any state or federal law, or any disciplinary proceeding maintained by the Financial Industry Regulatory Authority National Association of Securities Dealers, the National Futures Association, the ~~New York Stock Exchange~~, or any other similar self-regulatory organization.

2. An enforcement action is pending at any time after notice to the applicant or registrant of such action and is terminated at any time after entry of final judgment or decree in the case of judicial proceedings, final agency action in the case of administrative proceedings, and final disposition by a self-regulatory organization in the case of disciplinary proceedings.

3. A criminal prosecution is pending at any time after criminal charges are filed and is terminated at any time after conviction, acquittal, or dismissal.

Section 10. Section 517.1611, Florida Statutes, is created to read:

517.1611 Guidelines.—

(1) The commission shall adopt by rule disciplinary guidelines applicable to each ground for disciplinary action that may be imposed by the office.

(a) The disciplinary guidelines shall specify a range of penalties based upon the severity and repetition of specific offenses. The disciplinary guidelines shall distinguish minor violations from violations that endanger the public health, safety, or welfare; provide reasonable notice to the public of penalties that may be imposed for proscribed conduct; and ensure that penalties are imposed in a consistent manner by the office.

(b) The commission shall identify mitigating and aggravating circumstances by rule that allow the office to impose a penalty other than that specified in the guidelines.

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

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

(b) The disqualifying periods shall be related to crimes involving registration as a dealer, investment adviser, issuer of securities, associated person, or branch office or the application for such registration or involving moral turpitude or fraudulent or dishonest dealing.

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

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

Section 11. Subsection (3) of section 517.191, Florida Statutes, is amended, and subsections (4), (5), (6), and (7) are added to that section, to read:

517.191 Injunction to restrain violations; civil penalties; enforcement by Attorney General.—

(3) In addition to, or in lieu of, any other remedies provided by this chapter, the office may apply to the court hearing this matter for an order directing the defendant of restitution whereby the defendants in such action

~~shall be ordered to make restitution of those sums shown by the office to have been obtained by them in violation of any of the provisions of this chapter. The office has standing to request such restitution on behalf of victims in cases brought by the office under this chapter, regardless of the appointment of an administrator or receiver under subsection (2) or an injunction under subsection (1). Further, such restitution shall, at the option of the court, be payable to the administrator or receiver appointed pursuant to this section or directly to the persons whose assets were obtained in violation of this chapter.~~

(4) In addition to any other remedies provided by this chapter, the office may apply to the court hearing the matter for, and the court shall have jurisdiction to impose, a civil penalty against any person found to have violated any provision of this chapter, any rule or order adopted by the commission or office, or any written agreement entered into with the office in an amount not to exceed \$10,000 for a natural person or \$25,000 for any other person, or the gross amount of any pecuniary gain to such defendant for each such violation other than a violation of s. 517.301 plus \$50,000 for a natural person or \$250,000 for any other person, or the gross amount of any pecuniary gain to such defendant for each violation of s. 517.301. All civil penalties collected pursuant to this subsection shall be deposited into the Anti-Fraud Trust Fund.

(5) In addition to all other means provided by law for enforcing any of the provisions of this chapter, when the Attorney General, upon complaint or otherwise, has reason to believe that a person has engaged or is engaged in any act or practice constituting a violation of s. 517.275, s. 517.301, s. 517.311, or s. 517.312, or any rule or order issued under such sections, the Attorney General may investigate and bring an action to enforce these provisions as provided in ss. 517.201, 517.2015, and 517.171 after receiving written approval from the office. Such an action may be brought against such person and any other person in any way participating in such act or practice or engaging in such act or practice or doing any act in furtherance of such act or practice, to obtain injunctive relief, restitution, civil penalties, and any remedies provided for in this section. The Attorney General may recover any costs and attorney fees related to the Attorney General's investigation or enforcement of this section. Notwithstanding any other provision of law, moneys recovered by the Attorney General for costs, attorney fees, and civil penalties for a violation of s. 517.275, s. 517.301, s. 517.311, or s. 517.312, or any rule or order issued pursuant such sections, shall be deposited in the Legal Affairs Revolving Trust Fund. The Legal Affairs Revolving Trust Fund may be used to investigate and enforce this section.

(6) This section does not limit the authority of the office to bring an administrative action against any person that is the subject of a civil action brought pursuant to this section or limit the authority of the office to engage in investigations or enforcement actions with the Attorney General. However, a person may not be subject to both a civil penalty under subsection (4) and an administrative fine under s. 517.221(3) as the result of the same facts.

(7) Notwithstanding s. 95.11(4)(e), an enforcement action brought under this section based on a violation of any provision of this chapter or any rule

or order issued under this chapter shall be brought within 6 years after the facts giving rise to the cause of action were discovered or should have been discovered with the exercise of due diligence, but not more than 8 years after the date such violation occurred.

Section 12. Subsection (3) of section 517.221, Florida Statutes, is amended, and subsection (4) is added to that section, to read:

517.221 Cease and desist orders.—

(3) The office may impose and collect an administrative fine against any person found to have violated any provision of this chapter, any rule or order promulgated by the commission or office, or any written agreement entered into with the office in an amount not to exceed ~~\$10,000~~ \$5,000 for each such violation. All fines collected hereunder shall be deposited as received in the Anti-Fraud Trust Fund.

(4) The office may bar, permanently or for a specific time period, any person found to have violated any provision of this chapter, any rule or order adopted by the commission or office, or any written agreement entered into with the office from submitting an application or notification for a license or registration with the office.

Section 13. Section 517.275, Florida Statutes, is amended to read:

517.275 Commodities; prohibited practices.—It is unlawful and a violation of this chapter for any person to engage in any act or practice in or from this state, which act or practice constitutes a violation of any provision of the Commodity Exchange Act, 7 U.S.C. ss. 1 et seq., as amended, or the rules and regulations of the Commodity Futures Trading Commission adopted under that act as amended ~~upon the effective date of this act~~.

Section 14. Section 896.108, Florida Statutes, is created to read:

896.108 Rewards for private entities combating international money laundering.—

(1) In conducting any investigation of a violation of this chapter, the Department of Law Enforcement may enter into agreements and pay a reward to any individual or entity who provides original information that leads to a recovery of a criminal fine, civil penalty, or forfeiture based in whole or in part upon a violation of federal law or the laws of this state.

(2) The executive director of the Department of Law Enforcement shall determine the amount of a reward under this section. The executive director, with written approval of the Office of the Attorney General, may exceed the limits of rewards provided in s. 896.107, when the criminal fine, civil penalty, or forfeiture amount received by the state warrants an upward departure from such limits. Notwithstanding any other provision of law, rewards paid under this section shall be paid only from seized assets awarded by the court. Funds seized by the Department of Law Enforcement pursuant to this chapter shall be placed in the department's Forfeiture and Investigative Support Trust Fund established by s. 943.362, or for funds secured through

the federal forfeiture actions in the Federal Law Enforcement Trust Fund established by s. 943.365, excluding any rewards paid as provided in this section.

(3) An officer or employee of the Federal Government, a state or local government, or a foreign government who in the performance of official duties provides information described in subsection (1) is not eligible for a reward under this section.

(4) Payment of a reward does not affect the admissibility of testimony in any court proceeding.

Section 15. Subsection (9) of section 905.34, Florida Statutes, is amended, and subsections (11) and (12) are added to that section, to read:

905.34 Powers and duties; law applicable.—The jurisdiction of a statewide grand jury impaneled under this chapter shall extend throughout the state. The subject matter jurisdiction of the statewide grand jury shall be limited to the offenses of:

(9) Any criminal violation of part I of chapter 499; ~~or~~

(11) Any criminal violation of the Florida Money Laundering Act; or

(12) Any criminal violation of the Florida Securities and Investor Protection Act;

or any attempt, solicitation, or conspiracy to commit any violation of the crimes specifically enumerated above, when any such offense is occurring, or has occurred, in two or more judicial circuits as part of a related transaction or when any such offense is connected with an organized criminal conspiracy affecting two or more judicial circuits. The statewide grand jury may return indictments and presentments irrespective of the county or judicial circuit where the offense is committed or triable. If an indictment is returned, it shall be certified and transferred for trial to the county where the offense was committed. The powers and duties of, and law applicable to, county grand juries shall apply to a statewide grand jury except when such powers, duties, and law are inconsistent with the provisions of ss. 905.31-905.40.

Section 16. This act shall take effect July 1, 2009.

Approved by the Governor June 29, 2009.

Filed in Office Secretary of State June 29, 2009.