

## CHAPTER 2024-134

### Committee Substitute for House Bill No. 1569

An act relating to an exemption from regulation for bona fide nonprofit organizations; amending s. 494.0011, F.S.; authorizing the Financial Services Commission to adopt rules prescribing criteria and processes for determining whether an organization is a bona fide nonprofit organization for a specified purpose; amending s. 494.00115, F.S.; providing exemptions from certain regulation for bona fide nonprofit organizations and certain employees of a bona fide nonprofit organization that meet specified criteria; requiring the Office of Financial Regulation to make a specified determination; requiring the office to make such determination based on terms consistent with loan origination in a public or charitable context; requiring the office to periodically examine the books and activities of an organization and to revoke its status as a bona fide nonprofit organization under certain circumstances; providing an effective date.

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

Section 1. Paragraph (b) of subsection (2) of section 494.0011, Florida Statutes, is amended to read:

494.0011 Powers and duties of the commission and office.—

(2) The commission may adopt rules to administer parts I, II, and III of this chapter, including rules:

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

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

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

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

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

c. Uniform Mortgage Branch Office Form, MU3.

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

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

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

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

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

7. Prescribe criteria and processes for determining if an organization is and remains a bona fide nonprofit organization for the purpose of determining whether the organization and its employees who are acting as loan originators are exempt from regulation under this chapter pursuant to s. 494.00115.

Section 2. Subsections (3), (4), and (5) of section 494.00115, Florida Statutes, are renumbered as subsections (4), (5), and (6), respectively, and a new subsection (3) is added to that section, to read:

494.00115 Exemptions.—

(3)(a) As provided in this subsection, a bona fide nonprofit organization and an employee of a bona fide nonprofit organization who acts as a loan originator only with respect to his or her work duties for the bona fide nonprofit organization and who acts as a loan originator only with respect to residential mortgage loans with terms that are favorable to the borrower, are exempt from regulation under this chapter.

1. For an organization to be considered a bona fide nonprofit organization under this subsection, the office must determine, pursuant to criteria and processes established by rule, that the organization satisfies all of the following criteria:

a. Has the status of a tax-exempt organization under s. 501(c)(3) of the Internal Revenue Code of 1986.

b. Promotes affordable housing or provides homeownership education or similar services.

c. Conducts its activities in a manner that serves public or charitable purposes rather than commercial purposes.

d. Receives funding and revenue and charges fees in a manner that does not incentivize it or its employees to act other than in the best interests of its clients.

e. Compensates its employees in a manner that does not incentivize employees to act other than in the best interests of its clients.

f. Provides or identifies for the borrower residential mortgage loans with terms favorable to the borrower and comparable to mortgage loans and housing assistance provided under government housing assistance programs.

2. For residential mortgage loans to be deemed under this subsection to have terms that are favorable to the borrower, the office must determine that the terms are consistent with loan origination in a public or charitable context, rather than a commercial context.

(b) The office must periodically examine the books and activities of an organization that it determines is a bona fide nonprofit organization and revoke its status as a bona fide nonprofit organization if it does not continue to meet the criteria specified in paragraph (a).

Section 3. This act shall take effect July 1, 2024.

Approved by the Governor April 26, 2024.

Filed in Office Secretary of State April 26, 2024.