

CHAPTER 2025-92

Committee Substitute for Committee Substitute for House Bill No. 515

An act relating to the Uniform Commercial Code; providing a directive to the Division of Law Revision; creating part I of ch. 669, F.S., relating to controllable electronic records; creating s. 669.101, F.S.; providing a short title; creating s. 669.102, F.S.; defining terms; providing construction; creating s. 669.103, F.S.; providing construction; creating s. 669.104, F.S.; providing applicability; specifying when a purchaser of a controllable account or controllable payment intangible is a qualifying purchaser; specifying rights acquired relating to controllable electronic records; prohibiting actions from being asserted against qualifying purchasers under certain circumstances; specifying that filing a certain financial statement is not notice of a claim of a property right in a controllable electronic record; creating s. 669.105, F.S.; specifying when a person has control of a controllable electronic record; providing when a person's power relating to controllable electronic records is or is not exclusive; providing that a person who has control of a controllable electronic record is not required to acknowledge such control; specifying that a person that acknowledges control of a controllable electronic record does not owe any duty to the other person and is not required to confirm the acknowledgment to any other person; creating s. 669.106, F.S.; authorizing account debtors on a controllable account or controllable payment intangible to discharge obligations under certain circumstances; providing requirements for such discharge; prohibiting account debtors from waiving or varying certain rights and options; providing construction; creating s. 669.107, F.S.; specifying the governing laws and jurisdictions relating to controllable electronic records; creating part II of ch. 669, F.S., relating to transitional provisions; creating s. 669.501, F.S.; providing a short title; creating s. 669.502, F.S.; defining terms; creating ss. 669.601 and 669.701, F.S.; providing saving clauses for certain transactions; providing applicability; providing construction; creating s. 669.702, F.S.; specifying requirements for perfecting security interests that are enforceable and perfected before a specified date; creating s. 669.703, F.S.; specifying requirements for security interests that were unperfected before a specified date; creating s. 669.704, F.S.; specifying the effectiveness of certain actions relating to security interests taken before a specified date; creating ss. 669.705 and 669.706, F.S.; providing priority for conflicting claims to collateral; creating part III of ch. 669, F.S., entitled "Miscellaneous Provisions"; creating s. 669.711, F.S.; providing construction; amending s. 670.103, F.S.; revising the definition of the term "payment order"; amending s. 670.201, F.S.; revising authorizations and requirements relating to security procedures; amending s. 670.202, F.S.; revising the circumstances under which payment orders received by banks are effective as the order of a customer; making technical changes; amending s. 670.203, F.S.; revising rules that apply to payment orders

that are not authorized orders of certain customers; amending ss. 670.207, 670.208, 670.21, and 670.211, F.S.; making technical changes; amending s. 670.305, F.S.; revising liability requirements relating to payment orders; creating part VI of ch. 670, F.S., relating to transitional provisions; creating s. 670.601, F.S.; providing applicability; amending s. 671.101, F.S.; making technical changes; amending s. 671.105, F.S.; revising applicability; amending s. 671.107, F.S.; making a technical change; amending s. 671.201, F.S.; revising definitions; defining terms; amending s. 671.211, F.S.; conforming a cross-reference; creating part IV of ch. 671, F.S., relating to transitional provisions; creating s. 671.401, F.S.; providing applicability; amending s. 672.102, F.S.; revising applicability; amending s. 672.106, F.S.; defining the term “hybrid transaction”; making technical changes; amending ss. 672.201, 672.202, 672.203, and 672.205, F.S.; making technical changes; amending s. 672.209, F.S.; revising a prohibition on modifying or rescinding a signed agreement that excludes modification or rescission; creating part VIII of ch. 672, F.S., relating to transitional provisions; creating s. 672.801, F.S.; providing applicability; amending s. 673.1041, F.S.; revising the definition of the term “negotiable instrument”; amending s. 673.1051, F.S.; revising the definition of the term “issue”; amending s. 673.4011, F.S.; conforming provisions to changes made by the act; amending s. 673.6041, F.S.; specifying that the obligation of a party to pay a check is not discharged solely by destruction of the check in connection with a specified process; creating part VII of ch. 673, F.S., relating to transitional provisions; creating s. 673.702, F.S.; providing applicability; amending s. 675.104, F.S.; conforming provisions to changes made by the act; amending s. 675.116, F.S.; providing that a branch of a bank is considered to be located at the address indicated in the branch’s undertaking or, if more than one address is indicated, the address from which the undertaking was issued; making technical changes; creating s. 675.119, F.S.; providing applicability; amending s. 677.102, F.S.; deleting definitions of the terms “record” and “sign”; amending s. 677.106, F.S.; specifying when a system satisfies certain requirements and a person has control of an electronic document of title; specifying when certain powers are or are not exclusive; providing that a person that has control of an electronic document or title does not need to acknowledge that it has control on behalf of another person; specifying that a person does not owe any duty to another person under certain circumstances; creating part VII of ch. 677, F.S., related to transitional provisions; creating s. 677.701, F.S.; providing applicability; amending s. 678.1021, F.S.; revising definitions; revising the applicability of definitions; amending s. 678.1031, F.S.; specifying that a controllable account, controllable electronic record, or controllable payment intangible is not a financial asset under certain circumstances; conforming a cross-reference; amending s. 678.1061, F.S.; revising the circumstances under which purchasers have control of security entitlements; specifying that a person that has such control is not required to acknowledge such control on behalf of a purchaser; specifying that certain persons do not owe any duty to purchasers and are not required to confirm certain acknowledgment under certain circumstances; amending s. 678.1101, F.S.;

providing applicability; amending s. 678.3031, F.S.; specifying that protected purchasers acquire interest in a security free of any adverse claim; creating part VI of ch. 678, F.S., relating to transitional provisions; creating s. 678.601, F.S.; providing applicability; amending s. 679.1021, F.S.; defining terms; revising and deleting definitions; revising the applicability of definitions; amending s. 679.1041, F.S.; revising the circumstances under which a secured party has control of a deposit account; making a technical change; amending s. 679.1051, F.S.; revising when a person has control of electronic chattel paper; specifying when power of such control is or is not exclusive; creating s. 679.1052, F.S.; specifying when a person has control of electronic money; specifying when power of such control is or is not exclusive; creating s. 679.1053, F.S.; specifying when a person has control of controllable electronic records, controllable accounts, or controllable payment intangibles; creating s. 679.1054, F.S.; providing that specified persons with certain control are not required to acknowledge such control; specifying that such persons do not owe any duty to certain persons and are not required to confirm acknowledgment to any other person; amending s. 679.2031, F.S.; revising the circumstances under which a security interest is enforceable against a debtor and third parties; conforming a cross-reference and provisions to changes made by the act; amending s. 679.2041, F.S.; revising the circumstances under which a security interest does not attach under a term constituting an after-acquired property clause; amending s. 679.2071, F.S.; conforming a provision to changes made by the act; amending s. 679.2081, F.S.; revising duties relating to secured parties having control of collateral; amending s. 679.209, F.S.; revising duties relating to secured parties if an account debtor has been notified of an assignment; revising cross-references; amending s. 679.210, F.S.; conforming provisions to changes made by the act; amending s. 679.3011, F.S.; revising requirements relating to laws governing perfection and priority of security interests; revising a cross-reference; amending s. 679.3041, F.S.; specifying that the local law of a bank's jurisdiction governs even if a transaction does not bear any relation to the bank's jurisdiction; amending s. 679.3051, F.S.; revising applicability; creating s. 679.3062, F.S.; specifying which laws govern the perfection and priority of security interests in chattel paper; creating s. 679.3063, F.S.; specifying which laws govern the perfection and priority of security interests in controllable accounts, controllable electronic records, and controllable payment intangibles; amending s. 679.3101, F.S.; revising the circumstances under which the filing of a financing statement is not necessary to perfect a security interest; amending s. 679.3121, F.S.; providing requirements for perfecting a security interest in controllable accounts, controllable electronic records, and controllable payment intangibles; amending s. 679.3131, F.S.; conforming provisions to changes made by the act; amending s. 679.3141, F.S.; revising requirements for perfection by control; creating s. 679.3152, F.S.; providing requirements for perfecting a security interest in chattel paper by possession and control; amending s. 679.3161, F.S.; revising requirements relating to maintaining perfection of security interests following a change in governing law; revising cross-

references; amending s. 679.3171, F.S.; revising the circumstances under which persons take free of a security interest or agricultural lien; amending s. 679.323, F.S.; revising the circumstances under which a buyer or lessee of goods takes free of a security interest or leasehold; amending s. 679.324, F.S.; conforming provisions to changes made by the act; creating s. 679.3251, F.S.; specifying that certain security interests in controllable accounts, controllable electronic records, or controllable payment intangibles have priority over conflicting security interests; amending s. 679.330, F.S.; revising the circumstances under which purchasers of chattel paper have priority over certain security interests in the chattel paper; revising applicability; making a technical change; amending s. 679.331, F.S.; revising construction; amending s. 679.332, F.S.; revising the circumstances under which a transferee takes money or funds free of a security interest; amending ss. 679.341 and 679.4041, F.S.; conforming provisions to changes made by the act; amending s. 679.4061, F.S.; defining the term “promissory note”; conforming provisions to changes made by the act; revising applicability; amending s. 679.4081, F.S.; defining the term “promissory note”; amending ss. 679.509, 679.513, 679.601, and 679.604, F.S.; conforming provisions to changes made by the act; amending s. 679.605, F.S.; specifying when a secured party owes a duty to a person based on the party’s status as a secured party; amending ss. 679.608 and 679.611, F.S.; conforming provisions to changes made by the act; making technical changes; amending s. 679.613, F.S.; revising the form for notification of the disposition of collateral; providing requirements relating to such form; amending s. 679.614, F.S.; revising form requirements for notice of a plan to sell property; providing requirements relating to such form; amending ss. 679.615, 679.616, 679.619, 679.620, 679.621, 679.624, and 679.625, F.S.; conforming provisions to changes made by the act; amending s. 679.628, F.S.; providing applicability; creating part IX of ch. 670, F.S., relating to transitional provisions; creating ss. 679.901 and 679.902, F.S.; providing construction; amending s. 680.1021, F.S.; revising applicability; amending s. 680.1031, F.S.; defining the term “hybrid lease”; conforming cross-references; amending ss. 680.1071, 680.201, 680.202, 680.203, 680.205, 680.208, F.S.; conforming provisions to changes made by the act; creating part VI of ch. 680, F.S., relating to transitional provisions; creating s. 680.601, F.S.; providing applicability; amending ss. 55.205, 319.27, 328.0015, 517.061, 559.9232, 563.022, 668.50, F.S.; conforming cross-references; reenacting ss. 655.55(1) and (2) and 685.101(2), F.S., relating to law applicable to deposits in and contracts relating to extensions of credit by a deposit or lending institution located in this state and choice of law, respectively, to incorporate the amendment made to s. 671.105, F.S., in references thereto; reenacting ss. 90.953(1), 673.1061(1), (3), and (4), and 673.1151(2), F.S., relating to admissibility of duplicates, unconditional promise or order, and incomplete instruments, respectively, to incorporate the amendment made to s. 673.1041, F.S., in references thereto; reenacting s. 673.1031(2), F.S., relating to definitions, to incorporate the amendments made to ss. 673.1041 and 673.1051, F.S., in references thereto; reenacting s. 673.6051(2), F.S., relating to discharge of indorsers and accommodation

parties, to incorporate the amendment made to s. 673.6041, F.S., in a reference thereto; reenacting s. 679.3061(2), F.S., relating to law governing perfection and priority of security interests in letter-of-credit rights, to incorporate the amendment made to s. 675.116, F.S., in a reference thereto; reenacting s. 675.103(1)(j), F.S., relating to definitions, to incorporate the amendment made to s. 675.104, F.S., in a reference thereto; reenacting ss. 674.2101(3), 675.1181(2), and 679.1101, F.S., relating to security interest of collecting bank in items, accompanying documents, and proceeds; security interest of issuer or nominated person; and security interests arising under chapter 672 or chapter 680, respectively, to incorporate the amendment made to s. 679.2031, F.S., in references thereto; reenacting ss. 672.103(3) and 674.104(3), F.S., relating to definitions and index of definitions, to incorporate the amendment made to s. 677.106, F.S., in references thereto; reenacting ss. 678.5101(3) and 679.1061(1), F.S., relating to rights of purchaser of security entitlement from entitlement holder and control of investment property, respectively, to incorporate the amendment made to s. 678.1061, F.S., in references thereto; reenacting s. 679.328(2), (5), and (7), F.S., relating to priority of security interests in investment property, to incorporate the amendments made to ss. 678.1061, 679.3131, 679.3141, and 679.323, F.S., in references thereto; reenacting s. 679.327(1) and (2), F.S., relating to priority of security interests in deposit account, to incorporate the amendment made to ss. 679.1041 and 679.3141, F.S., in references thereto; reenacting s. 679.1091(4), F.S., relating to scope, to incorporate the amendment made to ss. 679.2031 and 679.4041, F.S., in references thereto; reenacting s. 679.709(2), F.S., relating to priority, to incorporate the amendment made to s. 679.2031, F.S., in a reference thereto; reenacting s. 679.602(2), F.S., relating to waiver and variance of rights and duties, to incorporate the amendment made to s. 679.210, F.S., in a reference thereto; reenacting s. 679.329, F.S., relating to priority of security interests in deposit account and priority of security interests in letter-of-credit right, respectively, to incorporate the amendment made to s. 679.3141, F.S., in references thereto; reenacting s. 679.320(3), F.S., buyer of goods, to incorporate the amendment made to s. 679.3161, F.S., in references thereto; reenacting s. 727.109(8)(b), F.S., relating to power of the court, to incorporate the amendment made to s. 679.3171, F.S., in a reference thereto reenacting s. 680.307(3), F.S., relating to priority of liens arising by attachment or levy on, security interests in, and other claims to goods, to incorporate the amendment made to ss. 679.3171 and 679.323, F.S., in references thereto; reenacting s. 679.626(3), F.S., relating to action in which deficiency or surplus is in issue, to incorporate the amendment made to s. 679.628, F.S., in a reference thereto; providing an effective date.

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

Section 1. The Division of Law Revision is directed to create chapter 669, Florida Statutes, to be entitled “Uniform Commercial Code: Controllable Electronic Records and Transitional Provisions.”

Section 2. Part I of chapter 669, Florida Statutes, consisting of ss. 669.101-669.107, Florida Statutes, is created and entitled “Controllable Electronic Records.”

Section 3. Section 669.101, Florida Statutes, is created to read:

669.101 Short title.—This part may be cited as “Uniform Commercial Code—Controllable Electronic Records.”

Section 4. Section 669.102, Florida Statutes, is created to read:

669.102 Definitions.—

(1) As used in this part, the term:

(a) “Central bank digital currency” has the same meaning as provided in s. 671.201.

(b) “Controllable electronic record” means a record in an electronic medium, subject to control under s. 669.105. The term does not include a central bank digital currency, a controllable account, a controllable payment intangible, a deposit account, an electronic chattel paper, an electronic document of title, electronic money, investment property, or a transferable record.

(c) “Qualifying purchaser” means a purchaser of a controllable electronic record or an interest in a controllable electronic record which obtains control of the controllable electronic record for value, in good faith, and without notice of a claim of a property right in the controllable electronic record.

(d) “Transferable record” has the same meaning as provided in:

1. Section 201(a)(1) of the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. s. 7021(a)(1); or

2. Section 668.50(16)(a).

(e) “Value” has the meaning provided in s. 673.3031(1), as if references in that subsection to an “instrument” were references to a controllable account, controllable electronic record, or controllable payment intangible. A controllable electronic record is subject to control as specified in s. 669.105.

(2) The definitions in s. 679.1021 for the terms “account debtor,” “chattel paper,” “controllable account,” “controllable payment intangible,” “deposit account,” “electronic money,” and “investment property” apply to this part.

(3) Chapter 671 contains general definitions and principles of construction and interpretation applicable throughout this part.

Section 5. Section 669.103, Florida Statutes, is created to read:

669.103 Relation to chapter 679 and consumer laws.—

(1) If there is conflict between this part and chapter 679, chapter 679 governs.

(2) A transaction subject to this part is subject to any applicable rule of law that establishes a different rule for consumers; any other law or regulation that regulates the rates, charges, agreements, and practices for loans, credit sales, or other extensions of credit; and chapter 501.

Section 6. Section 669.104, Florida Statutes, is created to read:

669.104 Rights in controllable account, controllable electronic record, and controllable payment intangible.—

(1) This section applies to the acquisition and purchase of rights in a controllable account or controllable payment intangible, including the rights and benefits under subsections (3), (4), (5), (7), and (8) of a purchaser and qualifying purchaser, in the same manner in which this section applies to a controllable electronic record.

(2) In determining whether a purchaser of a controllable account or a controllable payment intangible is a qualifying purchaser, the purchaser obtains control of the account or payment intangible if it obtains control of the controllable electronic record that evidences the account or payment intangible.

(3) Except as provided in this section, law other than this part determines whether a person acquires a right in a controllable electronic record and the right that the person acquires.

(4) A purchaser of a controllable electronic record acquires all rights in the controllable electronic record which the transferor had, or had power to transfer, except that a purchaser of a limited interest in a controllable electronic record acquires rights only to the extent of the interest purchased.

(5) A qualifying purchaser acquires its rights in the controllable electronic record free of a claim of a property right in the controllable electronic record.

(6) Except as provided in subsections (1) and (5) for a controllable account and a controllable payment intangible or in law other than this part, a qualifying purchaser takes a right to payment, right to performance, or other interest in property evidenced by the controllable electronic record subject to a claim of a property right in the right to payment, right to performance, or other interest in property.

(7) An action may not be asserted against a qualifying purchaser based on both a purchase by the qualifying purchaser of a controllable electronic record and a claim of a property right in another controllable electronic record, regardless of whether the action is framed in conversion, replevin, constructive trust, equitable lien, or other theory.

(8) Filing of a financing statement under chapter 679 is not notice of a claim of a property right in a controllable electronic record.

Section 7. Section 669.105, Florida Statutes, is created to read:

669.105 Control of controllable electronic record.—

(1) A person has control of a controllable electronic record if the electronic record, a record attached to or logically associated with the electronic record, or a system in which the electronic record is recorded:

(a) Gives the person:

1. Power to avail itself of substantially all of the benefit from the electronic record; and

2. Exclusive power, subject to paragraph (b), to:

a. Prevent others from availing themselves of substantially all of the benefit from the electronic record; and

b. Transfer control of the electronic record to another person or cause another person to obtain control of another controllable electronic record as a result of the transfer of the electronic record; and

(b) Enables the person to identify itself readily in any way, including by name, identifying number, cryptographic key, office, or account number, as having the powers specified in paragraph (a).

(2) Except as provided in subsection (3), a power is exclusive under sub-paragraphs (1)(a)2.a. and b. even if:

(a) The controllable electronic record, a record attached to or logically associated with the electronic record, or a system in which the electronic record is recorded limits the use of the electronic record or has a protocol programmed to cause a change, including a transfer or loss of control or a modification of benefits afforded by the electronic record; or

(b) The power is shared with another person.

(3) A power of a person is not shared with another person under paragraph (2)(b) and the person's power is not exclusive if:

(a) The person can exercise the power only if the power also is exercised by the other person; and

(b) The other person:

1. Can exercise the power without exercise of the power by the person; or

2. Is the transferor to the person of an interest in the controllable electronic record or a controllable account or controllable payment intangible evidenced by the controllable electronic record.

(4) If a person has the powers specified in sub-subparagraphs (1)(a)2.a. and b., the powers are presumed to be exclusive.

(5) A person has control of a controllable electronic record if another person, other than the transferor to the person of an interest in the controllable electronic record or a controllable account or controllable payment intangible evidenced by the controllable electronic record:

(a) Has control of the electronic record and acknowledges that it has control on behalf of the person; or

(b) Obtains control of the electronic record after having acknowledged that it will obtain control of the electronic record on behalf of the person.

(6) A person that has control under this section is not required to acknowledge that it has control on behalf of another person unless the person otherwise agrees or law other than this part or chapter 679 provides otherwise.

(7) If a person acknowledges that it has or will obtain control on behalf of another person, the person does not owe any duty to the other person and is not required to confirm the acknowledgment to any other person.

Section 8. Section 669.106, Florida Statutes, is created to read:

669.106 Discharge of account debtor on controllable account or controllable payment intangible.—

(1) An account debtor on a controllable account or controllable payment intangible may discharge its obligation by paying:

(a) The person having control of the controllable electronic record that evidences the controllable account or controllable payment intangible; or

(b) Except as provided in subsection (2), a person that formerly had control of the controllable electronic record.

(2) Subject to subsection (4), the account debtor may not discharge its obligation by paying a person that formerly had control of the controllable electronic record if the account debtor receives a notification that:

(a) Is signed by a person that formerly had control or the person to which control was transferred;

(b) Reasonably identifies the controllable account or controllable payment intangible;

(c) Notifies the account debtor that control of the controllable electronic record that evidences the controllable account or controllable payment intangible was transferred;

(d) Identifies the transferee, in any reasonable way, including by name, identifying number, cryptographic key, office, or account number; and

(e) Provides a commercially reasonable method by which the account debtor is to pay the transferee.

(3) After receipt of a notification that complies with subsection (2), the account debtor may discharge its obligation by paying in accordance with the notification and may not discharge the obligation by paying a person that formerly had control.

(4) Subject to subsection (8), notification is ineffective under subsection (2):

(a) Unless, before the notification is sent, the account debtor and the person that, at that time, had control of the controllable electronic record that evidences the controllable account or controllable payment intangible agree in a signed record to a commercially reasonable method by which a person may furnish reasonable proof that control has been transferred;

(b) To the extent an agreement between the account debtor and seller of a payment intangible limits the account debtor's duty to pay a person other than the seller and the limitation is effective under law other than this part;
or

(c) At the option of the account debtor, if the notification notifies the account debtor to:

1. Divide a payment;

2. Make less than the full amount of an installment or other periodic payment; or

3. Pay any part of a payment by more than one method or to more than one person.

(5) Subject to subsection (8), if requested by the account debtor, the person giving the notification under subsection (2) must seasonably furnish reasonable proof that, using the method in the agreement referred to in paragraph (4)(a), control of the controllable electronic record has been transferred. Unless the person complies with the request, the account debtor may discharge its obligation by paying a person that formerly had control, even if the account debtor has received a notification under subsection (2).

(6) A person furnishes reasonable proof under subsection (5) that control has been transferred if the person demonstrates that, using the method in an agreement made under paragraph (4)(a), the transferee has the power to:

(a) Avail itself of substantially all the benefit from the controllable electronic record;

(b) Prevent others from availing themselves of substantially all the benefit from the controllable electronic record; and

(c) Transfer the powers specified in paragraphs (a) and (b) to another person.

(7) Subject to subsection (8), an account debtor may not waive or vary its rights under paragraph (4)(a) and subsection (5) or its option under paragraph (4)(c).

(8) This section is subject to law other than this part which establishes a different rule for an account debtor who is an individual and who incurred the obligation primarily for personal, family, or household purposes.

Section 9. Section 669.107, Florida Statutes, is created to read:

669.107 Governing law.—

(1) Except as provided in subsection (2), the local law of a controllable electronic record's jurisdiction governs a matter covered by this part.

(2) For a controllable electronic record that evidences a controllable account or controllable payment intangible, the local law of the controllable electronic record's jurisdiction governs a matter covered by s. 669.106 unless an effective agreement determines that the local law of another jurisdiction governs.

(3) The following rules determine a controllable electronic record's jurisdiction under this section:

(a) If the controllable electronic record, or a record attached to or logically associated with the controllable electronic record and readily available for review, expressly provides that a particular jurisdiction is the controllable electronic record's jurisdiction for purposes of this part or the Uniform Commercial Code, that jurisdiction is the controllable electronic record's jurisdiction.

(b) If paragraph (a) does not apply and the rules of the system in which the controllable electronic record is recorded are readily available for review and expressly provide that a particular jurisdiction is the controllable electronic record's jurisdiction for purposes of this part or the Uniform Commercial Code, that jurisdiction is the controllable electronic record's jurisdiction.

(c) If paragraphs (a) and (b) do not apply and the controllable electronic record, or a record attached to or logically associated with the controllable electronic record and readily available for review, expressly provides that the controllable electronic record is governed by the law of a particular

jurisdiction, that jurisdiction is the controllable electronic record's jurisdiction.

(d) If paragraphs (a), (b), and (c) do not apply and the rules of the system in which the controllable electronic record is recorded are readily available for review and expressly provide that the controllable electronic record or the system is governed by the law of a particular jurisdiction, that jurisdiction is the controllable electronic record's jurisdiction.

(e) If paragraphs (a)-(d) do not apply, the controllable electronic record's jurisdiction is the District of Columbia.

(4) If paragraph (3)(e) applies, and Article 12 is not in effect without material modification in the District of Columbia, the governing law for a matter subject to this part is the law of the District of Columbia as though Article 12 were in effect without material modification in the District of Columbia. For the purposes of this subsection, the term "Article 12" means Article 12 of the Uniform Commercial Code Amendments (2022).

(5) To the extent subsections (1) and (2) provide that the local law of the controllable electronic record's jurisdiction governs a matter covered by this part, that law governs even if the matter or a transaction to which the matter relates does not bear any relation to the controllable electronic record's jurisdiction.

(6) The rights acquired under s. 669.104 by a purchaser or qualifying purchaser are governed by the law applicable under this section at the time of purchase.

Section 10. Part II of chapter 669, Florida Statutes, consisting of ss. 669.501-669.706, Florida Statutes, is created and entitled "Transitional Provisions."

Section 11. Section 669.501, Florida Statutes, is created to read:

669.501 Short title.—This part may be cited as "Uniform Commercial Code—Transitional Provisions."

Section 12. Section 669.502, Florida Statutes, is created to read:

669.502 Definitions.—As used in this part:

(1)(a) "Adjustment date" means July 1, 2026.

(b) "Article 12" means Article 12 of the Uniform Commercial Code.

(c) "Article 12 property" means a controllable account, controllable electronic record, or controllable payment intangible.

(2) Other definitions applying to this chapter and the sections in which they appear are:

“Controllable account,” s. 679.1021.

“Controllable electronic record,” s. 669.102.

“Controllable payment intangible,” s. 679.1021.

“Electronic money,” s. 679.1021.

“Financing statement,” s. 679.1021.

(3) The general definitions and principles of construction and interpretation contained in chapter 671 apply to this part.

Section 13. Section 669.601, Florida Statutes, is created to read:

669.601 Saving clause.—Except as otherwise provided in this part, a transaction validly entered into before July 1, 2025, and the rights, duties, and interests flowing from such transaction remain valid thereafter and may be terminated, completed, consummated, or enforced as required or permitted by law other than the Uniform Commercial Code or, if applicable, by the Uniform Commercial Code as though this act had not taken effect.

Section 14. Section 669.701, Florida Statutes, is created to read:

669.701 Saving clause.—

(1) Except as provided in this part, chapter 679 as it existed on July 1, 2025, and Article 12 apply to a transaction, lien, or other interest in property, even if the transaction, lien, or interest was entered into, created, or acquired before July 1, 2025.

(2) Except as provided in subsection (3) and ss. 669.702-669.706, both of the following apply:

(a) A transaction, lien, or interest in property that was validly entered into, created, or transferred before July 1, 2025, and that was not governed by the Uniform Commercial Code but would be subject to chapter 679 as it existed on July 1, 2025, or to Article 12 if the transaction had been entered into, created, or transferred on or after July 1, 2025, including the rights, duties, and interests flowing from the transaction, lien, or interest, remains valid on and after July 1, 2025.

(b) The transaction, lien, or interest may be terminated, completed, consummated, and enforced as required or permitted by this part or by the law that would apply if this part had not taken effect.

(3) This section does not affect an action, a case, or a proceeding commenced before July 1, 2025.

Section 15. Section 669.702, Florida Statutes, is created to read:

669.702 Security interest perfected before effective date.—

(1) A security interest that is enforceable and perfected immediately before July 1, 2025, is a perfected security interest under this act if, on July 1, 2025, the requirements for enforceability and perfection under this section are fully satisfied without further action.

(2) If a security interest is enforceable and perfected immediately before July 1, 2025, but the requirements for enforceability or perfection under this act are not satisfied by July 1, 2025, all of the following apply to the security interest:

(a) It is a perfected security interest until the earlier of the time perfection would have ceased under the law in effect immediately before July 1, 2025, or the adjustment date.

(b) It remains enforceable thereafter only if the security interest satisfies the requirements for enforceability under s. 679.2031, as it existed on July 1, 2025, before the adjustment date.

(c) It remains perfected thereafter only if the requirements for perfection under this section are satisfied immediately before July 1, 2025.

Section 16. Section 669.703, Florida Statutes, is created to read:

669.703 Security interest unperfected before effective date.—A security interest that is enforceable immediately before July 1, 2025, but is unperfected by that date:

(1) Remains an enforceable security interest until the adjustment date;

(2) Remains enforceable thereafter if the security interest becomes enforceable under s. 679.2031, as it existed on July 1, 2025, or before the adjustment date; and

(3) Becomes perfected:

(a) Without further action, by July 1, 2025, if the requirements for perfection under this act are satisfied on or before that date; or

(b) When the requirements for perfection are satisfied, if satisfaction occurs after July 1, 2025.

Section 17. Section 669.704, Florida Statutes, is created to read:

669.704 Effectiveness of actions taken before effective date.—

(1) If action, other than the filing of a financing statement, is taken before July 1, 2025, and the action would have resulted in perfection of the security interest had the security interest become enforceable before July 1, 2025, the action is effective to perfect a security interest that attaches under this part before the adjustment date. An attached security interest becomes unperfected on the adjustment date unless the security interest becomes a perfected security interest under this part before the adjustment date.

(2) The filing of a financing statement before July 1, 2025, is effective to perfect a security interest on July 1, 2025, to the extent the filing would satisfy the requirements for perfection under this part.

(3) Action taken before July 1, 2025, is sufficient for the enforceability of a security interest as of July 1, 2025, if the action satisfies the requirements for enforceability under this part.

Section 18. Section 669.705, Florida Statutes, is created to read:

669.705 Priority.—

(1) Subject to subsections (2) and (3), this section determines the priority of conflicting claims to collateral.

(2) Subject to subsection (3), if the priority of claims to collateral was established before July 1, 2025, chapter 679 as in effect before July 1, 2025, determines priority.

(3) On the adjustment date, to the extent the priorities determined by chapter 679 as amended by this part modify the priorities established before July 1, 2025, the priorities of claims to Article 12 property and electronic money established before July 1, 2025, cease to apply.

Section 19. Section 669.706, Florida Statutes, is created to read:

669.706 Priority of claims when priority rules of chapter 679 do not apply.—

(1) Subject to subsections (2) and (3), Article 12 determines the priority of conflicting claims to Article 12 property when the priority rules of chapter 679 as amended by this act do not apply.

(2) Subject to subsection (3), when the priority rules of chapter 679 as amended by this act do not apply and the priorities of claims to Article 12 property were established before July 1, 2025, law other than Article 12 determines priority.

(3) When the priority rules of chapter 679 as amended by this part do not apply, to the extent the priorities determined by this act modify the priorities established as of July 1, 2025, the priorities of claims to Article 12 property established before July 1, 2025, cease to apply on the adjustment date.

Section 20. Part III of chapter 669, Florida Statutes, consisting of s. 669.711, Florida Statutes, is created and entitled “Miscellaneous Provisions.”

Section 21. Section 669.711, Florida Statutes, is created to read:

669.711 Construction.—This chapter does not authorize, create, or imply the endorsement of a central bank digital currency.

Section 22. Paragraph (c) of subsection (1) of section 670.103, Florida Statutes, is amended to read:

670.103 Payment order: definitions.—

(1) In this chapter, the term:

(c) “Payment order” means an instruction of a sender to a receiving bank, transmitted orally or in a record, ~~electronically, or in writing~~, to pay, or to cause another bank to pay, a fixed or determinable amount of money to a beneficiary if:

1. The instruction does not state a condition to payment to the beneficiary other than time of payment;

2. The receiving bank is to be reimbursed by debiting an account of, or otherwise receiving payment from, the sender; and

3. The instruction is transmitted by the sender directly to the receiving bank or to an agent, funds-transfer system, or communication system for transmittal to the receiving bank.

Section 23. Section 670.201, Florida Statutes, is amended to read:

670.201 Security procedure.—For purposes of this section, the term “security procedure” means a procedure established by agreement of a customer and a receiving bank for the purpose of:

(1) Verifying that a payment order or communication amending or canceling a payment order is that of the customer; or

(2) Detecting error in the transmission or the content of the payment order or communication.

A security procedure may impose an obligation on the receiving bank or the customer and may require the use of algorithms or other codes, identifying words, or numbers, symbols, sounds, biometrics, encryption, callback procedures, or similar security devices. Comparison of a signature on a payment order or communication with an authorized specimen signature of the customer or requiring a payment order to be sent from a known e-mail address, Internet protocol address, or telephone number is not by itself a security procedure.

Section 24. Subsections (2) and (3) of section 670.202, Florida Statutes, are amended, and subsection (6) of that section is republished, to read:

670.202 Authorized and verified payment orders.—

(2) If a bank and its customer have agreed that the authenticity of payment orders issued to the bank in the name of the customer as sender will be verified pursuant to a security procedure, a payment order received by the receiving bank is effective as the order of the customer, whether or not

authorized, if the security procedure is a commercially reasonable method of providing security against unauthorized payment orders and the bank proves that it accepted the payment order in good faith and in compliance with the bank's obligations under the security procedure and any ~~written~~ agreement or instruction of the customer, evidenced by a record, restricting acceptance of payment orders issued in the name of the customer. The bank is not required to follow an instruction that violates ~~an a-written~~ agreement with the customer, evidenced by a record, or notice of which is not received at a time and in a manner affording the bank a reasonable opportunity to act on it before the payment order is accepted.

(3) The commercial reasonableness of a security procedure is a question of law to be determined by considering the wishes of the customer expressed to the bank; the circumstances of the customer known to the bank, including the size, type, and frequency of payment orders normally issued by the customer to the bank; alternative security procedures offered to the customer; and security procedures in general use by customers and receiving banks similarly situated. A security procedure is deemed to be commercially reasonable if:

(a) The security procedure was chosen by the customer after the bank offered, and the customer refused, a security procedure that was commercially reasonable for that customer; and

(b) The customer expressly agreed in a record ~~writing~~ to be bound by any payment order, whether or not authorized, issued in its name and accepted by the bank in compliance with the bank's obligations under the security procedure chosen by the customer.

(6) Except as provided in this section and in s. 670.203(1)(a), rights and obligations arising under this section or s. 670.203 may not be varied by agreement.

Section 25. Paragraph (a) of subsection (1) of section 670.203, Florida Statutes, is amended to read:

670.203 Unenforceability of certain verified payment orders.—

(1) If an accepted payment order is not, under s. 670.202(1), an authorized order of a customer identified as sender, but is effective as an order of the customer pursuant to s. 670.202(2), the following rules apply:

(a) By express ~~written~~ agreement evidenced by a record, the receiving bank may limit the extent to which it is entitled to enforce or retain payment of the payment order.

Section 26. Paragraph (b) of subsection (3) of section 670.207, Florida Statutes, is amended to read:

670.207 Misdescription of beneficiary.—

(3) If a payment order described in subsection (2) is accepted, the originator's payment order described the beneficiary inconsistently by name and number, and the beneficiary's bank pays the person identified by number as permitted by paragraph (2)(a), the following rules apply:

(b) If the originator is not a bank and proves that the person identified by number was not entitled to receive payment from the originator, the originator is not obliged to pay its order unless the originator's bank proves that the originator, before acceptance of the originator's order, had notice that payment of a payment order issued by the originator might be made by the beneficiary's bank on the basis of an identifying or bank account number even if it identifies a person different from the named beneficiary. Proof of notice may be made by any admissible evidence. The originator's bank satisfies the burden of proof if it proves that the originator, before the payment order was accepted, signed a record writing stating the information to which the notice relates.

Section 27. Paragraph (b) of subsection (2) of section 670.208, Florida Statutes, is amended to read:

670.208 Misdescription of intermediary bank or beneficiary's bank.—

(2) This subsection applies to a payment order identifying an intermediary bank or the beneficiary's bank both by name and an identifying number if the name and number identify different persons.

(b) If the sender is not a bank and the receiving bank proves that the sender, before the payment order was accepted, had notice that the receiving bank might rely on the number as the proper identification of the intermediary or beneficiary's bank even if it identifies a person different from the bank identified by name, the rights and obligations of the sender and the receiving bank are governed by paragraph (a), as though the sender were a bank. Proof of notice may be made by any admissible evidence. The receiving bank satisfies the burden of proof if it proves that the sender, before the payment order was accepted, signed a record writing stating the information to which the notice relates.

Section 28. Subsection (1) of section 670.21, Florida Statutes, is amended to read:

670.21 Rejection of payment order.—

(1) A payment order is rejected by the receiving bank by a notice of rejection transmitted to the sender orally, ~~electronically~~, or in a record writing. A notice of rejection need not use any particular words and is sufficient if it indicates that the receiving bank is rejecting the order or will not execute or pay the order. Rejection is effective when the notice is given if transmission is by a means that is reasonable in the circumstances. If notice of rejection is given by a means that is not reasonable, rejection is effective

when the notice is received. If an agreement of the sender and receiving bank establishes the means to be used to reject a payment order:

- (a) Any means complying with the agreement is reasonable; and
- (b) Any means not complying is not reasonable unless no significant delay in receipt of the notice resulted from the use of the noncomplying means.

Section 29. Subsection (1) of section 670.211, Florida Statutes, is amended to read:

670.211 Cancellation and amendment of payment order.—

(1) A communication of the sender of a payment order canceling or amending the order may be transmitted to the receiving bank orally, ~~electronically~~, or in a record writing. If a security procedure is in effect between the sender and the receiving bank, the communication is not effective to cancel or amend the order unless the communication is verified pursuant to the security procedure or the bank agrees to the cancellation or amendment.

Section 30. Subsections (3) and (4) of section 670.305, Florida Statutes, are amended to read:

670.305 Liability for late or improper execution or failure to execute payment order.—

(3) In addition to the amounts payable under subsections (1) and (2), damages, including consequential damages, are recoverable to the extent provided in an express ~~written~~ agreement of the receiving bank, evidenced by a record.

(4) If a receiving bank fails to execute a payment order it was obliged by express agreement to execute, the receiving bank is liable to the sender for its expenses in the transaction and for incidental expenses and interest losses resulting from the failure to execute. Additional damages, including consequential damages, are recoverable to the extent provided in an express ~~written~~ agreement of the receiving bank, evidenced by a record, but are not otherwise recoverable.

Section 31. Part VI of chapter 670, Florida Statutes, consisting of s. 670.601, Florida Statutes, is created and entitled “Transitional Provisions.”

Section 32. Section 670.601, Florida Statutes, is created to read:

670.601 Saving clause.—Except as provided in ss. 669.501-669.706, a transaction validly entered into before July 1, 2025, and the rights, duties, and interests flowing from such transaction remain valid thereafter and may be terminated, completed, consummated, or enforced as required or

permitted by law other than the Uniform Commercial Code or, if applicable, the Uniform Commercial Code as though this act had not taken effect.

Section 33. Subsection (1) of section 671.101, Florida Statutes, is amended to read:

671.101 Short title; scope of chapter.—

(1) Chapters ~~669-680~~ 670-680 may be cited as the “Uniform Commercial Code” or “code.”

Section 34. Paragraphs (a) through (g) of subsection (2) of section 671.105, Florida Statutes, are redesignated as paragraphs (b) through (h), respectively, a new paragraph (a) is added to that subsection, and present paragraphs (d) and (e) of that subsection are republished, to read:

671.105 Territorial application of the code; parties’ power to choose applicable law.—

(2) When one of the following provisions of this code specifies the applicable law, that provision governs; and a contrary agreement is effective only to the extent permitted by the law (including the conflict-of-laws rules) so specified:

(a) Governing law in the chapter on controllable electronic records. (s. 669.107).

~~(e)(d)~~ Applicability of the chapter on letters of credit. (s. 675.116)

~~(f)(e)~~ Applicability of the chapter on investment securities. (s. 678.1101)

Section 35. Section 671.107, Florida Statutes, is amended to read:

671.107 Waiver or renunciation of claim or right after breach.—A claim or right arising out of an alleged breach can be discharged in whole or in part without consideration by agreement of the aggrieved party in a signed an authenticated record.

Section 36. Present subsections (18) through (47) of section 671.201, Florida Statutes, are redesignated as subsections (19) through (48), respectively, a new subsection (18) is added to that section, and present subsections (11), (16), (22), (26), (27), (31), (40), and (41) of that section are amended, to read:

671.201 General definitions.—Unless the context otherwise requires, words or phrases defined in this section, or in the additional definitions contained in other chapters of this code which apply to particular chapters or parts thereof, have the meanings stated. Subject to definitions contained in other chapters of this code which apply to particular chapters or parts thereof, the term:

(11) “Conspicuous,” with reference to a term, means so written, displayed, or presented that, based on the totality of the circumstances, a reasonable person against which it is to operate ought to have noticed it. Whether a term is “conspicuous” is a decision for the court. ~~Conspicuous terms include the following:~~

(a) ~~A heading in capitals equal to or greater in size than the surrounding text, or in contrasting type, font, or color to the surrounding text of the same or lesser size; and~~

(b) ~~Language in the body of a record or display in larger type than the surrounding text or set off from surrounding text of the same size by symbols or other marks that call attention to the language.~~

(16) “Delivery,” with respect to an electronic document of title, means voluntary transfer of control and, “delivery,” with respect to instruments, tangible document of title, or an authoritative tangible copy of a record evidencing chattel paper, or certificated securities, means voluntary transfer of possession.

(18) “Electronic” means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.

~~(23)~~(22) “Holder” means:

(a) The person in possession of a negotiable instrument that is payable either to bearer or to an identified person that is the person in possession;

(b) The person in possession of a negotiable tangible document of title if the goods are deliverable either to bearer or to the order of the person in possession; or

(c) The person in control, other than pursuant to s. 677.106(7), of a negotiable electronic document of title.

~~(27)~~(26) Subject to subsection ~~(29)~~ (28), a person has “notice” of a fact if the person:

(a) Has actual knowledge of it;

(b) Has received a notice or notification of it; or

(c) From all the facts and circumstances known to the person at the time in question, has reason to know that it exists. A person “knows” or has “knowledge” of a fact when the person has actual knowledge of it. “Discover” or “learn” or a word or phrase of similar import refers to knowledge rather than to reason to know. The time and circumstances under which a notice or notification may cease to be effective are not determined by this section.

~~(28)~~(27) A person “notifies” or “gives” a notice or notification to another person by taking such steps as may be reasonably required to inform the

other person in ordinary course, whether or not the other person actually comes to know of it. Subject to subsection (29) (28), a person “receives” a notice or notification when:

(a) It comes to that person’s attention; or

(b) It is duly delivered in a form reasonable under the circumstances at the place of business through which the contract was made or at another location held out by that person as the place for receipt of such communications.

~~(32)~~(31) “Person” means an individual; corporation; business trust; estate; trust; partnership; limited liability company; association; joint venture; government; governmental subdivision, agency, or instrumentality; ~~public corporation~~; or any other legal or commercial entity. The term includes a protected series, however denominated, of an entity if the protected series is established under law other than the Uniform Commercial Code which limits, or conditionally limits if conditions specified under the law are satisfied, the ability of a creditor of the entity or of any other protected series of the entity to satisfy a claim from assets of the protected series.

~~(41)~~(40) “Send,” in connection with a writing, record, or notification notice, means:

(a) To deposit in the mail, ~~or deliver for transmission, or transmit~~ by any other usual means of communication, with postage or cost of transmission provided for, ~~and properly addressed and, in the case of an instrument, to an address specified thereon or otherwise agreed or, if there be none, to any address reasonable under the circumstances; or~~

(b) ~~To cause the record or notification to be received within the time it would have been received if properly sent under paragraph (a) In any other way to cause to be received any record or notice within the time it would have arrived if properly sent.~~

~~(42)~~(41) “Sign,” “signing,” “signed,” or “signature” means, with present intent to authenticate or adopt a record, to:

(a) Execute or adopt a tangible symbol; or

(b) Attach to or logically associate with the record an electronic symbol, sound, or process ~~means bearing any symbol executed or adopted by a party with present intention to adopt or accept a writing.~~

Section 37. Section 671.211, Florida Statutes, is amended to read:

671.211 Value.—Except as otherwise provided with respect to negotiable instruments and bank collections as provided in chapter 669 and ss. 673.3031, 674.2101, and 674.2111, a person gives value for rights if the person acquires them:

(1) In return for a binding commitment to extend credit or for the extension of immediately available credit whether or not drawn upon and whether or not a charge-back is provided for in the event of difficulties in collection;

(2) As security for, or in total or partial satisfaction of, a preexisting claim;

(3) By accepting delivery under a preexisting contract for purchase; or

(4) In return for any consideration sufficient to support a simple contract.

Section 38. Part IV of chapter 671, Florida Statutes, consisting of s. 671.401, Florida Statutes, is created and entitled “Transitional Provisions.”

Section 39. Section 671.401, Florida Statutes, is created to read:

671.401 Saving clause.—Except as provided in ss. 669.501-669.706, a transaction validly entered into before July 1, 2025, and the rights, duties, and interests flowing from such transaction remain valid thereafter and may be terminated, completed, consummated, or enforced as required or permitted by law other than the Uniform Commercial Code or, if applicable, by the Uniform Commercial Code as though this act had not taken effect.

Section 40. Section 672.102, Florida Statutes, is amended to read:

672.102 Scope; certain security and other transactions excluded from this chapter.—

(1) Unless the context otherwise requires, and except as provided in subsection (2), this chapter applies to transactions in goods and, in the case of a hybrid transaction:

(a) If the sale-of-goods aspects do not predominate, only those provisions of this chapter which relate primarily to the sale-of-goods aspects of the transaction apply, and those provisions that relate primarily to the transaction as a whole do not apply.

(b) If the sale-of-goods aspects predominate, this chapter applies to the transaction but does not preclude application in appropriate circumstances of other law to aspects of the transaction which do not relate to the sale of goods.

(2) This chapter does not do the following:

(a) Apply to a transaction that, even though in the form of an unconditional contract to sell or present sale, operates only to create a security interest.

(b) Impair or repeal a statute regulating sales to consumers, farmers, or other specified classes of buyers; it does not apply to any transaction which

~~although in the form of an unconditional contract to sell or present sale is intended to operate only as a security transaction nor does this chapter impair or repeal any statute regulating sales to consumers, farmers or other specified classes of buyers.~~

Section 41. Section 672.106, Florida Statutes, is amended to read:

672.106 Definitions: “contract”; “agreement”; “contract for sale”; “sale”; “present sale”; “conforming” to contract; “termination”; “cancellation”; “hybrid transaction.”—

(1) In this chapter, ~~unless the context clearly requires otherwise, the meaning of the terms requires~~ “contract” and “agreement” ~~is are~~ limited to those contracts and agreements relating to the present or future sale of goods. ~~The term~~ “contract for sale” includes both a present sale of goods and a contract to sell goods at a future time. A “sale” consists in the passing of title from the seller to the buyer for a price (s. 672.401). A “present sale” means a sale which is accomplished by the making of the contract.

(2) Goods or conduct including any part of a performance are “conforming” or conform to the contract when they are in accordance with the obligations under the contract.

(3) “Termination” occurs when either party pursuant to a power created by agreement or law puts an end to the contract otherwise than for its breach. Upon ~~On~~ termination, all obligations that ~~which~~ are still executory on both sides are discharged but any right based on prior breach or performance survives.

(4) “Cancellation” occurs when either party puts an end to the contract for breach by the other and its effect is the same as that of “termination” except that the canceling party also retains any remedy for breach of the whole contract or any unperformed balance.

(5) The term “hybrid transaction” means a single transaction involving a sale of goods and any of the following:

(a) The provision of services.

(b) A lease of other goods.

(c) A sale, lease, or license of property other than goods.

Section 42. Subsections (1) and (2) of section 672.201, Florida Statutes, are amended to read:

672.201 Formal requirements; statute of frauds.—

(1) Except as otherwise provided in this section a contract for the sale of goods for the price of \$500 or more is not enforceable by way of action or defense unless there is a record ~~some writing~~ sufficient to indicate that a

contract for sale has been made between the parties and signed by the party against whom enforcement is sought or by the party's ~~his or her~~ authorized agent or broker. A record writing is not insufficient because it omits or incorrectly states a term agreed upon but the contract is not enforceable under this subsection ~~paragraph~~ beyond the quantity of goods shown in the record ~~such writing~~.

(2) Between merchants if within a reasonable time a record writing in confirmation of the contract and sufficient against the sender is received and the party receiving it has reason to know its contents, it satisfies the requirements of subsection (1) against the ~~such~~ party unless written ~~notice in a record~~ of objection to its contents is given within 10 days after it is received.

Section 43. Section 672.202, Florida Statutes, is amended to read:

672.202 Final ~~written~~ expression; parol or extrinsic evidence.—Terms with respect to which the confirmatory memoranda of the parties agree or which are otherwise set forth in a record writing intended by the parties as a final expression of their agreement with respect to such terms as are included therein may not be contradicted by evidence of any prior agreement or of a contemporaneous oral agreement but may be explained or supplemented:

(1) By course of dealing or usage of trade (s. 671.205) or by course of performance (s. 672.208); and

(2) By evidence of consistent additional terms unless the court finds the record writing to have been intended also as a complete and exclusive statement of the terms of the agreement.

Section 44. Section 672.203, Florida Statutes, is amended to read:

672.203 Seals inoperative.—The affixing of a seal to a record writing evidencing a contract for sale or an offer to buy or sell goods does not constitute a record ~~the writing~~ a sealed instrument and the law with respect to sealed instruments does not apply to such a contract or offer.

Section 45. Section 672.205, Florida Statutes, is amended to read:

672.205 Firm offers.—An offer by a merchant to buy or sell goods in a signed record writing which by its terms gives assurance that it will be held open is not revocable, for lack of consideration, during the time stated or if no time is stated for a reasonable time, but in no event may such period of irrevocability exceed 3 months; but any such term of assurance on a form supplied by the offeree must be separately signed by the offeror.

Section 46. Subsection (2) of section 672.209, Florida Statutes, is amended to read:

672.209 Modification, rescission, and waiver.—

(2) A signed agreement which excludes modification or rescission except by a signed writing or other signed record cannot be otherwise modified or rescinded, but except as between merchants such a requirement on a form supplied by the merchant must be separately signed by the other party.

Section 47. Part VIII of chapter 672, Florida Statutes, consisting of s. 672.801, Florida Statutes, is created and entitled “Transitional Provisions.”

Section 48. Section 672.801, Florida Statutes, is created to read:

672.801 Saving clause.—Except as provided in ss. 669.501-669.706, a transaction validly entered into before July 1, 2025, and the rights, duties, and interests flowing from such transaction remain valid thereafter and may be terminated, completed, consummated, or enforced as required or permitted by law other than the Uniform Commercial Code or, if applicable, by the Uniform Commercial Code as though this act had not taken effect.

Section 49. Subsection (1) of section 673.1041, Florida Statutes, is amended to read:

673.1041 Negotiable instrument.—

(1) Except as provided in subsections (3), (4), and (11), the term “negotiable instrument” means an unconditional promise or order to pay a fixed amount of money, with or without interest or other charges described in the promise or order, if it:

(a) Is payable to bearer or to order at the time it is issued or first comes into possession of a holder;

(b) Is payable on demand or at a definite time; and

(c) Does not state any other undertaking or instruction by the person promising or ordering payment to do any act in addition to the payment of money, but the promise or order may contain:

1. An undertaking or power to give, maintain, or protect collateral to secure payment;

2. An authorization or power to the holder to confess judgment or realize on or dispose of collateral; or

3. A waiver of the benefit of any law intended for the advantage or protection of an obligor;

4. A term that specifies the law that governs the promise or order; or

5. An undertaking to resolve, in a specified forum, a dispute concerning the promise or order.

Section 50. Subsection (1) of section 673.1051, Florida Statutes, is amended to read:

673.1051 Issue of instrument.—

(1) The term “issue” means:

(a) The first delivery of an instrument by the maker or drawer, whether to a holder or nonholder, for the purpose of giving rights on the instrument to any person; or

(b) If agreed to by the payee, the first transmission by the drawer to the payee of an image of an item and information derived from the item which enables the depository bank to collect the item under federal law by transferring or presenting an electronic check.

Section 51. Section 673.4011, Florida Statutes, is amended to read:

673.4011 Signature.—

~~(1) A person is not liable on an instrument unless:~~

~~(a) the person signed the instrument; or~~

~~(b) the person is represented by an agent or representative who signed the instrument, and the signature is binding on the represented person under s. 673.4021.~~

~~(2) A signature may be made:~~

~~(a) Manually or by means of a device or machine; and~~

~~(b) By the use of any name, including a trade or assumed name, or by a word, mark, or symbol executed or adopted by a person with present intention to authenticate a writing.~~

Section 52. Subsection (1) of section 673.6041, Florida Statutes, is amended to read:

673.6041 Discharge by cancellation or renunciation.—

(1) A person entitled to enforce an instrument, with or without consideration, may discharge the obligation of a party to pay the instrument:

(a) By an intentional voluntary act, such as:

1. Surrender of the instrument to the party;
2. Destruction, mutilation, or cancellation of the instrument;
3. Cancellation or striking out of the party’s signature; or
4. Addition of words to the instrument indicating discharge; or

(b) By agreeing not to sue or otherwise renouncing rights against the party by a signed writing.

The obligation of a party to pay a check is not discharged solely by destruction of the check in connection with a process that involves the extraction of information from the check and an image of the check is made and, subsequently, the information and image are transmitted for payment.

Section 53. Part VII of chapter 673, Florida Statutes, consisting of s. 673.702, Florida Statutes, is created and entitled “Transitional Provisions.”

Section 54. Section 673.702, Florida Statutes, is created to read:

673.702 Savings clause.—Except as provided in ss. 669.501-669.706, a transaction validly entered into before July 1, 2025, and the rights, duties, and interests flowing from such transaction remain valid thereafter and may be terminated, completed, consummated, or enforced as required or permitted by law other than the Uniform Commercial Code or, if applicable, by the Uniform Commercial Code as though this act had not taken effect.

Section 55. Section 675.104, Florida Statutes, is amended to read:

675.104 Formal requirements.—A letter of credit, confirmation, advice, transfer, amendment, or cancellation may be issued in any form that is a signed record and is authenticated by a signature or in accordance with the agreement of the parties or the standard practice referred to in s. 675.108(5).

Section 56. Section 675.116, Florida Statutes, is amended to read:

675.116 Choice of law and forum.—

(1) The liability of an issuer, nominated person, or adviser for action or omission is governed by the law of the jurisdiction chosen by an agreement in the form of a record signed ~~or otherwise authenticated~~ by the affected parties ~~in the manner provided in s. 675.104~~ or by a provision in the person’s letter of credit, confirmation, or other undertaking. The jurisdiction whose law is chosen need not bear any relation to the transaction.

(2) Unless subsection (1) applies, the liability of an issuer, nominated person, or adviser for action or omission is governed by the law of the jurisdiction in which the person is located. The person is considered to be located at the address indicated in the person’s undertaking. If more than one address is indicated, the person is considered to be located at the address from which the person’s undertaking was issued.

(a) For the purpose of jurisdiction, choice of law, and recognition of interbranch letters of credit, but not enforcement of a judgment, all branches of a bank are considered separate juridical entities and a bank is considered to be located at the place where its relevant branch is considered to be located under paragraph (b) this subsection.

(b) A bank branch is considered to be located at the address indicated in the branch’s undertaking. If more than one address is indicated, the branch

is considered to be located at the address from which the undertaking was issued.

~~(c)(3)~~ Except as otherwise provided in this paragraph subsection, the liability of an issuer, nominated person, or adviser is governed by any rules of custom or practice, such as the Uniform Customs and Practice for Documentary Credits, to which the letter of credit, confirmation, or other undertaking is expressly made subject. If this chapter governs the liability of an issuer, nominated person, or adviser under subsection (1) or this subsection (2), the relevant undertaking incorporates rules of custom or practice, and there is conflict between this chapter and such rules as applied to that undertaking, such rules govern except to the extent of any conflict with the nonvariable provisions specified in s. 675.102(3).

~~(3)(4)~~ This chapter governs to the extent of any conflict between this chapter and chapter 670, chapter 673, chapter 674, or chapter 679.

~~(4)(5)~~ The forum for settling disputes arising out of an undertaking within this chapter may be chosen in the manner and with the binding effect that governing law may be chosen in accordance with subsection (1).

Section 57. Section 675.119, Florida Statutes, is created to read:

675.119 Saving clause.—Except as provided in ss. 669.501-669.706, a transaction validly entered into before July 1, 2025, and the rights, duties, and interests flowing from such transaction remain valid thereafter and may be terminated, completed, consummated, or enforced as required or permitted by law other than the Uniform Commercial Code or, if applicable, by the Uniform Commercial Code as though this act had not taken effect.

Section 58. Paragraphs (j) and (l) of subsection (1) of section 677.102, Florida Statutes, are amended to read:

677.102 Definitions and index of definitions.—

(1) In this chapter, unless the context otherwise requires:

~~(j) “Record” means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.~~

~~(l) “Sign” means, with present intent to authenticate or adopt a record:~~

~~1.—To execute or adopt a tangible symbol; or~~

~~2.—To attach to or logically associate with the record an electronic sound, symbol, or process.~~

Section 59. Subsection (2) of section 677.106, Florida Statutes, is amended, and subsections (3) through (9) are added to that section, to read:

677.106 Control of electronic document of title.—

(2) A system satisfies subsection (1), and a person has ~~is deemed to have~~ control of an electronic document of title, if the document is created, stored, and transferred ~~assigned~~ in a manner that:

(a) A single authoritative copy of the document exists which is unique, identifiable, and, except as otherwise provided in paragraphs (d), (e), and (f), unalterable;

(b) The authoritative copy identifies the person asserting control as:

1. The person to which the document was issued; or

2. If the authoritative copy indicates that the document has been transferred, the person to which the document was most recently transferred;

(c) The authoritative copy is communicated to and maintained by the person asserting control or its designated custodian;

(d) Copies or amendments that add or change an identified transferee ~~assignee~~ of the authoritative copy can be made only with the consent of the person asserting control;

(e) Each copy of the authoritative copy and any copy of a copy is readily identifiable as a copy that is not the authoritative copy; and

(f) Any amendment of the authoritative copy is readily identifiable as authorized or unauthorized.

(3) A system satisfies subsection (1), and a person has control of an electronic document of title, if an authoritative electronic copy of the document, a record attached to or logically associated with the electronic copy, or a system in which the electronic copy is recorded:

(a) Enables the person to readily identify each electronic copy as either an authoritative copy or a nonauthoritative copy;

(b) Enables the person to readily identify itself in any way, including by name, identifying number, cryptographic key, office, or account number, as the person to which each authoritative electronic copy was issued or transferred; and

(c) Gives the person exclusive power, subject to subsection (4), to:

1. Prevent others from adding or changing the person to which each authoritative electronic copy has been issued or transferred; and

2. Transfer control of each authoritative electronic copy.

(4) Subject to subsection (5), a power is exclusive under subparagraphs (3)(c)1. and 2. even if:

(a) The authoritative electronic copy, a record attached to or logically associated with the authoritative electronic copy, or a system in which the authoritative electronic copy is recorded limits the use of the document of title or has a protocol that is programmed to cause a change, including a transfer or loss of control; or

(b) The power is shared with another person.

(5) A power of a person is not shared with another person under paragraph (4)(b) and the person's power is not exclusive if:

(a) The person can exercise the power only if the power also is exercised by the other person; and

(b) The other person:

1. Can exercise the power without exercise of the power by the person; or

2. Is the transferor to the person of an interest in the document of title.

(6) If a person has the powers specified in subparagraphs (3)(c)1. and 2., the powers are presumed to be exclusive.

(7) A person has control of an electronic document of title if another person, other than the transferor to the person of an interest in the document:

(a) Has control of the document and acknowledges that it has control on behalf of the person; or

(b) Obtains control of the document after having acknowledged that it will obtain control of the document on behalf of the person.

(8) A person that has control as provided under this section is not required to acknowledge that it has control on behalf of another person.

(9) If a person acknowledges that it has or will obtain control on behalf of another person, unless the person otherwise agrees or law other than this chapter or chapter 679 otherwise provides, the person does not owe any duty to the other person and is not required to confirm the acknowledgment to any other person.

Section 60. Part VII of chapter 677, Florida Statutes, consisting of s. 677.701, Florida Statutes, is created and entitled "Transitional Provisions."

Section 61. Section 677.701, Florida Statutes, is created to read:

677.701 Saving clause.—Except as provided in ss. 669.501-669.706, a transaction validly entered into before July 1, 2025, and the rights, duties, and interests flowing from such transaction remain valid thereafter and may be terminated, completed, consummated, or enforced as required or permitted by law other than the Uniform Commercial Code or, if applicable,

by the Uniform Commercial Code as though this act had not have taken effect.

Section 62. Paragraph (f) of subsection (1) and subsection (2) of section 678.1021, Florida Statutes, are amended, and paragraph (i) of subsection (1) of that section is republished, to read:

678.1021 Definitions.—

(1) In this chapter:

(f) “Communicate” means to:

1. Send a signed record writing; or
2. Transmit information by any mechanism agreed upon by the persons transmitting and receiving the information.

(i) “Financial asset,” except as otherwise provided in s. 678.1031, means:

1. A security;
2. An obligation of a person or a share, participation, or other interest in a person or in property or an enterprise of a person, which is, or is of a type, dealt in or traded on financial markets, or which is recognized in any area in which it is issued or dealt in as a medium for investment; or
3. Any property that is held by a securities intermediary for another person in a securities account if the securities intermediary has expressly agreed with the other person that the property is to be treated as a financial asset under this chapter. As context requires, the term means either the interest itself or the means by which a person’s claim to it is evidenced, including a certificated or uncertificated security, a security certificate, or a security entitlement.

(2) The following Other definitions in applying to this chapter and other chapters apply to this section the sections in which they appear are:

“Appropriate person,” s. 678.1071.

“Control,” s. 678.1061.

“Controllable account,” s. 679.1021.

“Controllable electronic record,” s. 669.102.

“Controllable payment intangible,” s. 679.1021.

“Delivery,” s. 678.3011.

“Investment company security,” s. 678.1031(2).

“Issuer,” s. 678.2011.

“Overissue,” s. 678.2101.

“Protected purchaser,” s. 678.3031.

“Securities account,” s. 678.5011.

Section 63. Subsection (6) of section 678.1031, Florida Statutes, is amended, and subsection (8) is added to that section, to read:

678.1031 Rules for determining whether certain obligations and interests are securities or financial assets.—

(6) A commodity contract, as defined in s. 679.1021(1) ~~s. 679.1021(1)(e)~~, is not a security or a financial asset.

(8) A controllable account, controllable electronic record, or controllable payment intangible is not a financial asset unless s. 678.1021(1)(i) applies.

Section 64. Subsection (4) of section 678.1061, Florida Statutes, is amended, and subsections (8) and (9) are added to that section, to read:

678.1061 Control.—

(4) A purchaser has “control” of a security entitlement if:

(a) The purchaser becomes the entitlement holder;

(b) The securities intermediary has agreed that it will comply with entitlement orders originated by the purchaser without further consent by the entitlement holder; or

(c) Another person, other than the transferor to the purchaser of an interest in the security entitlement:

1. Has control of the security entitlement and acknowledges that it has control on behalf of the purchaser; or

2. Obtains control of the security entitlement after having acknowledged that it will obtain control of the security entitlement on behalf of the purchaser has control of the security entitlement on behalf of the purchaser or, having previously acquired control of the security entitlement, acknowledges that the person has control on behalf of the purchaser.

(8) A person that has control under this section is not required to acknowledge that it has control on behalf of a purchaser.

(9) If a person acknowledges that it has or will obtain control on behalf of a purchaser unless the person otherwise agrees, or law other than this section or chapter 679 otherwise provides, the person does not owe any duty to the purchaser and is not required to confirm the acknowledgment to any other person.

Section 65. Subsection (7) is added to section 678.1101, Florida Statutes, to read:

678.1101 Applicability; choice of law.—

(7) The local law of the issuer’s jurisdiction or the securities intermediary’s jurisdiction governs a matter or transaction specified in subsection (1) or subsection (2) even if the matter or transaction does not bear any relation to the jurisdiction.

Section 66. Subsection (2) of section 678.3031, Florida Statutes, is amended to read:

678.3031 Protected purchaser.—

~~(2) In addition to acquiring the rights of a purchaser,~~ A protected purchaser also acquires its interest in the security free of any adverse claim.

Section 67. Part VI of chapter 678, Florida Statutes, consisting of s. 678.601, Florida Statutes, is created and entitled “Transitional Provisions.”

Section 68. Section 678.601, Florida Statutes, is created to read:

678.601 Saving clause.—Except as provided in ss. 669.501-669.706, a transaction validly entered into before July 1, 2025, and the rights, duties, and interests flowing from such transaction remain valid thereafter and may be terminated, completed, consummated, or enforced as required or permitted by law other than the Uniform Commercial Code, or if applicable, by the Uniform Commercial Code as though this act had not taken effect.

Section 69. Present paragraphs (h) through (aa), (bb) through (bbb), and (ccc) through (bbbb) of subsection (1) of section 679.1021, Florida Statutes, are redesignated as paragraphs (i) through (bb), (ee) through (eee), and (ggg) through (eeee), respectively, new paragraphs (g), (h), (cc), (dd), and (fff) are added to that subsection, and paragraphs (b), (c), (d), and (g) and present paragraphs (k), (ee), (pp), (uu), (iii), (nnn), (vvv), and (zzz) of subsection (1) and subsection (2) of that section are amended, to read:

679.1021 Definitions and index of definitions.—

(1) In this chapter, the term:

(b) “Account,” except as used in “account for,” “account statement,” “account to,” “commodity account” as used in paragraph (o), “customer account,” “deposit account” as used in paragraph (ff), “on account of,” and “statement of account,” means a right to payment of a monetary obligation, regardless of whether or not earned by performance, for property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of; for services rendered or to be rendered; for a policy of insurance issued or to be issued; for a secondary obligation incurred or to be incurred; for energy provided or to be provided; for the use or hire of a vessel under a charter or

other contract; arising out of the use of a credit or charge card or information contained on or for use with the card; or as winnings in a lottery or other game of chance operated or sponsored by a state, governmental unit of a state, or person licensed or authorized to operate the game by a state or governmental unit of a state. The term includes controllable accounts and health-care-insurance receivables. The term does not include ~~rights to payment evidenced by chattel paper or an instrument~~; commercial tort claims; deposit accounts; investment property; letter-of-credit rights or letters of credit; ~~or rights to payment for money or funds advanced or sold~~, other than rights arising out of the use of a credit or charge card or information contained on or for use with the card; or rights to payment evidenced by an instrument.

(c) “Account debtor” means a person obligated on an account, chattel paper, or general intangible. The term does not include persons obligated to pay a negotiable instrument, even if the negotiable instrument evidences constitutes part of chattel paper.

(d) “Accounting,” except as used in the term “accounting for,” means a record:

1. Signed Authenticated by a secured party;
2. Indicating the aggregate unpaid secured obligations as of a date not more than 35 days earlier or 35 days later than the date of the record; and
3. Identifying the components of the obligations in reasonable detail.

(g) “Assignee,” except as used in “assignee for benefit of creditors,” means a person:

1. In whose favor a security interest that secures an obligation is created or provided for under a security agreement, regardless of whether the obligation is outstanding; or

2. To which an account, chattel paper, payment intangible, or promissory note has been sold.

The term includes a person to which a security interest has been transferred by a secured party.

(h) “Assignor” means a person that:

1. Under a security agreement creates or provides for a security interest that secures an obligation; or

2. Sells an account, chattel paper, payment intangible, or promissory note.

The term includes a secured party that has transferred a security interest to another person

~~(g)~~ “Authenticate” means:

1. ~~To sign; or~~

2. ~~With the present intent to adopt or accept a record, to attach to or logically associate with the record an electronic sound, symbol, or process.~~

~~(l)(k)~~ “Chattel paper” means:

1. A right to payment of a monetary obligation secured by specific goods, if the right to payment and security agreement are evidenced by a record; or

2. A right to payment of a monetary obligation owed by a lessee under a lease agreement with respect to specific goods and a monetary obligation owed by the lessee in connection with the transaction giving rise to the lease, if:

a. The right to payment and lease agreement are evidenced by a record; and

b. The predominant purpose of the transaction giving rise to the lease was to give the lessee the right to possession and use of the goods.

~~The term does not include a right to payment arising out of a charter or other contract involving the use or hire of a vessel or a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card a record or records that evidence both a monetary obligation and a security interest in specific goods, a security interest in specific goods and software used in the goods, a security interest in specific goods and license of software used in the goods, a lease of specific goods, or a lease of specific goods and license of software used in the goods. In this paragraph, “monetary obligation” means a monetary obligation secured by the goods or owed under a lease of the goods and includes a monetary obligation with respect to software used in the goods. The term does not include charters or other contracts involving the use or hire of a vessel or records that evidence a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card. If a transaction is evidenced by records that include an instrument or series of instruments, the group of records taken together constitutes chattel paper.~~

~~(cc)~~ “Controllable account” means an account evidenced by a controllable electronic record that provides that the account debtor undertakes to pay the person that has control under s. 669.105 of the controllable electronic record.

~~(dd)~~ “Controllable payment intangible” means a payment intangible evidenced by a controllable electronic record that provides that the account debtor undertakes to pay the person that has control under s. 669.105 of the controllable electronic record.

~~(hh)(ee)~~ “Electronic money” means money in an electronic form ~~chattel paper~~” means ~~chattel paper evidenced by a record or records consisting of information stored in an electronic medium.~~

~~(ss)(pp)~~ “General intangible” means any personal property, including things in action, other than accounts, chattel paper, commercial tort claims, deposit accounts, documents, goods, instruments, investment property, letter-of-credit rights, letters of credit, money, and oil, gas, or other minerals before extraction. The term includes controllable electronic records, payment intangibles, and software.

~~(xx)(uu)~~ “Instrument” means a negotiable instrument or any other writing that evidences a right to the payment of a monetary obligation, is not itself a security agreement or lease, and is of a type that in the ordinary course of business is transferred by delivery with any necessary indorsement or assignment. The term does not include investment property, letters of credit, ~~or writings that evidence a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card, or writings that evidence chattel paper.~~

~~(fff)~~ “Money” has the same meaning as in s. 671.201, but does not include a deposit account, a central bank digital currency, or money in an electronic form that cannot be subjected to control under s. 679.1052.

~~(mmm)(iii)~~ “Payment intangible” means a general intangible under which the account debtor’s principal obligation is a monetary obligation. The term includes a controllable payment intangible.

~~(rrr)(nnn)~~ “Proposal” means a record signed ~~authenticated~~ by a secured party which includes the terms on which the secured party is willing to accept collateral in full or partial satisfaction of the obligation it secures pursuant to ss. 679.620, 679.621, and 679.622.

~~(vvv)~~ “Send,” ~~in connection with a record or notification, means:~~

1. ~~To deposit in the mail, deliver for transmission, or transmit by any other usual means of communication, with postage or cost of transmission provided for, addressed to any address reasonable under the circumstances; or~~

2. ~~To cause the record or notification to be received within the time that it would have been received if properly sent under subparagraph 1.~~

~~(cccc)(zzz)~~ “Tangible money ~~chattel paper~~” means money in tangible form ~~chattel paper evidenced by a record or records consisting of information that is inscribed on a tangible medium.~~

(2) The following definitions in other chapters apply to this chapter:

“Applicant,” s. 675.103.

“Beneficiary,” s. 675.103.

“Broker,” s. 678.1021.

“Certificated security,” s. 678.1021.

“Check,” s. 673.1041.

“Clearing corporation,” s. 678.1021.

“Contract for sale,” s. 672.106.

“Control,” s. 677.106.

“Controllable electronic record,” s. 699.102.

“Customer,” s. 674.104.

“Entitlement holder,” s. 678.1021.

“Financial asset,” s. 678.1021.

“Holder in due course,” s. 673.3021.

“Issuer” (with respect to a letter of credit or letter-of-credit right), s. 675.103.

“Issuer” (with respect to a security), s. 678.2011.

“Issuer” (with respect to documents of title), s. 677.102.

“Lease,” s. 680.1031.

“Lease agreement,” s. 680.1031.

“Lease contract,” s. 680.1031.

“Leasehold interest,” s. 680.1031.

“Lessee,” s. 680.1031.

“Lessee in ordinary course of business,” s. 680.1031.

“Lessor,” s. 680.1031.

“Lessor’s residual interest,” s. 680.1031.

“Letter of credit,” s. 675.103.

“Merchant,” s. 672.104.

“Negotiable instrument,” s. 673.1041.

“Nominated person,” s. 675.103.

“Note,” s. 673.1041.

“Proceeds of a letter of credit,” s. 675.114.

“Protected purchaser,” s. 678.3031.

“Prove,” s. 673.1031.

“Qualifying purchaser,” s. 669.102.

“Sale,” s. 672.106.

“Securities account,” s. 678.5011.

“Securities intermediary,” s. 678.1021.

“Security,” s. 678.1021.

“Security certificate,” s. 678.1021.

“Security entitlement,” s. 678.1021.

“Uncertificated security,” s. 678.1021.

Section 70. Subsection (1) of section 679.1041, Florida Statutes, is amended to read:

679.1041 Control of deposit account.—

(1) A secured party has control of a deposit account if any of the following applies:

(a) The secured party is the bank with which the deposit account is maintained;

(b) The debtor, secured party, and bank have agreed in a signed an authenticated record that the bank will comply with instructions originated by the secured party directing disposition of the funds in the deposit account without further consent by the debtor;~~;~~~~or~~

(c) The secured party becomes the bank’s customer with respect to the deposit account.

(d) Another person, other than the debtor:

1. Has control of the deposit account and acknowledges that it has control on behalf of the secured party; or

2. Obtains control of the deposit account after having acknowledged that it will obtain control of the deposit account on behalf of the secured party.

Section 71. Section 679.1051, Florida Statutes, is amended to read:

679.1051 Control of electronic chattel paper.—

(1) A purchaser has control of an authoritative electronic copy of a record evidencing chattel paper if a system employed for evidencing the assignment of interests in the chattel paper reliably establishes the purchaser as the person to which the authoritative electronic copy was assigned.

(2) A system satisfies subsection (1) if the record or records evidencing the chattel paper are created, stored, and assigned in a manner that:

(a) A single authoritative copy of the record or records exists which is unique, identifiable, and, except as otherwise provided in paragraphs (d), (e), and (f), unalterable;

(b) The authoritative copy identifies the purchaser as the assignee of the record or records;

(c) The authoritative copy is communicated to and maintained by the purchaser or its designated custodian;

(d) Copies or amendments that add or change an identified assignee of the authoritative copy can be made only with the consent of the purchaser;

(e) Each copy of the authoritative copy and any copy of a copy is readily identifiable as a copy that is not the authoritative copy; and

(f) Any amendment of the authoritative copy is readily identifiable as authorized or unauthorized.

(3) A system satisfies subsection (1), and a purchaser has control of an authoritative electronic copy of a record evidencing chattel paper, if the electronic copy, a record attached to or logically associated with the electronic copy, or a system in which the electronic copy is recorded:

(a) Enables the purchaser to readily identify each electronic copy as either an authoritative copy or a nonauthoritative copy;

(b) Enables the purchaser to readily identify itself in any way, including by name, identifying number, cryptographic key, office, or account number, as the assignee of the authoritative electronic copy; and

(c) Gives the purchaser exclusive power, subject to subsection (4), to:

1. Prevent others from adding or changing an identified assignee of the authoritative electronic copy; and

2. Transfer control of the authoritative electronic copy.

(4) Subject to subsection (5), a power is exclusive under subparagraphs (3)(c)1. and 2. even if:

(a) The authoritative electronic copy, a record attached to or logically associated with the authoritative electronic copy, or a system in which the authoritative electronic copy is recorded limits the use of the authoritative electronic copy or has a protocol programmed to cause a change, including a transfer or loss of control; or

(b) The power is shared with another person.

(5) A power of a purchaser is not shared with another person as provided in paragraph (4)(b) and the purchaser's power is not exclusive if:

(a) The purchaser can exercise the power only if the power also is exercised by the other person; and

(b) The other person:

1. Can exercise the power without exercise of the power by the purchaser; or

2. Is the transferor to the purchaser of an interest in the chattel paper.

(6) If a purchaser has the powers specified in subparagraphs (3)(c)1. and 2., the powers are presumed to be exclusive.

(7) A purchaser has control of an authoritative electronic copy of a record evidencing chattel paper if another person, other than the transferor to the purchaser of an interest in the chattel paper:

(a) Has control of the authoritative electronic copy and acknowledges that it has control on behalf of the purchaser; or

(b) Obtains control of the authoritative electronic copy after having acknowledged that it will obtain control of the electronic copy on behalf of the purchaser A secured party has control of electronic chattel paper if a system employed for evidencing the transfer of interests in the chattel paper reliably establishes the secured party as the person to which the chattel paper was assigned.

~~(2) A system satisfies subsection (1), and a secured party has control of electronic chattel paper, if the record or records comprising the chattel paper are created, stored, and assigned in such a manner that:~~

~~(a) A single authoritative copy of the record or records exists which is unique, identifiable and, except as otherwise provided in paragraphs (d), (e), and (f), unalterable;~~

~~(b) The authoritative copy identifies the secured party as the assignee of the record or records;~~

~~(c) The authoritative copy is communicated to and maintained by the secured party or its designated custodian;~~

~~(d) Copies or amendments that add or change an identified assignee of the authoritative copy can be made only with the consent of the secured party;~~

~~(e) Each copy of the authoritative copy and any copy of a copy is readily identifiable as a copy that is not the authoritative copy; and~~

~~(f) Any amendment of the authoritative copy is readily identifiable as authorized or unauthorized.~~

Section 72. Section 679.1052, Florida Statutes, is created to read:

679.1052 Control of electronic money.—

(1) A person has control of electronic money if both of the following apply:

(a) The electronic money, a record attached to or logically associated with the electronic money, or a system in which the electronic money is recorded gives the person:

1. Power to avail itself of substantially all the benefit from the electronic money; and

2. Exclusive power, subject to subsection (2), to:

a. Prevent others from availing themselves of substantially all the benefit from the electronic money; and

b. Transfer control of the electronic money to another person or cause another person to obtain control of other electronic money as a result of the transfer of the electronic money.

(b) The electronic money, a record attached to or logically associated with the electronic money, or a system in which the electronic money is recorded enables the person readily to identify itself in any way, including by name, identifying number, cryptographic key, office, or account number, as having the powers under paragraph (a).

(2) Subject to subsection (3), a power is exclusive under sub-subparagraphs (1)(a)2.a. and b. even if:

(a) The electronic money, a record attached to or logically associated with the electronic money, or a system in which the electronic money is recorded limits the use of the electronic money or has a protocol programmed to cause a change, including a transfer or loss of control; or

(b) The power is shared with another person.

(3) A power of a person is not shared with another person under paragraph (2)(b) and the person's power is not exclusive if:

(a) The person can exercise the power only if the power also is exercised by the other person; and

(b) The other person:

1. Can exercise the power without exercise of the power by the person; or

2. Is the transferor to the person of an interest in the electronic money.

(4) If a person has the powers specified in sub-subparagraphs (1)(a)2.a. and b., the powers are presumed to be exclusive.

(5) A person has control of electronic money if another person, other than the transferor to the person of an interest in the electronic money:

(a) Has control of the electronic money and acknowledges that it has control on behalf of the person; or

(b) Obtains control of the electronic money after having acknowledged that it will obtain control of the electronic money on behalf of the person.

Section 73. Section 679.1053, Florida Statutes, is created to read:

679.1053 Control of controllable electronic record, controllable account, or controllable payment intangible.—

(1) A secured party has control of a controllable electronic record as provided in s. 669.105.

(2) A secured party has control of a controllable account or controllable payment intangible if the secured party has control of the controllable electronic record that evidences the controllable account or controllable payment intangible.

Section 74. Section 679.1054, Florida Statutes, is created to read:

679.1054 No requirement to acknowledge or confirm; no duties.—

(1) A person that has control under s. 679.1051, s. 679.1052, or s. 679.1053 is not required to acknowledge that it has control on behalf of another person.

(2) If a person acknowledges that it has or will obtain control on behalf of another person, unless the person otherwise agrees, or law other than this chapter otherwise provides, the person does not owe any duty to the other person and is not required to confirm the acknowledgment to any other person.

Section 75. Subsections (2) and (10) of section 679.2031, Florida Statutes, are amended to read:

679.2031 Attachment and enforceability of security interest; proceeds; supporting obligations; formal requisites.—

(2) Except as otherwise provided in subsections (3) through (10), a security interest is enforceable against the debtor and third parties with respect to the collateral only if:

- (a) Value has been given;
- (b) The debtor has rights in the collateral or the power to transfer rights in the collateral to a secured party; and
- (c) One of the following conditions is met:

1. The debtor has signed ~~authenticated~~ a security agreement that provides a description of the collateral and, if the security interest covers timber to be cut, a description of the land concerned;

2. The collateral is not a certificated security and is in the possession of the secured party under s. 679.3131 pursuant to the debtor's security agreement;

3. The collateral is a certificated security in registered form and the security certificate has been delivered to the secured party under s. 678.3011 pursuant to the debtor's security agreement; ~~or~~

4. The collateral is controllable accounts, controllable electronic records, controllable payment intangibles, deposit accounts, electronic documents, electronic money chattel paper, investment property, or letter-of-credit rights, ~~or electronic documents,~~ and the secured party has control under s. 669.105, s. 677.106, s. 679.1041, s. 679.1051, s. 679.1061, or s. 679.1071 pursuant to the debtor's security agreement; or

5. The collateral is chattel paper and the secured party has possession and control under s. 679.3152 pursuant to the debtor's security agreement.

(10) A security interest in an account consisting of a right to payment of a monetary obligation for the sale of real property that is the debtor's homestead under the laws of this state is not enforceable unless:

(a) The description of the account in the security agreement conspicuously states that the collateral includes the debtor's right to payment of a monetary obligation for the sale of real property;

(b) The description of the account in the security agreement includes a legal description of the real property;

(c) The description of the account in the security agreement conspicuously states that the real property is the debtor's homestead; and

(d) The security agreement is also signed ~~authenticated~~ by the debtor's spouse, if the debtor is married; if the debtor's spouse is incompetent, then

the method of signature authentication by the debtor's spouse is the same as provided by the laws of this state, other than this chapter, which apply to the alienation or encumbrance of homestead property by an incompetent person.

Section 76. Present subsection (3) of section 679.2041, Florida Statutes, is redesignated as subsection (4), a new subsection (3) is added to that section, and subsection (2) of that section is amended, to read:

679.2041 After-acquired property; future advances.—

(2) Subject to subsection (3), a security interest does not attach under a term constituting an after-acquired property clause to:

(a) Consumer goods, other than an accession when given as additional security, unless the debtor acquires rights in them within 10 days after the secured party gives value; or

(b) A commercial tort claim.

(3) Subsection (2) does not prevent a security interest from attaching:

(a) To a consumer good as proceeds under s. 679.3151(1) or commingled goods under s. 679.336(3);

(b) To a commercial tort claim as proceeds under s. 679.3151(1); or

(c) Under an after-acquired property clause to property that is proceeds of consumer goods or a commercial tort claim.

Section 77. Subsection (3) of section 679.2071, Florida Statutes, is amended to read:

679.2071 Rights and duties of secured party having possession or control of collateral.—

(3) Except as otherwise provided in subsection (4), a secured party having possession of collateral or control of collateral under s. 677.106, s. 679.1041, s. 679.1051, s. 679.1052, s. 679.1061, or s. 679.1071:

(a) May hold as additional security any proceeds, except money or funds, received from the collateral;

(b) Shall apply money or funds received from the collateral to reduce the secured obligation, unless remitted to the debtor; and

(c) May create a security interest in the collateral.

Section 78. Subsection (2) of section 679.2081, Florida Statutes, is amended to read:

679.2081 Additional duties of secured party having control of collateral.

(2) Within 10 days after receiving a signed ~~an authenticated~~ demand by the debtor:

(a) A secured party having control of a deposit account under s. 679.1041(1)(b) shall send to the bank with which the deposit account is maintained a signed record ~~an authenticated statement~~ that releases the bank from any further obligation to comply with instructions originated by the secured party;

(b) A secured party having control of a deposit account under s. 679.1041(1)(c) shall:

1. Pay the debtor the balance on deposit in the deposit account; or
2. Transfer the balance on deposit into a deposit account in the debtor's name;

(c) A secured party, other than a buyer, having control under s. 679.1051 of an authoritative electronic copy of a record evidencing chattel paper shall transfer control of the electronic copy to the debtor or a person designated by the debtor; ~~a secured party, other than a buyer, having control of electronic chattel paper under s. 679.1051 shall:~~

1. ~~Communicate the authoritative copy of the electronic chattel paper to the debtor or its designated custodian;~~

2. ~~If the debtor designates a custodian that is the designated custodian with which the authoritative copy of the electronic chattel paper is maintained for the secured party, communicate to the custodian an authenticated record releasing the designated custodian from any further obligation to comply with instructions originated by the secured party and instructing the custodian to comply with instructions originated by the debtor; and~~

3. ~~Take appropriate action to enable the debtor or the debtor's designated custodian to make copies of or revisions to the authoritative copy which add or change an identified assignee of the authoritative copy without the consent of the secured party;~~

(d) A secured party having control of investment property under s. 678.1061(4)(b) or s. 679.1061(2) shall send to the securities intermediary or commodity intermediary with which the security entitlement or commodity contract is maintained a signed ~~an authenticated~~ record that releases the securities intermediary or commodity intermediary from any further obligation to comply with entitlement orders or directions originated by the secured party;

(e) A secured party having control of a letter-of-credit right under s. 679.1071 shall send to each person having an unfulfilled obligation to pay or deliver proceeds of the letter of credit to the secured party a signed ~~an~~

authenticated release from any further obligation to pay or deliver proceeds of the letter of credit to the secured party; and

(f) A secured party having control under s. 677.106 of an authoritative electronic copy of an electronic document of title shall transfer control of the electronic copy to the debtor or a person designated by the debtor;

(g) A secured party having control under s. 679.1052 of electronic money shall transfer control of the electronic money to the debtor or a person designated by the debtor; and

(h) A secured party having control under s. 669.105 of a controllable electronic record, other than a buyer of a controllable account or controllable payment intangible evidenced by the controllable electronic record, shall transfer control of the controllable electronic record to the debtor or a person designated by the debtor of an electronic document shall:

~~1. Give control of the electronic document to the debtor or its designated custodian;~~

~~2. If the debtor designates a custodian that is the designated custodian with which the authoritative copy of the electronic document is maintained for the secured party, communicate to the custodian an authenticated record releasing the designated custodian from any further obligation to comply with instructions originated by the secured party and instructing the custodian to comply with instructions originated by the debtor; and~~

~~3. Take appropriate action to enable the debtor or its designated custodian to make copies of or revisions to the authenticated copy which add or change an identified assignee of the authoritative copy without the consent of the secured party.~~

Section 79. Subsection (2) of section 679.209, Florida Statutes, is amended to read:

679.209 Duties of secured party if account debtor has been notified of assignment.—

(2) Within 10 days after receiving a signed ~~an authenticated~~ demand by the debtor, a secured party shall send to an account debtor that has received notification under s. 669.106(2) or s. 679.4016(1) of an assignment to the secured party as assignee a signed ~~under s. 679.4061(1) an authenticated~~ record that releases the account debtor from any further obligation to the secured party.

Section 80. Section 679.210, Florida Statutes, is amended to read:

679.210 Request for accounting; request regarding list of collateral or statement of account.—

(1) In this section, the term:

(a) “Request” means a record of a type described in paragraph (b), paragraph (c), or paragraph (d).

(b) “Request for an accounting” means a record signed authenticated by a debtor requesting that the recipient provide an accounting of the unpaid obligations secured by collateral and reasonably identifying the transaction or relationship that is the subject of the request.

(c) “Request regarding a list of collateral” means a record signed authenticated by a debtor requesting that the recipient approve or correct a list of what the debtor believes to be the collateral securing an obligation and reasonably identifying the transaction or relationship that is the subject of the request.

(d) “Request regarding a statement of account” means a record signed authenticated by a debtor requesting that the recipient approve or correct a statement indicating what the debtor believes to be the aggregate amount of unpaid obligations secured by collateral as of a specified date and reasonably identifying the transaction or relationship that is the subject of the request.

(e) “Reasonably identifying the transaction or relationship” means that the request provides information sufficient for the person to identify the transaction or relationship and respond to the request. Pursuant to s. 679.603(1), a secured party and debtor may determine by agreement the standards for measuring fulfillment of this duty.

(f) “Person” means a person or entity that is or was a secured party or otherwise claims or has claimed an interest in the collateral.

(2) Subject to subsections ~~(3)-(6)~~ (3), (4), ~~(5)~~, and ~~(6)~~, a secured party, other than a buyer of accounts, chattel paper, payment intangibles, or promissory notes or a consignor, shall comply with a request within 14 days after receipt:

(a) In the case of a request for an accounting, by signing ~~authenticating~~ and sending to the debtor an accounting; and

(b) In the case of a request regarding a list of collateral or a request regarding a statement of account, by signing ~~authenticating~~ and sending to the debtor an approval or correction.

(3) A secured party that claims a security interest in all of a particular type of collateral owned by the debtor may comply with a request regarding a list of collateral by sending to the debtor a signed ~~an authenticated~~ record including a statement to that effect within 14 days after receipt.

(4) A person who receives a request regarding a list of collateral, claims no interest in the collateral when the request is received, and claimed an interest in the collateral at an earlier time shall comply with the request within 14 days after receipt by sending to the debtor a signed ~~an authenticated~~ record:

- (a) Disclaiming any interest in the collateral; and
 - (b) If known to the recipient, providing the name and mailing address of any assignee of or successor to the recipient's interest in the collateral.
- (5) A person who receives a request for an accounting or a request regarding a statement of account, claims no interest in the obligations when the request is received, and claimed an interest in the obligations at an earlier time shall comply with the request within 14 days after receipt by sending to the debtor a signed ~~an authenticated~~ record:

- (a) Disclaiming any interest in the obligations; and
 - (b) If known to the recipient, providing the name and mailing address of any assignee of or successor to the recipient's interest in the obligations.
- (6) A debtor is entitled under this section without charge to one response to a request for an accounting or a request regarding a statement of account for each secured obligation during any 6-month period. A debtor in a consumer transaction is entitled to a single response to a request regarding a list of collateral without charge during any 6-month period. The secured party may require payment of a charge not exceeding \$25 for each additional response to a request for an accounting, a request regarding a statement of account, or a request regarding a list of collateral for a consumer transaction. To the extent provided in a signed ~~an authenticated~~ record, the secured party may require the payment of reasonable expenses, including attorney's fees, reasonably incurred in providing a response to a request regarding a list of collateral for a transaction other than a consumer transaction under this section; otherwise, the secured party may not charge more than \$25 for each request regarding a list of collateral. Excluding a request related to a proposed satisfaction of the secured obligation, a secured party is not required to respond to more than 12 of each of the permitted requests in any 12-month period.

Section 81. Section 679.3011, Florida Statutes, is amended to read:

679.3011 Law governing perfection and priority of security interests.—Except as otherwise provided in ss. 679.1091, 679.3031, 679.3041, 679.3051, and 679.3061, and 679.3062, the following rules determine the law governing perfection, the effect of perfection or nonperfection, and the priority of a security interest in collateral:

- (1) Except as otherwise provided in this section, while a debtor is located in a jurisdiction, the local law of that jurisdiction governs perfection, the effect of perfection or nonperfection, and the priority of a security interest in collateral.
- (2) While collateral is located in a jurisdiction, the local law of that jurisdiction governs perfection, the effect of perfection or nonperfection, and the priority of a possessory security interest in that collateral.

(3) Except as otherwise provided in subsections (4) and (5), while tangible negotiable documents, goods, instruments, or tangible money, ~~or tangible chattel paper~~ is located in a jurisdiction, the local law of that jurisdiction governs:

- (a) Perfection of a security interest in the goods by filing a fixture filing;
 - (b) Perfection of a security interest in timber to be cut; and
 - (c) The effect of perfection or nonperfection and the priority of a nonpossessory security interest in the collateral.
- (4) The local law of the jurisdiction in which the wellhead or minehead is located governs perfection, the effect of perfection or nonperfection, and the priority of a security interest in as-extracted collateral.
- (5) The law of this state governs:

- (a) The perfection of a security interest in goods that are or are to become fixtures in this state by the filing of a fixture filing.
- (b) The effect of perfection or nonperfection and the priority of a security interest in goods that are or are to become fixtures in this state.

Section 82. Subsection (1) of section 679.3041, Florida Statutes, is amended to read:

679.3041 Law governing perfection and priority of security interests in deposit accounts.—

(1) The local law of a bank's jurisdiction governs perfection, the effect of perfection or nonperfection, and the priority of a security interest in a deposit account maintained with that bank even if the transaction does not bear any relation to the bank's jurisdiction.

Section 83. Paragraph (e) is added to subsection (1) of section 679.3051, Florida Statutes, to read:

679.3051 Law governing perfection and priority of security interests in investment property.—

(1) Except as otherwise provided in subsection (3), the following rules apply:

(e) Paragraphs (b), (c), and (d) apply even if the transaction does not bear any relation to the jurisdiction.

Section 84. Section 679.3062, Florida Statutes, is created to read:

679.3062 Law governing perfection and priority of security interests in chattel paper.—

(1) Except as provided in subsection (4), if chattel paper is evidenced only by an authoritative electronic copy of the chattel paper or is evidenced by an authoritative electronic copy and an authoritative tangible copy, the local law of the chattel paper's jurisdiction governs perfection, the effect of perfection or nonperfection, and the priority of a security interest in the chattel paper, even if the transaction does not bear any relation to the chattel paper's jurisdiction.

(2) The following rules determine the chattel paper's jurisdiction under this section:

(a) If the authoritative electronic copy of the record evidencing chattel paper, or a record attached to or logically associated with the electronic copy and readily available for review, expressly provides that a particular jurisdiction is the chattel paper's jurisdiction for purposes of s. 679.3061, this chapter, or the Uniform Commercial Code, that jurisdiction is the chattel paper's jurisdiction.

(b) If paragraph (a) does not apply and the rules of the system in which the authoritative electronic copy is recorded are readily available for review and expressly provide that a particular jurisdiction is the chattel paper's jurisdiction for purposes of s. 679.3061, this chapter, or the Uniform Commercial Code, that jurisdiction is the chattel paper's jurisdiction.

(c) If paragraphs (a) and (b) do not apply and the authoritative electronic copy, or a record attached to or logically associated with the electronic copy and readily available for review, expressly provides that the chattel paper is governed by the law of a particular jurisdiction, that jurisdiction is the chattel paper's jurisdiction.

(d) If paragraphs (a), (b), and (c) do not apply and the rules of the system in which the authoritative electronic copy is recorded are readily available for review and expressly provide that the chattel paper or the system is governed by the law of a particular jurisdiction, that jurisdiction is the chattel paper's jurisdiction.

(e) If paragraphs (a)-(d) do not apply, the chattel paper's jurisdiction is the jurisdiction in which the debtor is located.

(3) If an authoritative tangible copy of a record evidences chattel paper and the chattel paper is not evidenced by an authoritative electronic copy, while the authoritative tangible copy of the record evidencing chattel paper is located in a jurisdiction, the local law of that jurisdiction governs:

(a) Perfection of a security interest in the chattel paper by possession under s. 679.3152; and

(b) The effect of perfection or nonperfection and the priority of a security interest in the chattel paper.

(4) The local law of the jurisdiction in which the debtor is located governs perfection of a security interest in chattel paper by filing.

Section 85. Section 679.3063, Florida Statutes, is created to read:

679.3063 Law governing perfection and priority of security interests in controllable accounts, controllable electronic records, and controllable payment intangibles.—

(1) Except as provided in subsection (2), the local law of the controllable electronic record's jurisdiction specified in s. 669.107(3) and (4) governs perfection, the effect of perfection or nonperfection, and the priority of a security interest in a controllable electronic record and a security interest in a controllable account or controllable payment intangible evidenced by the controllable electronic record.

(2) The local law of the jurisdiction in which the debtor is located governs:

(a) Perfection of a security interest in a controllable account, controllable electronic record, or controllable payment intangible by filing; and

(b) Automatic perfection of a security interest in a controllable payment intangible created by a sale of the controllable payment intangible.

Section 86. Subsection (2) of section 679.3101, Florida Statutes, is amended, and subsection (1) of that section is republished, to read:

679.3101 When filing required to perfect security interest or agricultural lien; security interests and agricultural liens to which filing provisions do not apply.—

(1) Except as otherwise provided in subsection (2) and s. 679.3121(2), a financing statement must be filed to perfect all security interests and agricultural liens.

(2) The filing of a financing statement is not necessary to perfect a security interest:

(a) That is perfected under s. 679.3081(4), (5), (6), or (7);

(b) That is perfected under s. 679.3091 when it attaches;

(c) In property subject to a statute, regulation, or treaty described in s. 679.3111(1);

(d) In goods in possession of a bailee which is perfected under s. 679.3121(4)(a) or (b);

(e) In certificated securities, documents, goods, or instruments which is perfected without filing, control, or possession under s. 679.3121(5), (6), or (7);

- (f) In collateral in the secured party's possession under s. 679.3131;
- (g) In a certificated security which is perfected by delivery of the security certificate to the secured party under s. 679.3131;
- (h) In controllable accounts, controllable electronic records, controllable payment intangibles, deposit accounts, electronic chattel paper, electronic documents, investment property, or letter-of-credit rights which is perfected by control under s. 679.3141(1) ~~s. 679.3141~~;
- (i) In proceeds which is perfected under s. 679.3151; or
- (j) That is perfected under s. 679.3161.

Section 87. Section 679.3121, Florida Statutes, is amended to read:

679.3121 Perfection of security interests in chattel paper, controllable accounts, controllable electronic records, controllable payment intangibles, deposit accounts, documents, goods covered by documents, instruments, investment property, letter-of-credit rights, and money; perfection by permissive filing; temporary perfection without filing or transfer of possession.—

(1) A security interest in chattel paper, controllable accounts, controllable electronic records, controllable payment intangibles ~~negotiable documents,~~ instruments, ~~or investment property, or negotiable documents~~ may be perfected by filing.

(2) Except as otherwise provided in s. 679.3151(3) and (4) for proceeds:

(a) A security interest in a deposit account may be perfected only by control under s. 679.3141.

(b) And except as otherwise provided in s. 679.3081(4), a security interest in a letter-of-credit right may be perfected only by control under s. 679.3141.

(c) A security interest in tangible money may be perfected only by the secured party's taking possession under s. 679.3131.

(d) A security interest in electronic money may be perfected only by control under s. 679.3141.

(3) While goods are in the possession of a bailee that has issued a negotiable document covering the goods:

(a) A security interest in the goods may be perfected by perfecting a security interest in the document; and

(b) A security interest perfected in the document has priority over any security interest that becomes perfected in the goods by another method during that time.

(4) While goods are in the possession of a bailee that has issued a nonnegotiable document covering the goods, a security interest in the goods may be perfected by:

- (a) Issuance of a document in the name of the secured party;
- (b) The bailee's receipt of notification of the secured party's interest; or
- (c) Filing as to the goods.

(5) A security interest in certificated securities, negotiable documents, or instruments is perfected without filing or the taking of possession or control for a period of 20 days from the time it attaches to the extent that it arises for new value given under a signed ~~an authenticated~~ security agreement.

(6) A perfected security interest in a negotiable document or goods in possession of a bailee, other than one that has issued a negotiable document for the goods, remains perfected for 20 days without filing if the secured party makes available to the debtor the goods or documents representing the goods for the purpose of:

- (a) Ultimate sale or exchange; or
- (b) Loading, unloading, storing, shipping, transshipping, manufacturing, processing, or otherwise dealing with them in a manner preliminary to their sale or exchange.

(7) A perfected security interest in a certificated security or instrument remains perfected for 20 days without filing if the secured party delivers the security certificate or instrument to the debtor for the purpose of:

- (a) Ultimate sale or exchange; or
- (b) Presentation, collection, enforcement, renewal, or registration of transfer.

(8) After the 20-day period specified in subsection (5), subsection (6), or subsection (7) expires, perfection depends upon compliance with this chapter.

Section 88. Subsections (1), (3), and (4) of section 679.3131, Florida Statutes, are amended to read:

679.3131 When possession by or delivery to secured party perfects security interest without filing.—

(1) Except as otherwise provided in subsection (2), a secured party may perfect a security interest in ~~tangible negotiable documents~~, goods, instruments, negotiable tangible documents, or tangible money, ~~or tangible chattel paper~~ by taking possession of the collateral. A secured party may perfect a security interest in certificated securities by taking delivery of the certificated securities under s. 678.3011.

(3) With respect to collateral other than certificated securities and goods covered by a document, a secured party takes possession of collateral in the possession of a person other than the debtor, the secured party, or a lessee of the collateral from the debtor in the ordinary course of the debtor's business, when:

(a) The person in possession signs ~~authenticates~~ a record acknowledging that it holds possession of the collateral for the secured party's benefit; or

(b) The person takes possession of the collateral after having signed ~~authenticated~~ a record acknowledging that the person will hold possession of the collateral for the secured party's benefit.

(4) If perfection of a security interest depends upon possession of the collateral by a secured party, perfection occurs not ~~no~~ earlier than the time the secured party takes possession and continues only while the secured party retains possession.

Section 89. Section 679.3141, Florida Statutes, is amended to read:

679.3141 Perfection by control.—

(1) A security interest in controllable accounts, controllable electronic records, controllable payment intangibles, deposit accounts, electronic documents, electronic money, investment property, or letter-of-credit rights ~~investment property, deposit accounts, letter-of-credit rights, electronic chattel paper, or electronic documents~~ may be perfected by control of the collateral under s. 677.106, s. 679.1041, s. 679.1052, s. 679.1053 ~~s. 679.1051, s. 679.1061, or s. 679.1071.~~

(2) A security interest in controllable accounts, controllable electronic records, controllable payment intangibles, deposit accounts, electronic documents, electronic money, or letter-of-credit rights ~~deposit accounts, electronic chattel paper, letter-of-credit rights, or electronic documents~~ is perfected by control under s. 677.106, s. 679.1041, s. 679.1052, s. 679.1053 ~~s. 679.1051, or s. 679.1071~~ not earlier than the time ~~when~~ the secured party obtains control and remains perfected by control only while the secured party retains control.

(3) A security interest in investment property is perfected by control under s. 679.1061 not earlier than ~~from~~ the time the secured party obtains control and remains perfected by control until:

(a) The secured party does not have control; and

(b) One of the following occurs:

1. If the collateral is a certificated security, the debtor has or acquires possession of the security certificate;

2. If the collateral is an uncertificated security, the issuer has registered or registers the debtor as the registered owner; or

3. If the collateral is a security entitlement, the debtor is or becomes the entitlement holder.

Section 90. Section 679.3152, Florida Statutes, is created to read:

679.3152 Perfection by possession and control of chattel paper.—

(1) A secured party may perfect a security interest in chattel paper by taking possession of each authoritative tangible copy of the record evidencing the chattel paper and obtaining control of each authoritative electronic copy of the electronic record evidencing the chattel paper.

(2) A security interest is perfected under subsection (1) not earlier than the time the secured party takes possession and obtains control and remains perfected under subsection (1) only while the secured party retains possession and control.

(3) Section 679.3131(3) and (5)-(8) applies to perfection by possession of an authoritative tangible copy of a record evidencing chattel paper.

Section 91. Subsections (1) and (6) of section 679.3161, Florida Statutes, are amended to read:

679.3161 Continued perfection of security interest following change in governing law.—

(1) A security interest perfected pursuant to the law of the jurisdiction designated in s. 679.3011(1), ~~or~~ s. 679.3051(3), s. 679.3062(4), or s. 679.3063(2) remains perfected until the earliest of:

(a) The time perfection would have ceased under the law of that jurisdiction;

(b) The expiration of 4 months after a change of the debtor's location to another jurisdiction; or

(c) The expiration of 1 year after a transfer of collateral to a person who thereby becomes a debtor and is located in another jurisdiction.

(6) A security interest in chattel paper, controllable accounts, controllable electronic records, controllable payment intangibles, deposit accounts, letter-of-credit rights, or investment property which is perfected under the law of the chattel paper's jurisdiction, the controllable electronic record's jurisdiction, the bank's jurisdiction, the issuer's jurisdiction, a nominated person's jurisdiction, the securities intermediary's jurisdiction, or the commodity intermediary's jurisdiction, as applicable, remains perfected until the earlier of:

(a) The time the security interest would have become unperfected under the law of that jurisdiction; or

(b) The expiration of 4 months after a change of the applicable jurisdiction to another jurisdiction.

Section 92. Subsections (2) and (4) of section 679.3171, Florida Statutes, are amended, subsections (8) through (11) are added to that section, and subsection (1) of that section is republished, to read:

679.3171 Interests that take priority over or take free of security interest or agricultural lien.—

(1) A security interest or agricultural lien is subordinate to the rights of:

(a) A person entitled to priority under s. 679.322; and

(b) Except as otherwise provided in subsection (5), a person who becomes a lien creditor before the earlier of the time:

1. The security interest or agricultural lien is perfected; or

2. One of the conditions specified in s. 679.2031(2)(c) is met and a financing statement covering the collateral is filed.

(2) Except as otherwise provided in subsection (5), a buyer, other than a secured party, of ~~tangible chattel paper, tangible documents, goods, instruments, tangible documents,~~ or a certificated security takes free of a security interest or agricultural lien if the buyer gives value and receives delivery of the collateral without knowledge of the security interest or agricultural lien and before it is perfected.

(4) ~~Subject to subsections (6), (7), and (8),~~ a licensee of a general intangible or a buyer, other than a secured party, of collateral other than ~~electronic money tangible chattel paper, tangible documents, goods, instruments, tangible documents,~~ or a certificated security takes free of a security interest if the licensee or buyer gives value without knowledge of the security interest and before it is perfected.

(8) A buyer, other than a secured party, of chattel paper takes free of a security interest if, without knowledge of the security interest and before it is perfected, the buyer gives value and:

(a) Receives delivery of each authoritative tangible copy of the record evidencing the chattel paper; and

(b) If each authoritative electronic copy of the record evidencing the chattel paper can be subjected to control under s. 679.1052, obtains control of each authoritative electronic copy.

(9) A buyer of an electronic document takes free of a security interest if, without knowledge of the security interest and before it is perfected, the

buyer gives value and, if each authoritative electronic copy of the document can be subjected to control under s. 677.106, obtains control of each authoritative electronic copy.

(10) A buyer of a controllable electronic record takes free of a security interest if, without knowledge of the security interest and before it is perfected, the buyer gives value and obtains control of the controllable electronic record.

(11) A buyer, other than a secured party, of a controllable account or a controllable payment intangible takes free of a security interest if, without knowledge of the security interest and before it is perfected, the buyer gives value and obtains control of the controllable account or controllable payment intangible.

Section 93. Subsections (4) and (6) of section 679.323, Florida Statutes, are amended, and subsection (1) of that section is republished, to read:

679.323 Future advances.—

(1) Except as otherwise provided in subsection (3), for purposes of determining the priority of a perfected security interest under s. 679.322(1)(a), perfection of the security interest dates from the time an advance is made to the extent that the security interest secures an advance that:

(a) Is made while the security interest is perfected only:

1. Under s. 679.3091 when it attaches; or
2. Temporarily under s. 679.3121(5), (6), or (7); and

(b) Is not made pursuant to a commitment entered into before or while the security interest is perfected by a method other than under s. 679.3091 or s. 679.3121(5), (6), or (7).

(4) Except as otherwise provided in subsection (5), a buyer of goods ~~other than a buyer in ordinary course of business~~ takes free of a security interest to the extent that it secures advances made after the earlier of:

(a) The time the secured party acquires knowledge of the buyer's purchase; or

(b) Forty-five days after the purchase.

(6) Except as otherwise provided in subsection (7), a lessee of goods, ~~other than a lessee in ordinary course of business~~, takes the leasehold interest free of a security interest to the extent that it secures advances made after the earlier of:

(a) The time the secured party acquires knowledge of the lease; or

(b) Forty-five days after the lease contract becomes enforceable.

Section 94. Subsections (2) and (4) of section 679.324, Florida Statutes, are amended to read:

679.324 Priority of purchase-money security interests.—

(2) Subject to subsection (3) and except as otherwise provided in subsection (7), a perfected purchase-money security interest in inventory has priority over a conflicting security interest in the same inventory, has priority over a conflicting security interest in chattel paper or an instrument constituting proceeds of the inventory and in proceeds of the chattel paper, if so provided in s. 679.330, and, except as otherwise provided in s. 679.327, also has priority in identifiable cash proceeds of the inventory to the extent the identifiable cash proceeds are received on or before the delivery of the inventory to a buyer, if:

(a) The purchase-money security interest is perfected when the debtor receives possession of the inventory;

(b) The purchase-money secured party sends a signed ~~an authenticated~~ notification to the holder of the conflicting security interest;

(c) The holder of the conflicting security interest receives the notification within 5 years before the debtor receives possession of the inventory; and

(d) The notification states that the person sending the notification has or expects to acquire a purchase-money security interest in inventory of the debtor and describes the inventory.

(4) Subject to subsection (5) and except as otherwise provided in subsection (7), a perfected purchase-money security interest in livestock that are farm products has priority over a conflicting security interest in the same livestock, and, except as otherwise provided in s. 679.327, a perfected security interest in their identifiable proceeds and identifiable products in their unmanufactured states also has priority, if:

(a) The purchase-money security interest is perfected when the debtor receives possession of the livestock;

(b) The purchase-money secured party sends a signed ~~an authenticated~~ notification to the holder of the conflicting security interest;

(c) The holder of the conflicting security interest receives the notification within 6 months before the debtor receives possession of the livestock; and

(d) The notification states that the person sending the notification has or expects to acquire a purchase-money security interest in livestock of the debtor and describes the livestock.

Section 95. Section 679.3251, Florida Statutes, is created to read:

679.3251 Priority of security interest in controllable account, controllable electronic record, and controllable payment intangible.—A security interest in a controllable account, controllable electronic record, or controllable payment intangible held by a secured party having control of the account, electronic record, or payment intangible has priority over a conflicting security interest held by a secured party that does not have control.

Section 96. Subsections (1), (2), and (6) of section 679.330, Florida Statutes, are amended, and subsection (4) of that section is republished, to read:

679.330 Priority of purchaser of chattel paper or instrument.—

(1) A purchaser of chattel paper has priority over a security interest in the chattel paper which is claimed merely as proceeds of inventory subject to a security interest if:

(a) In good faith and in the ordinary course of the purchaser's business, the purchaser gives new value, and takes possession of each authoritative tangible copy of the record evidencing the chattel paper, and ~~or obtains control under s. 679.1051 of each authoritative electronic copy of the record evidencing chattel paper under s. 679.1051;~~ and

(b) The authoritative copies of the record evidencing the chattel paper ~~do~~ does not indicate that the chattel paper it has been assigned to an identified assignee other than the purchaser.

(2) A purchaser of chattel paper has priority over a security interest in the chattel paper which is claimed other than merely as proceeds of inventory subject to a security interest if the purchaser gives new value, and takes possession of each authoritative copy of the record evidencing the chattel paper, and ~~or obtains control under s. 679.1051 of each authoritative electronic copy of the record evidencing the chattel paper under s. 679.1051~~ in good faith, in the ordinary course of the purchaser's business, and without knowledge that the purchase violates the rights of the secured party.

(4) Except as otherwise provided in s. 679.331(1), a purchaser of an instrument has priority over a security interest in the instrument perfected by a method other than possession if the purchaser gives value and takes possession of the instrument in good faith and without knowledge that the purchase violates the rights of the secured party.

(6) For purposes of subsections (2) and (4), if the authoritative copies of the record evidencing chattel paper or an instrument indicate ~~indicates that the chattel paper or instrument~~ it has been assigned to an identified secured party other than the purchaser, a purchaser of the chattel paper or instrument has knowledge that the purchase violates the rights of the secured party.

Section 97. Section 679.331, Florida Statutes, is amended to read:

679.331 Priority of rights of purchasers of controllable accounts, controllable electronic records, controllable payment intangibles instruments, documents, instruments, and securities under other articles; priority of interests in financial assets and security entitlements and protection against assertion of claim under chapters 669 and chapter 678.—

(1) This chapter does not limit the rights of a holder in due course of a negotiable instrument, a holder to which a negotiable document of title has been duly negotiated, or a protected purchaser of a security, or a qualifying purchase of a controllable account, controllable electronic record, or controllable payment intangible. These holders or purchasers take priority over an earlier security interest, even if perfected, to the extent provided in chapters 669, 673, 677, and 678.

(2) This chapter does not limit the rights of or impose liability on a person to the extent that the person is protected against the assertion of an adverse claim under chapter 669 or chapter 678.

(3) Filing under this chapter does not constitute notice of a claim or defense to the holders, purchasers, or persons described in subsections (1) and (2).

Section 98. Section 679.332, Florida Statutes, is amended to read:

679.332 Transfer of money; transfer of funds from deposit account; transfer of electronic money.—

(1) A transferee of tangible money takes the money free of a security interest if the transferee receives possession of the money without acting unless the transferee acts in collusion with the debtor in violating the rights of the secured party.

(2) A transferee of funds from a deposit account takes the funds free of a security interest in the deposit account if the transferee receives the funds without acting unless the transferee acts in collusion with the debtor in violating the rights of the secured party.

(3) A transferee of electronic money takes the money free of a security interest if the transferee obtains control of the money without acting in collusion with the debtor in violating the rights of the secured party.

Section 99. Section 679.341, Florida Statutes, is amended to read:

679.341 Bank's rights and duties with respect to deposit account.— Except as otherwise provided in s. 679.340(3), and unless the bank otherwise agrees in a signed an authenticated record, a bank's rights and duties with respect to a deposit account maintained with the bank are not terminated, suspended, or modified by:

(1) The creation, attachment, or perfection of a security interest in the deposit account;

- (2) The bank's knowledge of the security interest; or
- (3) The bank's receipt of instructions from the secured party.

Section 100. Subsection (1) of section 679.4041, Florida Statutes, is amended to read:

679.4041 Rights acquired by assignee; claims and defenses against assignee.—

(1) Unless an account debtor has made an enforceable agreement not to assert defenses or claims, and subject to subsections (2)-(5) ~~(2) through (5)~~, the rights of an assignee are subject to:

(a) All terms of the agreement between the account debtor and assignor and any defense or claim in recoupment arising from the transaction that gave rise to the contract; and

(b) Any other defense or claim of the account debtor against the assignor which accrues before the account debtor receives a notification of the assignment signed authenticated by the assignor or the assignee.

Section 101. Subsections (1) through (4) and (7) of section 679.4061, Florida Statutes, are amended, and subsection (13) is added to that section, to read:

679.4061 Discharge of account debtor; notification of assignment; identification and proof of assignment; restrictions on assignment of accounts, chattel paper, payment intangibles, and promissory notes ineffective.—

(1) Subject to subsections (2)-(9) ~~(2) through (9)~~ and (13), an account debtor on an account, chattel paper, or a payment intangible may discharge its obligation by paying the assignor until, but not after, the account debtor receives a notification, signed authenticated by the assignor or the assignee, that the amount due or to become due has been assigned and that payment is to be made to the assignee. After receipt of the notification, the account debtor may discharge its obligation by paying the assignee and may not discharge the obligation by paying the assignor.

(2) Subject to subsections (8) and (13) ~~subsection (8)~~, notification is ineffective under subsection (1):

(a) If it does not reasonably identify the rights assigned;

(b) To the extent that an agreement between an account debtor and a seller of a payment intangible limits the account debtor's duty to pay a person other than the seller and the limitation is effective under law other than this chapter; or

(c) At the option of an account debtor, if the notification notifies the account debtor to make less than the full amount of any installment or other periodic payment to the assignee, even if:

1. Only a portion of the account, chattel paper, or payment intangible has been assigned to that assignee;
2. A portion has been assigned to another assignee; or
3. The account debtor knows that the assignment to that assignee is limited.

(3) Subject to subsections (8) and (13) ~~subsection (8)~~, if requested by the account debtor, an assignee shall seasonably furnish reasonable proof that the assignment has been made. Unless the assignee complies, the account debtor may discharge its obligation by paying the assignor, even if the account debtor has received a notification under subsection (1).

(4) For the purposes of this subsection, the term “promissory note” includes a negotiable instrument that evidences chattel paper. Except as otherwise provided in subsections (5) and (12) and ss. 680.303 and 679.4071, and subject to subsection (8), a term in an agreement between an account debtor and an assignor or in a promissory note is ineffective to the extent that it:

(a) Prohibits, restricts, or requires the consent of the account debtor or person obligated on the promissory note to the assignment or transfer of, or the creation, attachment, perfection, or enforcement of a security interest in, the account, chattel paper, payment intangible, or promissory note; or

(b) Provides that the assignment or transfer or the creation, attachment, perfection, or enforcement of the security interest may give rise to a default, breach, right of recoupment, claim, defense, termination, right of termination, or remedy under the account, chattel paper, payment intangible, or promissory note.

(7) Subject to subsections (8) and (13) ~~subsection (8)~~, an account debtor may not waive or vary its option under paragraph (2)(c).

(13) Subsections (1), (2), (3), and (7) do not apply to a controllable account or controllable payment intangible.

Section 102. Subsection (9) is added to section 679.4081, Florida Statutes, to read:

679.4081 Restrictions on assignment of promissory notes, health-care-insurance receivables, and certain general intangibles ineffective.—

(9) For the purposes of this section, the term “promissory note” includes a negotiable instrument that evidences chattel paper.

Section 103. Subsections (1) and (2) of section 679.509, Florida Statutes, are amended to read:

679.509 Persons entitled to file a record.—

(1) A person may file an initial financing statement, amendment that adds collateral covered by a financing statement, or amendment that adds a debtor to a financing statement only if:

(a) The debtor authorizes the filing in a signed ~~an authenticated~~ record or pursuant to subsection (2) or subsection (3); or

(b) The person holds an agricultural lien that has become effective at the time of filing and the financing statement covers only collateral in which the person holds an agricultural lien.

(2) By signing ~~authenticating~~ or becoming bound as a debtor by a security agreement, a debtor or new debtor authorizes the filing of an initial financing statement, and an amendment, covering:

(a) The collateral described in the security agreement; and

(b) Property that becomes collateral under s. 679.3151(1)(b), whether or not the security agreement expressly covers proceeds.

Section 104. Subsections (2) and (3) of section 679.513, Florida Statutes, are amended to read:

679.513 Termination statement.—

(2) To comply with subsection (1), a secured party shall cause the secured party of record to file the termination statement:

(a) Within 1 month after there is no obligation secured by the collateral covered by the financing statement and no commitment to make an advance, incur an obligation, or otherwise give value; or

(b) If earlier, within 20 days after the secured party receives a signed ~~an authenticated~~ demand from a debtor.

(3) In cases not governed by subsection (1), within 20 days after a secured party receives a signed ~~an authenticated~~ demand from a debtor, the secured party shall cause the secured party of record for a financing statement to send to the debtor a termination statement for the financing statement or file the termination statement in the filing office if:

(a) Except in the case of a financing statement covering accounts or chattel paper that has been sold or goods that are the subject of a consignment, there is no obligation secured by the collateral covered by the financing statement and no commitment to make an advance, incur an obligation, or otherwise give value;

(b) The financing statement covers accounts or chattel paper that has been sold but as to which the account debtor or other person obligated has discharged its obligation;

(c) The financing statement covers goods that were the subject of a consignment to the debtor but are not in the debtor's possession; or

(d) The debtor did not authorize the filing of the initial financing statement.

Section 105. Subsection (2) of section 679.601, Florida Statutes, is amended, and subsection (4) of that section is republished, to read:

679.601 Rights after default; judicial enforcement; consignor or buyer of accounts, chattel paper, payment intangibles, or promissory notes.—

(2) A secured party in possession of collateral or control of collateral under s. 679.1041, s. 679.1051, s. 679.1052, s. 679.1053, s. 679.1061, or s. 679.1071 has the rights and duties provided in s. 679.2071.

(4) Except as otherwise provided in subsection (7) and s. 679.605, after default, a debtor and an obligor have the rights provided in this part and by agreement of the parties.

Section 106. Subsection (4) of section 679.604, Florida Statutes, is amended to read:

679.604 Procedure if security agreement covers real property or fixtures.

(4) A secured party that removes collateral shall promptly reimburse any encumbrancer or owner of the real property, other than the debtor, for the cost of repair of any physical injury caused by the removal. The secured party need not reimburse the encumbrancer or owner for any diminution in value of the real property caused by the absence of the goods removed or by any necessity of replacing them. A person entitled to reimbursement may refuse permission to remove until the secured party gives adequate assurance for the performance of the obligation to reimburse. This subsection does not prohibit a secured party and the person entitled to reimbursement from entering into a signed ~~an authenticated~~ record providing for the removal of fixtures and reimbursement for any damage caused thereby.

Section 107. Section 679.605, Florida Statutes, is amended to read:

679.605 Unknown debtor or secondary obligor.—

(1) ~~Except as provided in subsection (2),~~ a secured party does not owe a duty based on its status as secured party:

~~(a)(1)~~ To a person who is a debtor or obligor, unless the secured party knows:

1.(a) That the person is a debtor or obligor;

2.(b) The identity of the person; and

3.(e) How to communicate with the person; or

(b)(2) To a secured party or lienholder that has filed a financing statement against a person, unless the secured party knows:

1.(a) That the person is a debtor; and

2.(b) The identity of the person.

(2) A secured party owes a duty based on its status as a secured party to a person if, at the time the secured party obtains control of collateral that is a controllable account, controllable electronic record, or controllable payment intangible or at the time the security interest attaches to the collateral, whichever is later:

(a) The person is a debtor or obligor; and

(b) The secured party knows that the information relating to the person in subparagraph (1)(a)1., subparagraph (1)(a)2., or subparagraph (1)(a)3. is not provided by the collateral, a record attached to or logically associated with the collateral, or the system in which the collateral is recorded.

Section 108. Paragraph (a) of subsection (1) and subsection (3) of section 679.608, Florida Statutes, are amended to read:

679.608 Application of proceeds of collection or enforcement; liability for deficiency and right to surplus.—

(1) If a security interest or agricultural lien secures payment or performance of an obligation, the following rules apply:

(a) A secured party shall apply or pay over for application the cash proceeds of collection or enforcement under s. 679.607 in the following order to:

1. The reasonable expenses of collection and enforcement and, to the extent provided for by agreement and not prohibited by law, reasonable attorney's fees and legal expenses incurred by the secured party;

2. The satisfaction of obligations secured by the security interest or agricultural lien under which the collection or enforcement is made; and

3. The satisfaction of obligations secured by any subordinate security interest in or other lien on the collateral subject to the security interest or agricultural lien under which the collection or enforcement is made if the secured party receives a signed an authenticated demand for proceeds before distribution of the proceeds is completed.

(3) If the secured party in good faith cannot determine the validity, extent, or priority of a subordinate security interest or other lien or there are conflicting claims of subordinate interests or liens, the secured party may commence an interpleader action with respect to remaining proceeds in excess of \$2,500 in the circuit or county court, as applicable based upon the amount to be deposited, where the collateral was located or collected or in the county where the debtor has its chief executive office or principal residence in this state, as applicable. If authorized in a signed an authenticated record, the interpleading secured party is entitled to be paid from the remaining proceeds the actual costs of the filing fee and an attorney attorney's fee in the amount of \$250 incurred in connection with filing the interpleader action and obtaining an order approving the interpleader of funds. The debtor in a consumer transaction may not be assessed for the reasonable attorney attorney's fees and costs incurred in the interpleader action by the holders of subordinate security interests or other liens based upon disputes among said holders, and a debtor in a transaction other than a consumer transaction may only recover such fees and costs to the extent provided for in a signed an authenticated record. If authorized in a signed an authenticated record, the court in the interpleader action may award reasonable attorney attorney's fees and costs to the prevailing party in a dispute between the debtor and a holder of a security interest or lien which claims an interest in the remaining interplead proceeds, but only if the debtor challenges the validity, priority, or extent of said security interest or lien. Except as provided in this subsection, a debtor may not be assessed reasonable attorney attorney's fees and costs incurred by any party in an interpleader action commenced under this section.

Section 109. Subsections (1), (2), (3), (5), and (6) of section 679.611, Florida Statutes, are amended to read:

679.611 Notification before disposition of collateral.—

(1) In this section, the term “notification date” means the earlier of the date on which:

(a) A secured party sends to the debtor and any secondary obligor a signed an authenticated notification of disposition; or

(b) The debtor and any secondary obligor waive the right to notification.

(2) Except as otherwise provided in subsection (4), a secured party that disposes of collateral under s. 679.610 shall send to the persons specified in subsection (3) a reasonable signed authenticated notification of disposition.

(3) To comply with subsection (2), the secured party shall send a signed an authenticated notification of disposition to:

(a) The debtor;

(b) Any secondary obligor; and

(c) If the collateral is other than consumer goods:

1. Any other person from whom the secured party has received, before the notification date, a signed ~~an authenticated~~ notification of a claim of an interest in the collateral;

2. Any other secured party or lienholder that, 10 days before the notification date, held a security interest in or other lien on the collateral perfected by the filing of a financing statement that:

a. Identified the collateral;

b. Was indexed under the debtor's name as of that date; and

c. Was filed in the office in which to file a financing statement against the debtor covering the collateral as of that date; and

3. Any other secured party that, 10 days before the notification date, held a security interest in the collateral perfected by compliance with a statute, regulation, or treaty described in s. 679.3111(1).

(5) A secured party complies with the requirement for notification prescribed by subparagraph (3)(c)2. if:

(a) Not later than 20 days or earlier than 30 days before the notification date, the secured party requests, in a commercially reasonable manner, information concerning financing statements indexed under the debtor's name in the office indicated in subparagraph (3)(c)2.; and

(b) Before the notification date, the secured party:

1. Did not receive a response to the request for information; or

2. Received a response to the request for information and sent a signed ~~an authenticated~~ notification of disposition to each secured party or other lienholder named in that response whose financing statement covered the collateral.

(6) For purposes of subsection (3), the secured party may send the signed ~~authenticated~~ notification as follows:

(a) If the collateral is other than consumer goods, to the debtor at the address in the financing statement, unless the secured party has received a signed ~~an authenticated~~ record from the debtor notifying the secured party of a different address for such notification purposes or the secured party has actual knowledge of the address of the debtor's chief executive office or principal residence, as applicable, at the time the notification is sent;

(b) If the collateral is other than consumer goods, to any secondary obligor at the address, if any, in the signed ~~authenticated~~ agreement, unless the secured party has received a signed ~~an authenticated~~ record from the secondary obligor notifying the secured party of a different address for such

notification purposes or the secured party has actual knowledge of the address of the secondary obligor's chief executive office or principal residence, as applicable, at the time the notification is sent; and

(c) If the collateral is other than consumer goods:

1. To the person described in subparagraph (3)(c)1., at the address stated in the notification;

2. To the person described in subparagraph (3)(c)2., at the address stated in the financing statement;

3. To the person described in subparagraph (3)(c)3., at the address stated in the official records of the recording or registration agency.

Section 110. Subsection (5) of section 679.613, Florida Statutes, is amended to read:

679.613 Contents and form of notification before disposition of collateral; general.—Except in a consumer-goods transaction, the following rules apply:

(5)(a) The following form of notification and the form appearing in s. 679.614(3)(a) ~~s. 679.614(3)~~, when completed in accordance with the instructions in paragraph (b), each provides sufficient information:

NOTIFICATION OF DISPOSITION OF COLLATERAL

To:...(Name of debtor, obligor, or other person to which the notification is sent)...

From:...(Name, address, and telephone number of secured party)...

Item 1. Name of any debtor that is not an addressee Debtor(s):...(Name of each debtor Include only if debtor(s) are not an addressee)...

~~[For a public disposition:]~~

Item 2. We will sell [or lease or license, as applicable] the ...(describe collateral)...to the highest qualified bidder at public sale. A sale could include a lease or a license. The sale will be held in public as follows:

Day and Date:

Time:

Place:

~~[For a private disposition:]~~

Item 3. We will sell ~~{or lease or license, as applicable}~~ the ...(describe collateral)... at a private sale privately sometime after ...(day and date).... A sale could include a lease or a license.

Item 4. You are entitled to an accounting of the unpaid indebtedness secured by the property that we intend to sell or, as applicable, ~~{or lease or license.~~

Item 5. If you request an accounting, you must pay, ~~as applicable}~~ for a charge of \$.....

Item 6. You may request an accounting by calling us at ...(telephone number)....

(b) The following instructions apply to the form set forth in paragraph (a):

1. Do not include the item numbers in the notification, as they are used only for the purpose of clarification.

2. Include and complete Item 1 only if there is a debtor that is not an addressee of the notification and list the name or names.

3. Include and complete either Item 2, if the notification relates to a public disposition of the collateral, or Item 3, if the notification relates to a private disposition of the collateral. If Item 2 is completed, include the words “to the highest qualified bidder” only if applicable.

4. Include and complete Items 4 and 6.

5. Include and complete Item 5 only if the sender will charge the recipient for an accounting.

Section 111. Subsection (3) of section 679.614, Florida Statutes, is amended to read:

679.614 Contents and form of notification before disposition of collateral; consumer-goods transaction.—In a consumer-goods transaction, the following rules apply:

(3)(a) The following form of notification, when completed in accordance with the instructions set forth in paragraph (b), provides sufficient information:

...(Name and address of secured party)...

...(Date)...

NOTICE OF OUR PLAN TO SELL PROPERTY

...(Name and address of any obligor who is also a debtor)...

Subject:...(Identify ~~Identification~~ of Transaction)...

We have your ...(describe collateral)..., because you broke promises in our agreement.

~~{For a public disposition:}~~

Item 1. We will sell ...(describe collateral)... at public sale. A sale could include a lease or license. The sale will be held as follows:

Date:

Time:

Place:

You may attend the sale and bring bidders ~~if you want~~.

~~{For a private disposition:}~~

Item 2. We will sell ...(describe collateral)... at private sale sometime after ...(date).... A sale could include a lease or license.

Item 3. The money that we get from the sale (after paying our costs) will reduce the amount you owe. If we get less money than you owe, you ...(will or will not, as applicable)... still owe us the difference. If we get more money than you owe, you will get the extra money, unless we must pay it to someone else.

Item 4. You can get the property back at any time before we sell it by paying us the full amount you owe, (not just the past due payments), including our expenses. To learn the exact amount you must pay, call us at ... (telephone number)....

Item 5. If you want us to explain to you ...(in writing or in description of electronic record)... how we have figured the amount that you owe us, Item 6. ~~you may~~ call us at ...(telephone number)..., ~~or~~ write us at ...(secured party's address)..., ~~or contact us by~~ ...(description of electronic communication method)... Item 7. and request a written explanation, an explanation in ... (description of electronic record)...

Item 8. We will charge you \$..... for the explanation if we sent you another written explanation of the amount you owe us within the last 6 months.

Item 9. If you need more information about the sale, call us at ...(telephone number)..., ~~or~~ write us at ...(secured party's address)..., ~~or contact us by ...~~ (description of electronic communication method)....

Item 10. We are sending this notice to the following other people who have an interest in ...(describe collateral)... or who owe money under your agreement:

...(Names of all other debtors and obligors, if any)...

(b) The following instructions apply to the form of notification in paragraph (a):

1. The instructions in this paragraph refer to the numbers before items in the form of notification in paragraph (a). Do not include the numbers in the notification. The numbers are used only for the purpose of these instructions.

2. Include and complete either Item 1, if the notification relates to a public disposition of the collateral, or Item 2, if the notification relates to a private disposition of the collateral.

3. Include and complete Items 3, 4, 5, 6, and 7.

4. In Item 5, include and complete any one of the three alternative methods for the explanation identified in paragraph (a).

5. In Item 6, include the telephone number. In addition, the sender may include and complete either or both of the two additional alternative methods of communication identified in paragraph (a) for the recipient of the notification to communicate with the sender. Neither of the two additional methods of communication is required to be included.

6. In Item 7, include and complete the method or methods for the explanation—writing, writing or electronic record, or electronic record—included in Item 5.

7. Include and complete Item 8 only if a written explanation is included in Item 5 as a method for communicating the explanation and the sender will charge the recipient for another written explanation.

8. In Item 9, include either the telephone number or the address, or both. In addition, the sender may include and complete the additional method of communication identified in paragraph (a) for the recipient of the notification to communicate with the sender. The additional method of electronic communication is not required to be included.

9. If Item 10 does not apply, insert “None” after “agreement:.”

Section 112. Subsection (1) of section 679.615, Florida Statutes, is amended to read:

679.615 Application of proceeds of disposition; liability for deficiency and right to surplus.—

(1) A secured party shall apply or pay over for application the cash proceeds of disposition under s. 679.610 in the following order to:

(a) The reasonable expenses of retaking, holding, preparing for disposition, processing, and disposing, and, to the extent provided for by agreement and not prohibited by law, reasonable attorney's fees and legal expenses incurred by the secured party;

(b) The satisfaction of obligations secured by the security interest or agricultural lien under which the disposition is made;

(c) The satisfaction of obligations secured by any subordinate security interest in or other subordinate lien on the collateral if:

1. The secured party receives from the holder of the subordinate security interest or other lien a signed ~~an authenticated~~ demand for proceeds before distribution of the proceeds is completed; and

2. In a case in which a consignor has an interest in the collateral, the subordinate security interest or other lien is senior to the interest of the consignor; and

(d) A secured party that is a consignor of the collateral if the secured party receives from the consignor a signed ~~an authenticated~~ demand for proceeds before distribution of the proceeds is completed.

Section 113. Subsections (1), (2), and (3) of section 679.616, Florida Statutes, are amended to read:

679.616 Explanation of calculation of surplus or deficiency.—

(1) In this section, the term:

(a) "Explanation" means a record ~~writing~~ that:

1. States the amount of the surplus or deficiency;

2. Provides an explanation in accordance with subsection (3) of how the secured party calculated the surplus or deficiency;

3. States, if applicable, that future debits, credits, charges, including additional credit service charges or interest, rebates, and expenses may affect the amount of the surplus or deficiency; and

4. Provides a telephone number or mailing address from which additional information concerning the transaction is available.

(b) "Request" means a record:

1. Signed Authenticated by a debtor or consumer obligor;
2. Requesting that the recipient provide an explanation; and
3. Sent after disposition of the collateral under s. 679.610.

(2) In a consumer-goods transaction in which the debtor is entitled to a surplus or a consumer obligor is liable for a deficiency under s. 679.615, the secured party shall:

(a) Send an explanation to the debtor or consumer obligor, as applicable, after the disposition and:

1. Before or when the secured party accounts to the debtor and pays any surplus or first makes ~~written~~ demand in a record on the consumer obligor after the disposition for payment of the deficiency; and

2. Within 14 days after receipt of a request; or

(b) In the case of a consumer obligor who is liable for a deficiency, within 14 days after receipt of a request, send to the consumer obligor a record waiving the secured party's right to a deficiency.

(3) To comply with subparagraph (1)(a)2., an explanation ~~a writing~~ must provide the following information in the following order:

(a) The aggregate amount of obligations secured by the security interest under which the disposition was made, and, if the amount reflects a rebate of unearned interest or credit service charge, an indication of that fact, calculated as of a specified date:

1. If the secured party takes or receives possession of the collateral after default, not more than 35 days before the secured party takes or receives possession; or

2. If the secured party takes or receives possession of the collateral before default or does not take possession of the collateral, not more than 35 days before the disposition;

(b) The amount of proceeds of the disposition;

(c) The aggregate amount of the obligations after deducting the amount of proceeds;

(d) The amount, in the aggregate or by type, and types of expenses, including expenses of retaking, holding, preparing for disposition, processing, and disposing of the collateral, and attorney's fees secured by the collateral which are known to the secured party and relate to the current disposition;

(e) The amount, in the aggregate or by type, and types of credits, including rebates of interest or credit service charges, to which the obligor is

known to be entitled and which are not reflected in the amount in paragraph (a); and

- (f) The amount of the surplus or deficiency.

Section 114. Subsection (1) of section 679.619, Florida Statutes, is amended to read:

679.619 Transfer of record or legal title.—

(1) In this section, the term “transfer statement” means a record signed authenticated by a secured party stating:

(a) That the debtor has defaulted in connection with an obligation secured by specified collateral;

(b) That the secured party has exercised its post-default remedies with respect to the collateral;

(c) That, by reason of the exercise, a transferee has acquired the rights of the debtor in the collateral; and

(d) The name and mailing address of the secured party, debtor, and transferee.

Section 115. Subsections (1), (2), (3), and (6) of section 679.620, Florida Statutes, are amended to read:

679.620 Acceptance of collateral in full or partial satisfaction of obligation; compulsory disposition of collateral.—

(1) Except as otherwise provided in subsection (7), a secured party may accept collateral in full or partial satisfaction of the obligation it secures only if:

- (a) The debtor consents to the acceptance under subsection (3);

(b) The secured party does not receive, within the time set forth in subsection (4), a notification of objection to the proposal signed authenticated by:

1. A person to whom the secured party was required to send a proposal under s. 679.621; or

2. Any other person, other than the debtor, holding an interest in the collateral subordinate to the security interest that is the subject of the proposal;

(c) If the collateral is consumer goods, the collateral is not in the possession of the debtor when the debtor consents to the acceptance; and

(d) Subsection (5) does not require the secured party to dispose of the collateral or the debtor waives the requirement pursuant to s. 679.624.

(2) A purported or apparent acceptance of collateral under this section is ineffective unless:

(a) The secured party consents to the acceptance in a signed and ~~authenticated~~ record or sends a proposal to the debtor; and

(b) The conditions of subsection (1) are met.

(3) For purposes of this section:

(a) A debtor consents to an acceptance of collateral in partial satisfaction of the obligation it secures only if the debtor agrees to the terms of the acceptance in a record signed ~~authenticated~~ after default; and

(b) A debtor consents to an acceptance of collateral in full satisfaction of the obligation it secures only if the debtor agrees to the terms of the acceptance in a record signed ~~authenticated~~ after default or the secured party:

1. Sends to the debtor after default a proposal that is unconditional or subject only to a condition that collateral not in the possession of the secured party be preserved or maintained;

2. In the proposal, proposes to accept collateral in full satisfaction of the obligation it secures, and, in a consumer transaction, provides notice that the proposal will be deemed accepted if it is not objected to by an authenticated notice within 30 days after the date the proposal is sent by the secured party; and

3. Does not receive a notification of objection signed ~~authenticated~~ by the debtor within 30 days after the proposal is sent.

(6) To comply with subsection (5), the secured party shall dispose of the collateral:

(a) Within 90 days after taking possession; or

(b) Within any longer period to which the debtor and all secondary obligors have agreed in an agreement to that effect entered into and signed ~~authenticated~~ after default.

Section 116. Subsection (1) of section 679.621, Florida Statutes, is amended to read:

679.621 Notification of proposal to accept collateral.—

(1) A secured party that desires to accept collateral in full or partial satisfaction of the obligation it secures shall send its proposal to:

(a) Any person from whom the secured party has received, before the debtor consented to the acceptance, a signed ~~an authenticated~~ notification of a claim of an interest in the collateral;

(b) Any other secured party or lienholder that, 10 days before the debtor consented to the acceptance, held a security interest in or other lien on the collateral perfected by the filing of a financing statement that:

1. Identified the collateral;

2. Was indexed under the debtor's name as of that date; and

3. Was filed in the office or offices in which to file a financing statement against the debtor covering the collateral as of that date; and

(c) Any other secured party that, 10 days before the debtor consented to the acceptance, held a security interest in the collateral perfected by compliance with a statute, regulation, or treaty described in s. 679.3111(1).

Section 117. Section 679.624, Florida Statutes, is amended to read:

679.624 Waiver.—

(1) A debtor or secondary obligor may waive the right to notification of disposition of collateral under s. 679.611 only by an agreement to that effect entered into and signed ~~authenticated~~ after default.

(2) A debtor may waive the right to require disposition of collateral under s. 679.620(5) only by an agreement to that effect entered into and signed ~~authenticated~~ after default.

(3) Except in a consumer-goods transaction, a debtor or secondary obligor may waive the right to redeem collateral under s. 679.623 only by an agreement to that effect entered into and signed ~~authenticated~~ after default.

Section 118. Subsections (1) and (5) of section 679.625, Florida Statutes, are amended, and subsections (3), (6), and (7) are republished, to read:

679.625 Remedies for failure to comply with article.—

(1) If it is established that a secured party is not proceeding in accordance with this chapter, a court may order or restrain collection, enforcement, or disposition of collateral on appropriate terms and conditions. This subsection ~~does shall~~ not preclude a debtor other than a consumer and a secured party, or two or more secured parties in other than a consumer transaction, from agreeing in a signed ~~an authenticated~~ record that the debtor or secured party must first provide to the alleged offending secured party notice of a violation of this chapter and opportunity to cure before commencing any legal proceeding under this section.

(3) Except as otherwise provided in s. 679.628:

(a) A person who, at the time of the failure, was a debtor, was an obligor, or held a security interest in or other lien on the collateral may recover damages under subsection (2) for the person's loss; and

(b) If the collateral is consumer goods, a person who was a debtor or a secondary obligor at the time a secured party failed to comply with this part may recover for that failure in any event an amount not less than the credit service charge plus 10 percent of the principal amount of the obligation or the time-price differential plus 10 percent of the cash price.

(5) In lieu of damages recoverable under subsection (2), the debtor, consumer obligor, or person named as a debtor in a filed record, as applicable, may recover \$500 in each case from a person who:

(a) Fails to comply with s. 679.2081;

(b) Fails to comply with s. 679.209;

(c) Files a record that the person is not entitled to file under s. 679.509(1);

(d) Fails to cause the secured party of record to file or send a termination statement as required by s. 679.513(1) or (3) after receipt of a signed ~~an~~ authenticated record notifying the person of such noncompliance;

(e) Fails to comply with s. 679.616(2)(a) and whose failure is part of a pattern, or consistent with a practice, of noncompliance; or

(f) Fails to comply with s. 679.616(2)(b).

(6) A debtor or consumer obligor may recover damages under subsection (2) and, in addition, \$500 in each case from a person who, without reasonable cause, fails to comply with a request under s. 679.210. A recipient of a request under s. 679.210 which never claimed an interest in the collateral or obligations that are the subject of a request under that section has a reasonable excuse for failure to comply with the request within the meaning of this subsection.

(7) If a secured party fails to comply with a request regarding a list of collateral or a statement of account under s. 679.210, the secured party may claim a security interest only as shown in the list or statement included in the request as against a person who is reasonably misled by the failure.

Section 119. Subsections (1) and (2) of section 679.628, Florida Statutes, are amended, and subsection (6) is added to that section, to read:

679.628 Nonliability and limitation on liability of secured party; liability of secondary obligor.—

(1) Subject to subsection (6), unless a secured party knows that a person is a debtor or obligor, knows the identity of the person, and knows how to communicate with the person:

(a) The secured party is not liable to the person, or to a secured party or lienholder that has filed a financing statement against the person, for failure to comply with this chapter; and

(b) The secured party's failure to comply with this chapter does not affect the liability of the person for a deficiency.

(2) Subject to subsection (6), a secured party is not liable because of its status as a secured party:

(a) To a person who is a debtor or obligor, unless the secured party knows:

1. That the person is a debtor or obligor;
2. The identity of the person; and
3. How to communicate with the person; or

(b) To a secured party or lienholder that has filed a financing statement against a person, unless the secured party knows:

1. That the person is a debtor; and
2. The identity of the person.

(6) Subsections (1) and (2) do not apply to limit the liability of a secured party to a person if, at the time the secured party obtains control of collateral that is a controllable account, controllable electronic record, or controllable payment intangible or at the time the security interest attaches to the collateral, whichever is later:

(a) The person is a debtor or obligor; and

(b) The secured party knows that the information in subparagraph (2)(a) 1., subparagraph (2)(a)2., or subparagraph (2)(a)3., relating to the person is not provided by the collateral, a record attached to or logically associated with the collateral, or the system in which the collateral is recorded.

Section 120. Part IX of chapter 679, Florida Statutes, consisting of ss. 679.901 and 679.902, Florida Statutes, is created and entitled "Transitional Provisions."

Section 121. Section 679.901, Florida Statutes, is created to read:

679.901 Saving clause.—Except as otherwise provided in ss. 669.501-669.706, a transaction validly entered into before July 1, 2025, and the rights duties, and interests flowing from such transaction remain valid thereafter and may be terminated, completed, consummated, or enforced as required or permitted by law other than the Uniform Commercial Code or, if applicable, by the Uniform Commercial Code as though this act had not taken effect.

Section 122. Section 679.902, Florida Statutes, is created to read:

679.902 Transitional provisions.—Effective July 1, 2025, chapter 679 shall be amended by this act, including the transitional provisions for chapters 669 and 679, as amended by this act, as provided in part II of chapter 669.

Section 123. Section 680.1021, Florida Statutes, is amended to read:

680.1021 Scope.—

(1) This chapter applies to any transaction, regardless of form, that creates a lease and, in the case of a hybrid lease, applies to the extent provided in subsection (2).

(2) In a hybrid lease, both of the following apply:

(a) If the lease-of-goods aspects do not predominate:

1. Only the provisions of this chapter which relate primarily to the lease-of-goods aspects of the transaction apply, and the provisions that relate primarily to the transaction as a whole do not apply;

2. Section 608.209 applies if the lease is a finance lease; and

3. Section 608.407 applies to the promises of the lessee in a finance lease to the extent that the promises are consideration for the right to possession and use of the leased goods.

(b) If the lease-of-goods aspects predominate, this chapter applies to the transaction, but does not preclude application in appropriate circumstances of other law to aspects of the lease which do not relate to the lease of goods.

Section 124. Present paragraphs (i) through (z) of subsection (1) of section 680.1031, Florida Statutes, are redesignated as paragraphs (j) through (aa), respectively, a new paragraph (i) is added to that subsection, and paragraphs (a), (d), (e), (f), (h), (j), (l), and (m) of subsection (3) of that section are amended, to read:

680.1031 Definitions and index of definitions.—

(1) In this chapter, unless the context otherwise requires:

(i) “Hybrid lease” means a single transaction involving a lease of goods and;

1. The provision of services;

2. A sale of other goods; or

3. A sale, lease, or license of property other than goods.

(3) The following definitions in other chapters of this code apply to this chapter:

- (a) “Account,” s. 679.1021(1) ~~s. 679.1021(1)(b)~~.
- (d) “Chattel paper,” s. 679.1021(1) ~~s. 679.1021(1)(k)~~.
- (e) “Consumer goods,” s. 679.1021(1) ~~s. 679.1021(1)(w)~~.
- (f) “Document,” s. 679.1021(1) ~~s. 679.1021(1)(dd)~~.
- (h) “General intangible,” s. 679.1021(1) ~~s. 679.1021(1)(pp)~~.
- (j) “Instrument,” s. 679.1021(1) ~~s. 679.1021(1)(uu)~~.
- (l) “Mortgage,” s. 679.1021(1) ~~s. 679.1021(1)(eee)~~.
- (m) “Pursuant to a commitment,” s. 679.1021(1) ~~s. 679.1021(1)(ppp)~~.

Section 125. Section 680.1071, Florida Statutes, is amended to read:

680.1071 Waiver or renunciation of claim or right after default.—Any claim or right arising out of an alleged default or breach of warranty may be discharged in whole or in part without consideration by a ~~written~~ waiver or renunciation in a signed record and delivered by the aggrieved party.

Section 126. Subsections (1), (3), and (5) of section 680.201, Florida Statutes, are amended to read:

680.201 Statute of frauds.—

(1) A lease contract is not enforceable by way of action or defense unless:

(a) In a lease contract that is not a consumer lease, the total payments to be made under the lease contract, excluding payments for options to renew or buy, are less than \$1,000; or

(b) There is a record writing, signed by the party against whom enforcement is sought or by that party’s authorized agent, sufficient to indicate that a lease contract has been made between the parties and to describe the goods leased and the lease term.

(3) A record writing is not insufficient because it omits or incorrectly states a term agreed upon, but the lease contract is not enforceable under paragraph (1)(b) beyond the lease term and the quantity of goods shown in the record writing.

(5) The lease term under a lease contract referred to in subsection (4) is:

(a) If there is a record writing signed by the party against whom enforcement is sought or by that party’s authorized agent specifying the lease term, the term so specified;

(b) If the party against whom enforcement is sought admits in that party's pleading, testimony, or otherwise in court a lease term, the term so admitted; or

(c) A reasonable lease term.

Section 127. Section 680.202, Florida Statutes, is amended to read:

680.202 Final ~~written~~ expression: parol or extrinsic evidence.—Terms with respect to which the confirmatory memoranda of the parties agree or which are otherwise set forth in a record writing intended by the parties as a final expression of their agreement with respect to such terms as are included therein may not be contradicted by evidence of any prior agreement or of a contemporaneous oral agreement but may be explained or supplemented:

(1) By course of dealing or usage of trade or by course of performance; and

(2) By evidence of consistent additional terms unless the court finds the record writing to have been intended also as a complete and exclusive statement of the terms of the agreement.

Section 128. Section 680.203, Florida Statutes, is amended to read:

680.203 Seals inoperative.—The affixing of a seal to a record writing evidencing a lease contract or an offer to enter into a lease contract does not render the record writing a sealed instrument, and the law with respect to sealed instruments does not apply to the lease contract or offer.

Section 129. Section 680.205, Florida Statutes, is amended to read:

680.205 Firm offers.—An offer by a merchant to lease goods to or from another person in a signed record writing that by its terms gives assurance it will be held open is not revocable, for lack of consideration, during the time stated or, if no time is stated, for a reasonable time, but in no event may the period of irrevocability exceed 3 months. Any such term of assurance on a form supplied by the offeree must be separately signed by the offeror.

Section 130. Subsection (2) of section 680.208, Florida Statutes, is amended to read:

680.208 Modification, rescission, and waiver.—

(2) A signed lease agreement that excludes modification or rescission except by a signed record writing may not be otherwise modified or rescinded, but, except as between merchants, such a requirement on a form supplied by a merchant must be separately signed by the other party.

Section 131. Part VI of chapter 680, Florida Statutes, consisting of s. 680.601, Florida Statutes, is created and entitled "Transitional Provisions."

Section 132. Section 680.601, Florida Statutes, is created to read:

680.601 Saving clause.—Except as provided in ss. 669.501-669.706, a transaction validly entered into before July 1, 2025, and the rights, duties, and interests flowing from such transaction remain valid thereafter and may be terminated, completed, consummated, or enforced as required or permitted by law other than the Uniform Commercial Code or, if applicable, by the Uniform Commercial Code as though this act had not taken effect.

Section 133. Subsection (6) of section 55.205, Florida Statutes, is amended to read:

55.205 Effect of judgment lien.—

(6) A judgment lien acquired under s. 55.202 may be enforced only through judicial process, including attachment under chapter 76; execution under chapter 56; garnishment under chapter 77; a charging order under s. 605.0503, s. 620.1703, or s. 620.8504; or proceedings supplementary to execution under s. 56.29. A holder of a judgment lien acquired under s. 55.202, who is not enforcing separate lien rights in a judgment debtor's property, may not enforce his or her rights under this section through self-help repossession or replevin without a court order or without the express consent of the judgment debtor contained in a record authenticated in accordance with s. 668.50 or s. 679.1021(1) ~~s. 679.1021(1)(g)~~ after the judgment lien attaches.

Section 134. Subsection (2) and paragraph (b) of subsection (3) of section 319.27, Florida Statutes, are amended to read:

319.27 Notice of lien on motor vehicles or mobile homes; notation on certificate; recording of lien.—

(2) No lien for purchase money or as security for a debt in the form of a security agreement, retain title contract, conditional bill of sale, chattel mortgage, or other similar instrument or any other nonpossessory lien, including a lien for child support, upon a motor vehicle or mobile home upon which a Florida certificate of title has been issued shall be enforceable in any of the courts of this state against creditors or subsequent purchasers for a valuable consideration and without notice, unless a sworn notice of such lien has been filed in the department and such lien has been noted upon the certificate of title of the motor vehicle or mobile home. Such notice shall be effective as constructive notice when filed. The interest of a statutory nonpossessory lienor; the interest of a nonpossessory execution, attachment, or equitable lienor; or the interest of a lien creditor as defined in s. 679.1021(1) ~~s. 679.1021(1)(zz)~~, if nonpossessory, is ~~shall not be~~ enforceable against creditors or subsequent purchasers for a valuable consideration unless such interest becomes a possessory lien or is noted upon the certificate of title for the subject motor vehicle or mobile home prior to the occurrence of the subsequent transaction. Provided the provisions of this subsection relating to a nonpossessory statutory lienor; a nonpossessory

execution, attachment, or equitable lienor; or the interest of a lien creditor as defined in s. 679.1021(1) ~~does s. 679.1021(1)(zz) shall not apply to liens validly perfected before~~ prior to October 1, 1988. The notice of lien must ~~shall~~ provide the following information:

(a) The date of the lien if a security agreement, retain title contract, conditional bill of sale, chattel mortgage, or other similar instrument was executed prior to the filing of the notice of lien;

(b) The name and address of the registered owner;

(c) A description of the motor vehicle or mobile home, showing the make, type, and vehicle identification number; and

(d) The name and address of the lienholder.

(3)

(b) As applied to a determination of the respective rights of a secured party under this chapter and a lien creditor as defined by s. 679.1021(1) ~~s. 679.1021(1)(zz)~~, or a nonpossessory statutory lienor, a security interest under this chapter shall be perfected upon the filing of the notice of lien with the department, the county tax collector, or their agents. Provided, however, the date of perfection of a security interest of such secured party shall be the same date as the execution of the security agreement or other similar instrument if the notice of lien is filed in accordance with this subsection within 15 days after the debtor receives possession of the motor vehicle or mobile home and executes such security agreement or other similar instrument. The date of filing of the notice of lien shall be the date of its receipt by the department central office in Tallahassee, if first filed there, or otherwise by the office of the county tax collector, or their agents.

Section 135. Subsection (2) of section 328.0015, Florida Statutes, is amended to read:

328.0015 Definitions.—

(2) The following definitions and terms also apply to this part:

(a) “Agreement” as defined in s. 671.201 ~~s. 671.201(3)~~.

(b) “Buyer in ordinary course of business” as defined in s. 671.201 ~~s. 671.201(9)~~.

(c) “Conspicuous” as defined in s. 671.201 ~~s. 671.201(11)~~.

(d) “Consumer goods” as defined in s. 679.1021(1) ~~s. 679.1021(1)(w)~~.

(e) “Debtor” as defined in s. 679.1021(1) ~~s. 679.1021(1)(bb)~~.

(f) “Knowledge” as defined in s. 671.209.

- (g) “Lease” as defined in s. 680.1031(1) ~~s. 680.1031(1)(j)~~.
- (h) “Lessor” as defined in s. 680.1031(1) ~~s. 680.1031(1)(p)~~.
- (i) “Notice” as defined s. 671.209.
- (j) “Representative” as defined in s. 671.201 ~~s. 671.201(37)~~.
- (k) “Sale” as defined in s. 672.106(1).
- (l) “Security agreement” as defined in s. 679.1021(1) ~~s. 679.1021(1)(uuu)~~.
- (m) “Seller” as defined in s. 672.103(1) ~~s. 672.103(1)(d)~~.
- (n) “Send” as defined in s. 671.201 ~~s. 671.201(40)~~.
- (o) “Value” as defined in s. 671.211.

Section 136. Subsection (13) of section 517.061, Florida Statutes, is amended to read:

517.061 Exempt transactions.—Except as otherwise provided in subsection (11), the exemptions provided herein from the registration requirements of s. 517.07 are self-executing and do not require any filing with the office before being claimed. Any person who claims entitlement to an exemption under this section bears the burden of proving such entitlement in any proceeding brought under this chapter. The registration provisions of s. 517.07 do not apply to any of the following transactions; however, such transactions are subject to s. 517.301:

(13) By or for the account of a pledgeholder, a secured party as defined in s. 679.1021(1) ~~s. 679.1021(1)(ttt)~~, or a mortgagee selling or offering for sale or delivery in the ordinary course of business and not for the purposes of avoiding the provisions of this chapter, to liquidate a bona fide debt, a security pledged in good faith as security for such debt.

Section 137. Subsection (2) of section 559.9232, Florida Statutes, is amended to read:

559.9232 Definitions; exclusion of rental-purchase agreements from certain regulations.—

(2) A rental-purchase agreement that complies with this act may ~~shall~~ not be construed to be, nor be governed by, any of the following:

(a) A lease or agreement that constitutes a credit sale as defined in 12 C.F.R. s. 226.2(a)(16) and s. 1602(g) of the federal Truth in Lending Act, 15 U.S.C. ss. 1601 et seq.;

(b) A lease that constitutes a “consumer lease” as defined in 12 C.F.R. s. 213.2(a)(6);

- (c) Any lease for agricultural, business, or commercial purposes;
- (d) Any lease made to an organization;
- (e) A lease or agreement that constitutes a “retail installment contract” or “retail installment transaction” as those terms are defined in s. 520.31; or
- (f) A security interest as defined in s. 671.201 ~~s. 671.201(39)~~.

Section 138. Paragraph (g) of subsection (2) of section 563.022, Florida Statutes, is amended to read:

563.022 Relations between beer distributors and manufacturers.—

(2) DEFINITIONS.—In construing this section, unless the context otherwise requires, the word, phrase, or term:

(g) “Good faith” means honesty in fact in the conduct or transaction concerned as defined and interpreted under s. 671.201 ~~s. 671.201(21)~~.

Section 139. Paragraph (d) of subsection (16) of section 668.50, Florida Statutes, is amended, and paragraph (b) of subsection (3) of that section is republished, to read:

668.50 Uniform Electronic Transaction Act.—

(3) SCOPE.—

(b) This section does not apply to a transaction to the extent the transaction is governed by:

1. A provision of law governing the creation and execution of wills, codicils, or testamentary trusts;
2. The Uniform Commercial Code other than s. 671.107 and chapters 672 and 680; or
3. The Uniform Computer Information Transactions Act.

(16) TRANSFERABLE RECORDS.—

(d) Except as otherwise agreed, a person having control of a transferable record is the holder, as defined in s. 671.201 ~~s. 671.201(22)~~, of the transferable record and has the same rights and defenses as a holder of an equivalent record or writing under the Uniform Commercial Code, including, if the applicable statutory requirements under s. 673.3021, s. 677.501, or s. 679.330 are satisfied, the rights and defenses of a holder in due course, a holder to which a negotiable document of title has been duly negotiated, or a purchaser, respectively. Delivery, possession, and indorsement are not required to obtain or exercise any of the rights under this paragraph.

Section 140. For the purpose of incorporating the amendment made by this act to section 671.105, Florida Statutes, in a reference thereto, subsections (1) and (2) of section 655.55, Florida Statutes, are reenacted to read:

655.55 Law applicable to deposits in and contracts relating to extensions of credit by a deposit or lending institution located in this state.—

(1) The law of this state, excluding its law regarding comity and conflict of laws, governs all aspects, including without limitation the validity and effect, of any deposit account in a branch or office in this state of a deposit or lending institution, including a deposit account otherwise covered by s. 671.105(1), regardless of the citizenship, residence, location, or domicile of any other party to the contract or agreement governing such deposit account, and regardless of any provision of any law of the jurisdiction of the residence, location, or domicile of such other party, whether or not such deposit account bears any other relation to this state, except that this section does not apply to any such deposit account:

(a) To the extent provided to the contrary in s. 671.105(2); or

(b) To the extent that all parties to the contract or agreement governing such deposit account have agreed in writing that the law of another jurisdiction will govern it.

(2) The law of this state, excluding its law regarding comity and conflict of laws, governs all aspects, including without limitation the validity and effect, of any contract relating to an extension of credit made by a branch or office in this state of a deposit or lending institution, including a contract otherwise covered by s. 671.105(1), if the contract expressly provides that it will be governed by the law of this state, regardless of the citizenship, residence, location, or domicile of any other party to such contract and regardless of any provision of any law of the jurisdiction of the residence, location, or domicile of such other party, whether or not such contract bears any other relation to this state, except that this section does not apply to any such contract to the extent provided to the contrary in s. 671.105(2).

Section 141. For the purpose of incorporating the amendment made by this act to section 671.105, Florida Statutes, in a reference thereto, subsection (2) of section 685.101, Florida Statutes, is reenacted to read:

685.101 Choice of law.—

(2) This section does not apply to any contract, agreement, or undertaking:

(a) Regarding any transaction which does not bear a substantial or reasonable relation to this state in which every party is either or a combination of:

1. A resident and citizen of the United States, but not of this state; or

2. Incorporated or organized under the laws of another state and does not maintain a place of business in this state;

(b) For labor or employment;

(c) Relating to any transaction for personal, family, or household purposes, unless such contract, agreement, or undertaking concerns a trust at least one trustee of which resides or transacts business as a trustee in this state, in which case this section applies;

(d) To the extent provided to the contrary in s. 671.105(2); or

(e) To the extent such contract, agreement, or undertaking is otherwise covered or affected by s. 655.55.

Section 142. For the purpose of incorporating the amendment made by this act to section 673.1041, Florida Statutes, in a reference thereto, subsection (1) of section 90.953, Florida Statutes, is reenacted to read:

90.953 Admissibility of duplicates.—A duplicate is admissible to the same extent as an original, unless:

(1) The document or writing is a negotiable instrument as defined in s. 673.1041, a security as defined in s. 678.1021, or any other writing that evidences a right to the payment of money, is not itself a security agreement or lease, and is of a type that is transferred by delivery in the ordinary course of business with any necessary endorsement or assignment.

Section 143. For the purpose of incorporating the amendment made by this act to section 673.1041, Florida Statutes, in a reference thereto, subsections (1), (3), and (4) of section 673.1061, Florida Statutes, are reenacted to read:

673.1061 Unconditional promise or order.—

(1) Except as provided in this section, for the purposes of s. 673.1041(1), a promise or order is unconditional unless it states:

(a) An express condition to payment;

(b) That the promise or order is subject to or governed by another writing; or

(c) That rights or obligations with respect to the promise or order are stated in another writing.

A reference to another writing does not of itself make the promise or order conditional.

(3) If a promise or order requires, as a condition to payment, a countersignature by a person whose specimen signature appears on the promise or order, the condition does not make the promise or order

conditional for the purposes of s. 673.1041(1). If the person whose specimen signature appears on an instrument fails to countersign the instrument, the failure to countersign is a defense to the obligation of the issuer, but the failure does not prevent a transferee of the instrument from becoming a holder of the instrument.

(4) If a promise or order at the time it is issued or first comes into possession of a holder contains a statement, required by applicable statutory or administrative law, to the effect that the rights of a holder or transferee are subject to claims or defenses that the issuer could assert against the original payee, the promise or order is not thereby made conditional for the purposes of s. 673.1041(1); but if the promise or order is an instrument, there cannot be a holder in due course of the instrument.

Section 144. For the purpose of incorporating the amendment made by this act to section 673.1041, Florida Statutes, in a reference thereto, subsection (2) of section 673.1151, Florida Statutes, is reenacted to read:

673.1151 Incomplete instrument.—

(2) Subject to subsection (3), if an incomplete instrument is an instrument under s. 673.1041, it may be enforced according to its terms if it is not completed, or according to its terms as augmented by completion. If an incomplete instrument is not an instrument under s. 673.1041, but, after completion, the requirements of s. 673.1041 are met, the instrument may be enforced according to its terms as augmented by completion.

Section 145. For the purpose of incorporating the amendment made by this act to sections 673.1041 and 673.1051, Florida Statutes, in a reference thereto, subsection (2) of section 673.1031, Florida Statutes, is reenacted to read:

673.1031 Definitions.—

(2) Other definitions applying to this chapter and the sections in which they appear are:

“Acceptance,” s. 673.4091.

“Accommodated party,” s. 673.4191.

“Accommodation party,” s. 673.4191.

“Alteration,” s. 673.4071.

“Anomalous indorsement,” s. 673.2051.

“Blank indorsement,” s. 673.2051.

“Cashier’s check,” s. 673.1041.

“Certificate of deposit,” s. 673.1041.

“Certified check,” s. 673.4091.

“Check,” s. 673.1041.

“Consideration,” s. 673.3031.

“Draft,” s. 673.1041.

“Holder in due course,” s. 673.3021.

“Incomplete instrument,” s. 673.1151.

“Indorsement,” s. 673.2041.

“Indorser,” s. 673.2041.

“Instrument,” s. 673.1041.

“Issue,” s. 673.1051.

“Issuer,” s. 673.1051.

“Negotiable instrument,” s. 673.1041.

“Negotiation,” s. 673.2011.

“Note,” s. 673.1041.

“Payable at a definite time,” s. 673.1081.

“Payable on demand,” s. 673.1081.

“Payable to bearer,” s. 673.1091.

“Payable to order,” s. 673.1091.

“Payment,” s. 673.6021.

“Person entitled to enforce,” s. 673.3011.

“Presentment,” s. 673.5011.

“Reacquisition,” s. 673.2071.

“Special indorsement,” s. 673.2051.

“Teller’s check,” s. 673.1041.

“Transfer of instrument,” s. 673.2031.

“Traveler’s check,” s. 673.1041.

“Value,” s. 673.3031.

Section 146. For the purpose of incorporating the amendment made by this act to section 673.6041, Florida Statutes, in a reference thereto, subsection (2) of section 673.6051, Florida Statutes, is reenacted to read:

673.6051 Discharge of indorsers and accommodation parties.—

(2) Discharge, under s. 673.6041, of the obligation of a party to pay an instrument does not discharge the obligation of an indorser or accommodation party having a right of recourse against the discharged party.

Section 147. For the purpose of incorporating the amendment made by this act to section 675.116, Florida Statutes, in a reference thereto, subsection (2) of section 679.3061, Florida Statutes, is reenacted to read:

679.3061 Law governing perfection and priority of security interests in letter-of-credit rights.—

(2) For purposes of this part, an issuer's jurisdiction or nominated person's jurisdiction is the jurisdiction whose law governs the liability of the issuer or nominated person with respect to the letter-of-credit right as provided in s. 675.116.

Section 148. For the purpose of incorporating the amendment made by this act to section 675.104, Florida Statutes, in a reference thereto, paragraph (j) of subsection (1) of section 675.103, Florida Statutes, is reenacted to read:

675.103 Definitions.—

(1) For purposes of this chapter:

(j) "Letter of credit" means a definite undertaking that satisfies the requirements of s. 675.104 by an issuer to a beneficiary at the request or for the account of an applicant or, in the case of a financial institution, to itself or for its own account, to honor a documentary presentation by payment or delivery of an item of value.

Section 149. For the purpose of incorporating the amendment made by this act to section 679.2031, Florida Statutes, in a reference thereto, subsection (3) of section 674.2101, Florida Statutes, is reenacted to read:

674.2101 Security interest of collecting bank in items, accompanying documents, and proceeds.—

(3) Receipt by a collecting bank of a final settlement for an item is a realization on its security interest in the item, accompanying documents, and proceeds. So long as the bank does not receive final settlement for the item or give up possession of the item or possession or control of the accompanying or associated documents for purposes other than collection, the security interest continues to that extent and is subject to chapter 679, but:

- (a) No security agreement is necessary to make the security interest enforceable (s. 679.2031(2)(c)1.);
- (b) No filing is required to perfect the security interest; and
- (c) The security interest has priority over conflicting perfected security interests in the item, accompanying documents, or proceeds.

Section 150. For the purpose of incorporating the amendment made by this act to section 679.2031, Florida Statutes, in a reference thereto, subsection (2) of section 675.1181, Florida Statutes, is reenacted to read:

675.1181 Security interest of issuer or nominated person.—

(2) As long as and to the extent that an issuer or nominated person has not been reimbursed or has not otherwise recovered the value given with respect to a security interest in a document under subsection (1), the security interest continues and is subject to chapter 679, but a security agreement is not necessary to make the security interest enforceable under s. 679.2031(2)(c):

(a) If the document is presented in a medium other than a written or other tangible medium, the security interest is perfected; and

(b) If the document is presented in a written or other tangible medium and is not a certificated security, chattel paper, a document of title, an instrument, or a letter of credit, the security interest is perfected and has priority over a conflicting security interest in the document so long as the debtor does not have possession of the document.

Section 151. For the purpose of incorporating the amendment made by this act to section 679.2031, Florida Statutes, in a reference thereto, section 679.1101, Florida Statutes, is reenacted to read:

679.1101 Security interests arising under chapter 672 or chapter 680. A security interest arising under s. 672.401, s. 672.505, s. 672.711(3), or s. 680.508(5) is subject to this chapter. However, until the debtor obtains possession of the goods:

- (1) The security interest is enforceable, even if s. 679.2031(2)(c) has not been satisfied;
- (2) Filing is not required to perfect the security interest;
- (3) The rights of the secured party after default by the debtor are governed by chapter 672 or chapter 680; and
- (4) The security interest has priority over a conflicting security interest created by the debtor.

Section 152. For the purpose of incorporating the amendment made by this act to section 677.106, Florida Statutes, in a reference thereto, subsection (3) of section 672.103, Florida Statutes, is reenacted to read:

672.103 Definitions and index of definitions.—

(3) The following definitions in other chapters apply to this chapter:

“Check,” s. 673.1041.

“Consignee,” s. 677.102.

“Consignor,” s. 677.102.

“Consumer goods,” s. 679.1021.

“Control,” s. 677.106.

“Dishonor,” s. 673.5021.

“Draft,” s. 673.1041.

Section 153. For the purpose of incorporating the amendment made by this act to section 677.106, Florida Statutes, in a reference thereto, subsection (3) of section 674.104, Florida Statutes, is reenacted to read:

674.104 Definitions and index of definitions.—

(3) The following definitions in other chapters apply to this chapter:

“Acceptance,” s. 673.4091.

“Alteration,” s. 673.4071.

“Cashier’s check,” s. 673.1041.

“Certificate of deposit,” s. 673.1041.

“Certified check,” s. 673.4091.

“Check,” s. 673.1041.

“Control,” s. 677.106.

“Good faith,” s. 673.1031.

“Holder in due course,” s. 673.3021.

“Instrument,” s. 673.1041.

“Notice of dishonor,” s. 673.5031.

“Order,” s. 673.1031.

“Ordinary care,” s. 673.1031.

“Person entitled to enforce,” s. 673.3011.

“Presentment,” s. 673.5011.

“Promise,” s. 673.1031.

“Prove,” s. 673.1031.

“Teller’s check,” s. 673.1041.

“Unauthorized signature,” s. 673.4031.

Section 154. For the purpose of incorporating the amendment made by this act to section 678.1061, Florida Statutes, in a reference thereto, subsection (3) of section 678.5101, Florida Statutes, is reenacted to read:

678.5101 Rights of purchaser of security entitlement from entitlement holder.—

(3) In a case not covered by the priority rules in chapter 679, a purchaser for value of a security entitlement, or an interest therein, who obtains control has priority over a purchaser of a security entitlement, or an interest therein, who does not obtain control. Except as otherwise provided in subsection (4), purchasers who have control rank according to priority in time of:

(a) The purchaser’s becoming the person for whom the securities account, in which the security entitlement is carried, is maintained, if the purchaser obtained control under s. 678.1061(4)(a);

(b) The securities intermediary’s agreement to comply with the purchaser’s entitlement orders with respect to security entitlements carried or to be carried in the securities account in which the security entitlement is carried, if the purchaser obtained control under s. 678.1061(4)(b); or

(c) If the purchaser obtained control through another person under s. 678.1061(4)(c), the time on which priority would be based under this subsection if the other person were the secured party.

Section 155. For the purpose of incorporating the amendment made by this act to section 678.1061, Florida Statutes, in a reference thereto, subsection (1) of section 679.1061, Florida Statutes, is reenacted to read:

679.1061 Control of investment property.—

(1) A person has control of a certificated security, uncertificated security, or security entitlement as provided in s. 678.1061.

Section 156. For the purpose of incorporating the amendment made by this act to sections 678.1061, 679.3131, 679.3141, and 679.323, Florida

Statutes, in references thereto, subsections (2), (5), and (7) of section 679.328, Florida Statutes, are reenacted to read:

679.328 Priority of security interests in investment property.—The following rules govern priority among conflicting security interests in the same investment property:

(2) Except as otherwise provided in subsections (3) and (4), conflicting security interests held by secured parties each of which has control under s. 679.1061 rank according to priority in time of:

(a) If the collateral is a security, obtaining control;

(b) If the collateral is a security entitlement carried in a securities account and:

1. If the secured party obtained control under s. 678.1061(4)(a), the secured party's becoming the person for which the securities account is maintained;

2. If the secured party obtained control under s. 678.1061(4)(b), the securities intermediary's agreement to comply with the secured party's entitlement orders with respect to security entitlements carried or to be carried in the securities account; or

3. If the secured party obtained control through another person under s. 678.1061(4)(c), the time on which priority would be based under this paragraph if the other person were the secured party; or

(c) If the collateral is a commodity contract carried with a commodity intermediary, the satisfaction of the requirement for control specified in s. 679.1061(2)(b) with respect to commodity contracts carried or to be carried with the commodity intermediary.

(5) A security interest in a certificated security in registered form which is perfected by taking delivery under s. 679.3131(1) and not by control under s. 679.3141 has priority over a conflicting security interest perfected by a method other than control.

(7) In all other cases, priority among conflicting security interests in investment property is governed by ss. 679.322 and 679.323.

Section 157. For the purpose of incorporating the amendment made by this act to sections 679.1041 and 679.3141, Florida Statutes, in references thereto, subsections (1) and (2) of section 679.327, Florida Statutes, are reenacted to read:

679.327 Priority of security interests in deposit account.—The following rules govern priority among conflicting security interests in the same deposit account:

(1) A security interest held by a secured party having control of the deposit account under s. 679.1041 has priority over a conflicting security interest held by a secured party that does not have control.

(2) Except as otherwise provided in subsections (3) and (4), security interests perfected by control under s. 679.3141 rank according to priority in time of obtaining control.

Section 158. For the purpose of incorporating the amendment made by this act to sections 679.2031 and 679.4041, Florida Statutes, in a reference thereto, subsection (4) of section 679.1091, Florida Statutes, is reenacted to read:

679.1091 Scope.—

(4) This chapter does not apply to:

(a) A landlord's lien, other than an agricultural lien;

(b) A lien, other than an agricultural lien, given by statute or other rule of law for services or materials, but s. 679.333 applies with respect to priority of the lien;

(c) An assignment of a claim for wages, salary, or other compensation of an employee;

(d) A sale of accounts, chattel paper, payment intangibles, or promissory notes as part of a sale of the business out of which they arose;

(e) An assignment of accounts, chattel paper, payment intangibles, or promissory notes which is for the purpose of collection only;

(f) An assignment of a right to payment under a contract to an assignee that is also obligated to perform under the contract;

(g) An assignment of a single account, payment intangible, or promissory note to an assignee in full or partial satisfaction of a preexisting indebtedness;

(h) A transfer of an interest in or an assignment of a claim under a policy of insurance, other than an assignment by or to a health-care provider of a health-care-insurance receivable and any subsequent assignment of the right to payment, but ss. 679.3151 and 679.322 apply with respect to proceeds and priorities in proceeds;

(i) An assignment of a right represented by a judgment, other than a judgment taken on a right to payment that was collateral;

(j) A right of recoupment or set-off, but:

1. Section 679.340 applies with respect to the effectiveness of rights of recoupment or set-off against deposit accounts; and

2. Section 679.4041 applies with respect to defenses or claims of an account debtor;

(k) The creation or transfer of an interest in or lien on real property, including a lease or rents thereunder, except to the extent that provision is made for:

1. Liens on real property in ss. 679.2031 and 679.3081;
2. Fixtures in s. 679.334;
3. Fixture filings in ss. 679.5011, 679.5021, 679.512, 679.516, and 679.519; and
4. Security agreements covering personal and real property in s. 679.604;

(l) An assignment of a claim arising in tort, other than a commercial tort claim, but ss. 679.3151 and 679.322 apply with respect to proceeds and priorities in proceeds;

(m) An assignment of a deposit account, other than a nonnegotiable certificate of deposit, in a consumer transaction, but ss. 679.3151 and 679.322 apply with respect to proceeds and priorities in proceeds;

(n) Any transfer by a government or governmental unit; or

(o) A transfer or pledge of, or creation of a security interest in, any interest or right or portion of any interest or right in any storm-recovery property as defined in s. 366.8260.

Section 159. For the purpose of incorporating the amendment made by this act to section 679.2031, Florida Statutes, in a reference thereto, subsection (2) of section 679.709, Florida Statutes, is reenacted to read:

679.709 Priority.—

(2) For purposes of s. 679.322(1), the priority of a security interest that becomes enforceable under s. 679.2031 of this act dates from the time this act takes effect if the security interest is perfected under this act by the filing of a financing statement before this act takes effect which would not have been effective to perfect the security interest under chapter 679, Florida Statutes 2000. This subsection does not apply to conflicting security interests each of which is perfected by the filing of such a financing statement.

Section 160. For the purpose of incorporating the amendment made by this act to section 679.210, Florida Statutes, in a reference thereto, subsection (2) of section 679.602, Florida Statutes, is reenacted to read:

679.602 Waiver and variance of rights and duties.—Except as otherwise provided in s. 679.624, to the extent that they give rights to a debtor or

obligor and impose duties on a secured party, the debtor or obligor may not waive or vary the rules stated in the following listed sections:

(2) Section 679.210, which deals with requests for an accounting and requests concerning a list of collateral and statement of account;

Section 161. For the purpose of incorporating the amendment made by this act to section 679.3141, Florida Statutes, in a reference thereto, section 679.329, Florida Statutes, is reenacted to read:

679.329 Priority of security interests in letter-of-credit right.—The following rules govern priority among conflicting security interests in the same letter-of-credit right:

(1) A security interest held by a secured party having control of the letter-of-credit right under s. 679.1071 has priority to the extent of its control over a conflicting security interest held by a secured party that does not have control.

(2) Security interests perfected by control under s. 679.3141 rank according to priority in time of obtaining control.

Section 162. For the purpose of incorporating the amendment made by this act to section 679.3161, Florida Statutes, in a reference thereto, subsection (3) of section 679.320, Florida Statutes, is reenacted to read:

679.320 Buyer of goods.—

(3) To the extent that it affects the priority of a security interest over a buyer of goods under subsection (2), the period of effectiveness of a filing made in the jurisdiction in which the seller is located is governed by s. 679.3161(1) and (2).

Section 163. For the purpose of incorporating the amendment made by this act to section 679.3171, Florida Statutes, in a reference thereto, paragraph (b) of subsection (8) of section 727.109, Florida Statutes, is reenacted to read:

727.109 Power of the court.—The court shall have power to:

(8) Hear and determine any of the following actions brought by the assignee, which she or he is empowered to maintain:

(b) Determine the validity, priority, and extent of a lien or other interests in assets of the estate, or to subordinate or avoid an unperfected security interest pursuant to the assignee's rights as a lien creditor under s. 679.3171.

Section 164. For the purpose of incorporating the amendment made by this act to sections 679.3171 and 679.323, Florida Statutes, in references

thereto, subsection (3) of section 680.307, Florida Statutes, is reenacted to read:

680.307 Priority of liens arising by attachment or levy on, security interests in, and other claims to goods.—

(3) Except as otherwise provided in ss. 679.3171, 679.321, and 679.323, a lessee takes a leasehold interest subject to a security interest held by a creditor or lessor.

Section 165. For the purpose of incorporating the amendment made by this act to section 679.628, Florida Statutes, in a reference thereto, subsection (3) of section 679.626, Florida Statutes, is reenacted to read:

679.626 Action in which deficiency or surplus is in issue.—In an action arising from a transaction in which the amount of a deficiency or surplus is in issue, the following rules apply:

(3) Except as otherwise provided in s. 679.628, if a secured party fails to prove that the collection, enforcement, disposition, or acceptance was conducted in accordance with the provisions of this part relating to collection, enforcement, disposition, or acceptance, the liability of a debtor or a secondary obligor for a deficiency is limited to an amount by which the sum of the secured obligation, reasonable expenses, and, to the extent provided for by agreement and not prohibited by law, attorney's fees exceeds the greater of:

(a) The proceeds of the collection, enforcement, disposition, or acceptance; or

(b) The amount of proceeds that would have been realized had the noncomplying secured party proceeded in accordance with the provisions of this part relating to collection, enforcement, disposition, or acceptance.

Section 166. This act shall take effect July 1, 2025.

Approved by the Governor May 23, 2025.

Filed in Office Secretary of State May 23, 2025.