

## CHAPTER 2016-160

### Committee Substitute for Senate Bill No. 626

An act relating to consumer credit; amending s. 516.07, F.S.; authorizing the Office of Financial Regulation to deny a license or take disciplinary action against a person who violates the Military Lending Act or the regulations adopted under that act in connection with a consumer finance loan under the Florida Consumer Finance Act; amending s. 537.013, F.S.; prohibiting a title loan lender or its agent or employee from violating the Military Lending Act or the regulations adopted under that act; amending s. 560.114, F.S.; authorizing the office to take disciplinary action or deny a license of a money services business, authorized vendor, or affiliated party in connection with a deferred presentment transaction for violating the Military Lending Act or the regulations adopted under that act; creating s. 655.035, F.S.; authorizing the office to conduct an investigation to determine whether a person is violating the Military Lending Act or the regulations adopted under that act; authorizing the office to seek specified remedies for such violations; providing applicability; providing an effective date.

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

Section 1. Paragraph (q) is added to subsection (1) of section 516.07, Florida Statutes, to read:

516.07 Grounds for denial of license or for disciplinary action.—

(1) The following acts are violations of this chapter and constitute grounds for denial of an application for a license to make consumer finance loans and grounds for any of the disciplinary actions specified in subsection (2):

(q) Violating any provision of the Military Lending Act, 10 U.S.C. s. 987, or the regulations adopted under that act in 32 C.F.R. part 232, in connection with a consumer finance loan made under this chapter.

Section 2. Paragraph (o) is added to subsection (1) of section 537.013, Florida Statutes, to read:

537.013 Prohibited acts.—

(1) A title loan lender, or any agent or employee of a title loan lender, shall not:

(o) Violate any provision of the Military Lending Act, 10 U.S.C. s. 987, or the regulations adopted under that act in 32 C.F.R. part 232, in connection with a title loan made under this chapter.

Section 3. Paragraph (cc) is added to subsection (1) of section 560.114, Florida Statutes, to read:

560.114 Disciplinary actions; penalties.—

(1) The following actions by a money services business, authorized vendor, or affiliated party constitute grounds for the issuance of a cease and desist order; the issuance of a removal order; the denial, suspension, or revocation of a license; or taking any other action within the authority of the office pursuant to this chapter:

(cc) Violating any provision of the Military Lending Act, 10 U.S.C. s. 987, or the regulations adopted under that act in 32 C.F.R. part 232, in connection with a deferred presentment transaction conducted under part IV of this chapter.

Section 4. Section 655.035, Florida Statutes, is created to read:

655.035 Military lending.—Pursuant to s. 655.032, the office may conduct an investigation that it deems necessary to determine whether a financial institution, a subsidiary, a service corporation, an affiliate, or other person is engaging in or has engaged in conduct that is a violation of any provision of the Military Lending Act, 10 U.S.C. s. 987, or the regulations adopted under that act in 32 C.F.R. part 232. If the office has reason to believe that a person has violated any such provision or regulation, the office may initiate a proceeding against such person in accordance with s. 655.033, s. 655.034, s. 655.037, or s. 655.041.

Section 5. This act applies to a consumer credit transaction or account for consumer credit established on or after October 3, 2016, except it does not apply to a credit card account exempted under 32 C.F.R. s. 232.13(c) until the exemption expires.

Section 6. This act shall take effect October 3, 2016.

Approved by the Governor March 30, 2016.

Filed in Office Secretary of State March 30, 2016.