



FLORIDA OFFICE OF FINANCIAL REGULATION

www.FLOFR.com

DREW J. BREAKSPEAR
COMMISSIONER

For Immediate Release

Friday, July 8, 2016

Media Contacts:

[Jamie Mongiovi](mailto:jamie.mongiovi@flofr.com) (850) 410-9709

[Katie Norris](mailto:katie.norris@flofr.com) (850) 410-9826

Twitter: [@FIFinancialReg](https://twitter.com/FIFinancialReg)

Industry Alert: Florida's Crowdfunding Law

Tallahassee, Fla. – Small businesses in Florida have a new tool available to raise capital from Florida residents and stimulate growth in their businesses. The Florida Intrastate Crowdfunding Exemption, which took effect on October 1, 2015, allows online crowdfunding platforms to conduct equity and lending-based crowdfunding in Florida, after registering with the Florida Office of Financial Regulation (OFR).

The state's crowdfunding law applies to businesses and investors participating in equity and lending-based crowdfunding in Florida. It's important to note that there are a couple types of crowdfunding.

- Reward and donation based crowdfunding, such as Kickstarter and GoFundMe, where individuals donate or receive products rather than equity, **do not involve securities and do not need to be registered** with the OFR to conduct business.
- Equity and lending-based crowdfunding **offer investors an equity interest in the business and require registration with the OFR** before conducting an offering.

In Florida, if you're looking to solicit investments in your business by using crowdfunding, you must register with the OFR as an issuer. Click [here](#) to learn more about becoming a crowdfunding issuer. Once registered, issuers may use a crowdfunding platform through a registered intermediary or securities dealer.

An intermediary could be an individual residing in Florida or a corporation, trust, partnership, association, or other legal entity registered with the Department of State to do business in Florida, facilitating the offer or sale of securities under Florida Statute 517.0611. Intermediaries must be registered with the OFR to host a crowdfunding platform for issuers to use for crowdfunding offerings. Click [here](#) to learn more about becoming a crowdfunding intermediary.

If you're considering crowdfunding as an option to raise capital for your business, please note that crowdfunding issuers and intermediaries are subject to the requirements found in Chapter 517 of the Florida Statutes, the Securities and Investor Protection Act, and the administrative rules of the Florida Administrative Code that pertain to securities, Sections 69W-100 through 69W-1000.

The U.S. Securities and Exchange Commission has also implemented rules for interstate crowdfunding, which took effect on May 15, 2016. Although the rules permit the same amount of capital to be raised as the Florida intrastate law (up to one million dollars over a 12-month period), the issuers, through a registered Funding Portal, may raise funds across state lines throughout the United States.

If you have questions or would like more information about how to become registered with the OFR, please contact the Customer Service Help Line at (850) 487-9687.

#

The Florida Office of Financial Regulation provides regulatory oversight for Florida's financial services providers. Our mission is to protect Floridians, promote a safe and sound financial marketplace, and contribute to the growth of Florida's economy with smart, efficient and effective regulation of the financial services industry.

[OFR Website](#) | [Press Releases](#) | [Follow Us @FIFinancialReg](#)