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Office of Financial Regulation 2020-21 Regulatory Plan

Pursuant to S. 120.74, F.S., the Office of Financial Regulation (OFR) has prepared the following regulatory plan relating to laws passed in the 2020 Regular Legislative Session and other rules that the OFR expects to implement by rulemaking before July 1, 2021.

Rulemaking identified in the 2019-20 plan; however, the agency subsequently determined that rulemaking is not necessary to implement the law:

- I. Section 517.061, F.S.
 - a. The Division of Securities intended to amend Rules 69W-600.014; 69W-600.0131, F.A.C., to update book and record requirements for state registered investment advisers.
 - The Division of Securities determined that amendment of the rules was not necessary at this time. The Division of Securities will address potential amendments to these rules at a later date.

Laws passed during the previous 12 months which create or modify the OFR's duties or authority:

- I. Chapter 2020-157, Laws of Florida
 - a. The Division of Securities created Rule 69W-600.0141, F.A.C., and Form OFR-DLY to implement this law.
 - b. The Division of Securities published a Notice of Development of Rulemaking in the Florida Administrative Register, in Volume 46 Number 123, on June 24, 2020.
 - c. The Division of Securities plans to publish a Notice of Proposed Rule in the Florida Administrative Register, on September 23, 2020.
 - d. The Division of Securities plans to file the rule for final adoption on or before December 22, 2020.
- II. Chapter 2020-161, Laws of Florida
 - a. The OFR must adopt rules to implement the law. A notice of rule development has not been published. The OFR expects to publish the notice of proposed rule under s. 120.54(3)(a), F.S., by September 25, 2020.
- III. Chapter 2020-162, Laws of Florida
 - a. It is not necessary to adopt rules to implement the law. The law may be implemented without rulemaking as it simply provides that sensitive business information provided to and held by the OFR to evaluate a Financial Technology Sandbox application is confidential and exempt from s. 119.07(1), F.S., and s. 24(a), Article I of the State Constitution.

Other laws which the OFR expects to implement by rulemaking before July 1, 2021:

- I. Sections 517.07, 517.021, 517.051, 517.061, 517.081, 517.101, 517.111, 517.12, 517.1201, 517.1202, 517.121, 517.1215, 517.1217, 517.161, 517.1611, 517.191, 517.221, F.S.
 - a. The Division of Securities intends to amend Rule 69W-200.001, F.A.C., to update a rule incorporated by reference.
 - b. The Division of Securities intends to amend Rule 69W-200.002, F.A.C., to update statutes, rules and regulations incorporated by reference.
 - c. The Division of Securities intends to amend Rule 69W-500.010, F.A.C., to remove securities manuals published by Standard & Poor's Financial Services LLC from the list of recognized securities manuals as those manuals are no longer published.
 - d. The Division of Securities intends to amend Rule 69W-600.001, F.A.C., as follows: to incorporate the instructions and explanation of terms for Form U4, Uniform Application for Securities Industry Registration or Transfer (05-09) and Form U5, Uniform Termination Notice for Securities Industry Registration (05-09); to grant applicants for registration under chapter 517, Florida Statutes, an additional 30 days to submit requested information; to allow the OFR to abandon an application if an applicant fails to provide timely additional information; to remove duplicative language authorizing the OFR to request certified documentation; and to replace the term "representative" or "investment adviser representative" with the term "associated person" or "associated person of an investment adviser."
 - e. The Division of Securities intends to amend Rule 69W-600.0012, F.A.C., as follows: to incorporate the instructions and explanation of terms for Form U4, Uniform Application for Securities Industry Registration or Transfer (05-09) and Form U5, Uniform Termination Notice for Securities Industry Registration (05-09); to grant applicants for registration under chapter 517, Florida Statutes, an additional 30 days to submit requested information; to allow the OFR to abandon an application if an applicant fails to provide timely additional information; to remove duplicative language authorizing the OFR to request certified documentation; and to replace the term "representative" or "investment adviser representative" with the term "associated person" or "associated person of an investment adviser."
 - f. The Division of Securities intends to amend Rule 69W-600.0013, F.A.C., as follows: to incorporate the instructions and explanation of terms for Form U4, Uniform Application for Securities Industry Registration or Transfer (05-09) and Form U5, Uniform Termination Notice for Securities Industry Registration (05-09); to grant applicants for registration under chapter 517, Florida Statutes, an additional 30 days to submit requested information; to allow the OFR to abandon an application if an applicant fails to provide timely additional information; to remove duplicative language authorizing the OFR to request certified documentation; and to replace the term "representative" or "investment adviser representative" with the term "associated person" or "associated person of an investment adviser."

- g. The Division of Securities intends to amend Rule 69W-600.0015, F.A.C., as follows: to grant applicants for registration under chapter 517, Florida Statutes, an additional 30 days to submit requested information; to allow the OFR to abandon an application if an applicant fails to provide timely additional information; and to remove duplicative language authorizing the OFR to request certified documentation.
- h. The Division of Securities intends to amend Rule 69W-600.0016, F.A.C., as follows: to incorporate the current version of Form ADV, Uniform Application for Investment Adviser Registration (09-19); to incorporate the instructions and explanation of terms for Form U4, Uniform Application for Securities Industry Registration or Transfer (05-09) and Form U5, Uniform Termination Notice for Securities Industry Registration (05-09); to grant applicants for registration under chapter 517, Florida Statutes, an additional 30 days to submit requested information; to allow the OFR to abandon an application if an applicant fails to provide timely additional information; to remove duplicative language authorizing the OFR to request certified documentation; to replace the term “representative” or “investment adviser representative” with the term “associated person” or “associated person of an investment adviser;” and to clarify which applicants shall not be required to satisfy the examination requirements of those rules pursuant to the “grandfathering provisions.”
- i. The Division of Securities intends to amend Rule 69W-600.0017, F.A.C., as follows: to incorporate the current version of Form ADV, Uniform Application for Investment Adviser Registration (09-19); and to incorporate the instructions and explanation of terms for Form U4, Uniform Application for Securities Industry Registration or Transfer (05-09) and Form U5, Uniform Termination Notice for Securities Industry Registration (05-09).
- j. The Division of Securities intends to amend Rule 69W-600.0019, F.A.C., as follows: to grant applicants for registration under chapter 517, Florida Statutes, an additional 30 days to submit requested information; to allow the OFR to abandon an application if an applicant fails to provide timely additional information; and to remove duplicative language authorizing the OFR to request certified documentation.
- k. The Division of Securities intends to amend Rule 69W-600.002, F.A.C., to as follows: to incorporate the instructions and explanation of terms for Form U4, Uniform Application for Securities Industry Registration or Transfer (05-09) and Form U5, Uniform Termination Notice for Securities Industry Registration (05-09); to grant applicants for registration under chapter 517, Florida Statutes, an additional 30 days to submit requested information; to allow the OFR to abandon an application if an applicant fails to provide timely additional information; to remove duplicative language authorizing the OFR to request certified documentation; and to replace the term “representative” or “investment adviser representative” with the term “associated person” or “associated person of an investment adviser.”
- l. The Division of Securities intends to amend Rule 69W-600.0022, F.A.C., as follows: to incorporate the instructions and explanation of terms for Form U4, Uniform Application for Securities Industry Registration or Transfer (05-09) and Form U5,

Uniform Termination Notice for Securities Industry Registration (05-09); to grant applicants for registration under chapter 517, Florida Statutes, an additional 30 days to submit requested information; to allow the OFR to abandon an application if an applicant fails to provide timely additional information; to remove duplicative language authorizing the OFR to request certified documentation; and to replace the term “representative” or “investment adviser representative” with the term “associated person” or “associated person of an investment adviser.”

- m. The Division of Securities intends to amend Rule 69W-600.0023, F.A.C., as follows: to incorporate the instructions and explanation of terms for Form U4, Uniform Application for Securities Industry Registration or Transfer (05-09) and Form U5, Uniform Termination Notice for Securities Industry Registration (05-09); to grant applicants for registration under chapter 517, Florida Statutes, an additional 30 days to submit requested information; to allow the OFR to abandon an application if an applicant fails to provide timely additional information; to remove duplicative language authorizing the OFR to request certified documentation; and to replace the term “representative” or “investment adviser representative” with the term “associated person” or “associated person of an investment adviser.”
- n. The Division of Securities intends to amend Rule 69W-600.0024, F.A.C., as follows: to incorporate the instructions and explanation of terms for Form U4, Uniform Application for Securities Industry Registration or Transfer (05-09) and Form U5, Uniform Termination Notice for Securities Industry Registration (05-09); to grant applicants for registration under chapter 517, Florida Statutes, an additional 30 days to submit requested information; to allow the OFR to abandon an application if an applicant fails to provide timely additional information; to remove duplicative language authorizing the OFR to request certified documentation; to replace the term “representative” or “investment adviser representative” with the term “associated person” or “associated person of an investment adviser;” and to clarify which applicants shall not be required to satisfy the examination requirements of those rules pursuant to the “grandfathering provisions.”
- o. The Division of Securities intends to amend Rule 69W-600.13, F.A.C., to update rules incorporated by reference and to add failing to deliver a current FORM CRS to any retail investor in violation of SEC Rule 17a-14 (17 C.F.R. §240.17a-14) to the list of prohibited business practices for dealers and their associated persons.
- p. The Division of Securities intends to amend Rule 69W-600.0131, F.A.C., to replace the term “representative” or “investment adviser representative” with the term “associated person” or “associated person of an investment adviser.”
- q. The Division of Securities intends to amend Rule 69W-600.0132, F.A.C., to incorporate the current version of Form ADV, Uniform Application for Investment Adviser Registration (09-19) and to replace the term “representative” or “investment adviser representative” with the term “associated person” or “associated person of an investment adviser.”

- r. The Division of Securities intends to amend Rule 69W-600.014, F.A.C., as follows: to update rules incorporated by reference; to clarify that investment advisers' records requirements do not include Form CRS; and to replace the term "representative" or "investment adviser representative" with the term "associated person" or "associated person of an investment adviser."
 - s. The Division of Securities intends to amend Rule 69W-700.001, F.A.C., as follows: to grant applicants for registration under chapter 517, Florida Statutes, an additional 30 days to submit requested information; to allow the OFR to abandon an application if an applicant fails to provide timely additional information; and to remove duplicative language authorizing the OFR to request certified documentation.
 - t. The Division of Securities intends to amend Rule 69W-1000.001, F.A.C., to update disciplinary guidelines incorporated by reference.
- II. Sections 494.0011(2), 494.00312, 494.00321, 516.03(1), 516.05(1), 520.03(2), 520.32(2), 520.52(2), 520.63(2), 537.004, 559.542, 559.544, 559.545, and 559.555, F.S.
- a. The Division of Consumer Finance intends to amend Rule 69V-40.0312 to grant a loan originator license applicant an additional 45 days to submit requested information and to allow the OFR to abandon an application if the loan originator license applicant fails to provide additional information timely. The amendment will increase efficiency and reduce regulatory costs.
 - b. The Division of Consumer Finance intends to amend Rule 69V-40.0321, F.A.C., to grant a Mortgage Broker license applicant an additional 45 days to submit requested information and to allow the OFR to abandon an application if the Mortgage Broker license applicant fails to provide additional information timely. The amendment will increase efficiency and reduce regulatory costs.
 - c. The Division of Consumer Finance intends to amend Rule 69V-40.036, F.A.C., to grant a Mortgage Broker Branch Office license applicant an additional 45 days to submit requested information and to allow the OFR to abandon an application if the Mortgage Broker Branch Office license applicant fails to provide additional information timely. The amendment will increase efficiency and reduce regulatory costs.
 - d. The Division of Consumer Finance intends to amend Rule 69V-40.0611, F.A.C., to grant a Mortgage Lender license applicant an additional 45 days to submit requested information and to allow the OFR to abandon an application if the Mortgage Lender license applicant fails to provide additional information timely. The amendment will increase efficiency and reduce regulatory costs.
 - e. The Division of Consumer Finance intends to amend Rule 69V-40.066, F.A.C., to grant a Mortgage Lender Branch Office license applicant an additional 45 days to submit requested information and to allow the OFR to abandon an application if the Mortgage Lender Branch Office license applicant fails to provide additional information timely. The amendment will increase efficiency and reduce regulatory costs.

- f. The Division of Consumer Finance intends to amend Rule 69V-45.005, F.A.C., to grant a Title Loan Lender license applicant an additional 45 days to submit requested information and to allow the OFR to abandon an application if the Title Loan Lender license applicant fails to provide additional information timely. The amendment will increase efficiency and reduce regulatory costs.
 - g. The Division of Consumer Finance intends to amend Rule 69V-85.002, F.A.C., to grant a Motor Vehicle Retail Installment Seller, Retail Installment Seller, Sales Finance Company, and Home Improvement Finance Seller license applicant an additional 45 days to submit requested information and to allow the OFR to abandon an application if an applicant fails to provide additional information timely. The amendment will increase efficiency and reduce regulatory costs.
 - h. The Division of Consumer Finance intends to amend Rule 69V-85.003, F.A.C, to grant a Motor Vehicle Retail Installment Seller, Retail Installment Seller, Sales Finance Company, and Home Improvement Finance Seller Branch Office license applicant an additional 45 days to submit requested information and to allow the OFR to abandon an application if an applicant fails to provide additional information timely. The amendment will increase efficiency and reduce regulatory costs.
 - i. The Division of Consumer Finance intends to amend Rule 69V-160.030, F.A.C., to grant a Consumer Finance license applicant an additional 45 days to submit requested information and to allow the OFR to abandon an application if a Consumer Finance license applicant fails to provide additional information timely. The amendment will increase efficiency and reduce regulatory costs.
 - j. The Division of Consumer Finance intends to amend Rule 69V-180.020, F.A.C., to grant a Commercial Collection Agency registration applicant an additional 45 days to submit requested information and to allow the OFR to abandon an application if a Commercial Collection Agency registration applicant fails to provide additional information timely. The amendment will increase efficiency and reduce regulatory costs.
 - k. The Division of Consumer Finance intends to amend Rule 69V-180.030, F.A.C., to grant a Consumer Collection Agency registration applicant an additional 45 days to submit requested information and to allow the OFR to abandon an application if a Consumer Collection Agency registration applicant fails to provide additional information timely. The amendment will increase efficiency and reduce regulatory costs.
 - l. The Division of Consumer Finance intends to repeal Rule 69V-50.080, F.A.C., as it is outdated and unnecessary.
- III. Ch. 92-303, s.76, Laws of Fla.; Sections 220.62(3), 220.63(5), 655.0385, 655.045, 655.057(2), 655.057(8), 655.071(3), 655.60, 655.948, 655.963, 655.968, 658.21, 658.33, 658.34, 658.35, 658.67(8), 658.67(11), 665.013(32) F.S.
- a. The Division of Financial Institutions intends to repeal Rule 69U-100.002, F.A.C., as it merely states the rules pertain to international banking facilities; therefore, it is not a rule as defined in s. 120.52(16), F.S. The amendment will delete an unnecessary rule.

- b. The Division of Financial Institutions intends to amend Rule 69U-100.003, F.A.C., to incorporate the currently-effective federal definitions and update other citations. The amendment will provide clarification.
- c. The Division of Financial Institutions intends to amend Rule 69U-100.004, F.A.C., to update the OFR's address and email address regarding required notice when establishing an international banking facility. The amendment will provide clarification and increase efficiency.
- d. The Division of Financial Institutions intends to amend Rule 69U-100.03852, F.A.C., to incorporate two interagency biographical and financial report forms, allowing for online and electronic notarization, and incorporating a reference to the OFR's collection and use of social security numbers. The amendment will simplify processes, provide clarification, and increase efficiency.
- e. The Division of Financial Institutions intends to amend Rule 69U-100.045, F.A.C., to incorporate updated versions of the Federal Financial Institutions Examination Council Bank Secrecy Act/Anti-Money Laundering Examination Manual and the Federal Deposit Insurance Corporation RMS Manual of Examination Policies, and to add the Federal Financial Institutions Examination Council Information Technology Examination Handbook on Information Security and the Federal Financial Institutions Examination Council Cybersecurity Assessment Tool. The amendment will provide clarification and increase efficiency.
- f. The Division of Financial Institutions intends to amend Rule 69U-100.0451, F.A.C., to clarify the OFR's procedure for imposing costs the OFR incurs in conducting examinations of unsafe and unsound financial institutions and the fines for a financial institution's late payment of such costs. The amendment will provide clarification, delete unnecessary language, and increase efficiency.
- g. The Division of Financial Institutions intends to amend Rule 69U-100.057, F.A.C., to update the process regarding requests for public records of failed financial institutions and delete processes and language that duplicate statutory provisions in Chapter 119, F.S., and existing agency policies. The amendment will provide clarification, delete unnecessary language, and increase efficiency.
- h. The Division of Financial Institutions intends to amend Rule 69U-100.600, F.A.C., to increase the total loan value appraisal exemption to \$400,000 from \$250,000, developing consistency with federal law. The amendment will provide clarification and reduce regulatory costs.
- i. The Division of Financial Institutions intends to amend Rule 69U-100.948, F.A.C., to update the agency's mailing address and add the agency's email address for reporting significant events or conditions and update statutory citations. The amendment will provide clarification and reduce regulatory cost.
- j. The Division of Financial Institutions intends to amend Rule 69U-100.956, F.A.C., to update referenced applicable policies and procedures regarding conflicts of interest, to clarify the definition of "family relationship" for agency employees, to update the incorporated ethical standards of the OFR and the Department of Financial Services

for agency employees, and to clarify the types of discipline applicable to violations of the standards. The amendment will provide clarification.

- k. The Division of Financial Institutions intends to amend Rule 69U-100.963, F.A.C., to delete unnecessary language regarding safety precautions financial institutions must disclose to automated teller machine customers. The amendment will provide clarification, remove ambiguity, and improve efficiency.
- l. The Division of Financial Institutions intends to amend Rule 69U-100.964, F.A.C., to incorporate the updated federal standards for due diligence policies, procedures, and controls regarding transactions relating to Iran or terrorism and provide information where standards can be found online. The amendment will provide clarification and improve efficiency.
- m. The Division of Financial Institutions intends to amend Rule 69U-120.001, F.A.C., to delete language that duplicates s. 658.16, F.S. The amendment deletes unnecessary language.
- n. The Division of Financial Institutions intends to amend Rule 69U-120.003, F.A.C., to delete language that is ambiguous or lacking in delegated authority regarding “foreseeably detrimental” stock option plans, director liability for certain losses, and direct stock bonuses. The amendment will delete unnecessary language, provide clarification, and improve efficiency.
- o. The Division of Financial Institutions intends to amend Rule 69U-120.004, F.A.C., to replace a vague and ambiguous term (“appropriate”) with clear, definite language. The amendment will update ambiguous language, provide clarification, and improve efficiency.
- p. The Division of Financial Institutions intends to amend Rule 69U-120.005, F.A.C., to update a statutory citation. The amendment will provide clarification.
- q. The Division of Financial Institutions intends to amend Rule 69U-120.045, F.A.C., to delete a reference to an outdated guidebook on auditing standards. The amendment will provide clarification and improve efficiency.
- r. The Division of Financial Institutions intends to establish Rule 69U-120.330, F.A.C., providing two proposed forms for information submission to the OFR. Proposed form OFR-U-658-List, List of Directors and Officers, will be used by banks and trust companies to submit the list of officers and directors elected during the annual shareholder’s meeting as required by s. 658.33(3), F.S., and proposed form OFR-U-658-Oath is the director’s oath required pursuant to s. 658.33(4), F.S. The amendment will provide clarification, improve efficiency, and reduce regulatory costs.
- s. The Division of Financial Institutions intends to amend Rule 69U-120.670, F.A.C., to delete unnecessary language and update federal material incorporated by reference. The amendment will provide clarification and improve efficiency.

Certification of Office of Financial Regulation
2020-21 Regulatory Plan

I hereby certify, on this 18th day of September 2020, that I have reviewed the OFR's 2020-21 Regulatory Plan and that the OFR regularly reviews all of its rules. The period during which all rules have most recently been reviewed to determine if the rules remain consistent with the agency's rulemaking authority and the laws implemented was: on an ongoing basis.



Russell C. Weigel, III, Commissioner
Office of Financial Regulation



Anthony Cammarata, General Counsel
Office of Financial Regulation