



FLORIDA ALLIANCE

FOR CONSUMER PROTECTION

Final Legislative Report 2017

PASSED **SELF-SERVICE STORAGE FACILITIES**

**HB 357
SB 264**

**Sponsors
Rep. Moriatis
Sen. Perry**

Updates to the Self-Storage Facility Act

The bill provides that a lien sale may be conducted on a public website and limits the value of property contained in a storage unit if the value was limited in the rental agreement. Provides changes where the stored property is a motor vehicle or watercraft. The facility may charge a “reasonable fee” if there is nonpayment of rent and for expenses incurred as a result of rent collection or lien enforcement.

Impact

Consumers will be subject to additional fees and costs if late in paying rent on the self-storage unit.

Status
Approved by Governor

Effective
July 1, 2017

ASSOCIATIONS

**HB 6027
SB 294**

**Sponsors
Rep. Williamson
Sen. Bracy**

Financial reporting for all associations – Condominium, Cooperative and Homeowners

All Associations, regardless of size, must prepare financial statements, though cooperatives and condominiums may vote to waive the annual financial reporting requirements.

Impact

Could increase the costs for associations previously not required to prepare a financial statement (fewer than 50 units).

Status
Approved by Governor

Effective
July 1, 2017

**HB 483
SB 398**

**Rep. Donalds,
Rep. Moraitis
Sen. Passidomo**

Estoppel Certificates for associations revised

Makes numerous changes to the requirements of an estoppel certificate that certifies the debt owed the association for unpaid financial obligations when ownership is transferred. Includes reducing the time for association to respond to request for certificate from 15 to 10 business days; certificate is effective for 30 to 35 days; association may not collect in excess of what is stated in the certificate; establishing maximum fee for the certificate; standards for issuance, form and delivery.

Impact

A priority for Florida Realtors, capping the fees for estoppel certificates should ultimately benefit consumers, though it could increase costs for associations.

Status

Approved by Governor

Effective

July 1, 2017

**HOUSEHOLD
MOVERS AND
BROKERS**

**HB 327
SB 336**

**Sponsors
Rep. Yarborough
Sen. Hutson**

New rule for registration of movers and moving brokers

A mover or moving broker violates the law if they knowingly refuse or fail to disclose in writing to a customer that an employee who has access to the dwelling has been convicted of a sexual offense.

Impact

Neutral

Status

Approved by Governor

Effective

October 1, 2017

**MOTOR VEHICLE
SERVICE
AGREEMENTS**

**HB 339
SB 794**

Changes in canceling a motor vehicle service agreement

Under current law only the agreement holder may cancel the service agreement. When the vehicle financing is satisfied, there may be need for the lender, finance company or creditor to cancel the agreement. The bill allows this, though only

Sponsors
Rep. White
Sen. Brandes

requires that the cancellation occur after the policy is in place more than 60 days.

Impact
Neutral

Status
Approved by Governor

Effective
July 1, 2017

INSURANCE REGULATION

HB 359
SB 454

Sponsors
Rep. Santiago
Sen. Brandes

Variety of changes for issues regulated by the Office of Insurance Regulation

Numerous changes, including a provision that renames title searches as “property information reports” and limits liability for those preparing the reports to only the cost of the report.

Impact
Neutral

Status
Approved by Governor

Effective
June 23, 2017

HB 1007
(1205/1299)
SB 1012

Sponsors
Rep. Raschein
Sen. Brandes

Addresses several issues related to insurance fraud

The bill establishes uniform fraud prevention standards for all insurers. The bill enhances protections around the scheme used in stranger-originated life insurance. Insurers in seven large counties are required to conduct preinsurance motor vehicle inspections, subject to opt-outs.

Impact
Neutral

Status
Approved by Governor

Effective
June 26, 2017

**FLORIDA
DECEPTIVE AND
UNFAIR TRADE
PRACTICES ACT**

**HB 1347
SB 1620**

**Sponsors
Rep. Jones
Sen. Powell**

Broadens the exemptions to FDUTPA to include credit unions

FDUPTA is to protect consumers from unfair and deceptive acts in the conduct of any trade or business. The law currently has an extended list of exempt entities, including banks. The bill extends the exemption from FDUPTA to credit unions.

Impact

That any trade or business would be exempt from unfair or deceptive acts against a consumer is counter-intuitive. However, the legislature has granted numerous exemptions to this consumer protection provision. The addition of credit unions to the list is a loss for consumers.

Status

Approved by Governor

Effective

July 1, 2017

**STUDENT LOAN
DEBT**

**HB 867
SB 396**

**Sponsors
Rep. Leek
Sen. Hukill**

College students to receive specific information about their student loans

All post secondary education institutions that disburse federal loans for education expenses must provide students annually with an estimate of the student's total amount borrowed; the student's total potential loan repayment amount with principal and interest; the student's monthly loan repayment amounts based an amount loaned today; and the percentage of borrowing limit that the student has reached.

Impact

Recognizing the tsunami of student loan debt, this bill provides information for students about their debt. We hope more protections will be added in the future.

Status

Approved by Governor

Effective

July 1, 2017

**CREDIT CARD
SCAMS**

**SB 766
HB 343**

**Sponsors
Sen. Rodriguez
Rep. Asencio**

Criminal offenses on skimming devices

Skimming devices used to read and store payment card information but cannot process the information have no legitimate use and the bill makes it a third degree felony to knowingly possess such a device.

Impact
Neutral

Status
Approved by Governor

Effective
October 1, 2017

**RENEWABLE
ENERGY SOURCE
DEVICES**

**HB 1351
SB 90**

**Sponsors
Rep. Rodrigues
Sen. Brandes**

Implements the provisions of Amendment 4

Pursuant to Amendment 4, the bill expands the definition of “renewable energy source device” and limits the impact of the installation of such a device on the assessed value of real property used for nonresidential purposes. The bill defines “distributed energy generation system” and further provides that any seller who installs such a system must comply with applicable safety standards; additionally, creates a new part in Chapter 520 for Retail Installment Sales specific to these systems. The new part is supplemental to existing provisions on retail installment sales. There is an exemption to the applicability of the new part if a third party, including a local government, enters into an agreement for the financing of a system.

Impact
Neutral

Status
Approved by Governor

Effective
July 1, 2017

**TALLAHASSEE
VETERANS LEGAL
COLLABORATIVE –
FSU**

HB 2609

**Sponsor
Rep. Alexander**

Creates nonrecurring funding for a Veterans Legal Clinic

The \$200,000 appropriation is to provide legal services to Veterans and their families in the Capital area. The project will recruit resources from students, paralegals, investigators and pro bono attorneys. Funding will cover overhead and providing a Clinic Coordinator through FSU College of Law.

Impact

Provides much needed legal services for veterans and their families and assistance on tenant rights and consumer protection.

Status

Approved by Governor

Effective

July 1, 2017

**TASKFORCE ON
AFFORDABLE
HOUSING**

**HB 1013
SB 854
SB 2502**

**Sponsors
Rep. Newton
Sen. Brandes
Appropriations**

Workgroup on affordable housing under the Florida Housing Finance Corporation

Convening by September 1, 2017, workgroup includes FHFC executive director as chair, executive director of the DEO, five members appointed by governor (homeless advocate, disability advocate, representative of the building community, and a realtor), two members appointed by Senate President, two members appointed by House Speaker, executive director of FL Association of Counties, chair of the Florida Building Commission. The group will develop recommendations for affordable housing which will include a review of Florida's LIHTC program, a review of the rental market for assisted rental housing and develop strategies for low income housing.

Impact

Neutral

Status

Signed by Governor

Effective

July 1, 2017

FAILED**HOMEOWNERSHIP**

SB 660
HB 471

Sponsors
Sen. Passidomo
Rep. Fant

Codifying 11th Circuit decision addressing “surrender” in bankruptcy to apply broadly in foreclosures

In re Failla, a chapter 7 bankruptcy case, addressed the meaning of “surrender” under the bankruptcy code in the context of the specific facts of the case. The bill, as filed, codified the decision broadly within Chapter 702, creating many consequences for the homeowner, including limiting the borrower’s defenses in foreclosure.

Impact

If passed, consumers would have lost protections they currently have to address issues in foreclosure based on a broad reading of the “surrender” intention in bankruptcy.

Status

Died in messages

SB 1298
HB 1081

Sen. Garcia
Rep. Ingolia

Closing loopholes in requirements for who must be licensed to make mortgage loans

The bill amended the definition for “mortgage loan” to a residential mortgage loan made for a business purpose and persons originating such loans, therefore, would be subject to licensure with OFR. Further, it provided a definition for the term “hold himself or herself out to the public.”

Impact

Consumers would have seen enhanced protections through the services of a licensed loan originator, broker or lender.

Status

Bill died in messages but the language was amended to a mortgage regulation bill (HB 747/SB 830). It was **vetoed** by the Governor, incorrectly stating in the veto letter that “a parent or other relative who decides to make a residential mortgage loan to a child or another loved one would be required to be licensed with the Florida OFR.”

HIGH COST LOANS

HB 347
SB 594

Sponsors
Rep. Fine
Sen. Garcia

HB 595
SB 872

Sponsors
Rep. Santiago
Sen. Rouson

Competing bills create high cost loans that would exceed current APR for similar loans in Florida without enough added benefit to consumer

Florida Consumer Finance Loans are limited to 30% APR. These bills would create a similar loan product with 36% APR. The bills provide for varying degrees of limited underwriting, mandatory reporting of credit scores and the use of “referral partners” to sell the loans in Florida. See FLACP white paper.

Impact

The bills propose a concept from last session without making needed changes to create a solid product for consumers. Defeating these bills protects consumers from an increase in the cost of small dollar loans in Florida.

Status

Neither bills ever heard in the house; both bills heard in two senate committees. Died in committee.

SB 522

Sponsor
Sen. Steube
Co-Introducers
Sen. Farmer
Sen. Baxley
Sen. Rodriguez

Payday loan rate cap would bring payday loans in line with other high cost loans in Florida

Payday loans in Florida carry annual percentage rates in excess of 280%, almost 20 times criminal usury rate in Florida. This bill would place a 30% per annum rate cap on payday loans, in keeping with similar loans in Florida.

Impact

Would have protected consumers from one of the most predatory loans in the state and allowed the growth of other lending products that would better serve consumers.

Status

Bill was never heard in committee. Died in committee

VACATION RENTALS

SB 188
HB 425

Allows local governments to regulate certain vacation rental laws

This bill was a moving target during the session as attempts were made to address the problems around laws governing vacation rentals. The Senate bill provided that any regulation

Sponsors
Sen. Steube
Rep. LaRosa

adopted after June 1, 2011 would have to apply uniformly to all residential properties.

Impact

The bill would have impacted all rentals, including longer-term residential rentals and other residential properties, possibly creating issues for tenants in a residential landlord tenant relationship.

Status

The bill passed out of the House and died on the Senate calendar.

**LOCAL
REGULATION
PREEMPTION**

HB 17

Sponsors
Rep. Fine
Co-Introducer
Rep. Renner

Local regulatory preemption to the state covering a broad reach of issues

The bill would preempt to the state and thereby ban local ordinances around the regulation of businesses, professions, and occupations. This would include local regulation of landlord tenant issues and an array of consumer protection issues.

Impact

Defeating the bill is a win for consumers and tenants.

Status

Bill only filed in the House and passed its first of two committees of reference by a 9 to 6 vote

**FINANCIAL
LITERACY AND
PROSPERITY**

SB 392
HB 955

Sponsors
Sen. Hukill
Rep. Ahern,
Rep. Fitzenhagen

Expansion of High School graduation requirements to include financial literacy

Creates a requirement that high school students earn a half credit in personal financial literacy to include balancing a check book, money management, completing a loan application, receiving an inheritance, personal insurance policies, taxes, interest rate computation, simple contracts, savings, contesting a bill, and state and federal laws concerning finance.

HB 2153**Sponsors****Rep. Santiago****Cosponsors****Bipartisan support****Impact**

Financial literacy is important; determining what are the best factors to teach and where the curricula comes from are key.

Status

Passed the Senate and designated the “Dorothy L. Hukill Financial Literacy Education Act”; died in committee in the house.

United Way funding to support Free Tax Preparation

Non recurring funding of \$1.2 million (up from \$500,000 last year) to provide free tax preparation for qualifying low and moderate income families. The funding would cover an estimated 31,000 filers and help insure they receive their refunds, earned income tax credits, and education tax credits.

Impact

FLACP 2014 study of unlicensed and unregulated paid tax preparers found an overwhelming number of errors and possible fraud in returns prepared for our testers. Further, many qualifying workers fail to receive their earned income tax credit, an important financial gain for the low income. This funding would have provided more needy families with help in filing their tax returns and insuring they receive their EITC.

Status

Died in Appropriations

July 14, 2017