

16-00478-23

1 A bill to be entitled (ver Aug\_4\_2023; May 2023 FBD)  
2 An act relating to the Uniform Commercial Code;  
3 providing a directive to the Division of Law Revision;  
4 creating part I of ch. 669, F.S., relating to  
5 controllable electronic records; creating s. 669.101,  
6 F.S.; providing a short title; creating s. 669.102,  
7 F.S.; defining terms; providing construction; creating  
8 s. 669.103, F.S.; providing construction; creating s.  
9 669.104, F.S.; providing applicability; specifying  
10 when a purchaser of a controllable account or  
11 controllable payment intangible is a qualifying  
12 purchaser; specifying rights acquired relating to  
13 controllable electronic records; prohibiting actions  
14 from being asserted against qualifying purchasers  
15 under certain circumstances; specifying that filing a  
16 certain financial statement is not notice of claim of  
17 a property right in a controllable electronic record;  
18 creating s. 669.105, F.S.; specifying when a person  
19 has control of a controllable electronic record;  
20 providing when a person's power relating to  
21 controllable electronic records is or is not  
22 exclusive; creating s. 669.106, F.S.; authorizing  
23 account debtors on a controllable account or  
24 controllable payment intangible to discharge  
25 obligations under certain circumstances; providing  
26 requirements for such discharge; prohibiting account  
27 debtors from waiving or varying certain rights and  
28 options; providing construction; creating s. 669.107,  
29 F.S.; specifying the governing laws and jurisdictions

16-00478-23

30 relating to controllable electronic records; creating  
31 part II of ch. 669, F.S., relating to transitional  
32 provisions; creating s. 669.501, F.S.; providing a  
33 short title; creating s. 669.502, F.S.; defining  
34 terms; creating ss. 669.601 and 669.701, F.S.;  
35 providing saving clauses for certain transactions;  
36 providing applicability; creating s. 669.702, F.S.;  
37 specifying requirements for perfecting security  
38 interests enforceable and perfected before a specified  
39 date; creating s. 669.703, F.S.; specifying  
40 requirements for security interests that were  
41 unperfected before a specified date; creating s.  
42 669.704, F.S.; specifying the effectiveness of certain  
43 actions relating to security interests taken before a  
44 specified date; creating ss. 669.705 and 669.706,  
45 F.S.; providing priority for conflicting claims to  
46 collateral; amending s. 670.103, F.S.; revising the  
47 definition of the term "payment order"; amending s.  
48 670.201, F.S.; revising authorizations and  
49 requirements relating to security procedures; amending  
50 s. 670.202, F.S.; revising the circumstances under  
51 which payment orders received by banks are effective  
52 as the order of a customer; making technical changes;  
53 amending s. 670.203, F.S.; revising rules that apply  
54 to payments orders that are not authorized orders of  
55 certain customers; amending ss. 670.207, 670.208,  
56 670.21, 670.211 and 670.305, F.S.; making technical  
57 changes; amending s. 671.101, F.S.; revising liability  
58 requirements relating to payment orders; amending s.

16-00478-23

59 671.105, F.S.; revising construction; amending s.  
60 671.107, F.S.; making a technical change; amending s.  
61 671.201, F.S.; revising definitions; defining the  
62 terms "electronic," "sign," and "signature"; creating  
63 s. 671.401, F.S.; savings provision; amending s.  
64 672.102, F.S.; revising applicability; amending s.  
65 672.106, F.S.; defining the term "hybrid transaction";  
66 amending s. 672.201, 672.202, 672.203, and 672.205,  
67 F.S.; making technical changes; amending s. 672.209,  
68 F.S.; revising a prohibition on modifying or  
69 rescinding a signed agreement that excludes  
70 modification or rescission; creating Part VIII of  
71 chapter 672, "Transitional Provisions", and s.  
72 672.801, F.S.; savings provision; amending s.  
73 673.1041, F.S.; revising the definition of the term  
74 "negotiable instrument"; amending s. 673.1051, F.S.;  
75 revising the definition of the term "issue"; amending  
76 s. 673.4011, F.S.; conforming provisions to changes  
77 made by the act; amending s. 673.6041, F.S.;  
78 specifying that the obligation of a party to pay a  
79 check is not discharged solely by destruction of the  
80 check in connection with a specified process; creating  
81 Part VII of chapter 673, "Transitional Provisions",  
82 and s. 673.701, F.S.; amending s. 675.104, F.S.;  
83 conforming provisions to changes made by the act;  
84 amending s. 675.116, F.S.; making technical changes;  
85 creating s. 675.119, F.S.; savings provision; amending  
86 s. 677.102, F.S.; deleting definitions of the terms  
87 "record" and "sign"; amending s. 677.106, F.S.;

16-00478-23

88 specifying when a system satisfies certain  
89 requirements and a person has control of an electronic  
90 document of title; specifying when certain powers are  
91 or are not exclusive; specifying that a person does  
92 not owe a duty to another person under certain  
93 circumstances; creating s. 677.701, F.S.; savings  
94 provision; amending s. 678.1021, F.S.; revising  
95 definitions; revising applicability of definitions;  
96 amending s. 678.1031, F.S.; specifying a controllable  
97 account, controllable electronic record, or  
98 controllable payment intangible is not a financial  
99 asset under certain circumstances; conforming a cross-  
100 reference; amending s. 678.1061, F.S.; revising the  
101 circumstances under which purchasers have control of  
102 security entitlements; specifying a person that has  
103 such control is not required to acknowledge such  
104 control on behalf of a purchaser; specifying that  
105 certain persons do not owe any duty to purchasers and  
106 are not required to confirm certain acknowledgment  
107 under certain circumstances; amending s. 678.1101,  
108 F.S.; providing applicability; amending s. 678.3031,  
109 F.S.; specifying that protected purchasers acquire  
110 interest in a security free of any adverse claim;  
111 creating Part VI of chapter 678, "Transitional  
112 Provisions", and s. 678.601, F.S.; savings provision;  
113 amending s. 679.1021, F.S.; defining terms; revising  
114 and deleting definitions; revising applicability of  
115 definitions; amending s. 679.1041, F.S.; revising the  
116 circumstances under which a secured party has control

16-00478-23

117 of a deposit account; amending s. 679.1051, F.S.;

118 revising when a person has control of electronic

119 chattel paper; specifying when power of such control

120 is or is not exclusive; creating s. 679.1052, F.S.;

121 specifying when a person has control of electronic

122 money; specifying when power of such control is or is

123 not exclusive; creating s. 679.1053, F.S.; specifying

124 when a person has control of controllable electronic

125 records, controllable accounts, or controllable

126 payment intangibles; creating s. 679.1054, F.S.;

127 providing that specified persons with certain control

128 are not required to acknowledge such control;

129 specifying that such persons do not owe any duty to

130 certain persons and are not required to confirm

131 acknowledgment to any other person; amending s.

132 679.2031, F.S.; revising the circumstances under which

133 a security interest is enforceable against a debtor

134 and third parties; amending s. 679.2041, F.S.;

135 revising the circumstances under which a security

136 interest does not attach to a term constituting an

137 after-acquired property clause; amending s. 679.2071,

138 F.S.; conforming a provision to changes made by the

139 act; amending s. 679.2081, F.S.; revising duties

140 relating to secured parties having control of

141 collateral; amending s. 679.209, F.S.; revising duties

142 relating to secured parties if an account debtor has

143 been notified of an assignment; amending s. 679.210,

144 F.S.; conforming provisions to changes made by the

145 act; amending s. 679.3011, F.S.; revising requirements

16-00478-23

146 relating to laws governing perfection and priority of  
147 security interests; amending s. 679.3041, F.S.;  
148 specifying that the local law of a bank's jurisdiction  
149 governs even if a transaction does not bear any  
150 relation to the bank's jurisdiction; amending s.  
151 679.3051, F.S.; revising applicability; creating s.  
152 679.3062, F.S.; specifying which laws govern the  
153 perfection and priority of security interests in  
154 chattel paper; creating s. 679.3063, F.S.; specifying  
155 which laws govern the perfection and priority of  
156 security interests in controllable accounts,  
157 controllable electronic records, and controllable  
158 payment intangibles; amending s. 679.3101, F.S.;  
159 revising the circumstances under which the filing of a  
160 financing statement is not necessary to perfect a  
161 security interest; amending s. 679.3121, F.S.;  
162 providing requirements for perfecting a security  
163 interest in controllable accounts, controllable  
164 electronic records, and controllable payment  
165 intangibles; amending s. 679.3131, F.S.; conforming  
166 provisions to changes made by the act; amending s.  
167 679.3141, F.S.; revising requirements for perfection  
168 by control; creating s. 679.3152, F.S.; providing  
169 requirements for perfecting a security interest in  
170 chattel paper by possession and control; amending s.  
171 679.3161, F.S.; revising requirements relating to  
172 maintaining perfection of security interests following  
173 a change in governing law; amending s. 679.3171, F.S.;  
174 revising the circumstances under which persons take

16-00478-23

175 free of a security interest; amending s. 679.323,  
176 F.S.; revising the circumstances under which a buyer  
177 of goods takes free of a security interest; amending  
178 s. 679.324, F.S.; conforming provisions to changes  
179 made by the act; creating s. 679.3251, F.S.;  
180 specifying that certain security interests in  
181 controllable accounts, controllable electronic  
182 records, or controllable payment intangibles have  
183 priority over conflicting security interests; amending  
184 s. 679.330, F.S.; revising the circumstances under  
185 which purchasers of chattel paper have priority over  
186 certain security interests in the chattel paper;  
187 amending s. 679.331, F.S.; revising construction;  
188 amending s. 679.332, F.S.; revising the circumstances  
189 under which a transferee takes money or funds free of  
190 a security interest; amending ss. 679.341 and  
191 679.4041, F.S.; conforming provisions to changes made  
192 by the act; amending s. 679.4061, F.S.; defining the  
193 term "promissory note"; conforming provisions to  
194 changes made by the act; revising applicability;  
195 amending s. 679.4081, F.S.; defining the term  
196 "promissory note"; amending s. 679.509, 679.513, and  
197 679.601, F.S.; conforming provisions to changes made  
198 by the act; amending s. 679.605, F.S.; specifying when  
199 a secured party owes a duty to a person based on the  
200 party's status as a secured party; amending s. 679.608  
201 and 679.611, F.S.; conforming provisions to changes  
202 made by the act; amending s. 679.613, F.S.; revising  
203 the form for a notification of disposition of

16-00478-23

204 collateral; providing requirements relating to such  
205 form; amending s. 679.614, F.S.; revising form  
206 requirements for a notice of a plan to sell property;  
207 providing requirements relating to such form; amending  
208 ss. 679.615, 679.616, 679.619, 679.620, 679.621,  
209 679.624 and 679.625, F.S.; conforming provisions to  
210 changes made by the act; amending s. 679.628, F.S.;  
211 providing applicability; creating Part IX of chapter  
212 679, "Transitional Provisions for 2024 Amendments",  
213 and s. 679.901 and s. 679.902, F.S.; savings  
214 provision; adopting transition provisions in Part II  
215 of Chapter 679; amending s. 680.1021, F.S.; revising  
216 applicability; amending s. 680.1031, F.S.; defining  
217 the term "hybrid lease"; conforming cross-references;  
218 amending ss. 680.1071, 680.201, 680.202, 680.203,  
219 680.205, and 680.208, F.S.; conforming provisions to  
220 changes made by the act; amending ss. 319.27,  
221 328.0015, 559.9232, 563.022, 668.50, 671.101, and  
222 680.1031, F.S.; conforming cross-references;  
223 reenacting s. 328.0015(2)(c), F.S., relating to  
224 definitions, to incorporate the amendments made to s.  
225 671.201, F.S., in references thereto; reenacting ss.  
226 655.55(1) and (2) and 685.101(2), F.S., relating to  
227 law applicable to deposits in and contracts relating  
228 to extensions of credit by a deposit or lending  
229 institution located in this state and choice of law,  
230 respectively, to incorporate the amendments made to s.  
231 671.105, F.S., in references thereto; reenacting ss.  
232 90.953(1), 673.1061(1), (3), and (4), and 673.1151(2),



16-00478-23

233 F.S., relating to admissibility of duplicates,  
234 unconditional promise or order, and incomplete  
235 instruments, respectively, to incorporate the  
236 amendments made to s. 673.1041, F.S., in references  
237 thereto; reenacting s. 673.1031(2), F.S., relating to  
238 definitions, to incorporate the amendments made to ss.  
239 673.1041 and 673.1051, F.S., in references thereto;  
240 reenacting s. 675.103(1)(j), F.S., relating to  
241 definitions, to incorporate the amendments made to s.  
242 675.104, F.S., in references thereto; reenacting ss.  
243 678.5101(3), 679.1061(1), and 679.328(2), F.S.,  
244 relating to rights of purchaser of security  
245 entitlement from entitlement holder, control of  
246 investment property, and priority of security  
247 interests in investment property, respectively, to  
248 incorporate the amendments made to s. 678.1061, F.S.,  
249 in references thereto; reenacting s. 671.105(2)(e),  
250 F.S., relating to territorial application of the code  
251 and parties' power to choose applicable law, to  
252 incorporate the amendments made to s. 678.1101, F.S.,  
253 in references thereto; reenacting s. 680.1031(3)(a),  
254 F.S., relating to definitions, to incorporate the  
255 amendments made to s. 679.1021, F.S., in references  
256 thereto; reenacting s. 679.327(1), F.S., relating to  
257 priority of security interests in deposit account, to  
258 incorporate the amendments made to s. 679.1041, F.S.,  
259 in references thereto; reenacting ss. 679.1091(4)(k),  
260 679.3171(1)(b), and 679.709(2), F.S., relating to  
261 scope, interests that take priority over or take free

16-00478-23

262 of security interest or agricultural lien, and  
263 priority, respectively, to incorporate the amendments  
264 made to s. 679.2031, F.S., in references thereto;  
265 reenacting s. 679.625(5), F.S., relating to remedies  
266 for failure to comply with article, to incorporate the  
267 amendments made to s. 679.2081, F.S., in references  
268 thereto; reenacting s. 679.3101(1), F.S., relating to  
269 when filing required to perfect security interest or  
270 agricultural lien and security interests and  
271 agricultural liens to which filing provisions do not  
272 apply, to incorporate the amendments made to s.  
273 679.3121, F.S., in references thereto; reenacting ss.  
274 679.327(2), 679.328(5), and 679.329(2), F.S., relating  
275 to priority of security interests in deposit account,  
276 priority of security interests in investment property,  
277 and priority of security interests in letter-of-credit  
278 right, respectively, to incorporate the amendments  
279 made to s. 679.3141, F.S., in references thereto;  
280 reenacting ss. 679.3101(2)(j) and 679.320(3), F.S.,  
281 relating to when filing required to perfect security  
282 interest or agricultural lien and buyer of goods,  
283 respectively, to incorporate the amendments made to s.  
284 679.3161, F.S., in references thereto; reenacting ss.  
285 680.307(3) and 727.109(8)(b), F.S., relating to  
286 priority of liens arising by attachment or levy on,  
287 security interests in, and other claims to goods and  
288 power of the court, respectively, to incorporate the  
289 amendments made to s. 679.3171, F.S., in references  
290 thereto; reenacting s. 668.50(16)(d), F.S., relating

16-00478-23

291 to the Uniform Electronic Transaction Act, to  
292 incorporate the amendments made to s. 679.330, F.S.,  
293 in references thereto; reenacting s. 679.330(4), F.S.,  
294 relating to priority of purchaser of chattel paper or  
295 instrument, to incorporate the amendments made to s.  
296 679.331, F.S., in references thereto; reenacting s.  
297 679.601(4), F.S., relating to rights after default, to  
298 incorporate the amendments made to s. 679.605, F.S.,  
299 in references thereto; reenacting ss. 679.625(3) and  
300 679.626(3), F.S., relating to remedies for failure to  
301 comply with article and action in which deficiency or  
302 surplus is in issue, to incorporate the amendments  
303 made to s. 679.628, F.S., in references thereto;  
304 providing an effective date.

305

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

307

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

312 Section 2. Part I of chapter 669, Florida Statutes,  
313 consisting of sections 669.101-669.107 is created and entitled  
314 "Controllable Electronic Records."

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

317 669.101 Short title.—This chapter may be cited as "Uniform  
318 Commercial Code—Controllable Electronic Records."

319 Section 4. Section 669.102, Florida Statutes, is created to

16-00478-23

320 read:

321 669.102 Definitions.-

322 (1) As used in this chapter, the term:

323 (a) "Controllable electronic record" means a record stored  
324 in an electronic medium that can be subjected to control under  
325 s. 669.105. The term does not include a controllable account, a  
326 controllable payment intangible, a deposit account, an  
327 electronic copy of a record evidencing chattel paper, an  
328 electronic document of title, electronic money, investment  
329 property, or a transferable record.

330 (b) "Qualifying purchaser" means a purchaser of a  
331 controllable electronic record or an interest in a controllable  
332 electronic record that obtains control of the controllable  
333 electronic record for value, in good faith, and without notice  
334 of a claim of a property right in the controllable electronic  
335 record.

336 (c) "Transferable record" has the meaning provided for that  
337 term in:

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

340 2. Section 668.50(16)(a).

341 (d) "Value" has the meaning provided in s. 673.3031, as if  
342 references in that subsection to an "instrument" were references  
343 to a controllable account, controllable electronic record, or  
344 controllable payment intangible.

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

16-00478-23

349 (3) Chapter 671 contains general definitions and principles  
350 of construction and interpretation applicable throughout this  
351 chapter.

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

354 669.103 Relation to chapter 679 and consumer laws.-

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

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

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

364 669.104 Rights in controllable account, controllable  
365 electronic record, and controllable payment intangible.-

366 (1) This section applies to the acquisition and purchase of  
367 rights in a controllable account or controllable payment  
368 intangible, including the rights and benefits under subsections  
369 (3), (4), (5), (7), and (8) of a purchaser and qualifying  
370 purchaser, in the same manner this section applies to a  
371 controllable electronic record.

372 (2) To determine whether a purchaser of a controllable  
373 account or a controllable payment intangible is a qualifying  
374 purchaser, the purchaser obtains control of the account or  
375 payment intangible if it obtains control of the controllable  
376 electronic record that evidences the account or payment  
377 intangible.

16-00478-23

378 (3) Except as provided in this section, law other than this  
379 chapter determines whether a person acquires a right in a  
380 controllable electronic record and the right the person  
381 acquires.

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

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

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

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

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

16-00478-23

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

409 669.105 Control of controllable electronic record.-

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

414 (a) Gives the person:

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

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

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

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

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

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

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

16-00478-23

- 436        (b) The power is shared with another person.
- 437        (3) A power of a person is not shared with another person
- 438 under paragraph (2) (b) and the person's power is not exclusive
- 439 if:
- 440        (a) The person can exercise the power only if the power
- 441 also is exercised by the other person; and
- 442        (b) The other person:
- 443        1. Can exercise the power without exercise of the power by
- 444 the person; or
- 445        2. Is the transferor to the person of an interest in the
- 446 controllable electronic record or a controllable account or
- 447 controllable payment intangible evidenced by the controllable
- 448 electronic record.
- 449        (4) If a person has the powers specified in subsection
- 450 (1) (a) 2.a. and b., the powers are presumed to be exclusive.
- 451        (5) A person has control of a controllable electronic
- 452 record if another person, other than the transferor to the
- 453 person of an interest in the controllable electronic record or a
- 454 controllable account or controllable payment intangible
- 455 evidenced by the controllable electronic record:
- 456        (a) Has control of the electronic record and acknowledges
- 457 that it has control on behalf of the person; or
- 458        (b) Obtains control of the electronic record after having
- 459 acknowledged that it will obtain control of the electronic
- 460 record on behalf of the person.
- 461        (6) A person that has control under this section is not
- 462 required to acknowledge that it has control on behalf of another
- 463 person.
- 464        (7) If a person acknowledges that it has or will obtain



16-00478-23

465 control on behalf of another person, unless the person otherwise  
466 agrees or law other than this part or chapter 679 otherwise  
467 provides, the person does not owe any duty to the other person  
468 and is not required to confirm the acknowledgment to any other  
469 person.

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

472 669.106 Discharge of account debtor on controllable account  
473 or controllable payment intangible.—

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

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

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

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

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

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

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

493 (d) Identifies the transferee, in any reasonable way,

16-00478-23

494 including by name, identifying number, cryptographic key,  
495 office, or account number; and

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

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

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

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

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

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

517 1. Divide a payment;

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

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

522 (5) Subject to subsection (8), if requested by the account

16-00478-23

523 debtor, the person giving the notification under subsection (2)  
524 seasonably shall furnish reasonable proof, using the method in  
525 the agreement referred to in subsection(4)(a), that control of  
526 the controllable electronic record has been transferred. Unless  
527 the person complies with the request, the account debtor may  
528 discharge its obligation by paying a person that formerly had  
529 control, even if the account debtor has received a notification  
530 under subsection (2).

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

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

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

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

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

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

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

551 669.107 Governing law.-

16-00478-23

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

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

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

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

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

577 (c) If paragraphs (a) and (b) do not apply and the  
578 controllable electronic record, or a record attached to or  
579 logically associated with the controllable electronic record and  
580 readily available for review, expressly provides that the

16-00478-23

581 controllable electronic record is governed by the law of a  
582 particular jurisdiction, that jurisdiction is the controllable  
583 electronic record's jurisdiction.

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

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

594 (4) If paragraph (3) (e) applies and Article 12 is not in  
595 effect in the District of Columbia without material  
596 modification, the governing law for a matter covered by this  
597 part is the law of the District of Columbia as though Article 12  
598 were in effect in the District of Columbia without material  
599 modification. For the purposes of this subsection, "Article 12"  
600 means Article 12 of Uniform Commercial Code Amendments (2022).

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

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

16-00478-23

610 Section 10. Part II of chapter 669, Florida Statutes,  
611 consisting of sections 669.501-669.706 is created and entitled  
612 "Transitional Provisions for Chapter 669 and 2024 Amendments to  
613 Chapter 679."

614 Section 11. Section 669.501, Florida Statutes, is created  
615 to read:  
616 669.501 Effective Date.— This chapter takes effect on July  
617 1, 2024."

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

620 669.502 Definitions.—As used in this part:

621 (1) (a) "Adjustment date" means July 1, 2025.

622 (b) "Article 12" means Part I of chapter 669.

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

626 (2) Other definitions applying to this part, or to  
627 specified parts thereof, and the sections in which they appear:

628 "Controllable account," s. 679.1021.

629 "Controllable electronic record," s. 669.102.

630 "Controllable payment intangible," s. 679.1021.

631 "Electronic money," s. 679.1021.

632 "Financing statement," s. 679.1021.

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

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

638 669.601 Saving clause for general transitional provision.—

16-00478-23

639 Except as provided in this part, a transaction validly entered  
640 into before July 1, 2024, and the rights, duties, and interests  
641 flowing from the transaction remain valid thereafter and may be  
642 terminated, completed, consummated, or enforced as required or  
643 permitted by law other than the Uniform Commercial Code or, if  
644 applicable, the Uniform Commercial Code as though ch. 2024-XX,  
645 Laws of Florida, had not taken effect.

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

648 669.701 Saving clause for transitional provisions for  
649 chapters 669 and 679.—

650 (1) Except as provided in this part, chapter 679, as  
651 amended by ch. 2024-XX, Laws of Florida, and Article 12 apply to  
652 a transaction, lien, or other interest in property, even if the  
653 transaction, lien, or interest was entered into, created, or  
654 acquired before July 1, 2024.

655 (2) Except as provided in subsection (3) and ss. 669.702-  
656 669.706:

657 (a) A transaction, lien, or interest in property that was  
658 validly entered into, created, or transferred before July 1,  
659 2024, and was not governed by the Uniform Commercial Code, but  
660 would be subject to chapter 679, as amended by ch. 2024-XX, Laws  
661 of Florida, or Article 12 if it had been entered into, created,  
662 or transferred on or after July 1, 2024, including the rights,  
663 duties, and interests flowing from the transaction, lien, or  
664 interest, remains valid on and after July 1, 2024; and

665 (b) The transaction, lien, or interest may be terminated,  
666 completed, consummated, and enforced as required or permitted by  
667 ch. 2024-XX, Laws of Florida, or by the law that would apply if

16-00478-23

668 ch. 2024-XX, Laws of Florida, had not taken effect.

669 (3) Ch. 2024-XX, Laws of Florida, does not affect an  
670 action, case, or proceeding commenced before July 1, 2024.

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

673 669.702 Security interest perfected before effective date.—

674 (1) A security interest that is enforceable and perfected  
675 immediately before July 1, 2024, is a perfected security  
676 interest under ch. 2024-XX, Laws of Florida, if, on July 1,  
677 2024, the requirements for enforceability and perfection under  
678 ch. 2024-XX, Laws of Florida, are satisfied without further  
679 action.

680 (2) If a security interest is enforceable and perfected  
681 immediately before July 1, 2024, but the requirements for  
682 enforceability or perfection under ch. 2024-XX, Laws of Florida,  
683 are not satisfied on July 1, 2024, the security interest:

684 (a) Is a perfected security interest until the earlier of  
685 the time perfection would have ceased under the law in effect  
686 immediately before July 1, 2024, or the adjustment date;

687 (b) Remains enforceable thereafter only if the security  
688 interest satisfies the requirements for enforceability under s.  
689 679.2031, as amended by ch. 2024-XX, Laws of Florida, before the  
690 adjustment date; and

691 (c) Remains perfected thereafter only if the requirements  
692 for perfection under ch. 2024-XX, Laws of Florida, are satisfied  
693 before the time specified in paragraph (a).

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

696 669.703 Security interest unperfected before effective



16-00478-23

697 date.—A security interest that is enforceable immediately before  
698 July 1, 2024, but is unperfected at that time:

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

701 (2) Remains enforceable thereafter if the security interest  
702 becomes enforceable under s. 679.2031, as amended by ch. 2024-  
703 XX, Laws of Florida, on July 1, 2024, or before the adjustment  
704 date; and

705 (3) Becomes perfected:

706 (a) Without further action, on July 1, 2024, if the  
707 requirements for perfection under ch. 2024-XX, Laws of Florida,  
708 are satisfied before or at that time; or

709 (b) When the requirements for perfection are satisfied if  
710 the requirements are satisfied after that time.

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

713 669.704 Effectiveness of actions taken before effective  
714 date.—

715 (1) If action, other than the filing of a financing  
716 statement, is taken before July 1, 2024, and the action would  
717 have resulted in perfection of the security interest had the  
718 security interest become enforceable before July 1, 2024, the  
719 action is effective to perfect a security interest that attaches  
720 under ch. 2024-XX, Laws of Florida, before the adjustment date.

721 An attached security interest becomes unperfected on the  
722 adjustment date unless the security interest becomes a perfected  
723 security interest under ch. 2024-XX, Laws of Florida, before the  
724 adjustment date.

725 (2) The filing of a financing statement before July 1,

16-00478-23

726 2024, is effective to perfect a security interest on July 1,  
727 2024, to the extent the filing would satisfy the requirements  
728 for perfection under ch. 2024-XX, Laws of Florida.

729 (3) The taking of an action before July 1, 2024, is  
730 sufficient for the enforceability of a security interest on July  
731 1, 2024, if the action would satisfy the requirements for  
732 enforceability under ch. 2024-XX, Laws of Florida.

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

735 669.705 Priority.—

736 (1) Subject to subsections (2) and (3), ch. 2024-XX, Laws  
737 of Florida, determines the priority of conflicting claims to  
738 collateral.

739 (2) Subject to subsection (3), if the priorities of claims  
740 to collateral were established before July 1, 2024, chapter 679  
741 as in effect before July 1, 2024, determines priority.

742 (3) On the adjustment date, to the extent the priorities  
743 determined by chapter 679, as amended by ch. 2024-XX, Laws of  
744 Florida, modify the priorities established before July 1, 2024,  
745 the priorities of claims to Article 12 property and electronic  
746 money established before July 1, 2024, cease to apply.

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

749 669.706 Priority of claims when priority rules of chapter  
750 679 do not apply.—

751 (1) Subject to subsections (2) and (3), Article 12  
752 determines the priority of conflicting claims to Article 12  
753 property when the priority rules of chapter 679, as amended by  
754 ch. 2024-XX, Laws of Florida, do not apply.

16-00478-23

755       (2) Subject to subsection (3), when the priority rules of  
756 chapter 679, as amended by ch. 2024-XX, Laws of Florida, do not  
757 apply and the priorities of claims to Article 12 property were  
758 established before July 1, 2024, law other than Article 12  
759 determines priority.

760       (3) When the priority rules of chapter 679, as amended by  
761 ch. 2024-XX, Laws of Florida, do not apply, to the extent the  
762 priorities determined by ch. 2024-XX, Laws of Florida, modify  
763 the priorities established before July 1, 2024, the priorities  
764 of claims to Article 12 property established before July 1,  
765 2024, cease to apply on the adjustment date.

766       Section 20. Paragraph (c) of subsection (1) of section  
767 670.103, Florida Statutes, is amended to read:

768       670.103 Payment order: definitions.—

769       (1) In this chapter, the term:

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

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

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

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

782       Section 21. Section 670.201, Florida Statutes, is amended  
783 to read:

16-00478-23

784           670.201 Security procedure.—“Security procedure” means a  
785 procedure established by agreement of a customer and a receiving  
786 bank for the purpose of:

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

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

792

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

802           Section 22. Subsection (2) and paragraph (b) of subsection  
803 (3) of section 670.202, Florida Statutes, are amended to read:

804           670.202 Authorized and verified payment orders.—

805           (2) If a bank and its customer have agreed that the  
806 authenticity of payment orders issued to the bank in the name of  
807 the customer as sender will be verified pursuant to a security  
808 procedure, a payment order received by the receiving bank is  
809 effective as the order of the customer, whether or not  
810 authorized, if the security procedure is a commercially  
811 reasonable method of providing security against unauthorized  
812 payment orders and the bank proves that it accepted the payment

16-00478-23

813 order in good faith and in compliance with the bank's  
814 obligations under the security procedure and any ~~written~~  
815 agreement or instruction of the customer, evidenced by a record,  
816 restricting acceptance of payment orders issued in the name of  
817 the customer. The bank is not required to follow an instruction  
818 that violates an a-written agreement with the customer,  
819 evidenced by a record, or notice of which is not received at a  
820 time and in a manner affording the bank a reasonable opportunity  
821 to act on it before the payment order is accepted.

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

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

835 Section 23. Paragraph (a) of subsection (1) of section  
836 670.203, Florida Statutes, is amended to read:

837 670.203 Unenforceability of certain verified payment  
838 orders.—

839 (1) If an accepted payment order is not, under s.  
840 670.202(1), an authorized order of a customer identified as  
841 sender, but is effective as an order of the customer pursuant to

16-00478-23

842 s. 670.202(2), the following rules apply:

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

846 Section 24. Paragraph (b) of subsection (3) of section  
847 670.207, Florida Statutes, is amended to read:

848 670.207 Misdescription of beneficiary.—

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

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

867 Section 25. Paragraph (b) of subsection (2) of section  
868 670.208, Florida Statutes, is amended to read:

869 670.208 Misdescription of intermediary bank or  
870 beneficiary's bank.—

16-00478-23

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

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

887 Section 26. The numbering of section 670.21 and Subsection  
888 (1) of section 670.21, Florida Statutes, are amended to read:

889 670.21 Rejection of payment order.—

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

16-00478-23

900 establishes the means to be used to reject a payment order:

901 (a) Any means complying with the agreement is reasonable;  
902 and

903 (b) Any means not complying is not reasonable unless no  
904 significant delay in receipt of the notice resulted from the use  
905 of the noncomplying means.

906 Section 27. Subsection (1) of section 670.211, Florida  
907 Statutes, is amended to read:

908 670.211 Cancellation and amendment of payment order.—

909 (1) A communication of the sender of a payment order  
910 canceling or amending the order may be transmitted to the  
911 receiving bank orally, ~~electronically,~~ or in a record writing.

912 If a security procedure is in effect between the sender and the  
913 receiving bank, the communication is not effective to cancel or  
914 amend the order unless the communication is verified pursuant to  
915 the security procedure or the bank agrees to the cancellation or  
916 amendment.

917 Section 28. Subsections (3) and (4) of section 670.305,  
918 Florida Statutes, are amended to read:

919 670.305 Liability for late or improper execution or failure  
920 to execute payment order.—

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

925 (4) If a receiving bank fails to execute a payment order it  
926 was obliged by express agreement to execute, the receiving bank  
927 is liable to the sender for its expenses in the transaction and  
928 for incidental expenses and interest losses resulting from the



16-00478-23

929 failure to execute. Additional damages, including consequential  
930 damages, are recoverable to the extent provided in an express  
931 ~~written~~ agreement of the receiving bank, evidenced by a record,  
932 but are not otherwise recoverable.

933 Section 29. Part VI of chapter 670, Florida Statutes,  
934 consisting of section 670.601, is created and entitled  
935 "Transitional Provisions."

936 Section 30. Section 670.601, Florida Statutes, is created  
937 to read:

938 670.601 Saving clause for 2024 Amendments.—Except as  
939 provided in ss. 669.501-669.706, a transaction validly entered  
940 into before July 1, 2024, and the rights, duties, and interests  
941 flowing from the transaction remain valid thereafter and may be  
942 terminated, completed, consummated, or enforced as required or  
943 permitted by law other than the Uniform Commercial Code or, if  
944 applicable, the Uniform Commercial Code as though ch. 2024-XX,  
945 Laws of Florida, had not taken effect.

946 Section 31. Subsection (1) of section 671.101, Florida  
947 Statutes, is amended to read:

948 671.101 Short title; scope of chapter.—

949 (1) Chapters ~~669-680~~~~670-680~~ may be cited as the "Uniform  
950 Commercial Code" or "Code."

951 Section 32. Paragraph (h) is added to subsection (2) of  
952 section 671.105, Florida Statutes, to read:

953 671.105 Territorial application of the code; parties' power  
954 to choose applicable law.—

955 (2) When one of the following provisions of this code  
956 specifies the applicable law, that provision governs; and a  
957 contrary agreement is effective only to the extent permitted by

16-00478-23

958 the law (including the conflict-of-laws rules) so specified:

959 (h) Governing law in the chapter on controllable electronic  
960 records. (s. 669.107).

961 Section 33. Section 671.107, Florida Statutes, is amended  
962 to read:

963 671.107 Waiver or renunciation of claim or right after  
964 breach.—A claim or right arising out of an alleged breach can be  
965 discharged in whole or in part without consideration by  
966 agreement of the aggrieved party in a signed ~~an authenticated~~  
967 record.

968 Section 34. Present subsections (18) through (47) of  
969 section 671.201, Florida Statutes, are redesignated as  
970 subsections (19) through (48), respectively, a new subsection  
971 (18) is added to that section, and present subsections (11),  
972 (16), (22), (25), (26), (27), (31), (40), and (41) of that  
973 section are amended, to read:

974 671.201 General definitions.—Unless the context otherwise  
975 requires, words or phrases defined in this section, or in the  
976 additional definitions contained in other chapters of this code  
977 which apply to particular chapters or parts thereof, have the  
978 meanings stated. Subject to definitions contained in other  
979 chapters of this code which apply to particular chapters or  
980 parts thereof, the term:

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

16-00478-23

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

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

994           (16) "Delivery," with respect to an electronic document of  
995 title, means voluntary transfer of control and, "delivery," with  
996 respect to an instrument, tangible document of title, or an  
997 authoritative tangible copy of a record evidencing chattel  
998 paper, or certificated securities, means voluntary transfer of  
999 possession.

1000           (18) "Electronic" means relating to technology having  
1001 electrical, digital, magnetic, wireless, optical,  
1002 electromagnetic, or similar capabilities.

1003           ~~(23)-(22)~~ "Holder" means:

1004           (a) The person in possession of a negotiable instrument  
1005 that is payable either to bearer or to an identified person that  
1006 is the person in possession;

1007           (b) The person in possession of a negotiable tangible  
1008 document of title if the goods are deliverable either to bearer  
1009 or to the order of the person in possession; or

1010           (c) The person in control, other than pursuant to s.  
1011 677.106(7), of a negotiable electronic document of title.

1012           ~~(26)-(25)~~ "Money" means a medium of exchange that is  
1013 currently authorized or adopted by a domestic or foreign  
1014 government. The term includes a monetary unit of account  
1015 established by an intergovernmental organization or by agreement

**Commented [DW1]:** Fla is non-uniform. Is "or certificated securities" to remain or be deleted. the ULC definition excludes "or certificated securities."

16-00478-23

1016 between two or more countries. The term does not include a  
1017 central bank digital currency. The term does not include an  
1018 electronic record that is a medium of exchange recorded and  
1019 transferable in a system that existed and operated for the  
1020 medium of exchange before the medium of exchange was authorized  
1021 or adopted by the government.

1022 (27)~~(26)~~ Subject to subsection (29) ~~(28)~~, a person has  
1023 "notice" of a fact if the person:

- 1024 (a) Has actual knowledge of it;
- 1025 (b) Has received a notice or notification of it; or
- 1026 (c) From all the facts and circumstances known to the  
1027 person at the time in question, has reason to know that it  
1028 exists. A person "knows" or has "knowledge" of a fact when the  
1029 person has actual knowledge of it. "Discover" or "learn" or a  
1030 word or phrase of similar import refers to knowledge rather than  
1031 to reason to know. The time and circumstances under which a  
1032 notice or notification may cease to be effective are not  
1033 determined by this section.

1034 (28)~~(27)~~ A person "notifies" or "gives" a notice or  
1035 notification to another person by taking such steps as may be  
1036 reasonably required to inform the other person in ordinary  
1037 course, whether or not the other person actually comes to know  
1038 of it. Subject to subsection (29) ~~(28)~~, a person "receives" a  
1039 notice or notification when:

- 1040 (a) It comes to that person's attention; or
- 1041 (b) It is duly delivered in a form reasonable under the  
1042 circumstances at the place of business through which the  
1043 contract was made or at another location held out by that person  
1044 as the place for receipt of such communications.

16-00478-23

1045 (32)~~(31)~~ "Person" means an individual; corporation;  
1046 business trust; estate; trust; partnership; limited liability  
1047 company; association; joint venture; government; governmental  
1048 subdivision, agency, or instrumentality; ~~public corporation;~~ or  
1049 any other legal or commercial entity. The term includes a  
1050 protected series, however denominated, of an entity if the  
1051 protected series is established under law other than the Uniform  
1052 Commercial Code that limits, or limits if conditions specified  
1053 under the law are satisfied, the ability of a creditor of the  
1054 entity or of any other protected series of the entity to satisfy  
1055 a claim from assets of the protected series.

1056 (41)~~(40)~~ "Send," in connection with a ~~writing,~~ record, or  
1057 notification ~~notice,~~ means:

1058 (a) To deposit in the mail, ~~or~~ deliver for transmission, or  
1059 transmit by any other usual means of communication, with postage  
1060 or cost of transmission provided for, ~~and properly addressed~~  
1061 ~~and, in the case of an instrument, to an address specified~~  
1062 ~~thereon or otherwise agreed or, if there be none,~~ to any address  
1063 reasonable under the circumstances; or

1064 (b) To cause the record or notification to be received  
1065 within the time it would have been received if properly sent  
1066 under paragraph (a) In any other way to cause to be received any  
1067 ~~record or notice within the time it would have arrived if~~  
1068 ~~properly sent.~~

1069 (42)~~(41)~~ "Sign," "signing," "signed," or "signature" means,  
1070 with present intent to authenticate or adopt a record:

1071 (a) Execute or adopt a tangible symbol; or

1072 (b) Attach to or logically associate with the record an  
1073 electronic symbol, sound, or process ~~means bearing any symbol~~

**Commented [DW2]:** This ULC text is for series LLC amendments. What is section position?

**Commented [DW3]:** Matches ULC. Verify if change of Fla law.

16-00478-23

1074 ~~executed or adopted by a party with present intention to adopt~~  
1075 ~~or accept a writing.~~

1076 Section 35. Section 671.211, Florida Statutes, is amended  
1077 to read:

1078 671.211 Value.—Except as otherwise provided with respect to  
1079 negotiable instruments and bank collections as provided in ss.  
1080 673.3031, 674.2101, ~~and~~ 674.2111, and chapter 669, a person  
1081 gives value for rights if the person acquires them:

1082 (1) In return for a binding commitment to extend credit or  
1083 for the extension of immediately available credit whether or not  
1084 drawn upon and whether or not a charge-back is provided for in  
1085 the event of difficulties in collection;

1086 (2) As security for, or in total or partial satisfaction  
1087 of, a preexisting claim;

1088 (3) By accepting delivery under a preexisting contract for  
1089 purchase; or

1090 (4) In return for any consideration sufficient to support a  
1091 simple contract.

1092 Section 36. Part IV of chapter 671, Florida Statutes,  
1093 consisting of section 671.401, is created and entitled  
1094 "Transitional Provisions."

1095 Section 37. Section 671.401, Florida Statutes, is created  
1096 to read:

1097 671.401 Saving clause for 2024 Amendments.—Except as  
1098 provided in ss. 669.501-669.706, a transaction validly entered  
1099 into before July 1, 2024, and the rights, duties, and interests  
1100 flowing from the transaction remain valid thereafter and may be  
1101 terminated, completed, consummated, or enforced as required or  
1102 permitted by law other than the Uniform Commercial Code or, if

16-00478-23

1103 applicable, the Uniform Commercial Code as though ch. 2024-XX,  
1104 Laws of Florida, had not taken effect.

1105 Section 38. Section 672.102, Florida Statutes, is amended  
1106 to read:

1107 672.102 Scope; certain security and other transactions  
1108 excluded from this chapter.-

1109 (1) Unless the context otherwise requires, and except as  
1110 provided in subsection (3), this chapter applies to transactions  
1111 in goods and, in the case of a hybrid transaction, this chapter  
1112 applies to the extent provided in subsection (2).

1113 (2) In a hybrid transaction:

1114 (a) If the sale-of-goods aspects do not predominate, only  
1115 the provisions of this chapter which relate primarily to the  
1116 sale-of-goods aspects of the transaction apply, and the  
1117 provisions that relate primarily to the transaction as a whole  
1118 do not apply.

1119 (b) If the sale-of-goods aspects predominate, this chapter  
1120 applies to the transaction but does not preclude application in  
1121 appropriate circumstances of other law to aspects of the  
1122 transaction which do not relate to the sale of goods.

1123 (3) This chapter does not:

1124 (a) Apply to a transaction that, even though in the form of  
1125 an unconditional contract to sell or present sale, operates only  
1126 to create a security interest; or

1127 (b) Impair or repeal a statute regulating sales to  
1128 consumers, farmers, or other specified classes of buyers; ~~it~~  
1129 ~~670~~does not apply to any transaction which although in the form  
1130 of an unconditional contract to sell or present sale is intended  
1131 to operate only as a security transaction nor does this chapter

**Commented [DW4]:** Text is correct to ULC. But change is less than shown because deleted existing text without should the word changes. Same concept.

16-00478-23

1132 ~~impair or repeal any statute regulating sales to consumers,~~  
1133 ~~farmers or other specified classes of buyers.~~

1134 Section 39. Section 672.106, Florida Statutes, is amended  
1135 to read:

1136 672.106 Definitions: "contract"; "agreement"; "contract for  
1137 sale"; "sale"; "present sale"; "conforming" to contract;  
1138 "termination"; "cancellation-"; "hybrid transaction."-

1139 (1) In this chapter unless the context otherwise requires  
1140 "contract" and "agreement" are limited to those relating to the  
1141 present or future sale of goods. "Contract for sale" includes  
1142 both a present sale of goods and a contract to sell goods at a  
1143 future time. A "sale" consists in the passing of title from the  
1144 seller to the buyer for a price (s. 672.401). A "present sale"  
1145 means a sale which is accomplished by the making of the  
1146 contract.

1147 (2) Goods or conduct including any part of a performance  
1148 are "conforming" or conform to the contract when they are in  
1149 accordance with the obligations under the contract.

1150 (3) "Termination" occurs when either party pursuant to a  
1151 power created by agreement or law puts an end to the contract  
1152 otherwise than for its breach. On termination, all obligations  
1153 which are still executory on both sides are discharged but any  
1154 right based on prior breach or performance survives.

1155 (4) "Cancellation" occurs when either party puts an end to  
1156 the contract for breach by the other and its effect is the same  
1157 as that of "termination" except that the canceling party also  
1158 retains any remedy for breach of the whole contract or any  
1159 unperformed balance.

1160 (5) "Hybrid transaction" means a single transaction



16-00478-23

1161 involving a sale of goods and:

1162 (a) The provision of services;

1163 (b) A lease of other goods; or

1164 (c) A sale, lease, or license of property other than goods.

1165 Section 40. Subsections (1) and (2) of section 672.201,  
1166 Florida Statutes, are amended to read:

1167 672.201 Formal requirements; statute of frauds.—

1168 (1) Except as otherwise provided in this section a contract  
1169 for the sale of goods for the price of \$500 or more is not  
1170 enforceable by way of action or defense unless there is a record  
1171 ~~some writing~~ sufficient to indicate that a contract for sale has  
1172 been made between the parties and signed by the party against  
1173 whom enforcement is sought or by the party's ~~his or her~~  
1174 authorized agent or broker. A record ~~writing~~ is not insufficient  
1175 because it omits or incorrectly states a term agreed upon but  
1176 the contract is not enforceable under this subsection ~~paragraph~~  
1177 beyond the quantity of goods shown in the record ~~such writing~~.

1178 (2) Between merchants if within a reasonable time a record  
1179 ~~writing~~ in confirmation of the contract and sufficient against  
1180 the sender is received and the party receiving it has reason to  
1181 know its contents, it satisfies the requirements of subsection  
1182 (1) against the ~~such~~ party unless ~~written~~ notice in a record of  
1183 objection to its contents is given within 10 days after it is  
1184 received.

1185 Section 41. Section 672.202, Florida Statutes, is amended  
1186 to read:

1187 672.202 Final ~~written~~ expression; parol or extrinsic  
1188 evidence.—Terms with respect to which the confirmatory memoranda  
1189 of the parties agree or which are otherwise set forth in a

16-00478-23

1190 record writing intended by the parties as a final expression of  
1191 their agreement with respect to such terms as are included  
1192 therein may not be contradicted by evidence of any prior  
1193 agreement or of a contemporaneous oral agreement but may be  
1194 explained or supplemented:

1195 (1) By course of dealing or usage of trade (s. 671.205) or  
1196 by course of performance (s. 672.208); and

1197 (2) By evidence of consistent additional terms unless the  
1198 court finds the record writing to have been intended also as a  
1199 complete and exclusive statement of the terms of the agreement.

1200 Section 42. Section 672.203, Florida Statutes, is amended  
1201 to read:

1202 672.203 Seals inoperative.—The affixing of a seal to a  
1203 record writing evidencing a contract for sale or an offer to buy  
1204 or sell goods does not constitute the record of writing a sealed  
1205 instrument and the law with respect to sealed instruments does  
1206 not apply to such a contract or offer.

1207 Section 43. Section 672.205, Florida Statutes, is amended  
1208 to read:

1209 672.205 Firm offers.—An offer by a merchant to buy or sell  
1210 goods in a signed record writing which by its terms gives  
1211 assurance that it will be held open is not revocable, for lack  
1212 of consideration, during the time stated or if no time is stated  
1213 for a reasonable time, but in no event may such period of  
1214 irrevocability exceed 3 months; but any such term of assurance  
1215 on a form supplied by the offeree must be separately signed by  
1216 the offeror.

1217 Section 44. Subsection (2) of section 672.209, Florida  
1218 Statutes, is amended to read:

**Commented [DW5]:** Matches ULC. But is there a typo? ...does not constitute the record "of" a sealed instrument? .. or record sealed instrument with no "a"? Verify wording.

16-00478-23

1219 672.209 Modification, rescission, and waiver.-

1220 (2) A signed agreement which excludes modification or  
1221 rescission except by a signed writing or other signed record  
1222 cannot be otherwise modified or rescinded, but except as between  
1223 merchants such a requirement on a form supplied by the merchant  
1224 must be separately signed by the other party.

1225 Section 45. Part VIII of chapter 672, Florida Statutes,  
1226 consisting of section 672.801, is created and entitled  
1227 "Transitional Provisions."

1228 Section 46. Section 672.801, Florida Statutes, is created  
1229 to read:

1230 672.801 Saving clause for 2024 Amendments.-Except as  
1231 provided in ss. 669.501-669.706, a transaction validly entered  
1232 into before July 1, 2024, and the rights, duties, and interests  
1233 flowing from the transaction remain valid thereafter and may be  
1234 terminated, completed, consummated, or enforced as required or  
1235 permitted by law other than the Uniform Commercial Code or, if  
1236 applicable, the Uniform Commercial Code as though ch. 2024-XX,  
1237 Laws of Florida, had not taken effect.

1238

1239 Section 47. Paragraph (c) of subsection (1) of section  
1240 673.1041, Florida Statutes, is amended to read:

1241 673.1041 Negotiable instrument.-

1242 (1) Except as provided in subsections (3), (4), and (11),  
1243 the term "negotiable instrument" means an unconditional promise  
1244 or order to pay a fixed amount of money, with or without  
1245 interest or other charges described in the promise or order, if  
1246 it:

1247 (c) Does not state any other undertaking or instruction by

16-00478-23

1248 the person promising or ordering payment to do any act in  
1249 addition to the payment of money, but the promise or order may  
1250 contain:

- 1251 1. An undertaking or power to give, maintain, or protect  
1252 collateral to secure payment;
- 1253 2. An authorization or power to the holder to confess  
1254 judgment or realize on or dispose of collateral; ~~or~~
- 1255 3. A waiver of the benefit of any law intended for the  
1256 advantage or protection of an obligor;
- 1257 4. A term that specifies the law that governs the promise  
1258 or order; or
- 1259 5. An undertaking to resolve in a specified forum a dispute  
1260 concerning the promise or order.

1261 Section 48. Subsection (1) of section 673.1051, Florida  
1262 Statutes, is amended to read:

1263 673.1051 Issue of instrument.—

1264 (1) The term "issue" means:

- 1265 (a) The first delivery of an instrument by the maker or  
1266 drawer, whether to a holder or nonholder, for the purpose of  
1267 giving rights on the instrument to any person; or
- 1268 (b) If agreed to by the payee, the first transmission by  
1269 the drawer to the payee of an image of an item and information  
1270 derived from the item that enables the depository bank to  
1271 collect the item by transferring or presenting under federal law  
1272 an electronic check.

1273 Section 49. Section 673.4011, Florida Statutes, is amended  
1274 to read:

1275 673.4011 Signature.—

1276 ~~(1)~~ A person is not liable on an instrument unless+

16-00478-23

1277       ~~(a) the person signed the instrument; or~~  
1278       ~~(b) the person is represented by an agent or representative~~  
1279 who signed the instrument and the signature is binding on the  
1280 represented person under s. 673.4021.

1281       ~~(2) A signature may be made:~~

1282       ~~(a) Manually or by means of a device or machine; and~~

1283       ~~(b) By the use of any name, including a trade or assumed~~  
1284 ~~name, or by a word, mark, or symbol executed or adopted by a~~  
1285 ~~person with present intention to authenticate a writing.~~

1286       Section 50. Subsection (1) of section 673.6041, Florida  
1287 Statutes, is amended to read:

1288       673.6041 Discharge by cancellation or renunciation.—

1289       (1) A person entitled to enforce an instrument, with or  
1290 without consideration, may discharge the obligation of a party  
1291 to pay the instrument:

1292       (a) By an intentional voluntary act, such as:

1293       1. Surrender of the instrument to the party;

1294       2. Destruction, mutilation, or cancellation of the  
1295 instrument;

1296       3. Cancellation or striking out of the party's signature;  
1297 or

1298       4. Addition of words to the instrument indicating  
1299 discharge; or

1300       (b) By agreeing not to sue or otherwise renouncing rights  
1301 against the party by a signed writing.

1302

1303       The obligation of a party to pay a check is not discharged  
1304 solely by destruction of the check in connection with a process  
1305 in which information is extracted from the check and an image of

16-00478-23

1306 the check is made and, subsequently, the information and image  
1307 are transmitted for payment.

1308 Section 51. Part VII of chapter 673, Florida Statutes,  
1309 consisting of section 673.701, is created and entitled  
1310 "Transitional Provisions."

1311 Section 52. Section 673.701, Florida Statutes, is created  
1312 to read:

1313 673.701 Saving clause for 2024 Amendments.—Except as  
1314 provided in ss. 669.501-669.706, a transaction validly entered  
1315 into before July 1, 2024, and the rights, duties, and interests  
1316 flowing from the transaction remain valid thereafter and may be  
1317 terminated, completed, consummated, or enforced as required or  
1318 permitted by law other than the Uniform Commercial Code or, if  
1319 applicable, the Uniform Commercial Code as though ch. 2024-XX,  
1320 Laws of Florida, had not taken effect.

1321 Section 53. Section 675.104, Florida Statutes, is amended  
1322 to read:

1323 675.104 Formal requirements.—A letter of credit,  
1324 confirmation, advice, transfer, amendment, or cancellation may  
1325 be issued in any form that is a signed record ~~and is~~  
1326 ~~authenticated by a signature or in accordance with the agreement~~  
1327 ~~of the parties or the standard practice referred to in s.~~  
1328 ~~675.108(5).~~

1329 Section 54. Section 675.116, Florida Statutes, is amended  
1330 to read:

1331 675.116 Choice of law and forum.—

1332 (1) The liability of an issuer, nominated person, or  
1333 adviser for action or omission is governed by the law of the  
1334 jurisdiction chosen by an agreement in the form of a record

16-00478-23

1335 signed ~~or otherwise authenticated~~ by the affected parties in the  
1336 ~~manner provided in s. 675.104~~ or by a provision in the person's  
1337 letter of credit, confirmation, or other undertaking. The  
1338 jurisdiction whose law is chosen need not bear any relation to  
1339 the transaction.

1340 (2) Unless subsection (1) applies, the liability of an  
1341 issuer, nominated person, or adviser for action or omission is  
1342 governed by the law of the jurisdiction in which the person is  
1343 located. The person is considered to be located at the address  
1344 indicated in the person's undertaking. If more than one address  
1345 is indicated, the person is considered to be located at the  
1346 address from which the person's undertaking was issued.

1347 (a) For the purpose of jurisdiction, choice of law, and  
1348 recognition of interbranch letters of credit, but not  
1349 enforcement of a judgment, all branches of a bank are considered  
1350 separate juridical entities and a bank is considered to be  
1351 located at the place where its relevant branch is considered to  
1352 be located under paragraph (b) ~~this subsection~~.

1353 (b) A branch of a bank is considered to be located at the  
1354 address indicated in the branch's undertaking. If more than one  
1355 address is indicated, the branch is considered to be located at  
1356 the address from which the undertaking was issued.

1357 (c) ~~(3)~~ Except as otherwise provided in this paragraph  
1358 ~~subsection~~, the liability of an issuer, nominated person, or  
1359 adviser is governed by any rules of custom or practice, such as  
1360 the Uniform Customs and Practice for Documentary Credits, to  
1361 which the letter of credit, confirmation, or other undertaking  
1362 is expressly made subject. If this chapter governs the liability  
1363 of an issuer, nominated person, or adviser under subsection (1)

16-00478-23

1364 or this subsection ~~subsection (2)~~, the relevant undertaking  
1365 incorporates rules of custom or practice, and there is conflict  
1366 between this chapter and such rules as applied to that  
1367 undertaking, such rules govern except to the extent of any  
1368 conflict with the nonvariable provisions specified in s.  
1369 675.102(3).

1370 ~~(3)(4)~~ This chapter governs to the extent of any conflict  
1371 between this chapter and chapter 670, chapter 673, chapter 674,  
1372 or chapter 679.

1373 ~~(4)(5)~~ The forum for settling disputes arising out of an  
1374 undertaking within this chapter may be chosen in the manner and  
1375 with the binding effect that governing law may be chosen in  
1376 accordance with subsection (1).

1377 Section 55. Section 675.119, Florida Statutes, is created  
1378 to read:

1379 675.119 Saving clause 2024 Amendments.—Except as provided  
1380 in ss. 669.501-669.706, a transaction validly entered into  
1381 before July 1, 2024, and the rights, duties, and interests  
1382 flowing from the transaction remain valid thereafter and may be  
1383 terminated, completed, consummated, or enforced as required or  
1384 permitted by law other than the Uniform Commercial Code or, if  
1385 applicable, the Uniform Commercial Code as though ch. 2024-XX,  
1386 Laws of Florida, had not taken effect.

1387 Section 56. Paragraphs (j) and (l) of subsection (1) of  
1388 section 677.102, Florida Statutes, are deleted and such  
1389 subsection (1) is amended to read:

1390 ~~677.102 Definitions and index of definitions.—~~

1391 (1) In this chapter, unless the context otherwise requires:

1392 (j) ~~“Record” means information that is inscribed on a~~



16-00478-23

1393 ~~tangible medium or that is stored in an electronic or other~~  
1394 ~~medium and is retrievable in perceivable form.~~

1395 (k) "Shipper" means a person that enters into a contract  
1396 of transportation with a carrier.

1397 ~~(1) "Sign" means, with present intent to authenticate or~~  
1398 ~~adopt a record:~~

- 1399 1. ~~To execute or adopt a tangible symbol; or~~
- 1400 2. ~~To attach to or logically associate with the record an~~  
1401 ~~electronic sound, symbol, or process.~~

1402 (m) "Warehouse" means a person engaged in the business of  
1403 storing goods for hire.

1404 Section 57. Subsection (2) of section 677.106, Florida  
1405 Statutes, is amended, and subsections (3) through (9) are added  
1406 to that section, to read:

1407 677.106 Control of electronic document of title.—

1408 (2) A system satisfies subsection (1), and a person has is  
1409 ~~deemed to have~~ control of an electronic document of title, if  
1410 the document is created, stored, and transferred assigned in a  
1411 manner that:

1412 (a) A single authoritative copy of the document exists  
1413 which is unique, identifiable, and, except as otherwise provided  
1414 in paragraphs (d), (e), and (f), unalterable;

1415 (b) The authoritative copy identifies the person asserting  
1416 control as:

- 1417 1. The person to which the document was issued; or
- 1418 2. If the authoritative copy indicates that the document  
1419 has been transferred, the person to which the document was most  
1420 recently transferred;

1421 (c) The authoritative copy is communicated to and

Commented [DW6]: fix - need to override format

Commented [RK7R6]: In the May23 Fla Bill Draft, there are NO edits to 677.102(k) (shipper) and 677.102(m (warehouse\_). Therefore this Markup seems to be acceptable

Commented [DW8]: fix - need to overwrite format

Commented [RK9R8]: See comment above, subsection (m)

16-00478-23

1422 maintained by the person asserting control or its designated  
1423 custodian;

1424 (d) Copies or amendments that add or change an identified  
1425 transferee assignee of the authoritative copy can be made only  
1426 with the consent of the person asserting control;

1427 (e) Each copy of the authoritative copy and any copy of a  
1428 copy is readily identifiable as a copy that is not the  
1429 authoritative copy; and

1430 (f) Any amendment of the authoritative copy is readily  
1431 identifiable as authorized or unauthorized.

1432 (3) A system satisfies subsection (1), and a person has  
1433 control of an electronic document of title, if an authoritative  
1434 electronic copy of the document, a record attached to or  
1435 logically associated with the electronic copy, or a system in  
1436 which the electronic copy is recorded:

1437 (a) Enables the person readily to identify each electronic  
1438 copy as either an authoritative copy or a nonauthoritative copy;

1439 (b) Enables the person readily to identify itself in any  
1440 way, including by name, identifying number, cryptographic key,  
1441 office, or account number, as the person to which each  
1442 authoritative electronic copy was issued or transferred; and

1443 (c) Gives the person exclusive power, subject to subsection  
1444 (4), to:

1445 1. Prevent others from adding or changing the person to  
1446 which each authoritative electronic copy has been issued or  
1447 transferred; and

1448 2. Transfer control of each authoritative electronic copy.

1449 (4) Subject to subsection (5), a power is exclusive under  
1450 subparagraphs (3)(c)1. and 2. even if:

16-00478-23

1451 (a) The authoritative electronic copy, a record attached to  
1452 or logically associated with the authoritative electronic copy,  
1453 or a system in which the authoritative electronic copy is  
1454 recorded limits the use of the document of title or has a  
1455 protocol that is programmed to cause a change, including a  
1456 transfer or loss of control; or

1457 (b) The power is shared with another person.

1458 (5) A power of a person is not shared with another person  
1459 under paragraph (4) (b) and the person's power is not exclusive  
1460 if:

1461 (a) The person can exercise the power only if the power  
1462 also is exercised by the other person; and

1463 (b) The other person:

1464 1. Can exercise the power without exercise of the power by  
1465 the person; or

1466 2. Is the transferor to the person of an interest in the  
1467 document of title.

1468 (6) If a person has the powers specified in subparagraphs  
1469 (3) (c) 1. and 2., the powers are presumed to be exclusive.

1470 (7) A person has control of an electronic document of title  
1471 if another person, other than the transferor to the person of an  
1472 interest in the document:

1473 (a) Has control of the document and acknowledges that it  
1474 has control on behalf of the person; or

1475 (b) Obtains control of the document after having  
1476 acknowledged that it will obtain control of the document on  
1477 behalf of the person.

1478 (8) A person that has control under this section is not  
1479 required to acknowledge that it has control on behalf of another

16-00478-23

1480 person.

1481 (9) If a person acknowledges that it has or will obtain  
1482 control on behalf of another person, unless the person otherwise  
1483 agrees or law other than this chapter or chapter 679 otherwise  
1484 provides, the person does not owe any duty to the other person  
1485 and is not required to confirm the acknowledgment to any other  
1486 person.

1487 Section 58. Part VII of chapter 677, Florida Statutes,  
1488 consisting of section 677.701, is created and entitled  
1489 "Transitional Provisions."

1490 Section 59. Section 677.701, Florida Statutes, is created  
1491 to read:

1492 677.701 Saving clause for 2024 Amendments.—Except as  
1493 provided in ss. 669.501-669.706, a transaction validly entered  
1494 into before July 1, 2024, and the rights, duties, and interests  
1495 flowing from the transaction remain valid thereafter and may be  
1496 terminated, completed, consummated, or enforced as required or  
1497 permitted by law other than the Uniform Commercial Code or, if  
1498 applicable, the Uniform Commercial Code as though ch. 2024-XX,  
1499 Laws of Florida, had not taken effect.

1500 Section 60. Paragraph (f) of subsection (1) and subsection  
1501 (2) of section 678.1021, Florida Statutes, are amended to read:

1502 678.1021 Definitions.—

1503 (1) In this chapter:

1504 (f) "Communicate" means to:

- 1505 1. Send a signed record writing; or  
1506 2. Transmit information by any mechanism agreed upon by the  
1507 persons transmitting and receiving the information.

1508 (2) The following ~~Other~~ definitions in ~~applying to~~ this

16-00478-23

1509 chapter and other chapters apply to this section ~~the sections in~~  
1510 ~~which they appear are:~~

- 1511 "Appropriate person," s. 678.1071.
- 1512 "Control," s. 678.1061.
- 1513 "Controllable account," s. 679.1021.
- 1514 "Controllable electronic record," s. 669.102.
- 1515 "Controllable payment intangible," s. 679.1021.
- 1516 "Delivery," s. 678.3011.
- 1517 "Investment company security," s. 678.1031.
- 1518 "Issuer," s. 678.2011.
- 1519 "Overissue," s. 678.2101.
- 1520 "Protected purchaser," s. 678.3031.
- 1521 "Securities account," s. 678.5011.

1522 Section 61. Subsection (6) of section 678.1031, Florida  
1523 Statutes, is amended, and subsection (8) is added to that  
1524 section, to read:

1525 678.1031 Rules for determining whether certain obligations  
1526 and interests are securities or financial assets.—

1527 (6) A commodity contract, as defined in s. 679.1021(1)(p)  
1528 ~~s. 679.1021(1)(o)~~, is not a security or a financial asset.

1529 (8) A controllable account, controllable electronic record,  
1530 or controllable payment intangible is not a financial asset  
1531 unless s. 678.1021(1)(i)(3) applies.

1532 Section 62. Paragraph (c) of subsection (4) of section  
1533 678.1061, Florida Statutes, is amended, and subsections (8) and  
1534 (9) are added to that section, to read:

1535 678.1061 Control.—

1536 (4) A purchaser has "control" of a security entitlement if:

1537 (c) Another person, other than the transferor to the

16-00478-23

1538 purchaser of an interest in the security entitlement:

1539 1. Has control of the security entitlement and acknowledges  
1540 that it has control on behalf of the purchaser; or

1541 2. Obtains control of the security entitlement after having  
1542 acknowledged that it will obtain control of the security  
1543 entitlement on behalf of the purchaser ~~has control of the~~  
1544 security entitlement on behalf of the purchaser or, having  
1545 previously acquired control of the security entitlement,  
1546 acknowledges that the person has control on behalf of the  
1547 purchaser.

1548 (8) A person that has control under this section is not  
1549 required to acknowledge that it has control on behalf of a  
1550 purchaser.

1551 (9) If a person acknowledges that it has or will obtain  
1552 control on behalf of a purchaser, unless the person otherwise  
1553 agrees or law other than this chapter or chapter 679 otherwise  
1554 provides, the person does not owe any duty to the purchaser and  
1555 is not required to confirm the acknowledgment to any other  
1556 person.

1557 Section 63. Subsection (7) is added to section 678.1101,  
1558 Florida Statutes, to read:

1559 678.1101 Applicability; choice of law.—

1560 (7) The local law of the issuer's jurisdiction or the  
1561 securities intermediary's jurisdiction governs a matter or  
1562 transaction specified in subsection (1) or subsection (2) even  
1563 if the matter or transaction does not bear any relation to the  
1564 jurisdiction.

1565 Section 64. Subsection (2) of section 678.3031, Florida  
1566 Statutes, is amended to read:

16-00478-23

1567 678.3031 Protected purchaser.-

1568 (2) ~~In addition to acquiring the rights of a purchaser, A~~  
1569 protected purchaser ~~also~~ acquires its interest in the security  
1570 free of any adverse claim.

1571 Section 65. Part VI of chapter 678, Florida Statutes,  
1572 consisting of section 678.601, is created and entitled  
1573 "Transitional Provisions."

1574 Section 66. Section 678.601, Florida Statutes, is created  
1575 to read:

1576 678.601 Saving clause for 2024 Amendments.-Except as  
1577 provided in ss. 669.501-669.706, a transaction validly entered  
1578 into before July 1, 2024, and the rights, duties, and interests  
1579 flowing from the transaction remain valid thereafter and may be  
1580 terminated, completed, consummated, or enforced as required or  
1581 permitted by law other than the Uniform Commercial Code or, if  
1582 applicable, the Uniform Commercial Code as though ch. 2024-XX,  
1583 Laws of Florida, had not taken effect.

1584 Section 67. Present paragraphs (h) through (aa), (bb)  
1585 through (bbb), and (ccc) through (bbbb) of subsection (1) of  
1586 section 679.1021, Florida Statutes, are redesignated as  
1587 paragraphs (i) through (bb), (cc) through (eee), and (ggg)  
1588 through (eeee), respectively, new paragraphs (g), (h), (cc),  
1589 (dd), and (fff) are added to that subsection, and paragraphs  
1590 (b), (c), (d), and (g) and present paragraphs (k), (hh), (pp),  
1591 (uu), (iii), (nnn), (vvv), and (zzz) of subsection (1) and  
1592 subsection (2) of that section are amended, to read:

1593 679.1021 Definitions and index of definitions.-

1594 (1) In this chapter, the term:

1595 (b) "Account," except as used in "account for," "account

16-00478-23

1596 statement," "account to," "commodity account" as used in  
1597 paragraph (o), "customer account," "deposit account" as used in  
1598 paragraph (ff), "on account of," and "statement of account"  
1599 means a right to payment of a monetary obligation, whether or  
1600 not earned by performance, for property that has been or is to  
1601 be sold, leased, licensed, assigned, or otherwise disposed of;  
1602 for services rendered or to be rendered; for a policy of  
1603 insurance issued or to be issued; for a secondary obligation  
1604 incurred or to be incurred; for energy provided or to be  
1605 provided; for the use or hire of a vessel under a charter or  
1606 other contract; arising out of the use of a credit or charge  
1607 card or information contained on or for use with the card; or as  
1608 winnings in a lottery or other game of chance operated or  
1609 sponsored by a state, governmental unit of a state, or person  
1610 licensed or authorized to operate the game by a state or  
1611 governmental unit of a state. The term includes controllable  
1612 accounts and health-care-insurance receivables. The term does  
1613 not include ~~rights to payment evidenced by chattel paper or an~~  
1614 ~~instrument~~; commercial tort claims; deposit accounts; investment  
1615 property; letter-of-credit rights or letters of credit; ~~or~~  
1616 rights to payment for money or funds advanced or sold, other  
1617 than rights arising out of the use of a credit or charge card or  
1618 information contained on or for use with the card; or rights to  
1619 payment evidenced by an instrument.

1620 (c) "Account debtor" means a person obligated on an  
1621 account, chattel paper, or general intangible. The term does not  
1622 include persons obligated to pay a negotiable instrument, even  
1623 if the negotiable instrument evidences~~constitutes part of~~  
1624 chattel paper.



16-00478-23

1625 (d) "Accounting," except as used in the term "accounting  
1626 for," means a record:

- 1627 1. Signed ~~Authenticated~~ by a secured party;  
1628 2. Indicating the aggregate unpaid secured obligations as  
1629 of a date not more than 35 days earlier or 35 days later than  
1630 the date of the record; and  
1631 3. Identifying the components of the obligations in  
1632 reasonable detail.

1633 (g) "Assignee," except as used in "assignee for benefit of  
1634 creditors," means a person:

- 1635 1. In whose favor a security interest that secures an  
1636 obligation is created or provided for under a security  
1637 agreement, whether or not the obligation is outstanding; or  
1638 2. To which an account, chattel paper, payment intangible,  
1639 or promissory note has been sold.

1640  
1641 The term includes a person to which a security interest has been  
1642 transferred by a secured party.

1643 (h) "Assignor" means a person that:

- 1644 1. Under a security agreement creates or provides for a  
1645 security interest that secures an obligation; or  
1646 2. Sells an account, chattel paper, payment intangible, or  
1647 promissory note.

1648  
1649 The term includes a secured party that has transferred a  
1650 security interest to another person ~~"Authenticate" means:~~

- 1651 1. ~~To sign; or~~  
1652 2. ~~With the present intent to adopt or accept a record, to~~  
1653 ~~attach to or logically associate with the record an electronic~~

16-00478-23

1654 ~~sound, symbol, or process.~~

1655 (1)(k) "Chattel paper" means:

1656 1. A right to payment of a monetary obligation secured by  
1657 specific goods, if the right to payment and security agreement  
1658 are evidenced by a record; or

1659 2. A right to payment of a monetary obligation owed by a  
1660 lessee under a lease agreement with respect to specific goods  
1661 and a monetary obligation owed by the lessee in connection with  
1662 the transaction giving rise to the lease, if:

1663 a. The right to payment and lease agreement are evidenced  
1664 by a record; and

1665 b. The predominant purpose of the transaction giving rise  
1666 to the lease was to give the lessee the right to possession and  
1667 use of the goods.

1668

1669 ~~The term does not include a right to payment arising out of a~~  
1670 ~~charter or other contract involving the use or hire of a vessel~~  
1671 ~~or a right to payment arising out of the use of a credit or~~  
1672 ~~charge card or information contained on or for use with the card~~  
1673 ~~a record or records that evidence both a monetary obligation and~~  
1674 ~~a security interest in specific goods, a security interest in~~  
1675 ~~specific goods and software used in the goods, a security~~  
1676 ~~interest in specific goods and license of software used in the~~  
1677 ~~goods, a lease of specific goods, or a lease of specific goods~~  
1678 ~~and license of software used in the goods. In this paragraph,~~  
1679 ~~"monetary obligation" means a monetary obligation secured by the~~  
1680 ~~goods or owed under a lease of the goods and includes a monetary~~  
1681 ~~obligation with respect to software used in the goods. The term~~  
1682 ~~does not include charters or other contracts involving the use~~

16-00478-23

1683 ~~or hire of a vessel or records that evidence a right to payment~~  
1684 ~~arising out of the use of a credit or charge card or information~~  
1685 ~~contained on or for use with the card. If a transaction is~~  
1686 ~~evidenced by records that include an instrument or series of~~  
1687 ~~instruments, the group of records taken together constitutes~~  
1688 ~~chattel paper.~~

1689 (cc) "Controllable account" means an account evidenced by a  
1690 controllable electronic record that provides that the account  
1691 debtor undertakes to pay the person that has control under s.  
1692 669.105 of the controllable electronic record.

1693 (dd) "Controllable payment intangible" means a payment  
1694 intangible evidenced by a controllable electronic record that  
1695 provides that the account debtor undertakes to pay the person  
1696 that has control under s. 669.105 of the controllable electronic  
1697 record.

1698 (hh)~~(ee)~~ "Electronic money" means money in an electronic  
1699 form ~~chattel paper" means chattel paper evidenced by a record or~~  
1700 ~~records consisting of information stored in an electronic~~  
1701 ~~medium.~~

1702 (ss)~~(pp)~~ "General intangible" means any personal property,  
1703 including things in action, other than accounts, chattel paper,  
1704 commercial tort claims, deposit accounts, documents, goods,  
1705 instruments, investment property, letter-of-credit rights,  
1706 letters of credit, money, and oil, gas, or other minerals before  
1707 extraction. The term includes controllable electronic records,  
1708 payment intangibles, and software.

1709 (xx)~~(uu)~~ "Instrument" means a negotiable instrument or any  
1710 other writing that evidences a right to the payment of a  
1711 monetary obligation, is not itself a security agreement or

16-00478-23

1712 lease, and is of a type that in the ordinary course of business  
1713 is transferred by delivery with any necessary indorsement or  
1714 assignment. The term does not include investment property,  
1715 letters of credit, ~~or~~ writings that evidence a right to payment  
1716 arising out of the use of a credit or charge card or information  
1717 contained on or for use with the card, or writings that evidence  
1718 chattel paper.

1719 (fff) "Money" has the meaning in s. 671.201, but does not  
1720 include a deposit account or money in an electronic form that  
1721 cannot be subjected to control under s. 679.1052.

1722 (mmm)-(iii) "Payment intangible" means a general intangible  
1723 under which the account debtor's principal obligation is a  
1724 monetary obligation. The term includes a controllable payment  
1725 intangible.

1726 (rrr)-(nnn) "Proposal" means a record signed authenticated  
1727 by a secured party which includes the terms on which the secured  
1728 party is willing to accept collateral in full or partial  
1729 satisfaction of the obligation it secures pursuant to ss.  
1730 679.620, 679.621, and 679.622.

1731 ~~(vvv) "Send," in connection with a record or notification,~~  
1732 ~~means:~~

1733 ~~1. To deposit in the mail, deliver for transmission, or~~  
1734 ~~transmit by any other usual means of communication, with postage~~  
1735 ~~or cost of transmission provided for, addressed to any address~~  
1736 ~~reasonable under the circumstances; or~~

1737 ~~2. To cause the record or notification to be received~~  
1738 ~~within the time that it would have been received if properly~~  
1739 ~~sent under subparagraph 1.~~

1740 (cccc)-(zzz) "Tangible money chattel paper" means money in

16-00478-23

1741 ~~tangible form chattel paper evidenced by a record or records~~  
1742 ~~consisting of information that is inscribed on a tangible~~  
1743 ~~medium.~~

1744 (2) The following definitions in other chapters apply to  
1745 this chapter:

1746 "Applicant," s. 675.103.

1747 "Beneficiary," s. 675.103.

1748 "Broker," s. 678.1021.

1749 "Certificated security," s. 678.1021.

1750 "Check," s. 673.1041.

1751 "Clearing corporation," s. 678.1021.

1752 "Contract for sale," s. 672.106.

1753 "Control," s. 677.106.

1754 "Controllable electronic record," s. 699.102.

1755 "Customer," s. 674.104.

1756 "Entitlement holder," s. 678.1021.

1757 "Financial asset," s. 678.1021.

1758 "Holder in due course," s. 673.3021.

1759 "Issuer" (with respect to a letter of credit  
1760 or letter-of-credit right), s. 675.103.

1761 "Issuer" (with respect to a security), s. 678.2011.

1762 "Issuer" (with respect to documents  
1763 of title), s. 677.102.

1764 "Lease," s. 680.1031.

1765 "Lease agreement," s. 680.1031.

1766 "Lease contract," s. 680.1031.

1767 "Leasehold interest," s. 680.1031.

1768 "Lessee," s. 680.1031.

1769 "Lessee in ordinary course of

16-00478-23

1770 business," s. 680.1031.  
1771 "Lessor," s. 680.1031.  
1772 "Lessor's residual interest," s. 680.1031.  
1773 "Letter of credit," s. 675.103.  
1774 "Merchant," s. 672.104.  
1775 "Negotiable instrument," s. 673.1041.  
1776 "Nominated person," s. 675.103.  
1777 "Note," s. 673.1041.  
1778 "Proceeds of a letter of credit," s. 675.114.  
1779 "Protected purchaser," s. 678.3031.  
1780 "Prove," s. 673.1031.  
1781 "Qualifying purchaser," s. 669.102  
1782 "Sale," s. 672.106.  
1783 "Securities account," s. 678.5011.  
1784 "Securities intermediary," s. 678.1021.  
1785 "Security," s. 678.1021.  
1786 "Security certificate," s. 678.1021.  
1787 "Security entitlement," s. 678.1021.  
1788 "Uncertificated security," s. 678.1021.  
1789 Section 68. Subsection (1) of section 679.1041, Florida  
1790 Statutes, is amended to read:  
1791 679.1041 Control of deposit account.—  
1792 (1) A secured party has control of a deposit account if:  
1793 (a) The secured party is the bank with which the deposit  
1794 account is maintained;  
1795 (b) The debtor, secured party, and bank have agreed in a  
1796 signed ~~an authenticated~~ record that the bank will comply with  
1797 instructions originated by the secured party directing  
1798 disposition of the funds in the deposit account without further

16-00478-23

1799 consent by the debtor; ~~or~~

1800 (c) The secured party becomes the bank's customer with  
1801 respect to the deposit account; or

1802 (d) Another person, other than the debtor:

1803 1. Has control of the deposit account and acknowledges that  
1804 it has control on behalf of the secured party; or

1805 2. Obtains control of the deposit account after having  
1806 acknowledged that it will obtain control of the deposit account  
1807 on behalf of the secured party.

1808 Section 69. Section 679.1051, Florida Statutes, is amended  
1809 to read:

1810 679.1051 Control of electronic chattel paper.—

1811 (1) A purchaser has control of an authoritative electronic  
1812 copy of a record evidencing chattel paper if a system employed  
1813 for evidencing the assignment of interests in the chattel paper  
1814 reliably establishes the purchaser as the person to which the  
1815 authoritative electronic copy was assigned.

1816 (2) A system satisfies subsection (1) if the record or  
1817 records evidencing the chattel paper are created, stored, and  
1818 assigned in a manner that:

1819 (a) A single authoritative copy of the record or records  
1820 exists which is unique, identifiable, and, except as otherwise  
1821 provided in paragraphs (d), (e), and (f), unalterable;

1822 (b) The authoritative copy identifies the purchaser as the  
1823 assignee of the record or records;

1824 (c) The authoritative copy is communicated to and  
1825 maintained by the purchaser or its designated custodian;

1826 (d) Copies or amendments that add or change an identified  
1827 assignee of the authoritative copy can be made only with the

16-00478-23

1828 consent of the purchaser;

1829 (e) Each copy of the authoritative copy and any copy of a  
1830 copy is readily identifiable as a copy that is not the  
1831 authoritative copy; and

1832 (f) Any amendment of the authoritative copy is readily  
1833 identifiable as authorized or unauthorized.

1834 (3) A system satisfies subsection (1), and a purchaser has  
1835 control of an authoritative electronic copy of a record  
1836 evidencing chattel paper, if the electronic copy, a record  
1837 attached to or logically associated with the electronic copy, or  
1838 a system in which the electronic copy is recorded:

1839 (a) Enables the purchaser readily to identify each  
1840 electronic copy as either an authoritative copy or a  
1841 nonauthoritative copy;

1842 (b) Enables the purchaser readily to identify itself in any  
1843 way, including by name, identifying number, cryptographic key,  
1844 office, or account number, as the assignee of the authoritative  
1845 electronic copy; and

1846 (c) Gives the purchaser exclusive power, subject to  
1847 subsection (4), to:

1848 1. Prevent others from adding or changing an identified  
1849 assignee of the authoritative electronic copy; and

1850 2. Transfer control of the authoritative electronic copy.

1851 (4) Subject to subsection (5), a power is exclusive under  
1852 subsection (3)(c)1. and 2. even if:

1853 (a) The authoritative electronic copy, a record attached to  
1854 or logically associated with the authoritative electronic copy,  
1855 or a system in which the authoritative electronic copy is  
1856 recorded limits the use of the authoritative electronic copy or



16-00478-23

1857 has a protocol programmed to cause a change, including a  
1858 transfer or loss of control; or  
1859 (b) The power is shared with another person.  
1860 (5) A power of a purchaser is not shared with another  
1861 person under subsection(4) (b) and the purchaser's power is not  
1862 exclusive if:  
1863 (a) The purchaser can exercise the power only if the power  
1864 also is exercised by the other person; and  
1865 (b) The other person:  
1866 1. Can exercise the power without exercise of the power by  
1867 the purchaser; or  
1868 2. Is the transferor to the purchaser of an interest in the  
1869 chattel paper.  
1870 (6) If a purchaser has the powers specified in subsection  
1871 (3) (c)1. and 2., the powers are presumed to be exclusive.  
1872 (7) A purchaser has control of an authoritative electronic  
1873 copy of a record evidencing chattel paper if another person,  
1874 other than the transferor to the purchaser of an interest in the  
1875 chattel paper:  
1876 (a) Has control of the authoritative electronic copy and  
1877 acknowledges that it has control on behalf of the purchaser; or  
1878 (b) Obtains control of the authoritative electronic copy  
1879 after having acknowledged that it will obtain control of the  
1880 electronic copy on behalf of the purchaser ~~A secured party has~~  
1881 ~~control of electronic chattel paper if a system employed for~~  
1882 ~~evidencing the transfer of interests in the chattel paper~~  
1883 ~~reliably establishes the secured party as the person to which~~  
1884 ~~the chattel paper was assigned.~~  
1885 ~~(2) A system satisfies subsection (1), and a secured party~~

16-00478-23

1886 has control of electronic chattel paper, if the record or  
1887 records comprising the chattel paper are created, stored, and  
1888 assigned in such a manner that:

1889 (a) A single authoritative copy of the record or records  
1890 exists which is unique, identifiable and, except as otherwise  
1891 provided in paragraphs (d), (e), and (f), unalterable;

1892 (b) The authoritative copy identifies the secured party as  
1893 the assignee of the record or records;

1894 (c) The authoritative copy is communicated to and  
1895 maintained by the secured party or its designated custodian;

1896 (d) Copies or amendments that add or change an identified  
1897 assignee of the authoritative copy can be made only with the  
1898 consent of the secured party;

1899 (e) Each copy of the authoritative copy and any copy of a  
1900 copy is readily identifiable as a copy that is not the  
1901 authoritative copy; and

1902 (f) Any amendment of the authoritative copy is readily  
1903 identifiable as authorized or unauthorized.

1904 Section 70. Section 679.1052, Florida Statutes, is created  
1905 to read:

1906 679.1052 Control of electronic money.—

1907 (1) A person has control of electronic money if:

1908 (a) The electronic money, a record attached to or logically  
1909 associated with the electronic money, or a system in which the  
1910 electronic money is recorded gives the person:

1911 1. Power to avail itself of substantially all the benefit  
1912 from the electronic money; and

1913 2. Exclusive power, subject to subsection (2), to:

1914 a. Prevent others from availing themselves of substantially

16-00478-23

1915 all the benefit from the electronic money; and  
1916 b. Transfer control of the electronic money to another  
1917 person or cause another person to obtain control of other  
1918 electronic money as a result of the transfer of the electronic  
1919 money; and  
1920 (b) The electronic money, a record attached to or logically  
1921 associated with the electronic money, or a system in which the  
1922 electronic money is recorded enables the person readily to  
1923 identify itself in any way, including by name, identifying  
1924 number, cryptographic key, office, or account number, as having  
1925 the powers under paragraph (a).  
1926 (2) Subject to subsection (3), a power is exclusive under  
1927 subsection (1)(a)2.a. and b. even if:  
1928 (a) The electronic money, a record attached to or logically  
1929 associated with the electronic money, or a system in which the  
1930 electronic money is recorded limits the use of the electronic  
1931 money or has a protocol programmed to cause a change, including  
1932 a transfer or loss of control; or  
1933 (b) The power is shared with another person.  
1934 (3) A power of a person is not shared with another person  
1935 under subsection (2)(b) and the person's power is not exclusive  
1936 if:  
1937 (a) The person can exercise the power only if the power  
1938 also is exercised by the other person; and  
1939 (b) The other person:  
1940 1. Can exercise the power without exercise of the power by  
1941 the person; or  
1942 2. Is the transferor to the person of an interest in the  
1943 electronic money.

16-00478-23

1944 (4) If a person has the powers specified in subsection  
1945 (1) (a) 2.a. and b., the powers are presumed to be exclusive.

1946 (5) A person has control of ~~electronic money~~ if another  
1947 person, other than the transferor to the person of an interest  
1948 in the electronic money:

1949 (a) Has control of the electronic money and acknowledges  
1950 that it has control on behalf of the person; or

1951 (b) Obtains control of the electronic money after having  
1952 acknowledged that it will obtain control of the electronic money  
1953 on behalf of the person.

1954 Section 71. Section 679.1053, Florida Statutes, is created  
1955 to read:

1956 679.1053 Control of controllable electronic record,  
1957 controllable account, or controllable payment intangible.—

1958 (1) A secured party has control of a controllable  
1959 electronic record as provided in s. 669.105.

1960 (2) A secured party has control of a controllable account  
1961 or controllable payment intangible if the secured party has  
1962 control of the controllable electronic record that evidences the  
1963 controllable account or controllable payment intangible.

1964 Section 72. Section 679.1054, Florida Statutes, is created  
1965 to read:

1966 679.1054 No requirement to acknowledge or confirm; no  
1967 duties.—

1968 (1) A person that has control under s 679.1051, s 679.1052,  
1969 or s 679.1053 is not required to acknowledge that it has control  
1970 on behalf of another person.

1971 (2) If a person acknowledges that it has or will obtain  
1972 control on behalf of another person, unless the person otherwise

Commented [DW10]: Can repetition in s. 679.1052 be reduced?

Commented [RK11R10]: I think it best to match the ULC version, which includes "electronic money"

16-00478-23

1973 agrees or law other than this chapter otherwise provides, the  
1974 person does not owe any duty to the other person and is not  
1975 required to confirm the acknowledgment to any other person.

1976 Section 73. Paragraph (c) of subsection (2) and Paragraph  
1977 (d) of subsection (10) of section 679.2031, Florida Statutes,  
1978 are amended to read:

1979 679.2031 Attachment and enforceability of security  
1980 interest; proceeds; supporting obligations; formal requisites.—

1981 (2) Except as otherwise provided in subsections (3) through  
1982 (10), a security interest is enforceable against the debtor and  
1983 third parties with respect to the collateral only if:

1984 (c) One of the following conditions is met:

1985 1. The debtor has signed ~~authenticated~~ a security agreement  
1986 that provides a description of the collateral and, if the  
1987 security interest covers timber to be cut, a description of the  
1988 land concerned;

1989 2. The collateral is not a certificated security and is in  
1990 the possession of the secured party under s. 679.3131 pursuant  
1991 to the debtor's security agreement;

1992 3. The collateral is a certificated security in registered  
1993 form and the security certificate has been delivered to the  
1994 secured party under s. 678.3011 pursuant to the debtor's  
1995 security agreement; ~~or~~

1996 4. The collateral is controllable accounts, controllable  
1997 electronic records, controllable payment intangibles, deposit  
1998 accounts, electronic documents, electronic money ~~chattel paper,~~  
1999 investment property, or letter-of-credit rights, or electronic  
2000 ~~documents,~~ and the secured party has control under s. 677.106,  
2001 s. 679.1041, s. 679.105, s. 679.1051, s. 679.1061, or s.

16-00478-23

2002 679.1071 pursuant to the debtor's security agreement; or  
2003 5. The collateral is chattel paper and the secured party  
2004 has possession and control under s. 679.3152 pursuant to the  
2005 debtor's security agreement.

2006 (10) A security interest in an account consisting of a  
2007 right to payment of a monetary obligation for the sale of real  
2008 property that is the debtor's homestead under the laws of this  
2009 state is not enforceable unless:

2010 (a) The description of the account in the security  
2011 agreement conspicuously states that the collateral includes the  
2012 debtor's right to payment of a monetary obligation for the sale  
2013 of real property;

2014 (b) The description of the account in the security  
2015 agreement includes a legal description of the real property;

2016 (c) The description of the account in the security  
2017 agreement conspicuously states that the real property is the  
2018 debtor's homestead; and

2019 (d) The security agreement is also signed ~~authenticated~~ by  
2020 the debtor's spouse, if the debtor is married; if the debtor's  
2021 spouse is incompetent, then the method of authentication by the  
2022 debtor's spouse is the same as provided by the laws of this  
2023 state, other than this chapter, which apply to the alienation or  
2024 encumbrance of homestead property by an incompetent person.

2025 Section 74. Present subsection (3) of section 679.2041,  
2026 Florida Statutes, is redesignated as subsection (4), a new  
2027 subsection (3) is added to that section, and subsection (2) of  
2028 that section is amended, to read:

2029 679.2041 After-acquired property; future advances.—  
2030 (2) Subject to subsection (3), a security interest does not

16-00478-23

2031 attach under a term constituting an after-acquired property  
2032 clause to:

2033 (a) Consumer goods, other than an accession when given as  
2034 additional security, unless the debtor acquires rights in them  
2035 within 10 days after the secured party gives value; or

2036 (b) A commercial tort claim.

2037 (3) Subsection (2) does not prevent a security interest  
2038 from attaching:

2039 (a) To a consumer good as proceeds under s. 679.3151(1) or  
2040 commingled goods under s. 679.336(3);

2041 (b) To a commercial tort claim as proceeds under s.  
2042 679.3151(1); or

2043 (c) Under an after-acquired property clause to property  
2044 that is proceeds of consumer goods or a commercial tort claim.

2045 Section 75. Subsection (3) of section 679.2071, Florida  
2046 Statutes, is amended to read:

2047 679.2071 Rights and duties of secured party having  
2048 possession or control of collateral.-

2049 (3) Except as otherwise provided in subsection (4), a  
2050 secured party having possession of collateral or control of  
2051 collateral under s. 677.106, s. 679.1041, s. 679.1051, s.  
2052 679.1052, s. 679.1061, or s. 679.1071:

2053 (a) May hold as additional security any proceeds, except  
2054 money or funds, received from the collateral;

2055 (b) Shall apply money or funds received from the collateral  
2056 to reduce the secured obligation, unless remitted to the debtor;  
2057 and

2058 (c) May create a security interest in the collateral.

2059 Section 76. Subsection (2) of section 679.2081, Florida

**Commented [DW12]:** This language needs to be underlined as new language. Formatting lost.

**Commented [RK13R12]:** The text seems to be locked. NOTE: 679.2041(3) is all added by the Bill.

16-00478-23

2060 Statutes, is amended to read:

2061 679.2081 Additional duties of secured party having control  
2062 of collateral.—

2063 (2) Within 10 days after receiving a signed an  
2064 ~~authenticated~~ demand by the debtor:

2065 (a) A secured party having control of a deposit account  
2066 under s. 679.1041(1)(b) shall send to the bank with which the  
2067 deposit account is maintained a signed record an~~authenticated~~  
2068 ~~statement~~ that releases the bank from any further obligation to  
2069 comply with instructions originated by the secured party;

2070 (b) A secured party having control of a deposit account  
2071 under s. 679.1041(1)(c) shall:

2072 1. Pay the debtor the balance on deposit in the deposit  
2073 account; or

2074 2. Transfer the balance on deposit into a deposit account  
2075 in the debtor's name;

2076 (c) A secured party, other than a buyer, having control  
2077 under s. 679.1051 of an authoritative electronic copy of a  
2078 record evidencing chattel paper shall transfer control of the  
2079 electronic copy to the debtor or a person designated by the  
2080 debtor; a secured party, other than a buyer, having control of  
2081 electronic chattel paper under s. 679.1051 shall:

2082 1. ~~Communicate the authoritative copy of the electronic~~  
2083 ~~chattel paper to the debtor or its designated custodian;~~

2084 2. ~~If the debtor designates a custodian that is the~~  
2085 ~~designated custodian with which the authoritative copy of the~~  
2086 ~~electronic chattel paper is maintained for the secured party,~~  
2087 ~~communicate to the custodian an authenticated record releasing~~  
2088 ~~the designated custodian from any further obligation to comply~~



16-00478-23

2089 with instructions originated by the secured party and  
2090 instructing the custodian to comply with instructions originated  
2091 by the debtor; and

2092 3. ~~Take appropriate action to enable the debtor or the~~  
2093 ~~debtor's designated custodian to make copies of or revisions to~~  
2094 ~~the authoritative copy which add or change an identified~~  
2095 ~~assignee of the authoritative copy without the consent of the~~  
2096 ~~secured party;~~

2097 (d) A secured party having control of investment property  
2098 under s. 678.1061(4)(b) or s. 679.1061(2) shall send to the  
2099 securities intermediary or commodity intermediary with which the  
2100 security entitlement or commodity contract is maintained a  
2101 signed ~~an authenticated~~ record that releases the securities  
2102 intermediary or commodity intermediary from any further  
2103 obligation to comply with entitlement orders or directions  
2104 originated by the secured party;

2105 (e) A secured party having control of a letter-of-credit  
2106 right under s. 679.1071 shall send to each person having an  
2107 unfulfilled obligation to pay or deliver proceeds of the letter  
2108 of credit to the secured party a signed ~~an authenticated~~ release  
2109 from any further obligation to pay or deliver proceeds of the  
2110 letter of credit to the secured party; ~~and~~

2111 (f) A secured party having control under s. 677.106 of an  
2112 authoritative electronic copy of an electronic document of title  
2113 shall transfer control of the electronic copy to the debtor or a  
2114 person designated by the debtor;

2115 (g) A secured party having control under s. 679.1052 of  
2116 electronic money shall transfer control of the electronic money  
2117 to the debtor or a person designated by the debtor; and

16-00478-23

2118        (h) A secured party having control under s. 669.105 of a  
2119 controllable electronic record, other than a buyer of a  
2120 controllable account or controllable payment intangible  
2121 evidenced by the controllable electronic record, shall transfer  
2122 control of the controllable electronic record to the debtor or a  
2123 person designated by the debtor of an electronic document shall:  
2124            1. ~~Give control of the electronic document to the debtor or~~  
2125 ~~its designated custodian;~~  
2126            2. ~~If the debtor designates a custodian that is the~~  
2127 ~~designated custodian with which the authoritative copy of the~~  
2128 ~~electronic document is maintained for the secured party,~~  
2129 ~~communicate to the custodian an authenticated record releasing~~  
2130 ~~the designated custodian from any further obligation to comply~~  
2131 ~~with instructions originated by the secured party and~~  
2132 ~~instructing the custodian to comply with instructions originated~~  
2133 ~~by the debtor; and~~  
2134            3. ~~Take appropriate action to enable the debtor or its~~  
2135 ~~designated custodian to make copies of or revisions to the~~  
2136 ~~authenticated copy which add or change an identified assignee of~~  
2137 ~~the authoritative copy without the consent of the secured party.~~  
2138        Section 77. Subsection (2) of section 679.209, Florida  
2139 Statutes, is amended to read:  
2140        679.209 Duties of secured party if account debtor has been  
2141 notified of assignment.—  
2142        (2) Within 10 days after receiving a signed an  
2143 ~~authenticated~~ demand by the debtor, a secured party shall send  
2144 to an account debtor that has received notification under s.  
2145 679.4016(1) or 669.106(2) of an assignment to the secured party  
2146 as assignee a signed ~~under s. 679.4061(1) an authenticated~~

16-00478-23

2147 record that releases the account debtor from any further  
2148 obligation to the secured party.

2149 Section 78. Paragraphs (b), (c), and (d) of subsection (1)  
2150 and subsections (2) through (6) of section 679.210, Florida  
2151 Statutes, are amended to read:

2152 679.210 Request for accounting; request regarding list of  
2153 collateral or statement of account.—

2154 (1) In this section, the term:

2155 (b) "Request for an accounting" means a record signed  
2156 ~~authenticated~~ by a debtor requesting that the recipient provide  
2157 an accounting of the unpaid obligations secured by collateral  
2158 and reasonably identifying the transaction or relationship that  
2159 is the subject of the request.

2160 (c) "Request regarding a list of collateral" means a record  
2161 signed ~~authenticated~~ by a debtor requesting that the recipient  
2162 approve or correct a list of what the debtor believes to be the  
2163 collateral securing an obligation and reasonably identifying the  
2164 transaction or relationship that is the subject of the request.

2165 (d) "Request regarding a statement of account" means a  
2166 record signed ~~authenticated~~ by a debtor requesting that the  
2167 recipient approve or correct a statement indicating what the  
2168 debtor believes to be the aggregate amount of unpaid obligations  
2169 secured by collateral as of a specified date and reasonably  
2170 identifying the transaction or relationship that is the subject  
2171 of the request.

2172 (2) Subject to subsections (3), (4), (5), and (6), a  
2173 secured party, other than a buyer of accounts, chattel paper,  
2174 payment intangibles, or promissory notes or a consignor, shall  
2175 comply with a request within 14 days after receipt:

16-00478-23

- 2176 (a) In the case of a request for an accounting, by signing  
2177 ~~authenticating~~ and sending to the debtor an accounting; and
- 2178 (b) In the case of a request regarding a list of collateral  
2179 or a request regarding a statement of account, by signing  
2180 ~~authenticating~~ and sending to the debtor an approval or  
2181 correction.
- 2182 (3) A secured party that claims a security interest in all  
2183 of a particular type of collateral owned by the debtor may  
2184 comply with a request regarding a list of collateral by sending  
2185 to the debtor a signed ~~an authenticated~~ record including a  
2186 statement to that effect within 14 days after receipt.
- 2187 (4) A person who receives a request regarding a list of  
2188 collateral, claims no interest in the collateral when the  
2189 request is received, and claimed an interest in the collateral  
2190 at an earlier time shall comply with the request within 14 days  
2191 after receipt by sending to the debtor a signed ~~an authenticated~~  
2192 record:
- 2193 (a) Disclaiming any interest in the collateral; and
- 2194 (b) If known to the recipient, providing the name and  
2195 mailing address of any assignee of or successor to the  
2196 recipient's interest in the collateral.
- 2197 (5) A person who receives a request for an accounting or a  
2198 request regarding a statement of account, claims no interest in  
2199 the obligations when the request is received, and claimed an  
2200 interest in the obligations at an earlier time shall comply with  
2201 the request within 14 days after receipt by sending to the  
2202 debtor a signed ~~an authenticated~~ record:
- 2203 (a) Disclaiming any interest in the obligations; and
- 2204 (b) If known to the recipient, providing the name and

16-00478-23

2205 mailing address of any assignee of or successor to the  
2206 recipient's interest in the obligations.

2207 (6) A debtor is entitled under this section without charge  
2208 to one response to a request for an accounting or a request  
2209 regarding a statement of account for each secured obligation  
2210 during any 6-month period. A debtor in a consumer transaction is  
2211 entitled to a single response to a request regarding a list of  
2212 collateral without charge during any 6-month period. The secured  
2213 party may require payment of a charge not exceeding \$25 for each  
2214 additional response to a request for an accounting, a request  
2215 regarding a statement of account, or a request regarding a list  
2216 of collateral for a consumer transaction. To the extent provided  
2217 in a signed ~~an authenticated~~ record, the secured party may  
2218 require the payment of reasonable expenses, including attorney's  
2219 fees, reasonably incurred in providing a response to a request  
2220 regarding a list of collateral for a transaction other than a  
2221 consumer transaction under this section; otherwise, the secured  
2222 party may not charge more than \$25 for each request regarding a  
2223 list of collateral. Excluding a request related to a proposed  
2224 satisfaction of the secured obligation, a secured party is not  
2225 required to respond to more than 12 of each of the permitted  
2226 requests in any 12-month period.

2227 Section 79. Section 679.3011, Florida Statutes, is amended  
2228 to read:

2229 679.3011 Law governing perfection and priority of security  
2230 interests. ~~Except as otherwise provided in ss. 679.1091,~~  
2231 ~~679.3031, 679.3041, 679.3051, and 679.3061, and 679.3062, the~~  
2232 following rules determine the law governing perfection, the  
2233 effect of perfection or nonperfection, and the priority of a

Commented [DW14]: Need to verify this list. ULC says: 9-303 through 9-306(B).

Commented [RK15R14]: Bkry-UCC Committee -- Please cross check citations.

16-00478-23

2234 security interest in collateral:

2235 (1) Except as otherwise provided in this section, while a  
2236 debtor is located in a jurisdiction, the local law of that  
2237 jurisdiction governs perfection, the effect of perfection or  
2238 nonperfection, and the priority of a security interest in  
2239 collateral.

2240 (2) While collateral is located in a jurisdiction, the  
2241 local law of that jurisdiction governs perfection, the effect of  
2242 perfection or nonperfection, and the priority of a possessory  
2243 security interest in that collateral.

2244 (3) Except as otherwise provided in subsections (4) and  
2245 (5), while tangible negotiable documents, goods, instruments, or  
2246 tangible money, ~~or tangible chattel paper~~ is located in a  
2247 jurisdiction, the local law of that jurisdiction governs:

2248 (a) Perfection of a security interest in the goods by  
2249 filing a fixture filing;

2250 (b) Perfection of a security interest in timber to be cut;  
2251 and

2252 (c) The effect of perfection or nonperfection and the  
2253 priority of a nonpossessory security interest in the collateral.

2254 (4) The local law of the jurisdiction in which the wellhead  
2255 or minehead is located governs perfection, the effect of  
2256 perfection or nonperfection, and the priority of a security  
2257 interest in as-extracted collateral.

2258 (5) The law of this state governs:

2259 (a) The perfection of a security interest in goods that are  
2260 or are to become fixtures in this state by the filing of a  
2261 fixture filing.

2262 (b) The effect of perfection or nonperfection and the

16-00478-23

2263 priority of a security interest in goods that are or are to  
2264 become fixtures in this state.

2265 Section 80. Subsection (1) of section 679.3041, Florida  
2266 Statutes, is amended to read:

2267 679.3041 Law governing perfection and priority of security  
2268 interests in deposit accounts.—

2269 (1) The local law of a bank's jurisdiction governs  
2270 perfection, the effect of perfection or nonperfection, and the  
2271 priority of a security interest in a deposit account maintained  
2272 with that bank even if the transaction does not bear any  
2273 relation to the bank's jurisdiction.

2274 Section 81. Paragraph (e) is added to subsection (1) of  
2275 section 679.3051, Florida Statutes, to read:

2276 679.3051 Law governing perfection and priority of security  
2277 interests in investment property.—

2278 (1) Except as otherwise provided in subsection (3), the  
2279 following rules apply:

2280 (e) Paragraphs (b), (c), and (d) apply even if the  
2281 transaction does not bear any relation to the jurisdiction.

2282 Section 82. Section 679.3062, Florida Statutes, is created  
2283 to read:

2284 679.3062 Law governing perfection and priority of security  
2285 interests in chattel paper.—

2286 (1) Except as provided in section (4), if chattel paper is  
2287 evidenced only by an authoritative electronic copy of the  
2288 chattel paper or is evidenced by an authoritative electronic  
2289 copy and an authoritative tangible copy, the local law of the  
2290 chattel paper's jurisdiction governs perfection, the effect of  
2291 perfection or nonperfection, and the priority of a security

Commented [DW16]: Verify if this is a change of Fla law.

Commented [DW17]: Verify if this is a change of Fla law.

16-00478-23

2292 interest in the chattel paper, even if the transaction does not  
2293 bear any relation to the chattel paper's jurisdiction.

Commented [DW18]: Verify if this a change of Fla law.

2294 (2) .-The following rules determine the chattel paper's  
2295 jurisdiction under this section:

2296 (a) If the authoritative electronic copy of the record  
2297 evidencing chattel paper, or a record attached to or logically  
2298 associated with the electronic copy and readily available for  
2299 review, expressly provides that a particular jurisdiction is the  
2300 chattel paper's jurisdiction for purposes of this part, this  
2301 chapter, or the Uniform Commercial Code, that jurisdiction is  
2302 the chattel paper's jurisdiction.

Commented [DW19]: Verify that "part" is correct cross-reference.

2303 (b) If paragraph (a) does not apply and the rules of the  
2304 system in which the authoritative electronic copy is recorded  
2305 are readily available for review and expressly provide that a  
2306 particular jurisdiction is the chattel paper's jurisdiction for  
2307 purposes of this part, this chapter, or the Uniform Commercial  
2308 Code, that jurisdiction is the chattel paper's jurisdiction.

Commented [DW20]: Verify that "part" is correct cross-reference.

2309 (c) If paragraphs (a) and (b) do not apply and the  
2310 authoritative electronic copy, or a record attached to or  
2311 logically associated with the electronic copy and readily  
2312 available for review, expressly provides that the chattel paper  
2313 is governed by the law of a particular jurisdiction, that  
2314 jurisdiction is the chattel paper's jurisdiction.

2315 (d) If paragraphs (a), (b), and (c) do not apply and the  
2316 rules of the system in which the authoritative electronic copy  
2317 is recorded are readily available for review and expressly  
2318 provide that the chattel paper or the system is governed by the  
2319 law of a particular jurisdiction, that jurisdiction is the  
2320 chattel paper's jurisdiction.



16-00478-23

2321 (e) If paragraphs (a) through (d) do not apply, the chattel  
2322 paper's jurisdiction is the jurisdiction in which the debtor is  
2323 located.

2324 (3) If an authoritative tangible copy of a record  
2325 evidences chattel paper and the chattel paper is not evidenced  
2326 by an authoritative electronic copy, while the authoritative  
2327 tangible copy of the record evidencing chattel paper is located  
2328 in a jurisdiction, the local law of that jurisdiction governs:

2329 (a) perfection of a security interest in the chattel paper  
2330 by possession under s. 679.3152; and

2331 (b) the effect of perfection or nonperfection and the  
2332 priority of a security interest in the chattel paper.

2333 (4) The local law of the jurisdiction in which the debtor  
2334 is located governs perfection of a security interest in chattel  
2335 paper by filing.

2336 Section 83. Section 679.3063, Florida Statutes, is created  
2337 to read:

2338 679.3063 Law governing perfection and priority of security  
2339 interests in controllable accounts, controllable electronic  
2340 records, and controllable payment intangibles.-

2341 (1) Except as provided in subsection (2), the local law of  
2342 the controllable electronic record's jurisdiction specified in  
2343 s. 669.107(3) and (4) governs perfection, the effect of  
2344 perfection or nonperfection, and the priority of a security  
2345 interest in a controllable electronic record and a security  
2346 interest in a controllable account or controllable payment  
2347 intangible evidenced by the controllable electronic record.

2348 (2) The local law of the jurisdiction in which the debtor  
2349 is located governs:

16-00478-23

2350       (a) Perfection of a security interest in a controllable  
2351 account, controllable electronic record, or controllable payment  
2352 intangible by filing; and

2353       (b) Automatic perfection of a security interest in a  
2354 controllable payment intangible created by a sale of the  
2355 controllable payment intangible.

2356       Section 84. Paragraph (h) of subsection (2) of section  
2357 679.3101, Florida Statutes, is amended to read:

2358       679.3101 When filing required to perfect security interest  
2359 or agricultural lien; security interests and agricultural liens  
2360 to which filing provisions do not apply.—

2361       (2) The filing of a financing statement is not necessary to  
2362 perfect a security interest:

2363       (h) In controllable accounts, controllable electronic  
2364 records, controllable payment intangibles, deposit accounts,  
2365 ~~electronic chattel paper,~~ electronic documents, investment  
2366 property, or letter-of-credit rights which is perfected by  
2367 control under s. 679.3141(1);

2368       Section 85. Section 679.3121, Florida Statutes, is amended  
2369 to read:

2370       679.3121 Perfection of security interests in chattel paper,  
2371 controllable accounts, controllable electronic records,  
2372 controllable payment intangibles, deposit accounts, documents,  
2373 goods covered by documents, instruments, investment property,  
2374 letter-of-credit rights, and money; perfection by permissive  
2375 filing; temporary perfection without filing or transfer of  
2376 possession.—

2377       (1) A security interest in chattel paper, controllable  
2378 accounts, controllable electronic records, controllable payment

Commented [DW21]: Corrected to ULC reference.

16-00478-23

2379 intangibles ~~negotiable documents~~, instruments, ~~or~~ investment  
2380 property, or negotiable documents may be perfected by filing.

2381 (2) Except as otherwise provided in s. 679.3151(3) and (4)  
2382 for proceeds:

2383 (a) A security interest in a deposit account may be  
2384 perfected only by control under s. 679.3141.

2385 (b) And except as otherwise provided in s. 679.3081(4), a  
2386 security interest in a letter-of-credit right may be perfected  
2387 only by control under s. 679.3141.

2388 (c) A security interest in tangible money may be perfected  
2389 only by the secured party's taking possession under s. 679.3131.

2390 (d) A security interest in electronic money may be  
2391 perfected only by control under s. 679.3141.

2392 (3) While goods are in the possession of a bailee that has  
2393 issued a negotiable document covering the goods:

2394 (a) A security interest in the goods may be perfected by  
2395 perfecting a security interest in the document; and

2396 (b) A security interest perfected in the document has  
2397 priority over any security interest that becomes perfected in  
2398 the goods by another method during that time.

2399 (4) While goods are in the possession of a bailee that has  
2400 issued a nonnegotiable document covering the goods, a security  
2401 interest in the goods may be perfected by:

2402 (a) Issuance of a document in the name of the secured  
2403 party;

2404 (b) The bailee's receipt of notification of the secured  
2405 party's interest; or

2406 (c) Filing as to the goods.

2407 (5) A security interest in certificated securities,

16-00478-23

2408 negotiable documents, or instruments is perfected without filing  
2409 or the taking of possession or control for a period of 20 days  
2410 from the time it attaches to the extent that it arises for new  
2411 value given under a signed ~~an authenticated~~ security agreement.

2412 (6) A perfected security interest in a negotiable document  
2413 or goods in possession of a bailee, other than one that has  
2414 issued a negotiable document for the goods, remains perfected  
2415 for 20 days without filing if the secured party makes available  
2416 to the debtor the goods or documents representing the goods for  
2417 the purpose of:

2418 (a) Ultimate sale or exchange; or

2419 (b) Loading, unloading, storing, shipping, transshipping,  
2420 manufacturing, processing, or otherwise dealing with them in a  
2421 manner preliminary to their sale or exchange.

2422 (7) A perfected security interest in a certificated  
2423 security or instrument remains perfected for 20 days without  
2424 filing if the secured party delivers the security certificate or  
2425 instrument to the debtor for the purpose of:

2426 (a) Ultimate sale or exchange; or

2427 (b) Presentation, collection, enforcement, renewal, or  
2428 registration of transfer.

2429 (8) After the 20-day period specified in subsection (5),  
2430 subsection (6), or subsection (7) expires, perfection depends  
2431 upon compliance with this chapter.

2432 Section 86. Subsections (1), (3), and (4) of section  
2433 679.3131, Florida Statutes, are amended to read:

2434 679.3131 When possession by or delivery to secured party  
2435 perfects security interest without filing.—

2436 (1) Except as otherwise provided in subsection (2), a

16-00478-23

2437 secured party may perfect a security interest in ~~tangible~~  
2438 ~~negotiable documents,~~ goods, instruments, negotiable tangible  
2439 documents, or tangible money, ~~or tangible chattel paper~~ by  
2440 taking possession of the collateral. A secured party may perfect  
2441 a security interest in certificated securities by taking  
2442 delivery of the certificated securities under s. 678.3011.

2443 (3) With respect to collateral other than certificated  
2444 securities and goods covered by a document, a secured party  
2445 takes possession of collateral in the possession of a person  
2446 other than the debtor, the secured party, or a lessee of the  
2447 collateral from the debtor in the ordinary course of the  
2448 debtor's business, when:

2449 (a) The person in possession signs ~~authenticates~~ a record  
2450 acknowledging that it holds possession of the collateral for the  
2451 secured party's benefit; or

2452 (b) The person takes possession of the collateral after  
2453 having signed ~~authenticated~~ a record acknowledging that the  
2454 person will hold possession of the collateral for the secured  
2455 party's benefit.

2456 (4) If perfection of a security interest depends upon  
2457 possession of the collateral by a secured party, perfection  
2458 occurs not ~~no~~ earlier than the time the secured party takes  
2459 possession and continues only while the secured party retains  
2460 possession.

2461 Section 87. Section 679.3141, Florida Statutes, is amended  
2462 to read:

2463 679.3141 Perfection by control.—

2464 (1) A security interest in controllable accounts,  
2465 controllable electronic records, controllable payment

16-00478-23

2466 intangibles, deposit accounts, electronic documents, electronic  
2467 money, investment property, or letter-of-credit rights  
2468 ~~investment property, deposit accounts, letter-of-credit rights,~~  
2469 ~~electronic chattel paper, or electronic documents~~ may be  
2470 perfected by control of the collateral under s. 677.106, s.  
2471 679.1041, s. 679.1052, s. 679.1053 ~~s. 679.1051~~, s. 679.1061, or  
2472 s. 679.1071.

2473 (2) A security interest in controllable accounts,  
2474 controllable electronic records, controllable payment  
2475 intangibles, deposit accounts, electronic documents, electronic  
2476 money, or letter-of-credit rights ~~deposit accounts, electronic~~  
2477 ~~chattel paper, letter-of-credit rights, or electronic documents~~  
2478 is perfected by control under s. 677.106, s. 679.1041, s.  
2479 679.1052, s. 679.1053 ~~s. 679.1051~~, or s. 679.1071 not earlier  
2480 than the time when the secured party obtains control and remains  
2481 perfected by control only while the secured party retains  
2482 control.

2483 (3) A security interest in investment property is perfected  
2484 by control under s. 679.1061 not earlier than ~~from~~ the time the  
2485 secured party obtains control and remains perfected by control  
2486 until:

- 2487 (a) The secured party does not have control; and  
2488 (b) One of the following occurs:
- 2489 1. If the collateral is a certificated security, the debtor  
2490 has or acquires possession of the security certificate;
  - 2491 2. If the collateral is an uncertificated security, the  
2492 issuer has registered or registers the debtor as the registered  
2493 owner; or
  - 2494 3. If the collateral is a security entitlement, the debtor

16-00478-23

2495 is or becomes the entitlement holder.

2496 Section 88. Section 679.3152, Florida Statutes, is created  
2497 to read:

2498 679.3152 Perfection by possession and control of chattel  
2499 paper.—

2500 (1) A secured party may perfect a security interest in  
2501 chattel paper by taking possession of each authoritative  
2502 tangible copy of the record evidencing the chattel paper and  
2503 obtaining control of each authoritative electronic copy of the  
2504 electronic record evidencing the chattel paper.

2505 (2) A security interest is perfected under subsection (1)  
2506 not earlier than the time the secured party takes possession and  
2507 obtains control and remains perfected under subsection (1) only  
2508 while the secured party retains possession and control.

2509 (3) Sections 679.3131(3) and (5) through (8) apply to  
2510 perfection by possession of an authoritative tangible copy of a  
2511 record evidencing chattel paper.

2512 Section 89. Subsections (1) and (6) of section 679.3161,  
2513 Florida Statutes, are amended to read:

2514 679.3161 Continued perfection of security interest  
2515 following change in governing law.—

2516 (1) A security interest perfected pursuant to the law of  
2517 the jurisdiction designated in s. 679.3011(1), ~~or~~ s.  
2518 679.3051(3), s. 679.3062(4), or s. 679.3063(2) remains perfected  
2519 until the earliest of:

2520 (a) The time perfection would have ceased under the law of  
2521 that jurisdiction;

2522 (b) The expiration of 4 months after a change of the  
2523 debtor's location to another jurisdiction; or

16-00478-23

2524 (c) The expiration of 1 year after a transfer of collateral  
2525 to a person who thereby becomes a debtor and is located in  
2526 another jurisdiction.

2527 (6) A security interest in chattel paper, controllable  
2528 accounts, controllable electronic records, controllable payment  
2529 intangibles, deposit accounts, letter-of-credit rights, or  
2530 investment property which is perfected under the law of the  
2531 chattel paper's jurisdiction, the controllable electronic  
2532 record's jurisdiction, the bank's jurisdiction, the issuer's  
2533 jurisdiction, a nominated person's jurisdiction, the securities  
2534 intermediary's jurisdiction, or the commodity intermediary's  
2535 jurisdiction, as applicable, remains perfected until the earlier  
2536 of:

2537 (a) The time the security interest would have become  
2538 unperfected under the law of that jurisdiction; or

2539 (b) The expiration of 4 months after a change of the  
2540 applicable jurisdiction to another jurisdiction.

2541 Section 90. Subsections (2) and (4) of section 679.3171,  
2542 Florida Statutes, are amended, and subsections (8) through (11)  
2543 are added to that section, to read:

2544 679.3171 Interests that take priority over or take free of  
2545 security interest or agricultural lien.—

2546 (2) Except as otherwise provided in subsection (5), a  
2547 buyer, other than a secured party, of ~~tangible chattel paper,~~  
2548 ~~tangible documents,~~ goods, instruments, tangible documents, or a  
2549 certificated security takes free of a security interest or  
2550 agricultural lien if the buyer gives value and receives delivery  
2551 of the collateral without knowledge of the security interest or  
2552 agricultural lien and before it is perfected.



16-00478-23

2553           (4) Subject to subsections (6), (7), and (8), a licensee of  
2554 a general intangible or a buyer, other than a secured party, of  
2555 collateral other than electronic money ~~tangible chattel paper,~~  
2556 tangible documents, goods, instruments, tangible documents, or a  
2557 certificated security takes free of a security interest if the  
2558 licensee or buyer gives value without knowledge of the security  
2559 interest and before it is perfected.

2560           (8) A buyer, other than a secured party, of chattel paper  
2561 takes free of a security interest if, without knowledge of the  
2562 security interest and before it is perfected, the buyer gives  
2563 value and:

2564           (a) Receives delivery of each authoritative tangible copy  
2565 of the record evidencing the chattel paper; and

2566           (b) If each authoritative electronic copy of the record  
2567 evidencing the chattel paper can be subjected to control under  
2568 s. 679.1052, obtains control of each authoritative electronic  
2569 copy.

2570           (9) A buyer of an electronic document takes free of a  
2571 security interest if, without knowledge of the security interest  
2572 and before it is perfected, the buyer gives value and, if each  
2573 authoritative electronic copy of the document can be subjected  
2574 to control under s. 677.106, obtains control of each  
2575 authoritative electronic copy.

2576           (10) A buyer of a controllable electronic record takes free  
2577 of a security interest if, without knowledge of the security  
2578 interest and before it is perfected, the buyer gives value and  
2579 obtains control of the controllable electronic record.

2580           (11) A buyer, other than a secured party, of a controllable  
2581 account or a controllable payment intangible takes free of a

16-00478-23

2582 security interest if, without knowledge of the security interest  
2583 and before it is perfected, the buyer gives value and obtains  
2584 control of the controllable account or controllable payment  
2585 intangible.

2586 Section 91. Subsections (4) and (6) of section 679.323,  
2587 Florida Statutes, are amended to read:

2588 679.323 Future advances.—

2589 (4) Except as otherwise provided in subsection (5), a buyer  
2590 of goods ~~other than a buyer in ordinary course of business~~ takes  
2591 free of a security interest to the extent that it secures  
2592 advances made after the earlier of:

2593 (a) The time the secured party acquires knowledge of the  
2594 buyer's purchase; or

2595 (b) Forty-five days after the purchase.

2596 (6) Except as otherwise provided in subsection (7), a  
2597 lessee of goods, ~~other than a lessee in ordinary course of~~  
2598 ~~business~~, takes the leasehold interest free of a security  
2599 interest to the extent that it secures advances made after the  
2600 earlier of:

2601 (a) The time the secured party acquires knowledge of the  
2602 lease; or

2603 (b) Forty-five days after the lease contract becomes  
2604 enforceable.

2605 Section 92. Subsections (2) and (4) of section 679.324,  
2606 Florida Statutes, are amended to read:

2607 679.324 Priority of purchase-money security interests.—

2608 (2) Subject to subsection (3) and except as otherwise  
2609 provided in subsection (7), a perfected purchase-money security  
2610 interest in inventory has priority over a conflicting security

Commented [DW22]: Is this a change of law?

Commented [DW23]: Is this a change of law?

16-00478-23

2611 interest in the same inventory, has priority over a conflicting  
2612 security interest in chattel paper or an instrument constituting  
2613 proceeds of the inventory and in proceeds of the chattel paper,  
2614 if so provided in s. 679.330, and, except as otherwise provided  
2615 in s. 679.327, also has priority in identifiable cash proceeds  
2616 of the inventory to the extent the identifiable cash proceeds  
2617 are received on or before the delivery of the inventory to a  
2618 buyer, if:

2619 (a) The purchase-money security interest is perfected when  
2620 the debtor receives possession of the inventory;

2621 (b) The purchase-money secured party sends a signed an  
2622 ~~authenticated~~ notification to the holder of the conflicting  
2623 security interest;

2624 (c) The holder of the conflicting security interest  
2625 receives the notification within 5 years before the debtor  
2626 receives possession of the inventory; and

2627 (d) The notification states that the person sending the  
2628 notification has or expects to acquire a purchase-money security  
2629 interest in inventory of the debtor and describes the inventory.

2630 (4) Subject to subsection (5) and except as otherwise  
2631 provided in subsection (7), a perfected purchase-money security  
2632 interest in livestock that are farm products has priority over a  
2633 conflicting security interest in the same livestock, and, except  
2634 as otherwise provided in s. 679.327, a perfected security  
2635 interest in their identifiable proceeds and identifiable  
2636 products in their unmanufactured states also has priority, if:

2637 (a) The purchase-money security interest is perfected when  
2638 the debtor receives possession of the livestock;

2639 (b) The purchase-money secured party sends a signed an

16-00478-23

2640 ~~authenticated~~ notification to the holder of the conflicting  
2641 security interest;

2642 (c) The holder of the conflicting security interest  
2643 receives the notification within 6 months before the debtor  
2644 receives possession of the livestock; and

2645 (d) The notification states that the person sending the  
2646 notification has or expects to acquire a purchase-money security  
2647 interest in livestock of the debtor and describes the livestock.

2648 Section 93. Section 679.3251, Florida Statutes, is created  
2649 to read:

2650 679.3251 Priority of security interest in controllable  
2651 account, controllable electronic record, and controllable  
2652 payment intangible.—A security interest in a controllable  
2653 account, controllable electronic record, or controllable payment  
2654 intangible held by a secured party having control of the  
2655 account, electronic record, or payment intangible has priority  
2656 over a conflicting security interest held by a secured party  
2657 that does not have control.

2658 Section 94. Subsections (1), (2), and (6) of section  
2659 679.330, Florida Statutes, are amended to read:

2660 679.330 Priority of purchaser of chattel paper or  
2661 instrument.—

2662 (1) A purchaser of chattel paper has priority over a  
2663 security interest in the chattel paper which is claimed merely  
2664 as proceeds of inventory subject to a security interest if:

2665 (a) In good faith and in the ordinary course of the  
2666 purchaser's business, the purchaser gives new value, ~~and~~ takes  
2667 possession of each authoritative tangible copy of the record  
2668 evidencing the chattel paper, and ~~or~~ obtains control under s.

16-00478-23

2669 679.1051 of each authoritative electronic copy of the record  
2670 evidencing chattel paper under s. 679.1051; and

2671 (b) The authoritative copies of the record evidencing the  
2672 chattel paper do ~~does~~ not indicate that the chattel paper ~~it~~ has  
2673 been assigned to an identified assignee other than the  
2674 purchaser.

2675 (2) A purchaser of chattel paper has priority over a  
2676 security interest in the chattel paper which is claimed other  
2677 than merely as proceeds of inventory subject to a security  
2678 interest if the purchaser gives new value, and takes possession  
2679 of each authoritative copy of the record evidencing the chattel  
2680 paper, and ~~or~~ obtains control under s. 679.1051 of each  
2681 authoritative electronic copy of the record evidencing the  
2682 chattel paper under s. 679.1051 in good faith, in the ordinary  
2683 course of the purchaser's business, and without knowledge that  
2684 the purchase violates the rights of the secured party.

2685 (6) For purposes of subsections (2) and (4), if the  
2686 authoritative copies of the record evidencing chattel paper or  
2687 an instrument indicate ~~indicates~~ that the chattel paper or  
2688 instrument ~~it~~ has been assigned to an identified secured party  
2689 other than the purchaser, a purchaser of the chattel paper or  
2690 instrument has knowledge that the purchase violates the rights  
2691 of the secured party.

2692 Section 95. Section 679.331, Florida Statutes, is amended  
2693 to read:

2694 679.331 Priority of rights of purchasers of controllable  
2695 accounts, controllable electronic records, controllable payment  
2696 intangibles instruments, documents, instruments, and securities  
2697 under other articles; priority of interests in financial assets

16-00478-23

2698 and security entitlements and protection against assertion of  
2699 claim under chapters 669 and 678 ~~chapter 678~~.—

2700 (1) This chapter does not limit the rights of a holder in  
2701 due course of a negotiable instrument, a holder to which a  
2702 negotiable document of title has been duly negotiated, or a  
2703 protected purchaser of a security, or a qualifying purchaser of  
2704 a controllable account, controllable electronic record, or  
2705 controllable payment intangible. These holders or purchasers  
2706 take priority over an earlier security interest, even if  
2707 perfected, to the extent provided in chapters 669, 673, 677, and  
2708 678.

2709 (2) This chapter does not limit the rights of or impose  
2710 liability on a person to the extent that the person is protected  
2711 against the assertion of an adverse claim under chapter 669 or  
2712 chapter 678.

2713 (3) Filing under this chapter does not constitute notice of  
2714 a claim or defense to the holders, purchasers, or persons  
2715 described in subsections (1) and (2).

2716 Section 96. Section 679.332, Florida Statutes, is amended  
2717 to read:

2718 679.332 Transfer of money; transfer of funds from deposit  
2719 account; transfer of electronic money.

2720 (1) A transferee of tangible money takes the money free of  
2721 a security interest if the transferee receives possession of the  
2722 money without acting unless the transferee acts in collusion  
2723 with the debtor in violating the rights of the secured party.

2724 (2) A transferee of funds from a deposit account takes the  
2725 funds free of a security interest in the deposit account if the  
2726 transferee receives the funds without acting unless the

**Commented [NK24]:** ULC says "a claim under." Here it says of "an adverse claim under" which follows the FL statutes language. Check if 669 is the correct inserted chapter. HIGHLIGHTS existing non-uniform language.

**Commented [RK25R24]:** Chapter 669 reference is correct; also Ch. 669 refers to a claim, not an adverse claim. Apparently, F.S. 679.331(2) re "adverse" is different than the ULC 9-331(b), which does NOT use "adverse"

**Deleted:** .—

16-00478-23

2728 ~~transferee acts~~ in collusion with the debtor in violating the  
2729 rights of the secured party.

2730 (3) A transferee of electronic money takes the money free  
2731 of a security interest if the transferee obtains control of the  
2732 money without acting in collusion with the debtor in violating  
2733 the rights of the secured party.

2734 Section 97. Section 679.341, Florida Statutes, is amended  
2735 to read:

2736 679.341 Bank's rights and duties with respect to deposit  
2737 account.—Except as otherwise provided in s. 679.340(3), and  
2738 unless the bank otherwise agrees in a signed ~~an authenticated~~  
2739 record, a bank's rights and duties with respect to a deposit  
2740 account maintained with the bank are not terminated, suspended,  
2741 or modified by:

2742 (1) The creation, attachment, or perfection of a security  
2743 interest in the deposit account;

2744 (2) The bank's knowledge of the security interest; or

2745 (3) The bank's receipt of instructions from the secured  
2746 party.

2747 Section 98. Subsection (1) of section 679.4041, Florida  
2748 Statutes, is amended to read:

2749 679.4041 Rights acquired by assignee; claims and defenses  
2750 against assignee.—

2751 (1) Unless an account debtor has made an enforceable  
2752 agreement not to assert defenses or claims, and subject to  
2753 subsections (2) through (5), the rights of an assignee are  
2754 subject to:

2755 (a) All terms of the agreement between the account debtor  
2756 and assignor and any defense or claim in recoupment arising from

16-00478-23

2757 the transaction that gave rise to the contract; and

2758 (b) Any other defense or claim of the account debtor  
2759 against the assignor which accrues before the account debtor  
2760 receives a notification of the assignment signed ~~authenticated~~  
2761 by the assignor or the assignee.

2762 Section 99. Subsections (1) through (4) and (7) of section  
2763 679.4061, Florida Statutes, are amended, and subsection (13) is  
2764 added to that section, to read:

2765 679.4061 Discharge of account debtor; notification of  
2766 assignment; identification and proof of assignment; restrictions  
2767 on assignment of accounts, chattel paper, payment intangibles,  
2768 and promissory notes ineffective.—

2769 (1) Subject to subsections (2) through (9) and (13), an  
2770 account debtor on an account, chattel paper, or a payment  
2771 intangible may discharge its obligation by paying the assignor  
2772 until, but not after, the account debtor receives a  
2773 notification, signed ~~authenticated~~ by the assignor or the  
2774 assignee, that the amount due or to become due has been assigned  
2775 and that payment is to be made to the assignee. After receipt of  
2776 the notification, the account debtor may discharge its  
2777 obligation by paying the assignee and may not discharge the  
2778 obligation by paying the assignor.

2779 (2) Subject to subsections (8) and (13) ~~subsection (8)~~,  
2780 notification is ineffective under subsection (1):

2781 (a) If it does not reasonably identify the rights assigned;

2782 (b) To the extent that an agreement between an account  
2783 debtor and a seller of a payment intangible limits the account  
2784 debtor's duty to pay a person other than the seller and the  
2785 limitation is effective under law other than this chapter; or



16-00478-23

2786 (c) At the option of an account debtor, if the notification  
2787 notifies the account debtor to make less than the full amount of  
2788 any installment or other periodic payment to the assignee, even  
2789 if:

- 2790 1. Only a portion of the account, chattel paper, or payment  
2791 intangible has been assigned to that assignee;  
2792 2. A portion has been assigned to another assignee; or  
2793 3. The account debtor knows that the assignment to that  
2794 assignee is limited.

2795 (3) Subject to subsections (8) and (13) ~~subsection (8)~~, if  
2796 requested by the account debtor, an assignee shall seasonably  
2797 furnish reasonable proof that the assignment has been made.  
2798 Unless the assignee complies, the account debtor may discharge  
2799 its obligation by paying the assignor, even if the account  
2800 debtor has received a notification under subsection (1).

2801 (4) For the purposes of this subsection, the term  
2802 "promissory note" includes a negotiable instrument that  
2803 evidences chattel paper. Except as otherwise provided in  
2804 subsections (5) and (12) and ss. 680.303 and 679.4071, and  
2805 subject to subsection (8), a term in an agreement between an  
2806 account debtor and an assignor or in a promissory note is  
2807 ineffective to the extent that it:

2808 (a) Prohibits, restricts, or requires the consent of the  
2809 account debtor or person obligated on the promissory note to the  
2810 assignment or transfer of, or the creation, attachment,  
2811 perfection, or enforcement of a security interest in, the  
2812 account, chattel paper, payment intangible, or promissory note;  
2813 or

2814 (b) Provides that the assignment or transfer or the

16-00478-23

2815 creation, attachment, perfection, or enforcement of the security  
2816 interest may give rise to a default, breach, right of  
2817 recoupment, claim, defense, termination, right of termination,  
2818 or remedy under the account, chattel paper, payment intangible,  
2819 or promissory note.

2820 (7) Subject to subsections (8) and (13) ~~subsection (8)~~, an  
2821 account debtor may not waive or vary its option under paragraph  
2822 (2) (c).

2823 (13) Subsections (1), (2), (3), and (7) do not apply to a  
2824 controllable account or controllable payment intangible.

2825 Section 100. Subsection (9) is added to section 679.4081,  
2826 Florida Statutes, to read:

2827 679.4081 Restrictions on assignment of promissory notes,  
2828 health-care-insurance receivables, and certain general  
2829 intangibles ineffective.—

2830 (9) For the purposes of this section, the term "promissory  
2831 note" includes a negotiable instrument that evidences chattel  
2832 paper.

2833 Section 101. Subsections (1) and (2) of section 679.509,  
2834 Florida Statutes, are amended to read:

2835 679.509 Persons entitled to file a record.—

2836 (1) A person may file an initial financing statement,  
2837 amendment that adds collateral covered by a financing statement,  
2838 or amendment that adds a debtor to a financing statement only  
2839 if:

2840 (a) The debtor authorizes the filing in a signed ~~an~~  
2841 ~~authenticated~~ record or pursuant to subsection (2) or subsection  
2842 (3); or

2843 (b) The person holds an agricultural lien that has become

16-00478-23

2844 effective at the time of filing and the financing statement  
2845 covers only collateral in which the person holds an agricultural  
2846 lien.

2847 (2) By signing ~~authenticating~~ or becoming bound as a debtor  
2848 by a security agreement, a debtor or new debtor authorizes the  
2849 filing of an initial financing statement, and an amendment,  
2850 covering:

2851 (a) The collateral described in the security agreement; and

2852 (b) Property that becomes collateral under s.

2853 679.3151(1)(b), whether or not the security agreement expressly  
2854 covers proceeds.

2855 Section 102. Subsections (2) and (3) of section 679.513,  
2856 Florida Statutes, are amended to read:

2857 679.513 Termination statement.—

2858 (2) To comply with subsection (1), a secured party shall  
2859 cause the secured party of record to file the termination  
2860 statement:

2861 (a) Within 1 month after there is no obligation secured by  
2862 the collateral covered by the financing statement and no  
2863 commitment to make an advance, incur an obligation, or otherwise  
2864 give value; or

2865 (b) If earlier, within 20 days after the secured party  
2866 receives a signed ~~an authenticated~~ demand from a debtor.

2867 (3) In cases not governed by subsection (1), within 20 days  
2868 after a secured party receives a signed ~~an authenticated~~ demand  
2869 from a debtor, the secured party shall cause the secured party  
2870 of record for a financing statement to send to the debtor a  
2871 termination statement for the financing statement or file the  
2872 termination statement in the filing office if:

16-00478-23

2873 (a) Except in the case of a financing statement covering  
2874 accounts or chattel paper that has been sold or goods that are  
2875 the subject of a consignment, there is no obligation secured by  
2876 the collateral covered by the financing statement and no  
2877 commitment to make an advance, incur an obligation, or otherwise  
2878 give value;

2879 (b) The financing statement covers accounts or chattel  
2880 paper that has been sold but as to which the account debtor or  
2881 other person obligated has discharged its obligation;

2882 (c) The financing statement covers goods that were the  
2883 subject of a consignment to the debtor but are not in the  
2884 debtor's possession; or

2885 (d) The debtor did not authorize the filing of the initial  
2886 financing statement.

2887 Section 103. Subsection (2) of section 679.601, Florida  
2888 Statutes, is amended to read:

2889 679.601 Rights after default; judicial enforcement;  
2890 consignor or buyer of accounts, chattel paper, payment  
2891 intangibles, or promissory notes.—

2892 (2) A secured party in possession of collateral or control  
2893 of collateral under s. 679.1041, s. 679.1051, s. 679.1052, s.  
2894 679.1053, s. 679.1061, or s. 679.1071 has the rights and duties  
2895 provided in s. 679.2071.

2896 Section 104. Subsection (4) of Section 679.604, Florida  
2897 Statutes, is amended to read:

2898 679.604 Procedure if security agreement covers real  
2899 property or fixtures.—

2900 4) A secured party that removes collateral shall promptly  
2901 reimburse any encumbrancer or owner of the real property, other

16-00478-23

2902 than the debtor, for the cost of repair of any physical injury  
2903 caused by the removal. The secured party need not reimburse the  
2904 encumbrancer or owner for any diminution in value of the real  
2905 property caused by the absence of the goods removed or by any  
2906 necessity of replacing them. A person entitled to reimbursement  
2907 may refuse permission to remove until the secured party gives  
2908 adequate assurance for the performance of the obligation to  
2909 reimburse. This subsection does not prohibit a secured party and  
2910 the person entitled to reimbursement from entering into a signed  
2911 ~~an authenticated~~ record providing for the removal of fixtures  
2912 and reimbursement for any damage caused thereby.

2913 Section 105. Section 679.605, Florida Statutes, is amended  
2914 to read:

2915 679.605 Unknown debtor or secondary obligor.—

2916 (1) Except as provided in subsection (2), a secured party  
2917 does not owe a duty based on its status as secured party:

2918 (a) ~~(1)~~ To a person who is a debtor or obligor, unless the  
2919 secured party knows:

2920 1. ~~(a)~~ That the person is a debtor or obligor;

2921 2. ~~(b)~~ The identity of the person; and

2922 3. ~~(c)~~ How to communicate with the person; or

2923 (b) ~~(2)~~ To a secured party or lienholder that has filed a  
2924 financing statement against a person, unless the secured party  
2925 knows:

2926 1. ~~(a)~~ That the person is a debtor; and

2927 2. ~~(b)~~ The identity of the person.

2928 (2) A secured party owes a duty based on its status as a  
2929 secured party to a person if, at the time the secured party  
2930 obtains control of collateral that is a controllable account,

16-00478-23

2931 controllable electronic record, or controllable payment  
2932 intangible or at the time the security interest attaches to the  
2933 collateral, whichever is later:

2934 (a) The person is a debtor or obligor; and

2935 (b) The secured party knows that the information relating  
2936 to the person in subparagraphs (1), (2) or (3) of subsection  
2937 (1)(a) is not provided by the collateral, a record attached to  
2938 or logically associated with the collateral, or the system in  
2939 which the collateral is recorded.

2940 Section 106. Paragraph (a) of subsection (1) and subsection  
2941 (3) of section 679.608, Florida Statutes, are amended to read:

2942 679.608 Application of proceeds of collection or  
2943 enforcement; liability for deficiency and right to surplus.—

2944 (1) If a security interest or agricultural lien secures  
2945 payment or performance of an obligation, the following rules  
2946 apply:

2947 (a) A secured party shall apply or pay over for application  
2948 the cash proceeds of collection or enforcement under s. 679.607  
2949 in the following order to:

2950 1. The reasonable expenses of collection and enforcement  
2951 and, to the extent provided for by agreement and not prohibited  
2952 by law, reasonable attorney's fees and legal expenses incurred  
2953 by the secured party;

2954 2. The satisfaction of obligations secured by the security  
2955 interest or agricultural lien under which the collection or  
2956 enforcement is made; and

2957 3. The satisfaction of obligations secured by any  
2958 subordinate security interest in or other lien on the collateral  
2959 subject to the security interest or agricultural lien under

16-00478-23

2960 which the collection or enforcement is made if the secured party  
2961 receives a signed ~~an authenticated~~ demand for proceeds before  
2962 distribution of the proceeds is completed.

2963 (3) If the secured party in good faith cannot determine the  
2964 validity, extent, or priority of a subordinate security interest  
2965 or other lien or there are conflicting claims of subordinate  
2966 interests or liens, the secured party may commence an  
2967 interpleader action with respect to remaining proceeds in excess  
2968 of \$2,500 in the circuit or county court, as applicable based  
2969 upon the amount to be deposited, where the collateral was  
2970 located or collected or in the county where the debtor has its  
2971 chief executive office or principal residence in this state, as  
2972 applicable. If authorized in a signed ~~an authenticated~~ record,  
2973 the interpleading secured party is entitled to be paid from the  
2974 remaining proceeds the actual costs of the filing fee and an  
2975 attorney's fee in the amount of \$250 incurred in connection with  
2976 filing the interpleader action and obtaining an order approving  
2977 the interpleader of funds. The debtor in a consumer transaction  
2978 may not be assessed for the attorney's fees and costs incurred  
2979 in the interpleader action by the holders of subordinate  
2980 security interests or other liens based upon disputes among said  
2981 holders, and a debtor in a transaction other than a consumer  
2982 transaction may only recover such fees and costs to the extent  
2983 provided for in a signed ~~an authenticated~~ record. If authorized  
2984 in a signed ~~an authenticated~~ record, the court in the  
2985 interpleader action may award reasonable attorney's fees and  
2986 costs to the prevailing party in a dispute between the debtor  
2987 and a holder of a security interest or lien which claims an  
2988 interest in the remaining interpleaded proceeds, but only if the

16-00478-23

2989 debtor challenges the validity, priority, or extent of said  
2990 security interest or lien. Except as provided in this  
2991 subsection, a debtor may not be assessed attorney's fees and  
2992 costs incurred by any party in an interpleader action commenced  
2993 under this section.

2994 Section 107. Subsections (1), (2), (3), (5) and (6) of  
2995 section 679.611, Florida Statutes, are amended to read:

2996 679.611 Notification before disposition of collateral.—

2997 (1) In this section, the term "notification date" means the  
2998 earlier of the date on which:

2999 (a) A secured party sends to the debtor and any secondary  
3000 obligor a signed ~~an authenticated~~ notification of disposition;  
3001 or

3002 (b) The debtor and any secondary obligor waive the right to  
3003 notification.

3004 (2) Except as otherwise provided in subsection (4), a  
3005 secured party that disposes of collateral under s. 679.610 shall  
3006 send to the persons specified in subsection (3) a reasonable  
3007 signed ~~authenticated~~ notification of disposition.

3008 (3) To comply with subsection (2), the secured party shall  
3009 send a signed ~~an authenticated~~ notification of disposition to:

3010 (a) The debtor;

3011 (b) Any secondary obligor; and

3012 (c) If the collateral is other than consumer goods:

3013 1. Any other person from whom the secured party has  
3014 received, before the notification date, a signed ~~an~~  
3015 ~~authenticated~~ notification of a claim of an interest in the  
3016 collateral;

3017 2. Any other secured party or lienholder that, 10 days



16-00478-23

3018 before the notification date, held a security interest in or  
3019 other lien on the collateral perfected by the filing of a  
3020 financing statement that:

- 3021 a. Identified the collateral;
- 3022 b. Was indexed under the debtor's name as of that date; and
- 3023 c. Was filed in the office in which to file a financing  
3024 statement against the debtor covering the collateral as of that  
3025 date; and

3026 3. Any other secured party that, 10 days before the  
3027 notification date, held a security interest in the collateral  
3028 perfected by compliance with a statute, regulation, or treaty  
3029 described in s. 679.3111(1).

3030 (5) A secured party complies with the requirement for  
3031 notification prescribed by subparagraph (3)(c)2. if:

- 3032 (a) Not later than 20 days or earlier than 30 days before  
3033 the notification date, the secured party requests, in a  
3034 commercially reasonable manner, information concerning financing  
3035 statements indexed under the debtor's name in the office  
3036 indicated in subparagraph (3)(c)2.; and
- 3037 (b) Before the notification date, the secured party:
  - 3038 1. Did not receive a response to the request for  
3039 information; or
  - 3040 2. Received a response to the request for information and  
3041 sent a signed ~~an authenticated~~ notification of disposition to  
3042 each secured party or other lienholder named in that response  
3043 whose financing statement covered the collateral.
- 3044 (6) For purposes of subsection (3), the secured party may  
3045 send the signed ~~authenticated~~ notification as follows:
  - 3046 (a) If the collateral is other than consumer goods, to the

16-00478-23

3047 debtor at the address in the financing statement, unless the  
3048 secured party has received a signed ~~an authenticated~~ record from  
3049 the debtor notifying the secured party of a different address  
3050 for such notification purposes or the secured party has actual  
3051 knowledge of the address of the debtor's chief executive office  
3052 or principal residence, as applicable, at the time the  
3053 notification is sent;

3054 (b) If the collateral is other than consumer goods, to any  
3055 secondary obligor at the address, if any, in the signed  
3056 ~~authenticated~~ agreement, unless the secured party has received a  
3057 ~~signed an authenticated~~ record from the secondary obligor  
3058 notifying the secured party of a different address for such  
3059 notification purposes or the secured party has actual knowledge  
3060 of the address of the secondary obligor's chief executive office  
3061 or principal residence, as applicable, at the time the  
3062 notification is sent; and

3063 (c) If the collateral is other than consumer goods:

3064 1. To the person described in subparagraph (3)(c)1., at the  
3065 address stated in the notification;

3066 2. To the person described in subparagraph (3)(c)2., at the  
3067 address stated in the financing statement;

3068 3. To the person described in subparagraph (3)(c)3., at the  
3069 address stated in the official records of the recording or  
3070 registration agency.

3071 Section 108. Subsection (5) of section 679.613, Florida  
3072 Statutes, is amended to read:

3073 679.613 Contents and form of notification before  
3074 disposition of collateral; general.—Except in a consumer-goods  
3075 transaction, the following rules apply:

16-00478-23

3076           (5) (a) The following form of notification and the form  
3077 appearing in s. 679.614(3) (a) ~~s. 679.614(3)~~, when completed in  
3078 accordance with the instructions in paragraph (b), each provides  
3079 sufficient information:

3081                               NOTIFICATION OF DISPOSITION  
3082                               OF COLLATERAL

3084 To:...(Name of debtor, obligor, or other person to which the  
3085 notification is sent)...

3086 From:...(Name, address, and telephone number of secured  
3087 party)...

3088           {1} Name of any debtor that is not an addressee  
3089 Debtor(s):... (Name of each debtor ~~Include only if debtor(s) are~~  
3090 ~~not an addressee~~) ...

3091 ~~{For a public disposition:}~~

3092           {2} We will sell ~~{or lease or license, as applicable}~~ the  
3093 ... (describe collateral) ... to the highest qualified bidder at  
3094 public sale. A sale could include a lease or a license. The sale  
3095 will be held in public as follows:

3096 Date:

3097 Time:

3098 Place:

3099 ~~{For a private disposition:}~~

3100           {3} We will sell ~~{or lease or license, as applicab (le)}~~ the  
3101 ... (describe collateral) ... at a private sale privately sometime  
3102 after ... (~~day and date~~) ... A sale could include a lease or a  
3103 license.

3104           {4} You are entitled to an accounting of the unpaid

16-00478-23

3105 indebtedness secured by the property that we intend to sell or,  
3106 as applicable, for lease or license.

3107 {5} If you request an accounting, you must pay, as  
3108 applicable for a charge of \$...( amount)..

3109 {6} You may request an accounting by calling us at  
3110 ...(telephone number)....

3111 (b) The following instructions apply to the form of  
3112 notification in paragraph(a):

3113 1. The instructions in this paragraph refer to the numbers  
3114 in braces before items in the form of notification in paragraph  
3115 (a). Do not include the numbers or braces in the notification.  
3116 The numbers and braces are used only for the purpose of these  
3117 instructions.

3118 2. Include and complete item {1} only if there is a debtor  
3119 that is not an addressee of the notification and list the name  
3120 or names.

3121 3. Include and complete either item {2}, if the  
3122 notification relates to a public disposition of the collateral,  
3123 or item {3}, if the notification relates to a private  
3124 disposition of the collateral. If item {2} is included, include  
3125 the words "to the highest qualified bidder" only if applicable.

3126 4. Include and complete items {4} and {6}.

3127 5. Include and complete item {5} only if the sender will  
3128 charge the recipient for an accounting.

3129 Section 109. Subsection (3) of section 679.614, Florida  
3130 Statutes, is amended to read:

3131 679.614 Contents and form of notification before  
3132 disposition of collateral; consumer-goods transaction.-In a  
3133 consumer-goods transaction, the following rules apply:

16-00478-23

3134 (3) (a) The following form of notification, when completed  
3135 in accordance with the instructions in paragraph (b), provides  
3136 sufficient information:

3137  
3138 ... (Name and address of secured party) ...  
3139 ... (Date) ...

3141 NOTICE OF OUR PLAN TO SELL PROPERTY

3142  
3143 ... (Name and address of any obligor who is also a debtor) ...  
3144 Subject: ... (Identify ~~Identification of~~ Transaction) ...

3145 We have your ... (describe collateral) ..., because you broke  
3146 promises in our agreement.

3147 ~~{For a public disposition:}~~

3148 {1} We will sell ... (describe collateral) ... at public  
3149 sale. A sale could include a lease or license. The sale will be  
3150 held as follows:

3151 Date:

3152 Time:

3153 Place:

3154  
3155 You may attend the sale and bring bidders if you want.

3156 ~~{For a private disposition:}~~

3157 {2} We will sell ... (describe collateral) ... at private  
3158 sale sometime after ... (date) .... A sale could include a lease  
3159 or license.

3160  
3161 {3} The money that we get from the sale (after paying our  
3162 costs) will reduce the amount you owe. If we get less money than

16-00478-23

3163 you owe, you ...(will or will not, as applicable)... still owe  
3164 us the difference. If we get more money than you owe, you will  
3165 get the extra money, unless we must pay it to someone else.

3166  
3167 {4} You can get the property back at any time before we  
3168 sell it by paying us the full amount you owe, ~~(not just the past~~  
3169 ~~due payments),~~ including our expenses. To learn the exact amount  
3170 you must pay, call us at ...(telephone number)....

3171  
3172 {5} If you want us to explain to you ...(in writing or in  
3173 description of electronic record)... how we have figured the  
3174 amount that you owe us, {6} ~~you may~~ call us at ...(telephone  
3175 number)...., ~~or~~ write us at ...(secured party's address)...., or  
3176 contact us by ...(description of electronic communication  
3177 method)... {7} and request a written explanation, an explanation  
3178 in ...(description of electronic record)....

3179  
3180 {8} We will charge you \$.... for the explanation if we sent  
3181 you another written explanation of the amount you owe us within  
3182 the last 6 months.

3183  
3184 {9} If you need more information about the sale, call us at  
3185 ...(telephone number)...., ~~or~~ write us at ...(secured party's  
3186 address)...., or contact us by ...(description of electronic  
3187 communication method)....

3188  
3189 {10} We are sending this notice to the following other  
3190 people who have an interest in ...(describe collateral)... or  
3191 who owe money under your agreement:

16-00478-23

3192 ... (Names of all other debtors and obligors, if any)...

3193 (b) The following instructions apply to the form of  
3194 notification in paragraph (a):

3195 1. The instructions in this paragraph refer to the numbers  
3196 in braces before items in the form of notification in paragraph  
3197 (a). Do not include the numbers or braces in the notification.  
3198 The numbers and braces are used only for the purpose of these  
3199 instructions.

3200 2. Include and complete either item {1}, if the  
3201 notification relates to a public disposition of the collateral,  
3202 or item {2}, if the notification relates to a private  
3203 disposition of the collateral.

3204 3. Include and complete items {3}, {4}, {5}, {6}, and {7}.

3205 4. In item {5}, include and complete any one of the three  
3206 alternative methods for the explanation—writing, writing or  
3207 electronic record, or electronic record.

3208 5. In item {6}, include the telephone number. In addition,  
3209 the sender may include and complete either or both of the two  
3210 additional alternative methods of communication—writing or  
3211 electronic communication—for the recipient of the notification  
3212 to communicate with the sender. Neither of the two additional  
3213 methods of communication is required to be included.

3214 6. In item {7}, include and complete the method or methods  
3215 for the explanation—writing, writing or electronic record, or  
3216 electronic record—included in item {5}.

3217 7. Include and complete item {8} only if a written  
3218 explanation is included in item {5} as a method for  
3219 communicating the explanation and the sender will charge the  
3220 recipient for another written explanation.

16-00478-23

3221 8. In item {9}, include either the telephone number or the  
3222 address or both the telephone number and the address. In  
3223 addition, the sender may include and complete the additional  
3224 method of communication—electronic communication—for the  
3225 recipient of the notification to communicate with the sender.  
3226 The additional method of electronic communication is not  
3227 required to be included.

3228 9. If item {10} does not apply, insert "None" after  
3229 "agreement:."

3230 Section 110. Subsection (1) of section 679.615, Florida  
3231 Statutes, are amended to read:

3232 679.615 Application of proceeds of disposition; liability  
3233 for deficiency and right to surplus.—

3234 (1) A secured party shall apply or pay over for application  
3235 the cash proceeds of disposition under s. 679.610 in the  
3236 following order to:

3237 (a) The reasonable expenses of retaking, holding, preparing  
3238 for disposition, processing, and disposing, and, to the extent  
3239 provided for by agreement and not prohibited by law, reasonable  
3240 attorney's fees and legal expenses incurred by the secured  
3241 party;

3242 (b) The satisfaction of obligations secured by the security  
3243 interest or agricultural lien under which the disposition is  
3244 made;

3245 (c) The satisfaction of obligations secured by any  
3246 subordinate security interest in or other subordinate lien on  
3247 the collateral if:

3248 1. The secured party receives from the holder of the  
3249 subordinate security interest or other lien a signed an

Deleted: :."



16-00478-23

3251 ~~authenticated~~ demand for proceeds before distribution of the  
3252 proceeds is completed; and

3253 2. In a case in which a consignor has an interest in the  
3254 collateral, the subordinate security interest or other lien is  
3255 senior to the interest of the consignor; and

3256 (d) A secured party that is a consignor of the collateral  
3257 if the secured party receives from the consignor a signed ~~an~~  
3258 ~~authenticated~~ demand for proceeds before distribution of the  
3259 proceeds is completed.

3260 Section 111. Subsections (1), (2), and (3) of section  
3261 679.616, Florida Statutes, are amended to read:

3262 679.616 Explanation of calculation of surplus or  
3263 deficiency.—

3264 (1) In this section, the term:

3265 (a) "Explanation" means a record ~~writing~~ that:

- 3266 1. States the amount of the surplus or deficiency;  
3267 2. Provides an explanation in accordance with subsection  
3268 (3) of how the secured party calculated the surplus or  
3269 deficiency;

3270 3. States, if applicable, that future debits, credits,  
3271 charges, including additional credit service charges or  
3272 interest, rebates, and expenses may affect the amount of the  
3273 surplus or deficiency; and

3274 4. Provides a telephone number or mailing address from  
3275 which additional information concerning the transaction is  
3276 available.

3277 (b) "Request" means a record:

- 3278 1. Signed ~~Authenticated~~ by a debtor or consumer obligor;  
3279 2. Requesting that the recipient provide an explanation;

16-00478-23

3280 and

3281 3. Sent after disposition of the collateral under s.  
3282 679.610.

3283 (2) In a consumer-goods transaction in which the debtor is  
3284 entitled to a surplus or a consumer obligor is liable for a  
3285 deficiency under s. 679.615, the secured party shall:

3286 (a) Send an explanation to the debtor or consumer obligor,  
3287 as applicable, after the disposition and:

3288 1. Before or when the secured party accounts to the debtor  
3289 and pays any surplus or first makes ~~written~~ demand in a record  
3290 on the consumer obligor after the disposition for payment of the  
3291 deficiency; and

3292 2. Within 14 days after receipt of a request; or

3293

3294 (b) In the case of a consumer obligor who is liable for a  
3295 deficiency, within 14 days after receipt of a request, send to  
3296 the consumer obligor a record waiving the secured party's right  
3297 to a deficiency.

3298 (3) To comply with subparagraph (1)(a)2., an explanation a  
3299 ~~writing~~ must provide the following information in the following  
3300 order:

3301 (a) The aggregate amount of obligations secured by the  
3302 security interest under which the disposition was made, and, if  
3303 the amount reflects a rebate of unearned interest or credit  
3304 service charge, an indication of that fact, calculated as of a  
3305 specified date:

3306 1. If the secured party takes or receives possession of the  
3307 collateral after default, not more than 35 days before the  
3308 secured party takes or receives possession; or

16-00478-23

3309           2. If the secured party takes or receives possession of the  
3310 collateral before default or does not take possession of the  
3311 collateral, not more than 35 days before the disposition;

3312           (b) The amount of proceeds of the disposition;

3313           (c) The aggregate amount of the obligations after deducting  
3314 the amount of proceeds;

3315           (d) The amount, in the aggregate or by type, and types of  
3316 expenses, including expenses of retaking, holding, preparing for  
3317 disposition, processing, and disposing of the collateral, and  
3318 attorney's fees secured by the collateral which are known to the  
3319 secured party and relate to the current disposition;

3320           (e) The amount, in the aggregate or by type, and types of  
3321 credits, including rebates of interest or credit service  
3322 charges, to which the obligor is known to be entitled and which  
3323 are not reflected in the amount in paragraph (a); and

3324           (f) The amount of the surplus or deficiency.

3325           Section 112. Subsection (1) of section 679.619, Florida  
3326 Statutes, is amended to read:

3327           679.619 Transfer of record or legal title.—

3328           (1) In this section, the term "transfer statement" means a  
3329 record signed ~~authenticated~~ by a secured party stating:

3330           (a) That the debtor has defaulted in connection with an  
3331 obligation secured by specified collateral;

3332           (b) That the secured party has exercised its post-default  
3333 remedies with respect to the collateral;

3334           (c) That, by reason of the exercise, a transferee has  
3335 acquired the rights of the debtor in the collateral; and

3336           (d) The name and mailing address of the secured party,  
3337 debtor, and transferee.

16-00478-23

3338 Section 113. Subsections (1), (2), (3), and (6) of section  
3339 679.620, Florida Statutes, are amended to read:

3340 679.620 Acceptance of collateral in full or partial  
3341 satisfaction of obligation; compulsory disposition of  
3342 collateral.—

3343 (1) Except as otherwise provided in subsection (7), a  
3344 secured party may accept collateral in full or partial  
3345 satisfaction of the obligation it secures only if:

3346 (b) The secured party does not receive, within the time set  
3347 forth in subsection (4), a notification of objection to the  
3348 proposal signed ~~authenticated~~ by:

3349 1. A person to whom the secured party was required to send  
3350 a proposal under s. 679.621; or

3351 2. Any other person, other than the debtor, holding an  
3352 interest in the collateral subordinate to the security interest  
3353 that is the subject of the proposal;

3354 (2) A purported or apparent acceptance of collateral under  
3355 this section is ineffective unless:

3356 (a) The secured party consents to the acceptance in a a  
3357 signed ~~an authenticated~~ record or sends a proposal to the  
3358 debtor; and

3359 (b) The conditions of subsection (1) are met.

3360 (3) For purposes of this section:

3361 (a) A debtor consents to an acceptance of collateral in  
3362 partial satisfaction of the obligation it secures only if the  
3363 debtor agrees to the terms of the acceptance in a record signed  
3364 ~~authenticated~~ after default; and

3365 (b) A debtor consents to an acceptance of collateral in  
3366 full satisfaction of the obligation it secures only if the

16-00478-23

3367 debtor agrees to the terms of the acceptance in a record signed  
3368 ~~authenticated~~ after default or the secured party:

3369 1. Sends to the debtor after default a proposal that is  
3370 unconditional or subject only to a condition that collateral not  
3371 in the possession of the secured party be preserved or  
3372 maintained;

3373 2. In the proposal, proposes to accept collateral in full  
3374 satisfaction of the obligation it secures, and, in a consumer  
3375 transaction, provides notice that the proposal will be deemed  
3376 accepted if it is not objected to by a signed ~~an authenticated~~  
3377 notice within 30 days after the date the proposal is sent by the  
3378 secured party; and

3379 3. Does not receive a notification of objection signed  
3380 ~~authenticated~~ by the debtor within 30 days after the proposal is  
3381 sent.

3382 (6) To comply with subsection (5), the secured party shall  
3383 dispose of the collateral:

3384 (a) Within 90 days after taking possession; or

3385 (b) Within any longer period to which the debtor and all  
3386 secondary obligors have agreed in an agreement to that effect  
3387 entered into and signed ~~authenticated~~ after default.

3388 Section 114. Subsection (1) of section 679.621, Florida  
3389 Statutes, is amended to read:

3390 679.621 Notification of proposal to accept collateral.—

3391 (1) A secured party that desires to accept collateral in  
3392 full or partial satisfaction of the obligation it secures shall  
3393 send its proposal to:

3394 (a) Any person from whom the secured party has received,  
3395 before the debtor consented to the acceptance, a signed ~~an~~

16-00478-23

3396 ~~authenticated~~ notification of a claim of an interest in the  
3397 collateral;

3398 (b) Any other secured party or lienholder that, 10 days  
3399 before the debtor consented to the acceptance, held a security  
3400 interest in or other lien on the collateral perfected by the  
3401 filing of a financing statement that:

- 3402 1. Identified the collateral;
- 3403 2. Was indexed under the debtor's name as of that date; and
- 3404 3. Was filed in the office or offices in which to file a  
3405 financing statement against the debtor covering the collateral  
3406 as of that date; and

3407 (c) Any other secured party that, 10 days before the debtor  
3408 consented to the acceptance, held a security interest in the  
3409 collateral perfected by compliance with a statute, regulation,  
3410 or treaty described in s. 679.3111(1).

3411 Section 115. Section 679.624, Florida Statutes, is amended  
3412 to read:

3413 679.624 Waiver.—

3414 (1) A debtor or secondary obligor may waive the right to  
3415 notification of disposition of collateral under s. 679.611 only  
3416 by an agreement to that effect entered into and signed  
3417 ~~authenticated~~ after default.

3418 (2) A debtor may waive the right to require disposition of  
3419 collateral under s. 679.620(5) only by an agreement to that  
3420 effect entered into and signed ~~authenticated~~ after default.

3421 (3) Except in a consumer-goods transaction, a debtor or  
3422 secondary obligor may waive the right to redeem collateral under  
3423 s. 679.623 only by an agreement to that effect entered into and  
3424 signed ~~authenticated~~ after default.

16-00478-23

3425 Section 116. Subsections (1) and (5) of section 679.625,  
3426 Florida Statutes, are amended, to read:

3427 679.625 Remedies for failure to comply with article.—

3428 (1) If it is established that a secured party is not  
3429 proceeding in accordance with this chapter, a court may order or  
3430 restrain collection, enforcement, or disposition of collateral  
3431 on appropriate terms and conditions. This subsection shall not  
3432 preclude a debtor other than a consumer and a secured party, or  
3433 two or more secured parties in other than a consumer  
3434 transaction, from agreeing in a signed ~~an authenticated~~ record  
3435 that the debtor or secured party must first provide to the  
3436 alleged offending secured party notice of a violation of this  
3437 chapter and opportunity to cure before commencing any legal  
3438 proceeding under this section.

3439 (5) In lieu of damages recoverable under subsection (2),  
3440 the debtor, consumer obligor, or person named as a debtor in a  
3441 filed record, as applicable, may recover \$500 in each case from  
3442 a person who:

3443 (a) Fails to comply with s. 679.2081;

3444 (b) Fails to comply with s. 679.209;

3445 (c) Files a record that the person is not entitled to file  
3446 under s. 679.509(1);

3447 (d) Fails to cause the secured party of record to file or  
3448 send a termination statement as required by s. 679.513(1) or (3)  
3449 after receipt of a signed ~~an authenticated~~ record notifying the  
3450 person of such noncompliance;

3451 (e) Fails to comply with s. 679.616(2) (a) and whose  
3452 failure is part of a pattern, or consistent with a practice, of  
3453 noncompliance; or

16-00478-23

3454 (f) Fails to comply with s. 679.616(2)(b).  
3455 Section 117. Subsections (1) and (2) of section 679.628,  
3456 Florida Statutes, are amended, and subsection (6) is added to  
3457 that section, to read:  
3458 679.628 Nonliability and limitation on liability of secured  
3459 party; liability of secondary obligor.—  
3460 (1) Subject to subsection (6), unless a secured party knows  
3461 that a person is a debtor or obligor, knows the identity of the  
3462 person, and knows how to communicate with the person:  
3463 (a) The secured party is not liable to the person, or to a  
3464 secured party or lienholder that has filed a financing statement  
3465 against the person, for failure to comply with this chapter; and  
3466 (b) The secured party's failure to comply with this chapter  
3467 does not affect the liability of the person for a deficiency.  
3468 (2) Subject to subsection (6), a secured party is not  
3469 liable because of its status as a secured party:  
3470 (a) To a person who is a debtor or obligor, unless the  
3471 secured party knows:  
3472 1. That the person is a debtor or obligor;  
3473 2. The identity of the person; and  
3474 3. How to communicate with the person; or  
3475 (b) To a secured party or lienholder that has filed a  
3476 financing statement against a person, unless the secured party  
3477 knows:  
3478 1. That the person is a debtor; and  
3479 2. The identity of the person.  
3480 (6) Subsections (1) and (2) do not apply to limit the  
3481 liability of a secured party to a person if, at the time the  
3482 secured party obtains control of collateral that is a



16-00478-23

3483 controllable account, controllable electronic record, or  
3484 controllable payment intangible or at the time the security  
3485 interest attaches to the collateral, whichever is later:

3486 (a) The person is a debtor or obligor; and

3487 (b) The secured party knows that the information in  
3488 subparagraph (2)(a)1., (a)2., or (a)3. is not provided by the  
3489 collateral, a record attached to or logically associated with  
3490 the collateral, or the system in which the collateral is  
3491 recorded.

3492 Section 118. Part IX of chapter 679, Florida Statutes,  
3493 consisting of section 679.901 through 679.902, is created and  
3494 entitled "Transitional Provisions for 2024 Amendments."

3495 Section 119. Section 679.901, Florida Statutes, is created  
3496 to read:

3497 679.901 Saving clause for 2024 Amendments.—Except as  
3498 provided in ss. 669.501-669.706, a transaction validly entered  
3499 into before July 1, 2024, and the rights, duties, and interests  
3500 flowing from the transaction remain valid thereafter and may be  
3501 terminated, completed, consummated, or enforced as required or  
3502 permitted by law other than the Uniform Commercial Code or, if  
3503 applicable, the Uniform Commercial Code as though ch. 2024-XX,  
3504 Laws of Florida, had not taken effect.

3505 Section 120. Section 679.902, Florida Statutes, is created  
3506 to read:

3507 679.902 Transitional Provisions for 2024 Amendments.—  
3508 Effective July 1, 2024, chapter 679 shall be amended by ch.  
3509 2024-XX, Laws of Florida, including the transitional provisions  
3510 for chapters 669 and 679, as amended by ch. 2024-XX, Laws of  
3511 Florida, as provided in part II of chapter 669 (ss. 669.501-

16-00478-23

3512 669.706).

3513 Section 121. Section 680.1021, Florida Statutes, is amended  
3514 to read:

3515 680.1021 Scope.—

3516 (1) This chapter applies to any transaction, regardless of  
3517 form, that creates a lease and, in the case of a hybrid lease,  
3518 applies to the extent provided in subsection (2).

3519 (2) In a hybrid lease:

3520 (a) If the lease-of-goods aspects do not predominate:

3521 1. Only the provisions of this chapter which relate  
3522 primarily to the lease-of-goods aspects of the transaction  
3523 apply, and the provisions that relate primarily to the  
3524 transaction as a whole do not apply;

3525 2. Section 608.209 applies if the lease is a finance lease;  
3526 and

3527 3. Section 608.407 applies to the promises of the lessee in  
3528 a finance lease to the extent the promises are consideration for  
3529 the right to possession and use of the leased goods; and

3530 (b) If the lease-of-goods aspects predominate, this chapter  
3531 applies to the transaction, but does not preclude application in  
3532 appropriate circumstances of other law to aspects of the lease  
3533 which do not relate to the lease of goods.

3534 Section 122. Present paragraphs (i) through (z) of  
3535 subsection (1) of section 680.1031, Florida Statutes, are  
3536 redesignated as paragraphs (j) through (aa), respectively, a new  
3537 paragraph (i) is added to that subsection, and paragraphs (d),  
3538 (e), (f), (h), (j), (l), and (m) of subsection (3) of that  
3539 section are amended, to read:

3540 680.1031 Definitions and index of definitions.—

16-00478-23

3541 (1) In this chapter, unless the context otherwise requires:

3542 (i) "Hybrid lease" means a single transaction involving a  
3543 lease of goods and:

3544 1. The provision of services;

3545 2. A sale of other goods; or

3546 3. A sale, lease, or license of property other than goods.

3547 (3) The following definitions in other chapters of this  
3548 code apply to this chapter:

3549 (d) "Chattel paper," s. 679.1021~~s. 679.1021(1)(k)~~.

3550 (e) "Consumer goods," s. 679.1021~~s. 679.1021(1)(w)~~.

3551 (f) "Document," s. 679.1021 ~~s. 679.1021(1)(dd)~~.

3552 (h) "General intangible," s. 679.1021~~s. 679.1021(1)(pp)~~.

3553 (j) "Instrument," s. 679.1021 ~~s. 679.1021(1)(uu)~~.

3554 (l) "Mortgage," s. 679.1021 ~~s. 679.1021(1)(ee)~~.

3555 (m) "Pursuant to a commitment," s. 679.1021 ~~s.~~

3556 ~~679.1021(1)(ppp)~~.

3557 Section 123. Section 680.1071, Florida Statutes, is amended  
3558 to read:

3559 680.1071 Waiver or renunciation of claim or right after  
3560 default.—Any claim or right arising out of an alleged default or  
3561 breach of warranty may be discharged in whole or in part without  
3562 consideration by a ~~written~~ waiver or renunciation in a signed  
3563 record and delivered by the aggrieved party.

3564 Section 124. Paragraph (b) of subsection (1), and  
3565 subsections (3) and (5) of section 680.201, Florida Statutes,  
3566 are amended to read:

3567 680.201 Statute of frauds.—

3568 (1) A lease contract is not enforceable by way of action or  
3569 defense unless:

16-00478-23

3570 (b) There is a record writing, signed by the party against  
3571 whom enforcement is sought or by that party's authorized agent,  
3572 sufficient to indicate that a lease contract has been made  
3573 between the parties and to describe the goods leased and the  
3574 lease term.

3575 (3) A record writing is not insufficient because it omits  
3576 or incorrectly states a term agreed upon, but the lease contract  
3577 is not enforceable under paragraph (1) (b) beyond the lease term  
3578 and the quantity of goods shown in the record writing.

3579 (5) The lease term under a lease contract referred to in  
3580 subsection (4) is:

3581 (a) If there is a record writing signed by the party  
3582 against whom enforcement is sought or by that party's authorized  
3583 agent specifying the lease term, the term so specified;

3584 (b) If the party against whom enforcement is sought admits  
3585 in that party's pleading, testimony, or otherwise in court a  
3586 lease term, the term so admitted; or

3587 (c) A reasonable lease term.

3588 Section 125. Section 680.202, Florida Statutes, is amended  
3589 to read:

3590 680.202 Final ~~written~~ expression: parol or extrinsic  
3591 evidence.—Terms with respect to which the confirmatory memoranda  
3592 of the parties agree or which are otherwise set forth in a  
3593 record writing intended by the parties as a final expression of  
3594 their agreement with respect to such terms as are included  
3595 therein may not be contradicted by evidence of any prior  
3596 agreement or of a contemporaneous oral agreement but may be  
3597 explained or supplemented:

3598 (1) By course of dealing or usage of trade or by course of

16-00478-23

3599 performance; and

3600 (2) By evidence of consistent additional terms unless the  
3601 court finds the record writing to have been intended also as a  
3602 complete and exclusive statement of the terms of the agreement.

3603 Section 126. Section 680.203, Florida Statutes, is amended  
3604 to read:

3605 680.203 Seals inoperative.—The affixing of a seal to a  
3606 record writing evidencing a lease contract or an offer to enter  
3607 into a lease contract does not render the record writing a  
3608 sealed instrument, and the law with respect to sealed  
3609 instruments does not apply to the lease contract or offer.

3610 Section 127. Section 680.205, Florida Statutes, is amended  
3611 to read:

3612 680.205 Firm offers.—An offer by a merchant to lease goods  
3613 to or from another person in a signed record writing that by its  
3614 terms gives assurance it will be held open is not revocable, for  
3615 lack of consideration, during the time stated or, if no time is  
3616 stated, for a reasonable time, but in no event may the period of  
3617 irrevocability exceed 3 months. Any such term of assurance on a  
3618 form supplied by the offeree must be separately signed by the  
3619 offeror.

3620 Section 128. Subsection (2) of section 680.208, Florida  
3621 Statutes, is amended to read:

3622 680.208 Modification, rescission, and waiver.—

3623 (2) A signed lease agreement that excludes modification or  
3624 rescission except by a signed record writing may not be  
3625 otherwise modified or rescinded, but, except as between  
3626 merchants, such a requirement on a form supplied by a merchant  
3627 must be separately signed by the other party.

16-00478-23

3628 Section 129. Part VI of chapter 680 Florida Statutes,  
3629 consisting of section 680.601, is created and entitled  
3630 "Transitional Provisions."

3631 Section 130. Section 680.601, Florida Statutes, is created  
3632 to read:

3633 680.601 Saving clause for 2024 Amendments.—Except as  
3634 provided in ss. 669.501-669.706, a transaction validly entered  
3635 into before July 1, 2024, and the rights, duties, and interests  
3636 flowing from the transaction remain valid thereafter and may be  
3637 terminated, completed, consummated, or enforced as required or  
3638 permitted by law other than the Uniform Commercial Code or, if  
3639 applicable, the Uniform Commercial Code as though ch. 2024-XX,  
3640 Laws of Florida, had not taken effect.

3641 Section 131. Subsection (2) and paragraph (b) of  
3642 subsection (3) of section 319.27, Florida Statutes, are amended  
3643 to read:

3644 319.27 Notice of lien on motor vehicles or mobile homes;  
3645 notation on certificate; recording of lien.—

3646 (2) No lien for purchase money or as security for a debt in  
3647 the form of a security agreement, retain title contract,  
3648 conditional bill of sale, chattel mortgage, or other similar  
3649 instrument or any other nonpossessory lien, including a lien for  
3650 child support, upon a motor vehicle or mobile home upon which a  
3651 Florida certificate of title has been issued shall be  
3652 enforceable in any of the courts of this state against creditors  
3653 or subsequent purchasers for a valuable consideration and  
3654 without notice, unless a sworn notice of such lien has been  
3655 filed in the department and such lien has been noted upon the  
3656 certificate of title of the motor vehicle or mobile home. Such

16-00478-23

3657 notice shall be effective as constructive notice when filed. The  
3658 interest of a statutory nonpossessory lienor; the interest of a  
3659 nonpossessory execution, attachment, or equitable lienor; or the  
3660 interest of a lien creditor as defined in s. 679.1021s-  
3661 ~~679.1021(1)(zz)~~, if nonpossessory, shall not be enforceable  
3662 against creditors or subsequent purchasers for a valuable  
3663 consideration unless such interest becomes a possessory lien or  
3664 is noted upon the certificate of title for the subject motor  
3665 vehicle or mobile home prior to the occurrence of the subsequent  
3666 transaction. Provided the provisions of this subsection relating  
3667 to a nonpossessory statutory lienor; a nonpossessory execution,  
3668 attachment, or equitable lienor; or the interest of a lien  
3669 creditor as defined in s. 679.1021s- ~~679.1021(1)(zz)~~ shall not  
3670 apply to liens validly perfected prior to October 1, 1988. The  
3671 notice of lien shall provide the following information:

3672 (a) The date of the lien if a security agreement, retain  
3673 title contract, conditional bill of sale, chattel mortgage, or  
3674 other similar instrument was executed prior to the filing of the  
3675 notice of lien;

3676 (b) The name and address of the registered owner;

3677 (c) A description of the motor vehicle or mobile home,  
3678 showing the make, type, and vehicle identification number; and

3679 (d) The name and address of the lienholder.

3680 (3)

3681 (b) As applied to a determination of the respective rights  
3682 of a secured party under this chapter and a lien creditor as  
3683 defined by s. 679.1021 ~~s. 679.1021(1)(zz)~~, or a nonpossessory  
3684 statutory lienor, a security interest under this chapter shall  
3685 be perfected upon the filing of the notice of lien with the

16-00478-23

3686 department, the county tax collector, or their agents. Provided,  
3687 however, the date of perfection of a security interest of such  
3688 secured party shall be the same date as the execution of the  
3689 security agreement or other similar instrument if the notice of  
3690 lien is filed in accordance with this subsection within 15 days  
3691 after the debtor receives possession of the motor vehicle or  
3692 mobile home and executes such security agreement or other  
3693 similar instrument. The date of filing of the notice of lien  
3694 shall be the date of its receipt by the department central  
3695 office in Tallahassee, if first filed there, or otherwise by the  
3696 office of the county tax collector, or their agents.

3697 Section 132. Paragraphs (d), (e), (g), (h), (j), (l), and  
3698 (n) of subsection (2) of section 328.0015, Florida Statutes, are  
3699 amended to read:

3700 328.0015 Definitions.—

3701 (2) The following definitions and terms also apply to this  
3702 part:

3703 (d) "Consumer goods" as defined in s. 679.1021~~s.~~  
3704 ~~679.1021(1)(w)~~.

3705 (e) "Debtor" as defined in s. 679.1021 ~~s. 679.1021(1)(bb)~~.

3706 (g) "Lease" as defined in s. 680.1031~~s. 680.1031(1)(j)~~.

3707 (h) "Lessor" as defined in s. 680.1031~~s. 680.1031(1)(p)~~.

3708 (j) "Representative" as defined in s. 671.201~~s.~~  
3709 ~~671.201(37)~~.

3710 (l) "Security agreement" as defined in s. 679.1021~~s.~~  
3711 ~~679.1021(1)(uuu)~~.

3712 (n) "Send" as defined in s. 671.201~~s. 671.201(40)~~.

3713 Section 133. Paragraph (f) of subsection (2) of section  
3714 559.9232, Florida Statutes, is amended to read:



16-00478-23

3715 559.9232 Definitions; exclusion of rental-purchase  
3716 agreements from certain regulations.—

3717 (2) A rental-purchase agreement that complies with this act  
3718 shall not be construed to be, nor be governed by, any of the  
3719 following:

3720 (f) A security interest as defined in s. 671.201~~s.~~  
3721 ~~671.201(39)~~.

3722 Section 134. Paragraph (g) of subsection (2) of section  
3723 563.022, Florida Statutes, is amended to read:

3724 563.022 Relations between beer distributors and  
3725 manufacturers.—

3726 (2) DEFINITIONS.—In construing this section, unless the  
3727 context otherwise requires, the word, phrase, or term:

3728 (g) "Good faith" means honesty in fact in the conduct or  
3729 transaction concerned as defined and interpreted under s.  
3730 671.201 ~~s. 671.201(21)~~.

3731 Section 135. Paragraph (d) of subsection (16) of section  
3732 668.50, Florida Statutes, is amended to read:

3733 668.50 Uniform Electronic Transaction Act.—

3734 (16) TRANSFERABLE RECORDS.—

3735 (d) Except as otherwise agreed, a person having control of  
3736 a transferable record is the holder, as defined in s. 671.201~~s.~~  
3737 ~~671.201(21)~~, of the transferable record and has the same rights  
3738 and defenses as a holder of an equivalent record or writing  
3739 under the Uniform Commercial Code, including, if the applicable  
3740 statutory requirements under s. 673.3021, s. 677.501, or s.  
3741 679.330 are satisfied, the rights and defenses of a holder in  
3742 due course, a holder to which a negotiable document of title has  
3743 been duly negotiated, or a purchaser, respectively. Delivery,

16-00478-23

3744 possession, and indorsement are not required to obtain or  
3745 exercise any of the rights under this paragraph.

3746 Section 136. For the purpose of incorporating the amendment  
3747 made by this act to section 671.105, Florida Statutes,  
3748 subsections (1) and (2) of section 655.55, Florida Statutes, are  
3749 reenacted to read:

3750 655.55 Law applicable to deposits in and contracts relating  
3751 to extensions of credit by a deposit or lending institution  
3752 located in this state.—

3753 (1) The law of this state, excluding its law regarding  
3754 comity and conflict of laws, governs all aspects, including  
3755 without limitation the validity and effect, of any deposit  
3756 account in a branch or office in this state of a deposit or  
3757 lending institution, including a deposit account otherwise  
3758 covered by s. 671.105(1), regardless of the citizenship,  
3759 residence, location, or domicile of any other party to the  
3760 contract or agreement governing such deposit account, and  
3761 regardless of any provision of any law of the jurisdiction of  
3762 the residence, location, or domicile of such other party,  
3763 whether or not such deposit account bears any other relation to  
3764 this state, except that this section does not apply to any such  
3765 deposit account:

3766 (a) To the extent provided to the contrary in s.  
3767 671.105(2); or

3768 (b) To the extent that all parties to the contract or  
3769 agreement governing such deposit account have agreed in writing  
3770 that the law of another jurisdiction will govern it.

3771 (2) The law of this state, excluding its law regarding  
3772 comity and conflict of laws, governs all aspects, including

16-00478-23

3773 without limitation the validity and effect, of any contract  
3774 relating to an extension of credit made by a branch or office in  
3775 this state of a deposit or lending institution, including a  
3776 contract otherwise covered by s. 671.105(1), if the contract  
3777 expressly provides that it will be governed by the law of this  
3778 state, regardless of the citizenship, residence, location, or  
3779 domicile of any other party to such contract and regardless of  
3780 any provision of any law of the jurisdiction of the residence,  
3781 location, or domicile of such other party, whether or not such  
3782 contract bears any other relation to this state, except that  
3783 this section does not apply to any such contract to the extent  
3784 provided to the contrary in s. 671.105(2).

3785 Section 137. For the purpose of incorporating the amendment  
3786 made by this act to section 671.105, Florida Statutes, in a  
3787 reference thereto, subsection (2) of section 685.101, Florida  
3788 Statutes, is reenacted to read:

3789 685.101 Choice of law.—

3790 (2) This section does not apply to any contract, agreement,  
3791 or undertaking:

3792 (a) Regarding any transaction which does not bear a  
3793 substantial or reasonable relation to this state in which every  
3794 party is either or a combination of:

3795 1. A resident and citizen of the United States, but not of  
3796 this state; or

3797 2. Incorporated or organized under the laws of another  
3798 state and does not maintain a place of business in this state;

3799 (b) For labor or employment;

3800 (c) Relating to any transaction for personal, family, or  
3801 household purposes, unless such contract, agreement, or

16-00478-23

3802 undertaking concerns a trust at least one trustee of which  
3803 resides or transacts business as a trustee in this state, in  
3804 which case this section applies;

3805 (d) To the extent provided to the contrary in s.  
3806 671.105(2); or

3807 (e) To the extent such contract, agreement, or undertaking  
3808 is otherwise covered or affected by s. 655.55.

3809 Section 138. For the purpose of incorporating the amendment  
3810 made by this act to section 673.1041, Florida Statutes, in a  
3811 reference thereto, subsection (1) of section 90.953, Florida  
3812 Statutes, is reenacted to read:

3813 90.953 Admissibility of duplicates.—A duplicate is  
3814 admissible to the same extent as an original, unless:

3815 (1) The document or writing is a negotiable instrument as  
3816 defined in s. 673.1041, a security as defined in s. 678.1021, or  
3817 any other writing that evidences a right to the payment of  
3818 money, is not itself a security agreement or lease, and is of a  
3819 type that is transferred by delivery in the ordinary course of  
3820 business with any necessary endorsement or assignment.

3821 Section 139. For the purpose of incorporating the amendment  
3822 made by this act to section 673.1041, Florida Statutes, in a  
3823 reference thereto, subsections (1), (3), and (4) of section  
3824 673.1061, Florida Statutes, are reenacted to read:

3825 673.1061 Unconditional promise or order.—

3826 (1) Except as provided in this section, for the purposes of  
3827 s. 673.1041(1), a promise or order is unconditional unless it  
3828 states:

3829 (a) An express condition to payment;

3830 (b) That the promise or order is subject to or governed by

16-00478-23

3831 another writing; or

3832 (c) That rights or obligations with respect to the promise  
3833 or order are stated in another writing.

3834

3835 A reference to another writing does not of itself make the  
3836 promise or order conditional.

3837 (3) If a promise or order requires, as a condition to  
3838 payment, a countersignature by a person whose specimen signature  
3839 appears on the promise or order, the condition does not make the  
3840 promise or order conditional for the purposes of s. 673.1041(1).  
3841 If the person whose specimen signature appears on an instrument  
3842 fails to countersign the instrument, the failure to countersign  
3843 is a defense to the obligation of the issuer, but the failure  
3844 does not prevent a transferee of the instrument from becoming a  
3845 holder of the instrument.

3846 (4) If a promise or order at the time it is issued or first  
3847 comes into possession of a holder contains a statement, required  
3848 by applicable statutory or administrative law, to the effect  
3849 that the rights of a holder or transferee are subject to claims  
3850 or defenses that the issuer could assert against the original  
3851 payee, the promise or order is not thereby made conditional for  
3852 the purposes of s. 673.1041(1); but if the promise or order is  
3853 an instrument, there cannot be a holder in due course of the  
3854 instrument.

3855 Section 140. For the purpose of incorporating the amendment  
3856 made by this act to section 673.1041, Florida Statutes, in a  
3857 reference thereto, subsection (2) of section 673.1151, Florida  
3858 Statutes, is reenacted to read:

3859 673.1151 Incomplete instrument.—

16-00478-23

3860 (2) Subject to subsection (3), if an incomplete instrument  
3861 is an instrument under s. 673.1041, it may be enforced according  
3862 to its terms if it is not completed, or according to its terms  
3863 as augmented by completion. If an incomplete instrument is not  
3864 an instrument under s. 673.1041, but, after completion, the  
3865 requirements of s. 673.1041 are met, the instrument may be  
3866 enforced according to its terms as augmented by completion.

3867 Section 141. For the purpose of incorporating the amendment  
3868 made by this act to sections 673.1041 and 673.1051, Florida  
3869 Statutes, in a reference thereto, subsection (2) of section  
3870 673.1031, Florida Statutes, is reenacted to read:

3871 673.1031 Definitions.—

3872 (2) Other definitions applying to this chapter and the  
3873 sections in which they appear are:

3874 "Acceptance," s. 673.4091.  
3875 "Accommodated party," s. 673.4191.  
3876 "Accommodation party," s. 673.4191.  
3877 "Alteration," s. 673.4071.  
3878 "Anomalous indorsement," s. 673.2051.  
3879 "Blank indorsement," s. 673.2051.  
3880 "Cashier's check," s. 673.1041.  
3881 "Certificate of deposit," s. 673.1041.  
3882 "Certified check," s. 673.4091.  
3883 "Check," s. 673.1041.  
3884 "Consideration," s. 673.3031.  
3885 "Draft," s. 673.1041.  
3886 "Holder in due course," s. 673.3021.  
3887 "Incomplete instrument," s. 673.1151.  
3888 "Indorsement," s. 673.2041.

16-00478-23

3889 "Indorser," s. 673.2041.  
3890 "Instrument," s. 673.1041.  
3891 "Issue," s. 673.1051.  
3892 "Issuer," s. 673.1051.  
3893 "Negotiable instrument," s. 673.1041.  
3894 "Negotiation," s. 673.2011.  
3895 "Note," s. 673.1041.  
3896 "Payable at a definite time," s. 673.1081.  
3897 "Payable on demand," s. 673.1081.  
3898 "Payable to bearer," s. 673.1091.  
3899 "Payable to order," s. 673.1091.  
3900 "Payment," s. 673.6021.  
3901 "Person entitled to enforce," s. 673.3011.  
3902 "Presentment," s. 673.5011.  
3903 "Reacquisition," s. 673.2071.  
3904 "Special indorsement," s. 673.2051.  
3905 "Teller's check," s. 673.1041.  
3906 "Transfer of instrument," s. 673.2031.  
3907 "Traveler's check," s. 673.1041.  
3908 "Value," s. 673.3031.  
3909 Section 142. For the purpose of incorporating the amendment  
3910 made by this act to section 675.104, Florida Statutes, in a  
3911 reference thereto, paragraph (j) of subsection (1) of section  
3912 675.103, Florida Statutes, is reenacted to read:  
3913 675.103 Definitions.—  
3914 (1) For purposes of this chapter:  
3915 (j) "Letter of credit" means a definite undertaking that  
3916 satisfies the requirements of s. 675.104 by an issuer to a  
3917 beneficiary at the request or for the account of an applicant

16-00478-23

3918 or, in the case of a financial institution, to itself or for its  
3919 own account, to honor a documentary presentation by payment or  
3920 delivery of an item of value.

3921 Section 143. For the purpose of incorporating the amendment  
3922 made by this act to section 678.1061, Florida Statutes, in a  
3923 reference thereto, subsection (3) of section 678.5101, Florida  
3924 Statutes, is reenacted to read:

3925 678.5101 Rights of purchaser of security entitlement from  
3926 entitlement holder.—

3927 (3) In a case not covered by the priority rules in chapter  
3928 679, a purchaser for value of a security entitlement, or an  
3929 interest therein, who obtains control has priority over a  
3930 purchaser of a security entitlement, or an interest therein, who  
3931 does not obtain control. Except as otherwise provided in  
3932 subsection (4), purchasers who have control rank according to  
3933 priority in time of:

3934 (a) The purchaser's becoming the person for whom the  
3935 securities account, in which the security entitlement is  
3936 carried, is maintained, if the purchaser obtained control under  
3937 s. 678.1061(4)(a);

3938 (b) The securities intermediary's agreement to comply with  
3939 the purchaser's entitlement orders with respect to security  
3940 entitlements carried or to be carried in the securities account  
3941 in which the security entitlement is carried, if the purchaser  
3942 obtained control under s. 678.1061(4)(b); or

3943 (c) If the purchaser obtained control through another  
3944 person under s. 678.1061(4)(c), the time on which priority would  
3945 be based under this subsection if the other person were the  
3946 secured party.



16-00478-23

3947 Section 144. For the purpose of incorporating the amendment  
3948 made by this act to section 678.1061, Florida Statutes, in a  
3949 reference thereto, subsection (1) of section 679.1061, Florida  
3950 Statutes, is reenacted to read:

3951 679.1061 Control of investment property.—

3952 (1) A person has control of a certificated security,  
3953 uncertificated security, or security entitlement as provided in  
3954 s. 678.1061.

3955 Section 145. For the purpose of incorporating the amendment  
3956 made by this act to section 678.1061, Florida Statutes, in a  
3957 reference thereto, subsection (2) of section 679.328, Florida  
3958 Statutes, is reenacted to read:

3959 679.328 Priority of security interests in investment  
3960 property.—The following rules govern priority among conflicting  
3961 security interests in the same investment property:

3962 (2) Except as otherwise provided in subsections (3) and  
3963 (4), conflicting security interests held by secured parties each  
3964 of which has control under s. 679.1061 rank according to  
3965 priority in time of:

3966 (a) If the collateral is a security, obtaining control;

3967 (b) If the collateral is a security entitlement carried in  
3968 a securities account and:

3969 1. If the secured party obtained control under s.  
3970 678.1061(4) (a), the secured party's becoming the person for  
3971 which the securities account is maintained;

3972 2. If the secured party obtained control under s.  
3973 678.1061(4) (b), the securities intermediary's agreement to  
3974 comply with the secured party's entitlement orders with respect  
3975 to security entitlements carried or to be carried in the

16-00478-23

3976 securities account; or

3977 3. If the secured party obtained control through another  
3978 person under s. 678.1061(4)(c), the time on which priority would  
3979 be based under this paragraph if the other person were the  
3980 secured party; or

3981 (c) If the collateral is a commodity contract carried with  
3982 a commodity intermediary, the satisfaction of the requirement  
3983 for control specified in s. 679.1061(2)(b) with respect to  
3984 commodity contracts carried or to be carried with the commodity  
3985 intermediary.

3986 Section 146. For the purpose of incorporating the amendment  
3987 made by this act to section 678.1101, Florida Statutes, in a  
3988 reference thereto, paragraph (e) of subsection (2) of section  
3989 671.105, Florida Statutes, is reenacted to read:

3990 671.105 Territorial application of the code; parties' power  
3991 to choose applicable law.—

3992 (2) When one of the following provisions of this code  
3993 specifies the applicable law, that provision governs; and a  
3994 contrary agreement is effective only to the extent permitted by  
3995 the law (including the conflict-of-laws rules) so specified:

3996 (e) Applicability of the chapter on investment securities.  
3997 (s. 678.1101)

3998 Section 147. For the purpose of incorporating the amendment  
3999 made by this act to section 679.1041, Florida Statutes, in a  
4000 reference thereto, subsection (1) of section 679.327, Florida  
4001 Statutes, is reenacted to read:

4002 679.327 Priority of security interests in deposit account.—  
4003 The following rules govern priority among conflicting security  
4004 interests in the same deposit account:

16-00478-23

4005 (1) A security interest held by a secured party having  
4006 control of the deposit account under s. 679.1041 has priority  
4007 over a conflicting security interest held by a secured party  
4008 that does not have control.

4009 Section 148. For the purpose of incorporating the amendment  
4010 made by this act to section 679.2031, Florida Statutes, in a  
4011 reference thereto, paragraph (k) of subsection (4) of section  
4012 679.1091, Florida Statutes, is reenacted to read:

4013 679.1091 Scope.—

4014 (4) This chapter does not apply to:

4015 (k) The creation or transfer of an interest in or lien on  
4016 real property, including a lease or rents thereunder, except to  
4017 the extent that provision is made for:

4018 1. Liens on real property in ss. 679.2031 and 679.3081;

4019 2. Fixtures in s. 679.334;

4020 3. Fixture filings in ss. 679.5011, 679.5021, 679.512,  
4021 679.516, and 679.519; and

4022 4. Security agreements covering personal and real property  
4023 in s. 679.604;

4024 Section 149. For the purpose of incorporating the amendment  
4025 made by this act to section 679.2031, Florida Statutes, in a  
4026 reference thereto, paragraph (b) of subsection (1) of section  
4027 679.3171, Florida Statutes, is reenacted to read:

4028 679.3171 Interests that take priority over or take free of  
4029 security interest or agricultural lien.—

4030 (1) A security interest or agricultural lien is subordinate  
4031 to the rights of:

4032 (b) Except as otherwise provided in subsection (5), a  
4033 person who becomes a lien creditor before the earlier of the

16-00478-23

4034 time:

4035 1. The security interest or agricultural lien is perfected;  
4036 or

4037 2. One of the conditions specified in s. 679.2031(2)(c) is  
4038 met and a financing statement covering the collateral is filed.

4039 Section 150. For the purpose of incorporating the amendment  
4040 made by this act to section 679.2031, Florida Statutes, in a  
4041 reference thereto, subsection (2) of section 679.709, Florida  
4042 Statutes, is reenacted to read:

4043 679.709 Priority.—

4044 (2) For purposes of s. 679.322(1), the priority of a  
4045 security interest that becomes enforceable under s. 679.2031 of  
4046 this act dates from the time this act takes effect if the  
4047 security interest is perfected under this act by the filing of a  
4048 financing statement before this act takes effect which would not  
4049 have been effective to perfect the security interest under  
4050 chapter 679, Florida Statutes 2000. This subsection does not  
4051 apply to conflicting security interests each of which is  
4052 perfected by the filing of such a financing statement.

4053 Section 151. For the purpose of incorporating the amendment  
4054 made by this act to section 679.2081, Florida Statutes, in a  
4055 reference thereto, subsection (5) of section 679.625, Florida  
4056 Statutes, is reenacted to read:

4057 679.625 Remedies for failure to comply with article.—

4058 (5) In lieu of damages recoverable under subsection (2),  
4059 the debtor, consumer obligor, or person named as a debtor in a  
4060 filed record, as applicable, may recover \$500 in each case from  
4061 a person who:

4062 (a) Fails to comply with s. 679.2081;

16-00478-23

4063 (b) Fails to comply with s. 679.209;  
4064 (c) Files a record that the person is not entitled to file  
4065 under s. 679.509(1);  
4066 (d) Fails to cause the secured party of record to file or  
4067 send a termination statement as required by s. 679.513(1) or (3)  
4068 after receipt of an authenticated record notifying the person of  
4069 such noncompliance;  
4070 (e) Fails to comply with s. 679.616(2) (a) and whose failure  
4071 is part of a pattern, or consistent with a practice, of  
4072 noncompliance; or  
4073 (f) Fails to comply with s. 679.616(2) (b).  
4074 Section 152. For the purpose of incorporating the amendment  
4075 made by this act to section 679.3121, Florida Statutes, in a  
4076 reference thereto, subsection (1) of section 679.3101, Florida  
4077 Statutes, is reenacted to read:  
4078 679.3101 When filing required to perfect security interest  
4079 or agricultural lien; security interests and agricultural liens  
4080 to which filing provisions do not apply.—  
4081 (1) Except as otherwise provided in subsection (2) and s.  
4082 679.3121(2), a financing statement must be filed to perfect all  
4083 security interests and agricultural liens.  
4084 Section 153. For the purpose of incorporating the amendment  
4085 made by this act to section 679.3141, Florida Statutes, in a  
4086 reference thereto, subsection (2) of section 679.327, Florida  
4087 Statutes, is reenacted to read:  
4088 679.327 Priority of security interests in deposit account.—  
4089 The following rules govern priority among conflicting security  
4090 interests in the same deposit account:  
4091 (2) Except as otherwise provided in subsections (3) and

16-00478-23

4092 (4), security interests perfected by control under s. 679.3141  
4093 rank according to priority in time of obtaining control.

4094 Section 154. For the purpose of incorporating the amendment  
4095 made by this act to section 679.3141, Florida Statutes, in a  
4096 reference thereto, subsection (5) of section 679.328, Florida  
4097 Statutes, is reenacted to read:

4098 679.328 Priority of security interests in investment  
4099 property.—The following rules govern priority among conflicting  
4100 security interests in the same investment property:

4101 (5) A security interest in a certificated security in  
4102 registered form which is perfected by taking delivery under s.  
4103 679.3131(1) and not by control under s. 679.3141 has priority  
4104 over a conflicting security interest perfected by a method other  
4105 than control.

4106 Section 155. For the purpose of incorporating the amendment  
4107 made by this act to section 679.3141, Florida Statutes, in a  
4108 reference thereto, subsection (2) of section 679.329, Florida  
4109 Statutes, is reenacted to read:

4110 679.329 Priority of security interests in letter-of-credit  
4111 right.—The following rules govern priority among conflicting  
4112 security interests in the same letter-of-credit right:

4113 (2) Security interests perfected by control under s.  
4114 679.3141 rank according to priority in time of obtaining  
4115 control.

4116 Section 156. For the purpose of incorporating the amendment  
4117 made by this act to section 679.3161, Florida Statutes, in a  
4118 reference thereto, paragraph (j) of subsection (2) of section  
4119 679.3101, Florida Statutes, is reenacted to read:

4120 679.3101 When filing required to perfect security interest

16-00478-23

4121 or agricultural lien; security interests and agricultural liens  
4122 to which filing provisions do not apply.—

4123 (2) The filing of a financing statement is not necessary to  
4124 perfect a security interest:

4125 (j) That is perfected under s. 679.3161.

4126 Section 157. For the purpose of incorporating the amendment  
4127 made by this act to section 679.3161, Florida Statutes, in a  
4128 reference thereto, subsection (3) of section 679.320, Florida  
4129 Statutes, is reenacted to read:

4130 679.320 Buyer of goods.—

4131 (3) To the extent that it affects the priority of a  
4132 security interest over a buyer of goods under subsection (2),  
4133 the period of effectiveness of a filing made in the jurisdiction  
4134 in which the seller is located is governed by s. 679.3161(1) and  
4135 (2).

4136 Section 158. For the purpose of incorporating the amendment  
4137 made by this act to section 679.3171, Florida Statutes, in a  
4138 reference thereto, subsection (3) of section 680.307, Florida  
4139 Statutes, is reenacted to read:

4140 680.307 Priority of liens arising by attachment or levy on,  
4141 security interests in, and other claims to goods.—

4142 (3) Except as otherwise provided in ss. 679.3171, 679.321,  
4143 and 679.323, a lessee takes a leasehold interest subject to a  
4144 security interest held by a creditor or lessor.

4145 Section 159. For the purpose of incorporating the amendment  
4146 made by this act to section 679.3171, Florida Statutes, in a  
4147 reference thereto, paragraph (b) of subsection (8) of section  
4148 727.109, Florida Statutes, is reenacted to read:

4149 727.109 Power of the court.—The court shall have power to:

16-00478-23

4150 (8) Hear and determine any of the following actions brought  
4151 by the assignee, which she or he is empowered to maintain:

4152 (b) Determine the validity, priority, and extent of a lien  
4153 or other interests in assets of the estate, or to subordinate or  
4154 avoid an unperfected security interest pursuant to the  
4155 assignee's rights as a lien creditor under s. 679.3171.

4156 Section 160. For the purpose of incorporating the amendment  
4157 made by this act to section 679.330, Florida Statutes, in a  
4158 reference thereto, paragraph (d) of subsection (16) of section  
4159 668.50, Florida Statutes, is reenacted to read:

4160 668.50 Uniform Electronic Transaction Act.—

4161 (16) TRANSFERABLE RECORDS.—

4162 (d) Except as otherwise agreed, a person having control of  
4163 a transferable record is the holder, as defined in s. s.  
4164 671.201(22) ~~s. 671.201(21)~~, of the transferable record and has  
4165 the same rights and defenses as a holder of an equivalent record  
4166 or writing under the Uniform Commercial Code, including, if the  
4167 applicable statutory requirements under s. 673.3021, s. 677.501,  
4168 or s. 679.330 are satisfied, the rights and defenses of a holder  
4169 in due course, a holder to which a negotiable document of title  
4170 has been duly negotiated, or a purchaser, respectively.  
4171 Delivery, possession, and indorsement are not required to obtain  
4172 or exercise any of the rights under this paragraph.

4173 Section 161. For the purpose of incorporating the amendment  
4174 made by this act to section 679.331, Florida Statutes, in a  
4175 reference thereto, subsection (4) of section 679.330, Florida  
4176 Statutes, is reenacted to read:

4177 679.330 Priority of purchaser of chattel paper or  
4178 instrument.—



16-00478-23

4179 (4) Except as otherwise provided in s. 679.331(1), a  
4180 purchaser of an instrument has priority over a security interest  
4181 in the instrument perfected by a method other than possession if  
4182 the purchaser gives value and takes possession of the instrument  
4183 in good faith and without knowledge that the purchase violates  
4184 the rights of the secured party.

4185 Section 162. For the purpose of incorporating the amendment  
4186 made by this act to section 679.605, Florida Statutes, in a  
4187 reference thereto, subsection (4) of section 679.601, Florida  
4188 Statutes, is reenacted to read:

4189 679.601 Rights after default; judicial enforcement;  
4190 consignor or buyer of accounts, chattel paper, payment  
4191 intangibles, or promissory notes.—

4192 (4) Except as otherwise provided in subsection (7) and s.  
4193 679.605, after default, a debtor and an obligor have the rights  
4194 provided in this part and by agreement of the parties.

4195 Section 163. For the purpose of incorporating the amendment  
4196 made by this act to section 679.628, Florida Statutes, in a  
4197 reference thereto, subsection (3) of section 679.625, Florida  
4198 Statutes, is reenacted to read:

4199 679.625 Remedies for failure to comply with article.—

4200 (3) Except as otherwise provided in s. 679.628:

4201 (a) A person who, at the time of the failure, was a debtor,  
4202 was an obligor, or held a security interest in or other lien on  
4203 the collateral may recover damages under subsection (2) for the  
4204 person's loss; and

4205 (b) If the collateral is consumer goods, a person who was a  
4206 debtor or a secondary obligor at the time a secured party failed  
4207 to comply with this part may recover for that failure in any

16-00478-23

4208 event an amount not less than the credit service charge plus 10  
4209 percent of the principal amount of the obligation or the time-  
4210 price differential plus 10 percent of the cash price.

4211 Section 164. For the purpose of incorporating the amendment  
4212 made by this act to section 679.628, Florida Statutes, in a  
4213 reference thereto, subsection (3) of section 679.626, Florida  
4214 Statutes, is reenacted to read:

4215 679.626 Action in which deficiency or surplus is in issue.—  
4216 In an action arising from a transaction in which the amount of a  
4217 deficiency or surplus is in issue, the following rules apply:

4218 (3) Except as otherwise provided in s. 679.628, if a  
4219 secured party fails to prove that the collection, enforcement,  
4220 disposition, or acceptance was conducted in accordance with the  
4221 provisions of this part relating to collection, enforcement,  
4222 disposition, or acceptance, the liability of a debtor or a  
4223 secondary obligor for a deficiency is limited to an amount by  
4224 which the sum of the secured obligation, reasonable expenses,  
4225 and, to the extent provided for by agreement and not prohibited  
4226 by law, attorney's fees exceeds the greater of:

4227 (a) The proceeds of the collection, enforcement,  
4228 disposition, or acceptance; or

4229 (b) The amount of proceeds that would have been realized  
4230 had the noncomplying secured party proceeded in accordance with  
4231 the provisions of this part relating to collection, enforcement,  
4232 disposition, or acceptance.

4233 Section 165. This act shall take effect July 1, 2024.