

## Committee on Regulated Industries

### **CS/HB 897 — Timeshare Plan Management**

by Housing, Agriculture & Tourism Subcommittee and Rep. Berfield and others (CS/SB 496 by Regulated Industries Committee and Senator McClain)

The bill revises regulations related to timeshare plans and their management. It clarifies that timeshare plans are governed by ch. 721, F.S., rather than created under that chapter. The bill provides that community association managers (CAMs) and CAM firms who manage timeshare plans are subject to s. 721.13, F.S., relating to the managing entities of timeshare plans, rather than to ch. 468, part VIII, F.S., relating to the regulation of CAMs, including record-keeping requirements that are applicable to the managing entities of timeshare plans.

The bill also exempts CAMs and CAM firms managing timeshares from the conflict-of-interest provisions that are applicable to the CAMs and community associations, such as condominium and homeowners' associations. The bill provides that CAMs and CAM firms managing timeshares are subject to the related party transaction disclosure that the managing entity of timeshare plans must make in the annual budget. Under current law, CAMs managing a community association must disclose any activity or proposed service which may reasonably be construed by the association's board to be a conflict of interest, and associations are required to follow a process for addressing potential conflicts of interest, such as considering multiple bids for the activity or proposed service.

The bill provides that timeshare management firms and their licensed employees are subject to the regulations governing timeshare managing entities, including violations related to refusal to mail any material requested by the purchaser and any failure of the managing entity to faithfully discharge the fiduciary duty to purchasers. The bill also includes the timeshare management firm, and any individual licensed as a CAM employed by the timeshare management firm, in the exemption from liability for monetary damages in s. 721.13(13)(a), F.S., as provided in s. 617.0834, F.S., unless the officer, director, agent, or firm does not qualify for an exemption.

Additionally, the bill requires timeshare boards to meet at least once annually, instead of at least once each quarter as required for the boards of condominium associations.

The bill provides that, if a management firm provides goods or services through arrangements with a parent, affiliate, or subsidiary of the timeshare management firm, the existence of such arrangements must be disclosed annually to the members of that owners' association as an explanatory note to the annual budget pursuant to s. 721.13(13)(c)1., F.S., in the management contract, by mail sent to each owner's address on file for providing notice, in the notice of an annual or special meeting of the owners, by posting on the website of the applicable timeshare plan, or by any owner communication used by the managing entity.

If approved by the Governor, or allowed to become law without the Governor's signature, these provisions take effect July 1, 2025.

*Vote: Senate 36-0; House 115-0*

