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2 An act relating to timeshares; amending s.
3 721.111, F.S.; increasing the number of
4 allowable promotional prizes which may be made
5 available annually; amending s. 721.13, F.S.;
6 authorizing the managing entity of a timeshare
7 to allocate net rental proceeds in any
8 reasonable manner with respect to a specific
9 timeshare under certain circumstances;
10 authorizing the managing entity to rent certain
11 units to a developer at a bulk rate; amending
12 s. 721.15, F.S.; revising a provision with
13 respect to assessments for common expenses;
14 providing an effective date.

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

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18 Section 1. Subsection (2) of section 721.111, Florida
19 Statutes, is amended to read:

20 721.111 Prize and gift promotional offers.--

21 (2) A game promotion, such as a contest of chance,
22 gift enterprise, or sweepstakes, in which the elements of
23 chance and prize are present may not be used in connection
24 with the offering or sale of timeshare interests, except for
25 drawings, as that term is defined in s. 849.0935(1)(a), in
26 which no more than 26 ~~10~~ prizes are promoted and in which all
27 promoted prizes are actually awarded. All such drawings must
28 meet all requirements of this chapter and of ss. 849.092 and
29 849.094(1), (2), and (7).

30 Section 2. Paragraph (f) of subsection (6) of section
31 721.13, Florida Statutes, is amended to read:

1 721.13 Management.--

2 (6)

3 (f)1. Provided that the managing entity has properly
4 and timely given notice to a delinquent purchaser pursuant to
5 paragraph (b) and to any affiliated exchange program pursuant
6 to paragraph (c), the managing entity may give further notice
7 to the delinquent purchaser that it may rent the delinquent
8 purchaser's timeshare period, or any use rights appurtenant
9 thereto, and will apply the proceeds of such rental, net of
10 any rental commissions, cleaning charges, travel agent
11 commissions, or any other commercially reasonable charges
12 reasonably and usually incurred by the managing entity in
13 securing rentals, to the delinquent purchaser's account. Such
14 further notice of intent to rent must be given at least 30
15 days prior to the first day of the purchaser's use period, and
16 must be delivered to the purchaser in the manner required for
17 notices under paragraph (b). A managing entity may make a
18 reasonable determination regarding the priority of rentals of
19 timeshare periods to be rented pursuant to this paragraph and,
20 in the event that the delinquent purchaser of a timeshare
21 period rented pursuant to this paragraph cannot be
22 specifically determined due to the structure of the timeshare
23 plan, may allocate such net rental proceeds by the managing
24 entity in any reasonable manner.

25 2. The notice of intent to rent, which may be included
26 in the notice required by paragraph (b), must state in
27 conspicuous type that:

28 a. The managing entity's efforts to secure a rental
29 will not commence on a date earlier than 10 days after the
30 date of the notice of intent to rent.

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1 b. Unless the purchaser satisfies the delinquency in
2 full, or unless the purchaser produces satisfactory evidence
3 that the delinquency does not exist pursuant to paragraph (b),
4 the purchaser will be bound by the terms of any rental
5 contract entered into by the managing entity with respect to
6 the purchaser's timeshare period or appurtenant use rights.

7 c. The purchaser will remain liable for any difference
8 between the amount of the delinquency and the net amount
9 produced by the rental contract and applied against the
10 delinquency pursuant to this paragraph, and the managing
11 entity shall not be required to provide any further notice to
12 the purchaser regarding any residual delinquency pursuant to
13 this paragraph.

14 3. In securing a rental pursuant to this paragraph,
15 the managing entity shall not be required to obtain the
16 highest nightly rental rate available, nor any particular
17 rental rate, and the managing entity shall not be required to
18 rent the entire timeshare period; however, the managing entity
19 must use reasonable efforts to secure a rental that is
20 commensurate with other rentals of similar timeshare periods
21 or use rights generally secured at that time. Alternatively,
22 the managing entity may rent such units at a bulk rate that is
23 below the rate described above but not less than \$200 per
24 week, which amount may be prorated for daily rentals.

25 Section 3. Subsection (3) of section 721.15, Florida
26 Statutes, is amended to read:

27 721.15 Assessments for common expenses.--

28 (3) Delinquent assessments may bear interest at the
29 highest rate permitted by law or at some lesser rate
30 established by the managing entity. In addition to such
31 interest, the managing entity may charge an administrative

1 late fee in an amount not to exceed \$25 for each delinquent
2 assessment. ~~Provided that a purchaser has been advised in~~
3 ~~writing at least 60 days prior to turning the matter over to a~~
4 ~~collection agency that the purchaser may be liable for the~~
5 ~~fees of the collection agency and a lien may result therefrom,~~
6 Any costs of collection, including reasonable collection
7 agency fees and reasonable attorney's fees, incurred in the
8 collection of a delinquent assessment shall be paid by the
9 purchaser and shall be secured by a lien in favor of the
10 managing entity upon the timeshare interest with respect to
11 which the delinquent assessment has been incurred; however, in
12 the event that a managing entity turns the matter over to a
13 collection agency, the managing entity must advise the
14 purchaser at least 60 days prior to turning the matter over to
15 the collection agency that the purchaser may be liable for the
16 fees of the collection agency and that a lien may result
17 therefrom.

18 Section 4. This act shall take effect upon becoming a
19 law.

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