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30 entity shall not apply with respect to personal property  
31 timeshare plans; amending s. 721.15, F.S.; revising  
32 language with respect to assessments for common expenses;  
33 amending s. 721.16, F.S.; providing that a section of law  
34 governing certain liens does not apply to personal  
35 property timeshare plans; amending s. 721.17, F.S.;  
36 revising language with respect to transfer of interest;  
37 amending s. 721.18, F.S.; revising language with respect  
38 to exchange programs; amending s. 721.19, F.S.; including  
39 reference to personal property timeshare interests;  
40 amending s. 721.20, F.S., relating to licensing  
41 requirements; providing for the application of certain  
42 provisions to personal property timeshare plans; amending  
43 s. 721.24, F.S.; exempting accommodations and facilities  
44 of personal property timeshare plans from a provision of  
45 law governing firesafety; amending s. 721.26, F.S.;  
46 revising language with respect to regulation by the  
47 division; amending s. 721.52, F.S.; redefining the term  
48 "multisite timeshare plan" and defining the terms  
49 "nonspecific multisite timeshare plan" and "specific  
50 multisite timeshare plan"; amending s. 721.53, F.S.;  
51 revising language with respect to subordination  
52 instruments; amending s. 721.54, F.S.; correcting a cross  
53 reference; amending s. 721.55, F.S.; providing reference  
54 to filed rather than registered public offering  
55 statements; providing reference to multisite timeshare  
56 plans; amending s. 721.551, F.S.; providing for reference  
57 to filed rather than registered public offering  
58 statements; amending s. 721.552, F.S.; providing reference

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59 to multistate timeshare plans; amending s. 721.56, F.S.;  
 60 providing reference to personal property timeshare plans;  
 61 amending s. 721.57, F.S.; revising language with respect  
 62 to timeshare estates in multisite timeshare plans;  
 63 amending s. 721.84, F.S.; revising language with respect  
 64 to appointment of a registered agent; amending ss. 721.96  
 65 and 721.97, F.S.; including reference to personal property  
 66 timeshare interests; amending ss. 475.011 and 718.103,  
 67 F.S.; correcting cross references; providing for  
 68 applicability; providing an effective date.

69

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

71

72 Section 1. Subsections (1) and (5) of section 721.02,  
 73 Florida Statutes, are amended to read:

74 721.02 Purposes.--The purposes of this chapter are to:

75 (1) Give statutory recognition to real property timeshare  
 76 plans ~~timesharing~~ and personal property timeshare plans  
 77 ~~timesharing~~ in this ~~the~~ state.

78 (5) Recognize that the tourism industry in this state is a  
 79 vital part of the state's economy; that the sale, promotion, and  
 80 use of timeshare plans is an emerging, dynamic segment of the  
 81 tourism industry; that this segment of the tourism industry  
 82 continues to grow, both in volume of sales and in complexity and  
 83 variety of product structure; and that a uniform and consistent  
 84 method of regulation is necessary in order to safeguard  
 85 Florida's tourism industry and the state's economic well-being.  
 86 In order to protect the quality of Florida timeshare plans and  
 87 the consumers who purchase them, it is the intent of the

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88 Legislature that this chapter be interpreted broadly in order to  
 89 encompass all forms of timeshare plans with a duration of at  
 90 least 3 years that are created with respect to accommodations  
 91 and facilities that are located in the state or that are offered  
 92 for sale in the state as provided herein, including, but not  
 93 limited to, condominiums, cooperatives, undivided interest  
 94 campgrounds, cruise ships, vessels, houseboats, and recreational  
 95 vehicles and other motor vehicles, and including vacation clubs,  
 96 multisite vacation plans, and multiyear vacation and lodging  
 97 certificates.

98 Section 2. Paragraph (d) is added to subsection (1) of  
 99 section 721.03, Florida Statutes, and subsection (8) of said  
 100 section, is amended to read:

101 721.03 Scope of chapter.--

102 (1) This chapter applies to all timeshare plans consisting  
 103 of more than seven timeshare periods over a period of at least 3  
 104 years in which the accommodations and facilities, if any, are  
 105 located within this state or offered within this state; provided  
 106 that:

107 (d) For purposes of determining the term of the plan, the  
 108 period of any automatic renewals shall be included, except as  
 109 provided in s. 721.52(4)(b).

110 (8) With respect to any personal property accommodation or  
 111 facility of a timeshare plan: which is situated upon

112 (a) This chapter applies only to personal property  
 113 timeshare plans that are offered in this state.

114 (b) The division shall have the authority to adopt rules  
 115 interpreting and implementing the provisions of this chapter as  
 116 they apply to any personal property timeshare plan or any such

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117 accommodation or facility that is part of a personal property  
 118 timeshare plan offered in this state, or as the provisions of  
 119 this chapter ~~they~~ apply to any other laws of this state, of the  
 120 several states, ~~or~~ of the United States, or of any other  
 121 jurisdiction, with respect to any personal property timeshare  
 122 plan or any such accommodation or facility that is part of a  
 123 personal property timeshare plan offered in this state.

124 (c) Any developer and any managing entity of a personal  
 125 property timeshare plan must submit to personal jurisdiction in  
 126 this state in a form satisfactory to the division at the time of  
 127 filing a public offering statement.

128 Section 3. Section 721.05, Florida Statutes, is amended to  
 129 read:

130 721.05 Definitions.--As used in this chapter, the term:

131 (1) "Accommodation" means any apartment, condominium or  
 132 cooperative unit, cabin, lodge, hotel or motel room, campground,  
 133 cruise ship cabin, houseboat or other vessel, recreational or  
 134 other motor vehicle, or any ~~or other~~ private or commercial  
 135 structure which is ~~situated on~~ real or personal property and  
 136 designed for overnight occupancy ~~or use~~ by one or more  
 137 individuals. The term does not include an incidental benefit as  
 138 defined in this section.

139 (2) "Agreement for deed" means any written contract  
 140 utilized in the sale of timeshare estates which provides that  
 141 legal title will not be conveyed to the purchaser until the  
 142 contract price has been paid in full and the terms of payment of  
 143 which extend for a period in excess of 180 days after either the  
 144 date of execution of the contract or completion of construction,  
 145 whichever occurs later.

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146        (3) "Agreement for transfer" means any written contract  
 147        utilized in the sale of personal property timeshare interests  
 148        which provides that legal title will not be transferred to the  
 149        purchaser until the contract price has been paid in full and the  
 150        terms of payment of which extend for a period in excess of 180  
 151        days after either the date of execution of the contract or  
 152        completion of construction, whichever occurs later.

153        (4)~~(3)~~ "Assessment" means the share of funds required for  
 154        the payment of common expenses which is assessed from time to  
 155        time against each purchaser by the managing entity.

156        (5)~~(4)~~ "Closing" means:

157        (a) For any plan selling timeshare estates, conveyance of  
 158        the legal or beneficial title to a timeshare estate as evidenced  
 159        by the delivery of a deed for conveyance of legal title, or  
 160        other instrument for conveyance of beneficial title, to the  
 161        purchaser or to the clerk of the court for recording or  
 162        conveyance of the equitable title to a timeshare estate as  
 163        evidenced by the irrevocable delivery of an agreement for deed  
 164        to the clerk of the court for recording.

165        (b) For any plan selling timeshare licenses or personal  
 166        property timeshare interests, the final execution and delivery  
 167        by all parties of the last document necessary for vesting in the  
 168        purchaser the full rights available under the plan.

169        (6)~~(5)~~ "Common expenses" means:

170        (a) Those expenses, fees, or taxes properly incurred for  
 171        the maintenance, operation, and repair of the accommodations or  
 172        facilities, or both, constituting the timeshare plan.

173        (b) Any other expenses, fees, or taxes designated as  
 174        common expenses in a timeshare instrument.

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175 (c) Any past due and uncollected ad valorem taxes assessed  
 176 against a timeshare development pursuant to s. 192.037.

177 ~~(7)(6)~~ "Completion of construction" means:

178 (a)1. That a certificate of occupancy has been issued for  
 179 the entire building in which the timeshare unit being sold is  
 180 located, or for the improvement, or that the equivalent  
 181 authorization has been issued, by the governmental body having  
 182 jurisdiction; ~~or~~

183 2. In a jurisdiction in which no certificate of occupancy  
 184 or equivalent authorization is issued, that the construction,  
 185 finishing, and equipping of the building or improvements  
 186 according to the plans and specifications have been  
 187 substantially completed; or

188 3. With respect to personal property timeshare plans, that  
 189 all accommodations have been manufactured or built and acquired  
 190 or leased by the developer, owners' association, managing  
 191 entity, trustee, or other person for the use of purchasers as  
 192 set forth in the timeshare instrument; and

193 (b) That all accommodations and facilities of the  
 194 timeshare plan are available for use in a manner identical in  
 195 all material respects to the manner portrayed by the promotional  
 196 material, advertising, and filed ~~registered~~ public offering  
 197 statements.

198 ~~(8)(7)~~ "Conspicuous type" means:

199 (a) Type in upper and lower case letters two point sizes  
 200 larger than the largest nonconspicuous type, exclusive of  
 201 headings, on the page on which it appears but in at least 10-  
 202 point type; or

203 (b) Where the use of 10-point type would be impractical or

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204 impossible with respect to a particular piece of written  
 205 advertising material, a different style of type or print may be  
 206 used, so long as the print remains conspicuous under the  
 207 circumstances.

208  
 209 Where conspicuous type is required, it must be separated on all  
 210 sides from other type and print. Conspicuous type may be  
 211 utilized in contracts for purchase or public offering statements  
 212 only where required by law or as authorized by the division.

213 (9)~~(8)~~ "Contract" means any agreement conferring the  
 214 rights and obligations of a timeshare plan on the purchaser.

215 (10)~~(9)~~ "Developer" includes:

216 (a) A "creating developer," which means any person who  
 217 creates the timeshare plan;

218 (b) A "successor developer," which means any person who  
 219 succeeds to the interest of the persons in this subsection by  
 220 sale, lease, assignment, mortgage, or other transfer, but the  
 221 term includes only those persons who offer timeshare interests  
 222 in the ordinary course of business; and

223 (c) A "concurrent developer," which means any person  
 224 acting concurrently with the persons in this subsection with the  
 225 purpose of offering timeshare interests in the ordinary course  
 226 of business.

227 (d) The term "developer" does not include:

228 1. An owner of a timeshare interest who has acquired the  
 229 timeshare interest for his or her own use and occupancy and who  
 230 later offers it for resale; provided that a rebuttable  
 231 presumption shall exist that an owner who has acquired more than  
 232 seven timeshare interests did not acquire them for his or her

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233 own use and occupancy;

234 2. A managing entity, not otherwise a developer, that  
 235 offers, or engages a third party to offer on its behalf,  
 236 timeshare interests in a timeshare plan which it manages,  
 237 provided that such offer complies with the provisions of s.  
 238 721.065;

239 3. A person who owns or is conveyed, assigned, or  
 240 transferred more than seven timeshare interests and who  
 241 subsequently conveys, assigns, or transfers all acquired  
 242 timeshare interests to a single purchaser in a single  
 243 transaction, which transaction may occur in stages; or

244 4. A person who has acquired or has the right to acquire  
 245 more than seven timeshare interests from a developer or other  
 246 interestholder in connection with a loan, securitization,  
 247 conduit, or similar financing arrangement transaction and who  
 248 subsequently arranges for all or a portion of the timeshare  
 249 interests to be offered by one or more developers in the  
 250 ordinary course of business on their own behalves or on behalf  
 251 of such person.

252 (e) A successor or concurrent developer shall be exempt  
 253 from any liability inuring to a predecessor or concurrent  
 254 developer of the same timeshare plan, except as provided in s.  
 255 721.15(7), provided that this exemption shall not apply to any  
 256 of the successor or concurrent developer's responsibilities,  
 257 duties, or liabilities with respect to the timeshare plan that  
 258 accrue after the date the successor or concurrent developer  
 259 became a successor or concurrent developer, and provided that  
 260 such transfer does not constitute a fraudulent transfer. In  
 261 addition to other provisions of law, a transfer by a predecessor

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262 developer to a successor or concurrent developer shall be deemed  
 263 fraudulent if the predecessor developer made the transfer:

264 1. With actual intent to hinder, delay, or defraud any  
 265 purchaser or the division; or

266 2. To a person that would constitute an insider under s.  
 267 726.102(7).

268  
 269 The provisions of this paragraph shall not be construed to  
 270 relieve any successor or concurrent developer from the  
 271 obligation to comply with the provisions of any applicable  
 272 timeshare instrument.

273 (11)~~(10)~~ "Division" means the Division of Florida Land  
 274 Sales, Condominiums, and Mobile Homes of the Department of  
 275 Business and Professional Regulation.

276 (12)~~(11)~~ "Enrolled" means paid membership in an exchange  
 277 program or membership in an exchange program evidenced by  
 278 written acceptance or confirmation of membership.

279 (13)~~(12)~~ "Escrow account" means an account established  
 280 solely for the purposes set forth in this chapter with a  
 281 financial institution located within this state.

282 (14)~~(13)~~ "Escrow agent" includes only:

283 (a) A savings and loan association, bank, trust company,  
 284 or other financial institution, any of which must be located in  
 285 this state and any of which must have a net worth in excess of  
 286 \$5 million;

287 (b) An attorney who is a member of The Florida Bar or his  
 288 or her law firm;

289 (c) A real estate broker who is licensed pursuant to  
 290 chapter 475 or his or her brokerage firm; or

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291 (d) A title insurance agent that is licensed pursuant to  
 292 s. 626.8417, a title insurance agency that is licensed pursuant  
 293 to s. 626.8418, or a title insurer authorized to transact  
 294 business in this state pursuant to s. 624.401.

295 ~~(15)~~~~(14)~~ "Exchange company" means any person owning or  
 296 operating, or owning and operating, an exchange program.

297 ~~(16)~~~~(15)~~ "Exchange program" means any method, arrangement,  
 298 or procedure for the voluntary exchange of the right to use and  
 299 occupy accommodations and facilities among purchasers. The term  
 300 does not include the assignment of the right to use and occupy  
 301 accommodations and facilities to purchasers pursuant to a  
 302 particular multisite timeshare plan's reservation system. Any  
 303 method, arrangement, or procedure that otherwise meets this  
 304 definition, wherein the purchaser's total contractual financial  
 305 obligation exceeds \$3,000 per any individual, recurring  
 306 timeshare period, shall be regulated as a multisite timeshare  
 307 plan in accordance with part II.

308 ~~(17)~~~~(16)~~ "Facility" means any amenity, including any  
 309 structure, furnishing, fixture, equipment, service, improvement,  
 310 or real or personal property, improved or unimproved, other than  
 311 an ~~the~~ accommodation of the timeshare plan, which is made  
 312 available to the purchasers of a timeshare plan. The term does  
 313 not include an incidental benefit as defined in this section.

314 (18) "Filed public offering statement" means a public  
 315 offering statement that has been filed with the division  
 316 pursuant to s. 721.07(5) or s. 721.55.

317 ~~(19)~~~~(17)~~ "Incidental benefit" means an accommodation,  
 318 product, service, discount, or other benefit which is offered to  
 319 a prospective purchaser of a timeshare plan or to a purchaser of

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320 a timeshare plan prior to the expiration of his or her initial  
 321 10-day voidability period pursuant to s. 721.10; which is not an  
 322 exchange program as defined in subsection (16) ~~(15)~~; and which  
 323 complies with the provisions of s. 721.075. The term shall not  
 324 include an offer of the use of the accommodations and facilities  
 325 of the timeshare plan on a free or discounted one-time basis.

326 (20) ~~(18)~~ "Independent," for purposes of determining  
 327 eligibility of escrow agents and trustees pursuant to s.  
 328 721.03(7), means that:

329 (a) The escrow agent or trustee is not a relative, as  
 330 described in s. 112.3135(1)(d), or an employee of the developer,  
 331 seller, or managing entity, or of any officer, director,  
 332 affiliate, or subsidiary thereof.

333 (b) There is no financial relationship, other than the  
 334 payment of fiduciary fees or as otherwise provided in this  
 335 subsection, between the escrow agent or trustee and the  
 336 developer, seller, or managing entity, or any officer, director,  
 337 affiliate, or subsidiary thereof.

338 (c) Compensation paid by the developer to an escrow agent  
 339 or trustee for services rendered shall not be paid from funds in  
 340 the escrow or trust account unless and until the developer is  
 341 otherwise entitled to receive the disbursement of such funds  
 342 from the escrow or trust account pursuant to this chapter.

343 (d) A person shall not be disqualified to serve as an  
 344 escrow agent or a trustee solely because of the following:

345 1. A nonemployee, attorney-client relationship exists  
 346 between the developer and the escrow agent or trustee;

347 2. The escrow agent or trustee provides brokerage services  
 348 as defined by chapter 475 for the developer;

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349 3. The escrow agent or trustee provides the developer with  
 350 routine banking services which do not include construction or  
 351 receivables financing or any other lending activities; or

352 4. The escrow agent or trustee performs closings for the  
 353 developer or seller or issues owner's or lender's title  
 354 insurance commitments or policies in connection with such  
 355 closings.

356 (21)~~(19)~~ "Interestholder" means a developer, an owner of  
 357 the underlying fee or owner of the underlying personal property,  
 358 a mortgagee, judgment creditor, or other lienor, or any other  
 359 person having an interest in or lien or encumbrance against the  
 360 accommodations or facilities of the timeshare plan.

361 (22)~~(20)~~ "Managing entity" means the person who operates  
 362 or maintains the timeshare plan pursuant to s. 721.13(1).

363 (23)~~(21)~~ "Memorandum of agreement" means a written  
 364 document, in a recordable form sufficient to permit the document  
 365 to be recorded or otherwise filed in the appropriate public  
 366 records and to provide constructive notice of its contents under  
 367 applicable law, which includes the names of the seller and the  
 368 purchasers, a legal description of the timeshare property or  
 369 other sufficient description for a personal property timeshare  
 370 plan, and all timeshare interests to be included in such  
 371 document, and a description of the type of timeshare interest  
 372 ~~license~~ sold by the seller.

373 (24)~~(22)~~ "Offer to sell," "offer for sale," "offered for  
 374 sale," or "offer" means the solicitation, advertisement, or  
 375 inducement, or any other method or attempt, to encourage any  
 376 person to acquire the opportunity to participate in a timeshare  
 377 plan.

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378        (25)~~(23)~~ "One-to-one purchaser to accommodation ratio"  
 379 means the ratio of the number of purchasers eligible to use the  
 380 accommodations of a timeshare plan on a given day to the number  
 381 of accommodations available for use within the plan on that day,  
 382 such that the total number of purchasers eligible to use the  
 383 accommodations of the timeshare plan during a given calendar  
 384 year never exceeds the total number of accommodations available  
 385 for use in the timeshare plan during that year. For purposes of  
 386 calculation under this subsection, each purchaser must be  
 387 counted at least once, and no individual timeshare unit may be  
 388 counted more than 365 times per calendar year (or more than 366  
 389 times per leap year). A purchaser who is delinquent in the  
 390 payment of timeshare plan assessments shall continue to be  
 391 considered eligible to use the accommodations of the timeshare  
 392 plan for purposes of this subsection notwithstanding any  
 393 application of s. 721.13(6).

394        (26)~~(24)~~ "Owner of the underlying fee" or "owner of the  
 395 underlying personal property" means any person having an  
 396 interest in the real property or personal property comprising or  
 397 underlying the accommodations or facilities of a ~~the~~ timeshare  
 398 plan at or subsequent to the time of creation of the timeshare  
 399 plan.

400        (27)~~(25)~~ "Owners' association" means an ~~the~~ association  
 401 made up of all owners of timeshare interests in a timeshare  
 402 plan, including developers and purchasers of such a timeshare  
 403 plan ~~who have purchased timeshare estates.~~

404        (28) "Personal property timeshare interest" means a right  
 405 to occupy an accommodation located on or in or comprised of  
 406 personal property that is not permanently affixed to real

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407 property, whether or not coupled with a beneficial or ownership  
 408 interest in the accommodations or personal property.

409 (29)~~(26)~~ "Public offering statement" means the written  
 410 materials describing a single-site timeshare plan or a multisite  
 411 timeshare plan, including a text and any exhibits attached  
 412 thereto as required by ss. 721.07, 721.55, and 721.551. The term  
 413 "public offering statement" shall refer to both a filed  
 414 ~~registered~~ public offering statement and a purchaser public  
 415 offering statement.

416 (30)~~(27)~~ "Purchaser" means any person, other than a  
 417 developer, who by means of a voluntary transfer acquires a legal  
 418 or equitable interest in a timeshare plan other than as security  
 419 for an obligation.

420 (31)~~(28)~~ "Purchaser public offering statement" means that  
 421 portion of the filed ~~registered~~ public offering statement which  
 422 must be delivered to purchasers pursuant to s. 721.07(6) or s.  
 423 721.551.

424 ~~(29) "Registered public offering statement" means a public~~  
 425 ~~offering statement which has been filed with the division~~  
 426 ~~pursuant to s. 721.07(5) or s. 721.55.~~

427 (32)~~(30)~~ "Regulated short-term product" means a  
 428 contractual right, offered by the seller, to use accommodations  
 429 of a timeshare plan or other accommodations, provided that:

430 (a) The agreement to purchase the short-term right to use  
 431 is executed in this state on the same day that the prospective  
 432 purchaser receives an offer to acquire an interest in a  
 433 timeshare plan and does not execute a purchase contract, after  
 434 attending a sales presentation; and

435 (b) The acquisition of the right to use includes an

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436 agreement that all or a portion of the consideration paid by the  
 437 prospective purchaser for the right to use will be applied to or  
 438 credited against the price of a future purchase of a timeshare  
 439 interest, or that the cost of a future purchase of a timeshare  
 440 interest will be fixed or locked in at a specified price.

441 (33)~~(31)~~ "Seller" means any developer or any other person,  
 442 or any agent or employee thereof, who offers timeshare interests  
 443 in the ordinary course of business. The term "seller" does not  
 444 include:

445 (a) An owner of a timeshare interest who has acquired the  
 446 timeshare interest for his or her own use and occupancy and who  
 447 later offers it for resale; provided that a rebuttable  
 448 presumption shall exist that an owner who has acquired more than  
 449 seven timeshare interests did not acquire them for his or her  
 450 own use and occupancy;

451 (b) A managing entity, not otherwise a seller, that  
 452 offers, or engages a third party to offer on its behalf,  
 453 timeshare interests in a timeshare plan which it manages,  
 454 provided that such offer complies with the provisions of s.  
 455 721.065;

456 (c) A person who owns or is conveyed, assigned, or  
 457 transferred more than seven timeshare interests and who  
 458 subsequently conveys, assigns, or transfers all acquired  
 459 timeshare interests to a single purchaser in a single  
 460 transaction, which transaction may occur in stages; or

461 (d) A person who has acquired or has the right to acquire  
 462 more than seven timeshare interests from a developer or other  
 463 interestholder in connection with a loan, securitization,  
 464 conduit, or similar financing arrangement and who subsequently

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465 | arranges for all or a portion of the timeshare interests to be  
 466 | offered by one or more developers in the ordinary course of  
 467 | business on their own behalves or on behalf of such person.

468 | ~~(34)~~~~(32)~~ "Timeshare estate" means a right to occupy a  
 469 | timeshare unit, coupled with a freehold estate or an estate for  
 470 | years with a future interest in a timeshare property or a  
 471 | specified portion thereof. The term shall also mean an interest  
 472 | in a condominium unit pursuant to s. 718.103, an interest in a  
 473 | cooperative unit pursuant to s. 719.103, or an interest in a  
 474 | trust that complies in all respects with the provisions of s.  
 475 | 721.08(2)(c)4.3., provided that the trust does not contain any  
 476 | personal property timeshare interests. A timeshare estate is a  
 477 | parcel of real property under the laws of this state.

478 | ~~(35)~~~~(33)~~ "Timeshare instrument" means one or more  
 479 | documents, by whatever name denominated, creating or governing  
 480 | the operation of a timeshare plan.

481 | ~~(36)~~~~(34)~~ "Timeshare interest" means a timeshare estate, a  
 482 | personal property timeshare interest, or a timeshare license.

483 | ~~(37)~~~~(35)~~ "Timeshare license" means a right to occupy a  
 484 | timeshare unit, which right is not a personal property timeshare  
 485 | ~~neither coupled with a freehold interest or a timeshare, nor~~  
 486 | ~~coupled with an estate for years with a future interest, in a~~  
 487 | ~~timeshare property.~~

488 | ~~(38)~~~~(36)~~ "Timeshare period" means the period or periods of  
 489 | time when a purchaser of a timeshare interest is afforded the  
 490 | opportunity to use the accommodations ~~or facilities, or both,~~ of  
 491 | a timeshare plan.

492 | ~~(39)~~~~(37)~~ "Timeshare plan" means any arrangement, plan,  
 493 | scheme, or similar device, other than an exchange program,

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494 whether by membership, agreement, tenancy in common, sale,  
 495 lease, deed, rental agreement, license, or right-to-use  
 496 agreement or by any other means, whereby a purchaser, for  
 497 consideration, receives ownership rights in or a right to use  
 498 accommodations, and facilities, if any, for a period of time  
 499 less than a full year during any given year, but not necessarily  
 500 for consecutive years. The term "timeshare plan" includes:

501 (a) A "personal property timeshare plan," which means a  
 502 timeshare plan in which the accommodations are comprised of  
 503 personal property that is not permanently affixed to real  
 504 property; and

505 (b) A "real property timeshare plan," which means a  
 506 timeshare plan in which the accommodations of the timeshare plan  
 507 are comprised of or permanently affixed to real property.

508 (40)-(38) "Timeshare property" means one or more timeshare  
 509 units subject to the same timeshare instrument, together with  
 510 any other property or rights to property appurtenant to those  
 511 timeshare units. Notwithstanding anything to the contrary  
 512 contained in chapter 718 or chapter 719, the timeshare  
 513 instrument for a timeshare condominium or cooperative may  
 514 designate personal property, contractual rights, affiliation  
 515 agreements of component sites of vacation clubs, exchange  
 516 companies, or reservation systems, or any other agreements or  
 517 personal property, as common elements or limited common elements  
 518 of the timeshare condominium or cooperative.

519 (41)-(39) "Timeshare unit" means an accommodation of a  
 520 timeshare plan which is divided into timeshare periods. Any  
 521 timeshare unit in which a door or doors connecting two or more  
 522 separate rooms are capable of being locked to create two or more

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523 private dwellings shall only constitute one timeshare unit for  
 524 purposes of this chapter, unless the timeshare instrument  
 525 provides that timeshare interests may be separately conveyed in  
 526 such locked-off portions.

527 ~~(40) "Vacation ownership plan" means any timeshare plan~~  
 528 ~~consisting exclusively of timeshare estates.~~

529 ~~(41) "Vacation plan" or "vacation membership plan" means~~  
 530 ~~any timeshare plan consisting exclusively of timeshare licenses~~  
 531 ~~or consisting of a combination of timeshare licenses and~~  
 532 ~~timeshare estates.~~

533 Section 4. Section 721.06, Florida Statutes, is amended to  
 534 read:

535 721.06 Contracts for purchase of timeshare interests.--

536 (1) Each seller shall utilize and furnish each purchaser a  
 537 fully completed and executed copy of a contract pertaining to  
 538 the sale, which contract shall include the following  
 539 information:

540 (a) The actual date the contract is executed by each  
 541 party.

542 (b) The names and addresses of the developer and the  
 543 timeshare plan.

544 (c) The initial purchase price and any additional charges  
 545 to which the purchaser may be subject in connection with the  
 546 purchase of the timeshare interest, such as financing, or which  
 547 will be collected from the purchaser on or before closing, such  
 548 as the current year's annual assessment for common expenses.

549 (d)1. For real property timeshare plans, an estimate of  
 550 any anticipated annual assessment stated on an ~~Any~~ annually  
 551 recurring basis for any use charges, fees, charge and the next

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552 ~~year's estimated annual assessment for~~ common expenses, or and  
 553 ~~for~~ ad valorem taxes or, if an estimate ~~for next year's~~  
 554 ~~assessment~~ is unavailable, the current year's actual annual  
 555 assessment for any use charges, fees, common expenses, or and  
 556 ~~for~~ ad valorem taxes.

557 2. For personal property timeshare plans, an estimate of  
 558 any anticipated annual assessment stated on an annually  
 559 recurring basis for any use charges, fees, common expenses, or  
 560 taxes or, if an estimate is unavailable, the current year's  
 561 actual annual assessment for any use charges, fees, common  
 562 expenses, or taxes.

563 (e) The estimated date of completion of construction of  
 564 each accommodation or facility promised to be completed which is  
 565 not completed at the time the contract is executed and the  
 566 estimated date of closing.

567 (f) A brief description of the nature and duration of the  
 568 timeshare interest being sold, including whether any interest in  
 569 real property or personal property is being conveyed and the  
 570 specific number of years constituting the term of the timeshare  
 571 plan.

572 (g) Immediately prior to the space reserved in the  
 573 contract for the signature of the purchaser, in conspicuous  
 574 type, substantially the following statements:

575 1. If the purchaser will receive a personal property  
 576 timeshare interest: *This personal property timeshare plan is*  
 577 *governed only by limited sections of the timeshare management*  
 578 *provisions of Florida law.*

579 2. If the accommodations or facilities are located on or  
 580 in a documented vessel or foreign vessel as provided in s.

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581 721.08(2)(c)3.e., the disclosure required by s.

582 721.08(2)(c)3.e.(IV).

583 3. You may cancel this contract without any penalty or  
 584 obligation within 10 calendar days after the date you sign this  
 585 contract or the date on which you receive the last of all  
 586 documents required to be given to you pursuant to section  
 587 721.07(6), Florida Statutes, whichever is later. If you decide  
 588 to cancel this contract, you must notify the seller in writing  
 589 of your intent to cancel. Your notice of cancellation shall be  
 590 effective upon the date sent and shall be sent to ... (Name of  
 591 Seller) ... at ... (Address of Seller) .... Any attempt to  
 592 obtain a waiver of your cancellation right is void and of no  
 593 effect. While you may execute all closing documents in advance,  
 594 the closing, as evidenced by delivery of the deed or other  
 595 document, before expiration of your 10-day cancellation period,  
 596 is prohibited.

597  
 598 (h) If a timeshare estate is being conveyed, the following  
 599 statement in conspicuous type:

600  
 601 For the purpose of ad valorem assessment, taxation and  
 602 special assessments, the managing entity will be considered the  
 603 taxpayer as your agent pursuant to section 192.037, Florida  
 604 Statutes.

605  
 606 (i) A statement that, in the event the purchaser cancels  
 607 the contract during a 10-day cancellation period, the developer  
 608 will refund to the purchaser the total amount of all payments  
 609 made by the purchaser under the contract, reduced by the

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610 proportion of any contract benefits the purchaser has actually  
 611 received under the contract prior to the effective date of the  
 612 cancellation. The statement shall further provide that the  
 613 refund will be made within 20 days after receipt of notice of  
 614 cancellation or within 5 days after receipt of funds from the  
 615 purchaser's cleared check, whichever is later. A seller and a  
 616 purchaser shall agree in writing on a specific value for each  
 617 contract benefit received by the purchaser for purposes of this  
 618 paragraph. The term "contract benefit" shall not include  
 619 purchaser public offering statements or other documentation or  
 620 materials that must be furnished to a purchaser pursuant to  
 621 statute or rule.

622 (j) If the timeshare interest is being sold pursuant to an  
 623 agreement for deed or an agreement for transfer, a statement  
 624 that the signing of the agreement for deed or agreement for  
 625 transfer does not entitle the purchaser to receive the  
 626 conveyance or transfer of his or her timeshare estate or  
 627 personal property timeshare interest ~~a deed~~ until all payments  
 628 under the agreement have been made.

629 (k) Unless the developer is, at the time of offering the  
 630 plan, the owner ~~in fee simple absolute~~ of the accommodations and  
 631 facilities of the timeshare plan, free and clear of all liens,  
 632 ~~and~~ encumbrances, and claims of other interestholders, a  
 633 statement that the developer is not the sole owner of the  
 634 underlying fee or owner of the underlying personal property or  
 635 that the such accommodations or facilities are subject to  
 636 ~~without~~ liens or encumbrances, which statement shall include:

- 637 1. The names and addresses of all other interestholders  
 638 ~~persons or entities having an ownership interest or other~~

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639 ~~interest in the accommodations or facilities; and~~

640       2. The actual interest of the developer in the  
641 accommodations or facilities. As an alternative to including the  
642 statement in the purchase contract, a seller may include a  
643 reference in the purchase contract to the location in the  
644 purchaser public offering statement text of such information.

645       (1) If the purchaser will receive an interest in a  
646 multisite timeshare plan pursuant to part II, a statement shall  
647 be provided in conspicuous type in substantially the following  
648 form:

649  
650       *The developer is required to provide the managing entity of*  
651 *the multisite timeshare plan with a copy of the approved public*  
652 *offering statement text and exhibits filed with the division and*  
653 *any approved amendments thereto, and any other component site*  
654 *documents as described in section 721.07 or section 721.55,*  
655 *Florida Statutes, that are not required to be filed with the*  
656 *division, to be maintained by the managing entity for inspection*  
657 *as part of the books and records of the plan.*

658  
659       (m) The following statement in conspicuous type:

660  
661       *Any resale of this timeshare interest must be accompanied*  
662 *by certain disclosures in accordance with section 721.065,*  
663 *Florida Statutes.*

664  
665       (n) A description of any rights reserved by the developer  
666 to alter or modify the offering prior to closing.

667       (2)(a) An agreement for deed shall be recorded by the

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668 developer within 30 days after the day it is executed by the  
 669 purchaser. The developer shall pay all recording costs  
 670 associated therewith. A form copy of such instrument must be  
 671 filed with the division for review pursuant to s. 721.07.

672 (b) An agreement for transfer shall be filed with the  
 673 appropriate official responsible for maintaining such records in  
 674 the appropriate jurisdiction within 30 days after the day it is  
 675 executed by the purchaser. The developer shall pay all filing  
 676 costs associated therewith. A form copy of such instrument must  
 677 be filed with the division for review pursuant to s. 721.07.

678 (3) The escrow agent shall provide the developer with a  
 679 receipt for all purchaser funds or other property received by  
 680 the escrow agent from a seller.

681 Section 5. Paragraph (b) of subsection (2) of section  
 682 721.065, Florida Statutes, is amended to read:

683 721.065 Resale purchase agreements.--

684 (2) Any resale purchase agreement utilized by a person  
 685 described in subsection (1) must contain all of the following:

686 (b) One of the following statements in conspicuous type  
 687 located immediately prior to the disclosure required by  
 688 paragraph (c):

689 1. If the resale purchase agreement pertains to a real  
 690 property timeshare plan:

691  
 692 *The current year's assessment for common expenses allocable to*  
 693 *the timeshare interest you are purchasing is \$\_\_\_\_. This*  
 694 *assessment, which may be increased from time to time by the*  
 695 *managing entity of the timeshare plan, is payable in full each*  
 696 *year on or before \_\_\_\_\_. This assessment (includes/does not*

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697 include) yearly ad valorem real estate taxes, which (are/are  
 698 not) billed and collected separately. (If ad valorem real  
 699 property taxes are not included in the current year's assessment  
 700 for common expenses, the following statement must be included:  
 701 The most recent annual assessment for ad valorem real estate  
 702 taxes for the timeshare interest you are purchasing is \$\_\_\_\_.)  
 703 (If there are any delinquent assessments for common expenses or  
 704 ad valorem taxes outstanding with respect to the timeshare  
 705 interest in question, the following statement must be included:  
 706 A delinquency in the amount of \$\_\_\_\_ for unpaid common expenses  
 707 or ad valorem taxes currently exists with respect to the  
 708 timeshare interest you are purchasing, together with a per diem  
 709 charge of \$\_\_\_\_ for interest and late charges.) For the purpose  
 710 of ad valorem assessment, taxation, and special assessments, the  
 711 managing entity will be considered the taxpayer as your agent  
 712 pursuant to section 192.037, Florida Statutes. Each owner is  
 713 personally liable for the payment of her or his assessments for  
 714 common expenses, and failure to timely pay these assessments may  
 715 result in restriction or loss of your use and/or ownership  
 716 rights.

717  
 718 There are many important documents relating to the timeshare  
 719 plan which you should review prior to purchasing a timeshare  
 720 interest, including the declaration of condominium or covenants  
 721 and restrictions; the owners' association articles and bylaws;  
 722 the current year's operating and reserve budgets; and any rules  
 723 and regulations affecting the use of timeshare plan  
 724 accommodations and facilities.

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726 2. If the resale purchase agreement pertains to a personal  
 727 property timeshare plan:

728  
 729 The current year's assessment for any common expenses, use  
 730 charges, fees, or taxes allocable to the timeshare interest you  
 731 are purchasing is \$\_\_\_\_\_. This assessment, which may be  
 732 increased from time to time by the managing entity of the  
 733 timeshare plan, is payable in full each year on or before  
 734 \_\_\_\_\_. (If there are any delinquent assessments for common  
 735 expenses, use charges, fees, or taxes outstanding with respect  
 736 to the timeshare interest in question, the following statement  
 737 must be included: A delinquency in the amount of \$\_\_\_\_\_ for  
 738 unpaid common expenses, use charges, fees, or taxes currently  
 739 exists with respect to the timeshare interest you are  
 740 purchasing, together with a per diem charge of \$\_\_\_\_\_ for  
 741 interest and late charges.) Each owner is personally liable for  
 742 the payment of her or his assessments for common expenses, and  
 743 failure to timely pay these assessments may result in  
 744 restriction or loss of your use and/or ownership rights.

745  
 746 There are many important documents relating to the timeshare  
 747 plan which you should review prior to purchasing a timeshare  
 748 interest, including any owners' association articles and bylaws;  
 749 the current year's operating and reserve budgets; and any rules  
 750 and regulations affecting the use of timeshare plan  
 751 accommodations and facilities.

752 Section 6. Section 721.07, Florida Statutes, is amended to  
 753 read:

754 721.07 Public offering statement.--Prior to offering any

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755 timeshare plan, the developer must submit a filed ~~registered~~  
 756 public offering statement to the division for approval as  
 757 prescribed by s. 721.03, s. 721.55, or this section. Until the  
 758 division approves such filing, any contract regarding the sale  
 759 of that timeshare plan is subject to cancellation ~~voidable~~ by  
 760 the purchaser pursuant to s. 721.10.

761 (1) The division shall, upon receiving a filed ~~registered~~  
 762 public offering statement from a developer, mail to the  
 763 developer an acknowledgment of receipt. The failure of the  
 764 division to send such acknowledgment will not, however, relieve  
 765 the developer from the duty of complying with this section.

766 (2)(a) Within 45 days after receipt of a filed ~~registered~~  
 767 public offering statement which is subject only to this part and  
 768 is submitted in proper form as prescribed by rule, or within 120  
 769 days after receipt of a filed ~~registered~~ public offering  
 770 statement which is subject to part II and is submitted in proper  
 771 form as prescribed by rule, the division shall determine whether  
 772 the proposed filed ~~registered~~ public offering statement is  
 773 adequate to meet the requirements of this section and shall  
 774 notify the developer by mail that the division has either  
 775 approved the statement or found specified deficiencies in the  
 776 statement. If the division fails to approve the statement or  
 777 specify deficiencies in the statement within the period  
 778 specified in this paragraph, the filing will be deemed approved.

779 (b) If the developer fails to respond to any cited  
 780 deficiencies within 20 days after receipt of the division's  
 781 deficiency notice, the division may reject the filing.  
 782 Subsequent to such rejection, a new filing fee pursuant to  
 783 subsection (4) and a new division initial review period pursuant

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784 to paragraph (a) shall apply to any refiling or further review  
 785 of the rejected filing.

786 (c) Within 20 days after receipt of the developer's timely  
 787 and complete response to any deficiency notice, the division  
 788 shall notify the developer by mail that the division has either  
 789 approved the filing, found additional specified deficiencies in  
 790 it, or determined that any previously specified deficiency has  
 791 not been corrected. If the division fails to approve or specify  
 792 additional deficiencies within 20 days after receipt of the  
 793 developer's timely and complete response, the filing will be  
 794 deemed approved.

795 (d) A developer shall have the authority to deliver to  
 796 purchasers any purchaser public offering statement that is not  
 797 yet approved by the division, provided that the following shall  
 798 apply:

799 1. At the time the developer delivers an unapproved  
 800 purchaser public offering statement to a purchaser pursuant to  
 801 this paragraph, the developer shall deliver a fully completed  
 802 and executed copy of the purchase contract required by s. 721.06  
 803 that contains the following statement in conspicuous type in  
 804 substantially the following form which shall replace the  
 805 statements required by s. 721.06(1)(g):

806  
 807 *The developer is delivering to you a public offering statement*  
 808 *that has been filed with but not yet approved by the Division of*  
 809 *Florida Land Sales, Condominiums, and Mobile Homes. Any*  
 810 *revisions to the unapproved public offering statement you have*  
 811 *received must be delivered to you, but only if the revisions*  
 812 *materially alter or modify the offering in a manner adverse to*

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813 you. After the division approves the public offering statement,  
 814 you will receive notice of the approval from the developer and  
 815 the required revisions, if any.

816  
 817 Your statutory right to cancel this transaction without any  
 818 penalty or obligation expires 10 calendar days after the date  
 819 you signed your purchase contract or the date on which you  
 820 receive the last of all documents required to be given to you  
 821 pursuant to section 721.07(6), Florida Statutes, or 10 calendar  
 822 days after you receive revisions required to be delivered to  
 823 you, if any, whichever is later. If you decide to cancel this  
 824 contract, you must notify the seller in writing of your intent  
 825 to cancel. Your notice of cancellation shall be effective upon  
 826 the date sent and shall be sent to (Name of Seller) at (Address  
 827 of Seller). Any attempt to obtain a waiver of your cancellation  
 828 right is void and of no effect. While you may execute all  
 829 closing documents in advance, the closing, as evidenced by  
 830 delivery of the deed or other document, before expiration of  
 831 your 10-day cancellation period, is prohibited.

832  
 833 2. After receipt of approval from the division and prior  
 834 to closing, if any revisions made to the documents contained in  
 835 the purchaser public offering statement materially alter or  
 836 modify the offering in a manner adverse to a purchaser, the  
 837 developer shall send the purchaser such revisions together with  
 838 a notice containing a statement in conspicuous type in  
 839 substantially the following form:

840  
 841 The unapproved public offering statement previously delivered to

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842 you, together with the enclosed revisions, has been approved by  
 843 the Division of Florida Land Sales, Condominiums, and Mobile  
 844 Homes. Accordingly, your cancellation right expires 10 calendar  
 845 days after you sign your purchase contract or 10 calendar days  
 846 after you receive these revisions, whichever is later. If you  
 847 have any questions regarding your cancellation rights, you may  
 848 contact the division at [insert division's current address].

849  
 850 3. After receipt of approval from the division and prior  
 851 to closing, if no revisions have been made to the documents  
 852 contained in the unapproved purchaser public offering statement,  
 853 or if such revisions do not materially alter or modify the  
 854 offering in a manner adverse to a purchaser, the developer shall  
 855 send the purchaser a notice containing a statement in  
 856 conspicuous type in substantially the following form:

857  
 858 *The unapproved public offering statement previously delivered to*  
 859 *you has been approved by the Division of Florida Land Sales,*  
 860 *Condominiums, and Mobile Homes. Revisions made to the unapproved*  
 861 *public offering statement, if any, are either not required to be*  
 862 *delivered to you or are not deemed by the developer, in its*  
 863 *opinion, to materially alter or modify the offering in a manner*  
 864 *that is adverse to you. Accordingly, your cancellation right*  
 865 *expired 10 days after you signed your purchase contract. A*  
 866 *complete copy of the approved public offering statement is*  
 867 *available through the managing entity for inspection as part of*  
 868 *the books and records of the plan. If you have any questions*  
 869 *regarding your cancellation rights, you may contact the division*  
 870 *at [insert division's current address].*

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871 (3)(a)1. Any change to an approved public offering  
 872 statement filing shall be filed with the division for approval  
 873 as an amendment prior to becoming effective. The division shall  
 874 have 20 days after receipt of a proposed amendment to approve or  
 875 cite deficiencies in the proposed amendment. If the division  
 876 fails to act within 20 days, the amendment will be deemed  
 877 approved. If the proposed amendment adds a new component site to  
 878 an approved multisite timeshare plan, the division's initial  
 879 period in which to approve or cite deficiencies is 45 days. If  
 880 the developer fails to adequately respond to any deficiency  
 881 notice within 30 days, the division may reject the amendment.  
 882 Subsequent to such rejection, a new filing fee pursuant to  
 883 subsection (4) and a new division initial review period pursuant  
 884 to this paragraph shall apply to any refiling or further review  
 885 of the rejected amendment.

886 2. For filings only subject to this part, each approved  
 887 amendment to the approved purchaser public offering statement,  
 888 other than an amendment made only for the purpose of the  
 889 addition of a phase or phases to the timeshare plan in the  
 890 manner described in the timeshare instrument or any amendment  
 891 that does not materially alter or modify the offering in a  
 892 manner that is adverse to a purchaser, shall be delivered to a  
 893 purchaser no later than 10 days prior to closing. For filings  
 894 made under part II, each approved amendment to the multisite  
 895 timeshare plan purchaser public offering statement, other than  
 896 an amendment made only for the purpose of the addition,  
 897 substitution, or deletion of a component site pursuant to part  
 898 II or the addition of a phase or phases to a component site of a  
 899 multisite timeshare plan in the manner described in the

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900 timeshare instrument or any amendment that does not materially  
 901 alter or modify the offering in a manner that is adverse to a  
 902 purchaser, shall be delivered to a purchaser no later than 10  
 903 days prior to closing.

904 3. Amendments made to a timeshare instrument for a  
 905 component site located in this state are not required to be  
 906 delivered to purchasers who do not receive a timeshare estate or  
 907 an interest in a specific multisite timeshare plan license in  
 908 that component site. Amendments made to a timeshare instrument  
 909 for a component site not located in this state are not required  
 910 to be delivered to purchasers.

911 (b) At the time that any amendments required to be  
 912 delivered to purchasers, as provided in paragraph (a), are  
 913 delivered to purchasers, the developer shall provide to those  
 914 purchasers who have not closed a written statement that the  
 915 purchaser or lessee will have a 10-day voidability period.

916 (4)(a) Upon the filing of a filed ~~registered~~ public  
 917 offering statement, the developer shall pay a filing fee of \$2  
 918 for each 7 days of annual use availability in each timeshare  
 919 unit that may be offered as a part of the proposed timeshare  
 920 plan pursuant to the filing.

921 (b) Upon the filing of an amendment to an approved filed  
 922 ~~registered~~ public offering statement, ~~other than an amendment~~  
 923 ~~adding a phase to the timeshare plan~~, the developer shall pay a  
 924 filing fee of \$100.

925 (5) Every filed ~~registered~~ public offering statement for a  
 926 timeshare plan which is not a multisite timeshare plan shall  
 927 contain the information required by this subsection. The  
 928 division is authorized to provide by rule the method by which a

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929 developer must provide such information to the division.

930 (a) A cover page stating only:

931 1. The name of the timeshare plan; and

932 2. The following statement, in conspicuous type: *This*  
 933 *public offering statement contains important matters to be*  
 934 *considered in acquiring a timeshare interest. The statements*  
 935 *contained in this public offering statement are only summary in*  
 936 *nature. A prospective purchaser should refer to all references,*  
 937 *accompanying exhibits, contract documents, and sales materials.*  
 938 *You should not rely upon oral representations as being correct.*  
 939 *Refer to this document and accompanying exhibits for correct*  
 940 *representations. The seller is prohibited from making any*  
 941 *representations other than those contained in the contract and*  
 942 *this public offering statement.*

943 (b) A listing of all statements required to be in  
 944 conspicuous type in the public offering statement and in all  
 945 exhibits thereto.

946 (c) A separate index of the contents and exhibits of the  
 947 public offering statement.

948 (d) A text which shall include, where applicable, the  
 949 disclosures set forth in paragraphs (e)-(hh).

950 (e) A description of the timeshare plan, including, but  
 951 not limited to:

952 1. Its name and location.

953 2. An explanation of the form of timeshare ownership that  
 954 is being offered, including a statement as to whether any  
 955 interest in the underlying real property will be conveyed to the  
 956 purchaser. If the plan is being created or being sold on a  
 957 leasehold, a description of the material terms of the lease

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958 shall be included. If the plan is a plan in which timeshare  
 959 estates or personal property timeshare interests are sold as  
 960 interests in a trust pursuant to the requirements of this  
 961 chapter, a full and accurate description of the trust  
 962 arrangement and the trustee's duties shall be included. If the  
 963 plan is a personal property timeshare plan, a description of the  
 964 material terms of the arrangement for the ownership or use of  
 965 the personal property shall be included.

966 3. An explanation of the manner in which the apportionment  
 967 of common expenses and ownership of the common elements has been  
 968 determined.

969 4. If ownership or use of the timeshare plan is based on a  
 970 point system, a statement indicating the circumstances by which  
 971 the point values may change, the extent of such changes, and the  
 972 person or entity responsible for the changes.

973 5. If any of the accommodations or facilities are part of  
 974 a personal property timeshare plan in which the accommodations  
 975 or facilities are located on or in a documented vessel or  
 976 foreign vessel as provided in s. 721.08(2)(c)3.e., the  
 977 disclosure required by s. 721.08(2)(c)3.e.(IV).

978 (f) A description of the accommodations, including, but  
 979 not limited to:

980 1. The number of timeshare units in each building, the  
 981 total number of timeshare periods declared as part of the  
 982 timeshare plan and filed with the division, and the number of  
 983 bathrooms and bedrooms in each type of timeshare unit.

984 2. The latest date estimated for completion of  
 985 constructing, finishing, and equipping the timeshare units  
 986 declared as part of the timeshare plan and filed with the

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987 division.

988 3. The estimated maximum number of units and timeshare  
 989 periods that will use the accommodations and facilities. If the  
 990 maximum number of timeshare units or timeshare periods will  
 991 vary, a description of the basis for variation.

992 4. The duration, in years, of the timeshare plan.

993 5. If any of the accommodations are part of a personal  
 994 property timeshare plan, the name, vehicle registration number,  
 995 title certificate number, or any other identifying registration  
 996 number assigned to the accommodation of a personal property  
 997 timeshare plan by a state, federal, or international  
 998 governmental agency.

999 6. If any of the accommodations are part of a personal  
 1000 property timeshare plan, the fire detection system and fire  
 1001 safety equipment and description of method of compliance with  
 1002 any applicable firesafety or fire detection regulations.

1003 (g) A description of any ~~the~~ facilities that will be used  
 1004 by purchasers of the plan, including, but not limited to:

1005 1. The intended purpose, if not apparent from the  
 1006 description.

1007 2. The estimated date when each facility will be available  
 1008 for use by the purchaser.

1009 3. A statement as to whether the facilities will be used  
 1010 exclusively by purchasers of the timeshare plan, and, if not, a  
 1011 statement as to whether the purchasers of the timeshare plan are  
 1012 required to pay any portion of the maintenance and expenses of  
 1013 such facilities.

1014 (h)1. If any facilities offered by the developer for use  
 1015 by purchasers are to be leased or have club memberships

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1016 associated with them, other than participation in a vacation  
 1017 club, one of the following statements in conspicuous type: *There*  
 1018 *is a lease associated with one or more facilities of the*  
 1019 *timeshare plan; or, There is a club membership associated with*  
 1020 *one or more facilities of the timeshare plan.*

1021 2. If it is mandatory that purchasers pay fees, rent,  
 1022 dues, or other charges under a facilities lease or club  
 1023 membership for the use of the facilities, other than  
 1024 participation in a vacation club, the applicable statement in  
 1025 conspicuous type in substantially the following form:

1026 a. *Membership in a facilities club is mandatory for*  
 1027 *purchasers;*

1028 b. *Purchasers or the owners' association(s) are required,*  
 1029 *as a condition of ownership, to be lessees under the facilities*  
 1030 *lease;*

1031 c. *Purchasers or the owners' association(s) are required*  
 1032 *to pay their share of the rent or costs and expenses of*  
 1033 *maintenance, management, upkeep, and replacement under the*  
 1034 *facilities lease (or the other instruments providing the*  
 1035 *facilities); or*

1036 d. A similar statement of the nature of the organization  
 1037 or the manner in which the use rights are created, and that  
 1038 purchasers are required to pay.

1039  
 1040 Immediately following the applicable statement, a description of  
 1041 the lease or other instrument shall be stated, including a  
 1042 description of terms of the payment of rent or costs and  
 1043 expenses of maintenance, management, upkeep, and replacement of  
 1044 the facilities.

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1045 3. If the purchasers are required to pay a use fee, or  
 1046 other payment for the use of the facilities, not including the  
 1047 rent or maintenance, management, upkeep, or replacement costs  
 1048 and expenses, the following statement in conspicuous type: *The*  
 1049 *purchasers or the owners' association(s) must pay use fees for*  
 1050 *one or more facilities.* Immediately following this statement, a  
 1051 description of the use fees shall be included.

1052 4. If any person other than the owners' association has  
 1053 the right to a lien on the timeshare interests to secure the  
 1054 payment of assessments, rent, or other exactions, a statement in  
 1055 conspicuous type in substantially the following form:

1056 a. *There is a lien or lien right against each timeshare*  
 1057 *interest to secure the payment of rent and other exactions under*  
 1058 *the facilities lease. A purchaser's failure to make these*  
 1059 *payments may result in foreclosure of the lien; or*

1060 b. *There is a lien or lien right against each timeshare*  
 1061 *interest to secure the payment of assessments or other exactions*  
 1062 *coming due for the use, maintenance, upkeep, or repair of one or*  
 1063 *more facilities. A purchaser's failure to make these payments*  
 1064 *may result in foreclosure of the lien.*

1065  
 1066 Immediately following the applicable statement, a description of  
 1067 the lien right shall be included.

1068 (i) If the developer or any other person has the right to  
 1069 increase or add to the facilities at any time after the  
 1070 establishment of the timeshare plan, without the consent of the  
 1071 purchasers or owners' association being required, a statement in  
 1072 conspicuous type in substantially the following form: *Facilities*  
 1073 *may be expanded or added without consent of the purchasers or*

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1074 the owners' association(s). Immediately following this  
 1075 statement, a description of such reserved rights shall be  
 1076 included.

1077 (j)1. For a real property timeshare plan, an explanation  
 1078 of the status of the title to the real property underlying the  
 1079 timeshare plan, including a statement of the existence of any  
 1080 lien, defect, judgment, mortgage, or other encumbrance affecting  
 1081 the title to the property, and how such lien, defect, judgment,  
 1082 mortgage, or other encumbrance will be removed or satisfied  
 1083 prior to closing.

1084 2. For a personal property timeshare plan, an explanation  
 1085 of the status of title to the personal property underlying the  
 1086 timeshare plan, including a statement of the existence of any  
 1087 lien, defect, judgment, or other encumbrance affecting the title  
 1088 to the personal property, and how such lien, defect, judgment,  
 1089 or other encumbrance will be removed or satisfied prior to  
 1090 closing.

1091 (k) A description of any judgment against the developer,  
 1092 the managing entity, the owner of the underlying fee, or the  
 1093 owner of the underlying personal property fee, which judgment is  
 1094 material to the timeshare plan; the status of any pending suit  
 1095 to which the developer, the managing entity, the owner of the  
 1096 underlying fee, or the owner of the underlying personal property  
 1097 fee is a party, which suit is material to the timeshare plan;  
 1098 and any other suit which is material to the timeshare plan of  
 1099 which the developer, managing entity, the owner of the  
 1100 underlying fee, or the owner of the underlying personal property  
 1101 fee has actual knowledge. If no judgments or pending suits  
 1102 exist, there shall be a statement of such fact.

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1103 (l) A description of all unusual and material  
 1104 circumstances, features, and characteristics of the real  
 1105 property or personal property underlying or comprising the  
 1106 timeshare plan.

1107 (m) A description of any financing to be offered to  
 1108 purchasers by the developer or any person or entity in which the  
 1109 developer has a financial interest, together with a disclosure  
 1110 that the description of such financing may be changed by the  
 1111 developer and that any change in the financing offered to  
 1112 prospective purchasers will not be deemed to be a material  
 1113 change.

1114 (n) A detailed explanation of any financial arrangements  
 1115 which have been provided for completion of all promised  
 1116 improvements.

1117 (o) The name and address of the managing entity; a  
 1118 statement whether the seller may change the managing entity or  
 1119 its control and, if so, the manner by which the seller may  
 1120 change the managing entity; a statement of the arrangements for  
 1121 management, maintenance, and operation of the accommodations and  
 1122 facilities and of other property that will serve the purchasers;  
 1123 and a description of the management arrangement and any  
 1124 contracts for these purposes having a term in excess of 1 year,  
 1125 including the names of the contracting parties, the term of the  
 1126 contract, the nature of the services included, and the  
 1127 compensation, stated for a month and for a year, and provisions  
 1128 for increases in the compensation. In the case of a personal  
 1129 property timeshare plan in which the accommodations or  
 1130 facilities are located on or in a documented vessel or foreign  
 1131 vessel as provided in s. 721.08(2)(c)3.e., a statement shall be

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1132 included that describes the trustee's or owners' association's  
 1133 access to the certificates of classification and that the  
 1134 certificate of classification will be made available to  
 1135 purchasers on request.

1136 (p) If any person other than the purchasers has the right  
 1137 to retain control of the board of administration of the owners'  
 1138 association, if any, for a period of time which may exceed 1  
 1139 year after the closing of the sale of a majority of the  
 1140 timeshare interests in that timeshare plan to persons other than  
 1141 successors or concurrent developers and the plan is one in which  
 1142 all purchasers automatically become members of the owners'  
 1143 association, a statement in conspicuous type in substantially  
 1144 the following form: *The developer (or other person) has the*  
 1145 *right to retain control of the owners' association after a*  
 1146 *majority of the timeshare interests have been sold.* Immediately  
 1147 following this statement, a description of the applicable  
 1148 transfer of control provisions of the timeshare plan shall be  
 1149 included.

1150 (q)1. If there are any restrictions upon the sale,  
 1151 transfer, conveyance, or leasing of a timeshare interest, a  
 1152 statement in conspicuous type in substantially the following  
 1153 form: *The sale, lease, or transfer of timeshare interests is*  
 1154 *restricted or controlled.* Immediately following this statement,  
 1155 a description of the nature of the restriction, limitation, or  
 1156 control on the sale, lease, or transfer of timeshare interests  
 1157 shall be included.

1158 2. The following statement in conspicuous type in  
 1159 substantially the following form: *The purchase of a timeshare*  
 1160 *interest should be based upon its value as a vacation experience*

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1161 *or for spending leisure time, and not considered for purposes of*  
 1162 *acquiring an appreciating investment or with an expectation that*  
 1163 *the timeshare interest may be resold.*

1164 (r) If the timeshare plan is part of a phase project, a  
 1165 statement to that effect and a complete description of the  
 1166 phasing. Notwithstanding any provisions of s. 718.110 or s.  
 1167 719.1055, a developer may develop a timeshare condominium or a  
 1168 timeshare cooperative in phases if the original declaration of  
 1169 condominium or cooperative documents submitting the initial  
 1170 phase to condominium ownership or cooperative ownership or an  
 1171 amendment to the declaration of condominium or cooperative  
 1172 documents which has been approved by all of the unit owners and  
 1173 unit mortgagees provides for phasing. Notwithstanding any  
 1174 provisions of s. 718.403 or s. 719.403 to the contrary, the  
 1175 original declaration of condominium or cooperative documents, or  
 1176 an amendment to the declaration of condominium or cooperative  
 1177 documents adopted pursuant to this subsection, need only  
 1178 generally describe the developer's phasing plan and the land  
 1179 which may become part of the condominium or cooperative, and, in  
 1180 conjunction therewith, the developer may also reserve all rights  
 1181 to vary his or her phasing plan as to phase boundaries, plot  
 1182 plans and floor plans, timeshare unit types, timeshare unit  
 1183 sizes and timeshare unit type mixes, numbers of timeshare units,  
 1184 and facilities with respect to each subsequent phase. There  
 1185 shall be no time limit during which a developer of a timeshare  
 1186 condominium or timeshare cooperative must complete his or her  
 1187 phasing plan, and the developer shall not be required to notify  
 1188 owners of existing timeshare estates of his or her decision not  
 1189 to add one or more proposed phases.

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1190 (s) A description of the material restrictions, if any, to  
 1191 be imposed on timeshare interests concerning the use of any of  
 1192 the accommodations or facilities, including statements as to  
 1193 whether there are restrictions upon children and pets or a  
 1194 reference to a copy of the documents containing the restrictions  
 1195 which shall be attached as an exhibit. If there are no  
 1196 restrictions, there shall be a statement of such fact.

1197 (t) If there is any land or personal property that is  
 1198 offered by the developer for use by the purchasers and which is  
 1199 neither owned by them nor leased to them, the owners'  
 1200 association, or any entity controlled by the purchasers, a  
 1201 statement describing the land or personal property, how it will  
 1202 serve the timeshare plan, and the nature and term of service.

1203 (u) An estimated operating budget for the timeshare plan  
 1204 and a schedule of the purchaser's expenses shall be attached as  
 1205 an exhibit and shall contain the following information:

1206 1. The estimated annual expenses of the timeshare plan  
 1207 collectible from purchasers by assessments. The estimated  
 1208 payments by the purchaser for assessments shall also be stated  
 1209 in the estimated amounts for the times when they will be due.  
 1210 Expenses shall also be shown for the shortest timeshare period  
 1211 offered for sale by the developer. If the timeshare plan  
 1212 provides for the offer and sale of units to be used on a  
 1213 nontimeshare basis, the estimated monthly and annual expenses of  
 1214 such units shall be set forth in a separate schedule.

1215 2. The estimated weekly, monthly, and annual expenses of  
 1216 the purchaser of each timeshare interest, other than assessments  
 1217 payable to the managing entity. Expenses which are personal to  
 1218 purchasers that are not uniformly incurred by all purchasers or

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1219 that are not provided for or contemplated by the timeshare plan  
 1220 documents may be excluded from this estimate.

1221 3. The estimated items of expenses of the timeshare plan  
 1222 and the managing entity, except as excluded under subparagraph  
 1223 2., including, but not limited to, if applicable, the following  
 1224 items, which shall be stated either as management expenses  
 1225 collectible by assessments or as expenses of the purchaser  
 1226 payable to persons other than the managing entity:

- 1227 a. Expenses for the managing entity:
- 1228 (I) Administration of the managing entity.
- 1229 (II) Management fees.
- 1230 (III) Maintenance.
- 1231 (IV) Rent for facilities.
- 1232 (V) Taxes upon timeshare property.
- 1233 (VI) Taxes upon leased areas.
- 1234 (VII) Insurance.
- 1235 (VIII) Security provisions.
- 1236 (IX) Other expenses.
- 1237 (X) Operating capital.
- 1238 (XI) Reserves for deferred maintenance and reserves for  
 1239 capital expenditures, including:-

1240 (A) Reserves for deferred maintenance or capital  
 1241 expenditures of accommodations and facilities of a real property  
 1242 timeshare plan, if any. All reserves for any accommodations and  
 1243 facilities of real property timeshare plans located in this  
 1244 state shall be calculated by a formula which is based upon  
 1245 estimated life and replacement cost of each reserve item.  
 1246 Reserves for deferred maintenance for such accommodations and  
 1247 facilities shall include accounts for roof replacement, building

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1248 painting, pavement resurfacing, replacement of timeshare unit  
 1249 furnishings and equipment, and any other component, the useful  
 1250 life of which is less than the useful life of the overall  
 1251 structure. For any accommodations and facilities of real  
 1252 property timeshare plans located outside of this state, the  
 1253 developer shall disclose the amount of reserves for deferred  
 1254 maintenance or capital expenditures required by the law of the  
 1255 situs state, if applicable, and maintained for such  
 1256 accommodations and facilities.

1257 (B) Reserves for deferred maintenance or capital  
 1258 expenditures of accommodations and facilities of a personal  
 1259 property timeshare plan, if any. If such reserves are  
 1260 maintained, the estimated operating budget shall disclose the  
 1261 methodology of how the reserves are calculated. If a personal  
 1262 property timeshare plan does not require reserves, the following  
 1263 statement, in conspicuous type, shall appear in both the budget  
 1264 and the public offering statement:

1265  
 1266 The estimated operating budget for this personal property  
 1267 timeshare plan does not include reserves for deferred  
 1268 maintenance or capital expenditures; each timeshare interest may  
 1269 be subject to substantial special assessments from time to time  
 1270 because no such reserves exist.

1271  
 1272 (XII) Fees payable to the division.  
 1273 b. Expenses for a purchaser:  
 1274 (I) Rent for the timeshare unit, if subject to a lease.  
 1275 (II) Rent payable by the purchaser directly to the lessor  
 1276 or agent under any lease for the use of facilities, which use

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1277 and payment is a mandatory condition of ownership and is not  
 1278 included in the common expenses or assessments for common  
 1279 maintenance paid by the purchasers to the managing entity.

1280 4. The estimated amounts shall be stated for a period of  
 1281 at least 12 months and may distinguish between the period prior  
 1282 to the time that purchasers elect a majority of the board of  
 1283 administration and the period after that date.

1284 5. If the developer intends to guarantee the level of  
 1285 assessments, such guarantee must be based upon a good faith  
 1286 estimate of the revenues and expenses of the timeshare plan. The  
 1287 guarantee must include a description of the following:

1288 a. The specific time period measured in one or more  
 1289 calendar or fiscal years during which the guarantee will be in  
 1290 effect.

1291 b. A statement that the developer will pay all common  
 1292 expenses incurred in excess of the total revenues of the  
 1293 timeshare plan pursuant to s. 721.15(2) if the developer has  
 1294 excused himself or herself from the payment of assessments  
 1295 during the guarantee period.

1296 c. The level, expressed in total dollars, at which the  
 1297 developer guarantees the budget. If the developer has reserved  
 1298 the right to extend or increase the guarantee level pursuant to  
 1299 s. 721.15(2), a disclosure must be included to that effect.

1300 6. If the developer intends to provide a trust fund to  
 1301 defer or reduce the payment of annual assessments, a copy of the  
 1302 trust instrument shall be attached as an exhibit and shall  
 1303 include a description of such arrangement, including, but not  
 1304 limited to:

1305 a. The specific amount of such trust funds and the source

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1306 of the funds.

1307 b. The name and address of the trustee.

1308 c. The investment methods permitted by the trust  
1309 agreement.

1310 d. A statement in conspicuous type that the funds from the  
1311 trust account may not cover all assessments and that there is no  
1312 guarantee that purchasers will not have to pay assessments in  
1313 the future.

1314 7. The budget of a phase timeshare plan may contain a note  
1315 identifying the number of timeshare interests covered by the  
1316 budget, indicating the number of timeshare interests, if any,  
1317 estimated to be declared as part of the timeshare plan during  
1318 that calendar year, and projecting the common expenses for the  
1319 timeshare plan based upon the number of timeshare interests  
1320 estimated to be declared as part of the timeshare plan during  
1321 that calendar year.

1322 (v) A schedule of estimated closing expenses to be paid by  
1323 a purchaser or lessee of a timeshare interest and a statement as  
1324 to whether a title opinion or title insurance policy is  
1325 available to the purchaser and, if so, at whose expense.

1326 (w) The identity of the developer and the chief operating  
1327 officer or principal directing the creation and sale of the  
1328 timeshare plan and a statement of the experience of each in this  
1329 field or, if no experience, a statement of that fact.

1330 (x) A statement of the total financial obligation of the  
1331 purchaser, including the purchase price and any additional  
1332 charges to which the purchaser may be subject.

1333 (y) The name of any person who will or may have the right  
1334 to alter, amend, or add to the charges to which the purchaser

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1335 may be subject and the terms and conditions under which such  
 1336 alterations, amendments, or additions may be imposed.

1337 (z) A statement of the purchaser's right of cancellation  
 1338 of the purchase contract.

1339 (aa) A description of the insurance coverage provided for  
 1340 the timeshare plan.

1341 (bb) A statement as to whether the timeshare plan is  
 1342 participating in an exchange program and, if so, the name and  
 1343 address of the exchange company offering the exchange program.

1344 (cc) The existence of rules and regulations regarding any  
 1345 reservation features governing a purchaser's ability to make  
 1346 reservations for a timeshare period, including, if applicable, a  
 1347 conspicuous type disclaimer in substantially the following form:

1348  
 1349 *The right to reserve a timeshare period is subject to rules and*  
 1350 *regulations of the timeshare plan reservation system.*

1351  
 1352 (dd) If a developer is filing a timeshare plan that  
 1353 includes a timeshare instrument or component site document that  
 1354 was in conformance with the laws and rules in existence at the  
 1355 time the timeshare plan was created but does not conform to  
 1356 existing laws and rules that govern the timeshare plan and the  
 1357 developer does not have the authority or power to amend or  
 1358 change the timeshare instrument or component site document to  
 1359 conform to such existing laws or rules as directed by the  
 1360 division, a brief explanation of current law and the conflict  
 1361 with the timeshare instrument or component site document,  
 1362 preceded by disclaimer in conspicuous type in substantially the  
 1363 following form:

1364  
 1365 *Florida law has been amended and certain provisions in [insert*  
 1366 *appropriate reference to timeshare instrument or component site*  
 1367 *document] that were in conformance with Florida law as it*  
 1368 *existed at the time the timeshare plan was created are not in*  
 1369 *conformance with current Florida law. These documents may only*  
 1370 *be amended by [insert appropriate reference to person or entity*  
 1371 *that has the right to amend or change the timeshare instrument*  
 1372 *or component site document]. The developer does not warrant that*  
 1373 *such documents are in technical compliance with all applicable*  
 1374 *Florida laws and regulations. All questions regarding amendment*  
 1375 *of these documents should be directed to [insert appropriate*  
 1376 *reference to person or entity that has the right to amend or*  
 1377 *change the timeshare instrument or component site document].*

1378  
 1379 (ee) Any other information that a seller, with the  
 1380 approval of the division, desires to include in the public  
 1381 offering statement.

1382 (ff) Copies of the following documents and plans, to the  
 1383 extent they are applicable, shall be included as exhibits to the  
 1384 filed ~~registered~~ public offering statement provided, if the  
 1385 timeshare plan has not been declared or created at the time of  
 1386 the filing, the developer shall provide proposed documents:

- 1387 1. The declaration of condominium.
- 1388 2. The cooperative documents.
- 1389 3. The declaration of covenants and restrictions.
- 1390 4. The articles of incorporation creating the owners'  
 1391 association.
- 1392 5. The bylaws of the owners' association.

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1393 6. Any ~~The~~ ground lease or other underlying lease of the  
 1394 real property associated with ~~on which~~ the timeshare plan ~~is~~  
 1395 situated. In the case of a personal property timeshare plan, any  
 1396 lease of the personal property associated with the personal  
 1397 property timeshare plan.

1398 7. The management agreement and all maintenance and other  
 1399 contracts regarding the management and operation of the  
 1400 timeshare property which have terms in excess of 1 year.

1401 8. The estimated operating budget for the timeshare plan  
 1402 and the required schedule of purchasers' expenses.

1403 9. The floor plan of each type of accommodation and the  
 1404 plot plan showing the location of all accommodations and  
 1405 facilities declared as part of the timeshare plan and filed with  
 1406 the division.

1407 10. The lease for any facilities.

1408 11. A declaration of servitude of properties serving the  
 1409 accommodations and facilities, but not owned by purchasers or  
 1410 leased to them or the owners' association.

1411 12. Any documents required by s. 721.03(3)(e) as the  
 1412 result of the inclusion of a timeshare plan in the conversion of  
 1413 the building to condominium or cooperative ownership.

1414 13. The form of agreement for sale or lease of timeshare  
 1415 interests.

1416 14. The executed agreement for escrow of payments made to  
 1417 the developer prior to closing and the form of any agreement for  
 1418 escrow of ad valorem tax escrow payments, if any, to be made  
 1419 into an ad valorem tax escrow account pursuant to s. 192.037(6).

1420 15. The documents containing any restrictions on use of  
 1421 the property required by paragraph (s).

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1422       16. A letter from the escrow agent or filing attorney  
 1423       confirming that the escrow agent and its officers, directors, or  
 1424       other partners are independent pursuant to the requirements of  
 1425       this chapter.

1426       17. Any nondisturbance and notice to creditors instrument  
 1427       required by s. 721.08.

1428       18. In the case of any personal property timeshare plan in  
 1429       which the accommodations and facilities are located on or in a  
 1430       documented vessel or foreign vessel as provided in s.  
 1431       721.08(2)(c)3.e., a copy of the certificate of ownership of such  
 1432       vessel and either a copy of the certificate of documentation or  
 1433       certificate of registry of such vessel.

1434       19. An executed affidavit given under oath by an attorney  
 1435       licensed to practice law in any jurisdiction in the United  
 1436       States stating that the attorney has researched the applicable  
 1437       laws of the jurisdiction in which governing law has been  
 1438       established and the laws of the jurisdiction in which the vessel  
 1439       is registered, and has found that the timeshare instrument  
 1440       complies with the provisions of s. 721.08(2)(c)3.e.(II)(C) and  
 1441       (III).

1442       ~~20.16.~~ Any other documents or instruments creating the  
 1443 timeshare plan.

1444       (gg) Such other information as is necessary to fairly,  
 1445 meaningfully, and effectively disclose all aspects of the  
 1446 timeshare plan, including, but not limited to, any disclosures  
 1447 made necessary by the operation of s. 721.03(8). However, if a  
 1448 developer has, in good faith, attempted to comply with the  
 1449 requirements of this section, and if, in fact, he or she has  
 1450 substantially complied with the disclosure requirements of this

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1451 chapter, nonmaterial errors or omissions shall not be  
 1452 actionable.

1453 (hh) Notwithstanding the provisions of this subsection,  
 1454 the filed ~~registered~~ public offering statement for a component  
 1455 site of a multisite timeshare plan filed pursuant to this  
 1456 subsection may contain cross-references to information contained  
 1457 in the related multisite timeshare plan filed ~~registered~~ public  
 1458 offering statement filed pursuant to s. 721.55 in lieu of  
 1459 repeating such information.

1460 (6) The division is authorized to prescribe by rule the  
 1461 form of the approved purchaser public offering statement that  
 1462 must be furnished by the developer to each purchaser. The form  
 1463 of the purchaser public offering statement must provide fair,  
 1464 meaningful, and effective disclosure of all aspects of the  
 1465 timeshare plan. For timeshare plans filed pursuant to this part,  
 1466 the developer shall furnish each purchaser with the following:

1467 (a) A copy of the purchaser public offering statement text  
 1468 in the form approved by the division for delivery to purchasers.

1469 (b) Copies of the exhibits required to be filed with the  
 1470 division pursuant to subparagraphs (5)(ff)1., 2., 4., 5., 8.,  
 1471 and 20. ~~16.~~

1472 (c) A receipt for timeshare plan documents and a list  
 1473 describing any exhibit to the filed ~~registered~~ public offering  
 1474 statement filed with the division which is not delivered to the  
 1475 purchaser. The division is authorized to prescribe by rule the  
 1476 form of the receipt for timeshare plan documents and the  
 1477 description of exhibits list that must be furnished to the  
 1478 purchaser. The description of documents list utilized by a  
 1479 developer shall be filed with the division for review as part of

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1480 the filed ~~registered~~ public offering statement pursuant to this  
 1481 section. The developer shall be required to provide the managing  
 1482 entity with a copy of the approved filed ~~registered~~ public  
 1483 offering statement and any approved amendments thereto to be  
 1484 maintained by the managing entity as part of the books and  
 1485 records of the timeshare plan pursuant to s. 721.13(3)(d).

1486 (d) Any other exhibit which the developer includes as part  
 1487 of the purchaser public offering statement, provided that the  
 1488 developer first files the exhibit with the division.

1489 (e) An executed copy of any document which the purchaser  
 1490 signs.

1491 (f) Each purchaser shall receive a fully executed paper  
 1492 copy of the purchase contract.

1493 Section 7. Paragraph (g) of subsection (1) of section  
 1494 721.075, Florida Statutes, is amended and paragraph (e) is added  
 1495 to subsection (2) of said section, to read:

1496 721.075 Incidental benefits.--Incidental benefits shall be  
 1497 offered only as provided in this section.

1498 (1) Accommodations, facilities, products, services,  
 1499 discounts, or other benefits which satisfy the requirements of  
 1500 this subsection shall be subject to the provisions of this  
 1501 section and exempt from the other provisions of this chapter  
 1502 which would otherwise apply to such accommodations or facilities  
 1503 if and only if:

1504 (g) The incidental benefit is filed with the division for  
 1505 review in conjunction with the filing of a timeshare plan or in  
 1506 connection with a previously filed timeshare plan.

1507 (2) Each purchaser shall execute a separate acknowledgment  
 1508 and disclosure statement with respect to all incidental

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1509 benefits, which statement shall include the following  
 1510 information:

1511 (e) A statement indicating the source of the services,  
 1512 points, or other products that constitute the incidental  
 1513 benefit.

1514 Section 8. Section 721.08, Florida Statutes, is amended to  
 1515 read:

1516 721.08 Escrow accounts; nondisturbance instruments;  
 1517 alternate security arrangements; transfer of legal title.--

1518 (1) Prior to the filing of a ~~registered~~ public offering  
 1519 statement with the division, all developers shall establish an  
 1520 escrow account with an escrow agent for the purpose of  
 1521 protecting the funds or other property of purchasers required to  
 1522 be escrowed by this section. An escrow agent shall maintain the  
 1523 accounts called for in this section only in such a manner as to  
 1524 be under the direct supervision and control of the escrow agent.  
 1525 The escrow agent shall have a fiduciary duty to each purchaser  
 1526 to maintain the escrow accounts in accordance with good  
 1527 accounting practices and to release the purchaser's funds or  
 1528 other property from escrow only in accordance with this chapter.  
 1529 The escrow agent shall retain all affidavits received pursuant  
 1530 to this section for a period of 5 years. Should the escrow agent  
 1531 receive conflicting demands for funds or other property held in  
 1532 escrow, the escrow agent shall immediately notify the division  
 1533 of the dispute and either promptly submit the matter to  
 1534 arbitration or, by interpleader or otherwise, seek an  
 1535 adjudication of the matter by court.

1536 (2) One hundred percent of all funds or other property  
 1537 which is received from or on behalf of purchasers of the

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1538 timeshare plan or timeshare interest prior to the occurrence of  
 1539 events required in this subsection shall be deposited pursuant  
 1540 to an escrow agreement approved by the division. The ~~escrow~~  
 1541 ~~agreement shall provide that the~~ funds or other property may be  
 1542 released from escrow only as follows:

1543 (a) *Cancellation.*--In the event a purchaser gives a valid  
 1544 notice of cancellation pursuant to s. 721.10 or is otherwise  
 1545 entitled to cancel the sale, the funds or other property  
 1546 received from or on behalf of the purchaser, or the proceeds  
 1547 thereof, shall be returned to the purchaser. Such refund shall  
 1548 be made within 20 days after ~~of~~ demand therefor by the purchaser  
 1549 or within 5 days after receipt of funds from the purchaser's  
 1550 cleared check, whichever is later. If the purchaser has received  
 1551 benefits under the contract prior to the effective date of the  
 1552 cancellation, the funds or other property to be returned to the  
 1553 purchaser may be reduced by the proportion of contract benefits  
 1554 actually received.

1555 (b) *Purchaser's default.*--Following expiration of the 10-  
 1556 day cancellation period, if the purchaser defaults in the  
 1557 performance of her or his obligations under the terms of the  
 1558 contract to purchase or such other agreement by which a seller  
 1559 sells the timeshare interest, the developer shall provide an  
 1560 affidavit to the escrow agent requesting release of the escrowed  
 1561 funds or other property and shall provide a copy of such  
 1562 affidavit to the purchaser who has defaulted. The developer's  
 1563 affidavit, as required herein, shall include:

- 1564 1. A statement that the purchaser has defaulted and that
- 1565 the developer has not defaulted;
- 1566 2. A brief explanation of the nature of the default and

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1567 the date of its occurrence;

1568 3. A statement that pursuant to the terms of the contract  
 1569 the developer is entitled to the funds held by the escrow agent;  
 1570 and

1571 4. A statement that the developer has not received from  
 1572 the purchaser any written notice of a dispute between the  
 1573 purchaser and developer or a claim by the purchaser to the  
 1574 escrow.

1575 (c) *Compliance with conditions.--*

1576 1. Timeshare licenses.--If the timeshare plan is one in  
 1577 which timeshare licenses are to be sold and no cancellation or  
 1578 default has occurred, the escrow agent may release the escrowed  
 1579 funds or other property to or on the order of the developer upon  
 1580 presentation of:

1581 a. An affidavit by the developer that all of the following  
 1582 conditions have been met:

1583 (I) Expiration of the cancellation period.

1584 (II) Completion of construction.

1585 (III) Closing.

1586 (IV) Either:

1587 (A) Execution, delivery, and recordation by each  
 1588 interestholder of the nondisturbance and notice to creditors  
 1589 instrument, as described in this section; ~~or, alternatively,~~

1590 (B) Transfer by the developer of legal title to the  
 1591 subject accommodations and facilities, or all use rights  
 1592 therein, into ~~to~~ a trust satisfying the requirements of  
 1593 subparagraph 4. sub-subparagraph 3.b. and the execution,  
 1594 delivery, and recordation by each other interestholder of the  
 1595 nondisturbance and notice to creditors instrument, as described

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1596 in this section.

1597 b. A certified copy of each ~~the~~ recorded nondisturbance  
 1598 and notice to creditors instrument ~~that complies with subsection~~  
 1599 ~~(3)~~.

1600 c. One of the following:

1601 (I) A copy of a memorandum of agreement, as defined in s.  
 1602 721.05~~(21)~~, together with satisfactory evidence that the  
 1603 original memorandum of agreement has been irretrievably  
 1604 delivered for recording to the appropriate official responsible  
 1605 for maintaining the public records in the county in which the  
 1606 subject accommodations and facilities are located. The original  
 1607 memorandum of agreement must be recorded within 180 days after  
 1608 the date on which the purchaser executed her or his purchase  
 1609 agreement.

1610 (II) A notice delivered for recording to the appropriate  
 1611 official responsible for maintaining the public records in each  
 1612 county in which the subject accommodations and facilities are  
 1613 located notifying all persons of the identity of an independent  
 1614 escrow agent or trustee satisfying the requirements of  
 1615 subparagraph 4. ~~sub-subparagraph 3.b.~~ that shall maintain  
 1616 separate books and records, in accordance with good accounting  
 1617 practices, for the timeshare plan in which timeshare licenses  
 1618 are to be sold. The books and records shall indicate each  
 1619 accommodation and facility that is subject to such a timeshare  
 1620 plan and each purchaser of a timeshare license in the timeshare  
 1621 plan.

1622 2. Timeshare estates. -- If the timeshare plan is one in  
 1623 which timeshare estates are to be sold, ~~other than interests in~~  
 1624 ~~a trust pursuant to subparagraph 3.,~~ and no cancellation or

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1625 default has occurred, the escrow agent may release the escrowed  
 1626 funds or other property to or on the order of the developer upon  
 1627 presentation of:

1628 a. An affidavit by the developer that all of the following  
 1629 conditions have been met:

1630 (I) Expiration of the cancellation period.

1631 (II) Completion of construction.

1632 (III) Closing.

1633 b. If the timeshare estate is sold by agreement for deed,  
 1634 a certified copy of the recorded nondisturbance and notice to  
 1635 creditors instrument, as described in this section.

1636 c. Evidence that each accommodation and facility:

1637 (I) Is free and clear of the claims of any  
 1638 interestholders, other than the claims of interestholders that,  
 1639 through a recorded instrument, are irrevocably made subject to  
 1640 the timeshare instrument and the use rights of purchasers made  
 1641 available through the timeshare instrument;

1642 (II) Is the subject of a recorded nondisturbance and  
 1643 notice to creditors instrument that complies with subsection (3)  
 1644 and s. 721.17; or

1645 (III) Has been transferred into a trust satisfying the  
 1646 requirements of subparagraph 4.

1647 d. Evidence that the timeshare estate:

1648 (I) Is free and clear of the claims of any  
 1649 interestholders, other than the claims of interestholders that,  
 1650 through a recorded instrument, are irrevocably made subject to  
 1651 the timeshare instrument and the use rights of purchasers made  
 1652 available through the timeshare instrument;~~7~~ or

1653 (II) Is ~~that are~~ the subject of a recorded nondisturbance

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1654 and notice to creditors instrument that complies with subsection  
 1655 (3) and s. 721.17.

1656 3. Personal property timeshare interests.--If the  
 1657 timeshare plan is one in which personal property timeshare  
 1658 interests ~~estates~~ are to be sold as ~~interests in a trust that~~  
 1659 ~~complies in all respects with the provisions of sub-subparagraph~~  
 1660 ~~b.,~~ and no cancellation or default has occurred, the escrow  
 1661 agent may release the escrowed funds or other property to or on  
 1662 the order of the developer upon presentation of:

1663 a. An affidavit by the developer that all of the following  
 1664 conditions have been met:

1665 (I) Expiration of the cancellation period.

1666 (II) Completion of construction.

1667 (III) ~~Transfer of the subject accommodations and~~  
 1668 ~~facilities, or all use rights therein, to the trust.~~

1669 ~~(IV) Closing.~~

1670 b. If the personal property timeshare interest is sold by  
 1671 agreement for transfer, evidence that the agreement for transfer  
 1672 complies fully with s. 721.06 and this section.

1673 c. Evidence that one of the following has occurred:

1674 (I) Transfer by the owner of the underlying personal  
 1675 property of legal title to the subject accommodations and  
 1676 facilities or all use rights therein into a trust satisfying the  
 1677 requirements of subparagraph 4.; or

1678 (II) Transfer by the owner of the underlying personal  
 1679 property of legal title to the subject accommodations and  
 1680 facilities or all use rights therein into an owners' association  
 1681 satisfying the requirements of subparagraph 5.

1682 d. Evidence of compliance with the provisions of

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1683 subparagraph 6., if required.

1684 e. If a personal property timeshare plan is created with  
 1685 respect to accommodations and facilities that are located on or  
 1686 in an oceangoing vessel, including a "documented vessel" or a  
 1687 "foreign vessel," as defined and governed by 46 U.S.C., chapter  
 1688 301:

1689 (I) In making the transfer required in sub-subparagraph  
 1690 c., the developer shall use as its transfer instrument a  
 1691 document that establishes and protects the continuance of the  
 1692 use rights in the subject accommodations and facilities in a  
 1693 manner that is enforceable by the trust or owners' association.

1694 (II) The transfer instrument shall comply fully with the  
 1695 provisions of this chapter, shall be part of the timeshare  
 1696 instrument, and shall contain specific provisions that:

1697 (A) Prohibit the vessel owner, the developer, any manager  
 1698 or operator of the vessel, the owners' association or the  
 1699 trustee, the managing entity, or any other person from incurring  
 1700 any liens against the vessel except for liens that are required  
 1701 for the operation and upkeep of the vessel, including liens for  
 1702 fuel expenditures, repairs, crews' wages, and salvage, and  
 1703 except as provided in sub-sub-subparagraphs 4.b.(III) and  
 1704 5.b.(III). All expenses, fees, and taxes properly incurred in  
 1705 connection with the creation, satisfaction, and discharge of any  
 1706 such permitted lien, or a prorated portion thereof if less than  
 1707 all of the accommodations on the vessel are subject to the  
 1708 timeshare plan, shall be common expenses of the timeshare plan.

1709 (B) Grant a lien against the vessel in favor of the  
 1710 owners' association or trustee to secure the full and faithful  
 1711 performance of the vessel owner and developer of all of their

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1712 obligations to the purchasers.

1713 (C) Establish governing law in a jurisdiction that  
 1714 recognizes and will enforce the timeshare instrument and the  
 1715 laws of the jurisdiction of registry of the vessel.

1716 (D) Require that a description of the use rights of  
 1717 purchasers be posted and displayed on the vessel in a manner  
 1718 that will give notice of such rights to any party examining the  
 1719 vessel. This notice must identify the owners' association or  
 1720 trustee and include a statement disclosing the limitation on  
 1721 incurring liens against the vessel described in sub-sub-sub-  
 1722 subparagraph (A).

1723 (E) Include the nondisturbance and notice to creditors  
 1724 instrument for the vessel owner and any other interestholders.

1725 (F) The owners' association created under subparagraph 5.  
 1726 or trustee created under subparagraph 4. shall have access to  
 1727 any certificates of classification in accordance with the  
 1728 timeshare instrument.

1729 (III) If the vessel is a foreign vessel, the vessel must  
 1730 be registered in a jurisdiction that permits a filing evidencing  
 1731 the use rights of purchasers in the subject accommodations and  
 1732 facilities, offers protection for such use rights against  
 1733 unfiled and inferior claims, and recognizes the document or  
 1734 instrument creating such use rights as a lien against the  
 1735 vessel.

1736 (IV) In addition to the disclosures required by s.  
 1737 721.07(5), the public offering statement and purchase contract  
 1738 must contain a disclosure in conspicuous type in substantially  
 1739 the following form:

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1741 The laws of the State of Florida govern the offering of this  
 1742 timeshare plan in this state. There are inherent risks in  
 1743 purchasing a timeshare interest in this timeshare plan because  
 1744 the accommodations and facilities of the timeshare plan are  
 1745 located on a vessel that will sail into international waters and  
 1746 into waters governed by many different jurisdictions. Therefore,  
 1747 the laws of the State of Florida cannot fully protect your  
 1748 purchase of an interest in this timeshare plan. Specifically,  
 1749 management and operational issues may need to be addressed in  
 1750 the jurisdiction in which the vessel is registered, which is  
 1751 \_\_\_\_\_ (insert jurisdiction in which vessel is registered).  
 1752 Concerns of purchasers may be sent to \_\_\_\_\_ (insert name  
 1753 of applicable regulatory agency and address).

1754 4. Trust.--

1755 a. If the subject accommodations or facilities, or all use  
 1756 rights therein, are to be transferred into a trust in order to  
 1757 comply with this paragraph, such transfer shall take place  
 1758 pursuant to this subparagraph.

1759 b. Prior to the transfer by each interestholder of the  
 1760 subject accommodations and facilities, or all use rights  
 1761 therein, to a trust, any lien or other encumbrance against such  
 1762 accommodations and facilities, or use rights therein, shall be  
 1763 made subject to a nondisturbance and notice to creditors  
 1764 instrument pursuant to subsection (3) ~~as described in this~~  
 1765 ~~section.~~ No transfer pursuant to this subparagraph ~~sub-~~  
 1766 ~~subparagraph~~ shall become effective until the trustee accepts  
 1767 such transfer and the responsibilities set forth herein. A trust  
 1768 established pursuant to this subparagraph ~~sub-subparagraph~~ shall  
 1769 comply with the following provisions:

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1770 (I) The trustee shall be an individual or a business  
 1771 entity authorized and qualified to conduct trust business in  
 1772 this state. Any corporation authorized to do business in this  
 1773 state may act as trustee in connection with a timeshare plan  
 1774 pursuant to this chapter. The trustee must be independent from  
 1775 any developer or managing entity of the timeshare plan or any  
 1776 interestholder of any accommodation or facility of such plan.

1777 (II) The trust shall be irrevocable so long as any  
 1778 purchaser has a right to occupy any portion of the timeshare  
 1779 property pursuant to the timeshare plan.

1780 (III) The trustee shall not convey, hypothecate, mortgage,  
 1781 assign, lease, or otherwise transfer or encumber in any fashion  
 1782 any interest in or portion of the timeshare property with  
 1783 respect to which any purchaser has a right of use or occupancy  
 1784 unless the timeshare plan is terminated pursuant to the  
 1785 timeshare instrument, or such conveyance, hypothecation,  
 1786 mortgage, assignment, lease, transfer, or encumbrance is  
 1787 approved by a vote of two-thirds of all voting interests of the  
 1788 timeshare plan and such decision is declared by a court of  
 1789 competent jurisdiction to be in the best interests of the  
 1790 purchasers of the timeshare plan. The trustee shall notify the  
 1791 division in writing within 10 days after ~~of~~ receiving notice of  
 1792 the filing of any petition relating to obtaining such a court  
 1793 order. The division shall have standing to advise the court of  
 1794 the division's interpretation of the statute as it relates to  
 1795 the petition.

1796 (IV) All purchasers of the timeshare plan or the owners'  
 1797 association of the timeshare plan shall be the express  
 1798 beneficiaries of the trust. The trustee shall act as a fiduciary

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1799 to the beneficiaries of the trust. The personal liability of the  
 1800 trustee shall be governed by s. 737.306. The agreement  
 1801 establishing the trust shall set forth the duties of the  
 1802 trustee. The trustee shall be required to furnish promptly to  
 1803 the division upon request a copy of the complete list of the  
 1804 names and addresses of the owners in the timeshare plan and a  
 1805 copy of any other books and records of the timeshare plan  
 1806 required to be maintained pursuant to s. 721.13 that are in the  
 1807 possession, custody, or control of the trustee. All expenses  
 1808 reasonably incurred by the trustee in the performance of its  
 1809 duties, together with any reasonable compensation of the  
 1810 trustee, shall be common expenses of the timeshare plan.

1811 (V) The trustee shall not resign upon less than 90 days'  
 1812 prior written notice to the managing entity and the division. No  
 1813 resignation shall become effective until a substitute trustee,  
 1814 approved by the division, is appointed by the managing entity  
 1815 and accepts the appointment.

1816 (VI) The documents establishing the trust arrangement  
 1817 shall constitute a part of the timeshare instrument.

1818 (VII) For trusts holding property in a timeshare plan  
 1819 located outside this state, the trust and trustee holding such  
 1820 property shall be deemed in compliance with the requirements of  
 1821 this subparagraph if such trust and trustee are ~~is~~ authorized  
 1822 and qualified to conduct trust business under the laws of such  
 1823 jurisdiction and the agreement or law governing such trust  
 1824 arrangement provides substantially similar protections for the  
 1825 purchaser as are required in this subparagraph for trusts  
 1826 holding property in a timeshare plan in this state.

1827 (VIII) The trustee shall have appointed a registered agent

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1828 in this state for service of process. In the event such a  
 1829 registered agent is not appointed, service of process may be  
 1830 served pursuant to s. 721.265.

1831 5. Owners' association.--

1832 a. If the subject accommodations or facilities, or all use  
 1833 rights therein, are to be transferred into an owners'  
 1834 association in order to comply with this paragraph, such  
 1835 transfer shall take place pursuant to this subparagraph.

1836 b. Prior to the transfer by each interestholder of the  
 1837 subject accommodations and facilities, or all use rights  
 1838 therein, to an owners' association, any lien or other  
 1839 encumbrance against such accommodations and facilities, or use  
 1840 rights therein, shall be made subject to a nondisturbance and  
 1841 notice to creditors instrument pursuant to subsection (3). No  
 1842 transfer pursuant to this subparagraph shall become effective  
 1843 until the owners' association accepts such transfer and the  
 1844 responsibilities set forth herein. An owners' association  
 1845 established pursuant to this subparagraph shall comply with the  
 1846 following provisions:

1847 (I) The owners' association shall be a business entity  
 1848 authorized and qualified to conduct business in this state.  
 1849 Control of the board of directors of the owners' association  
 1850 must be independent from any developer or managing entity of the  
 1851 timeshare plan or any interestholder.

1852 (II) The bylaws of the owners' association shall provide  
 1853 that the corporation may not be voluntarily dissolved without  
 1854 the unanimous vote of all owners of personal property timeshare  
 1855 interests so long as any purchaser has a right to occupy any  
 1856 portion of the timeshare property pursuant to the timeshare

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1857 plan.

1858 (III) The owners' association shall not convey,  
 1859 hypothecate, mortgage, assign, lease, or otherwise transfer or  
 1860 encumber in any fashion any interest in or portion of the  
 1861 timeshare property with respect to which any purchaser has a  
 1862 right of use or occupancy, unless the timeshare plan is  
 1863 terminated pursuant to the timeshare instrument, or unless such  
 1864 conveyance, hypothecation, mortgage, assignment, lease,  
 1865 transfer, or encumbrance is approved by a vote of two-thirds of  
 1866 all voting interests of the association and such decision is  
 1867 declared by a court of competent jurisdiction to be in the best  
 1868 interests of the purchasers of the timeshare plan. The owners'  
 1869 association shall notify the division in writing within 10 days  
 1870 after receiving notice of the filing of any petition relating to  
 1871 obtaining such a court order. The division shall have standing  
 1872 to advise the court of the division's interpretation of the  
 1873 statute as it relates to the petition.

1874 (IV) All purchasers of the timeshare plan shall be members  
 1875 of the owners' association and shall be entitled to vote on  
 1876 matters requiring a vote of the owners' association as provided  
 1877 in this chapter or the timeshare instrument. The owners'  
 1878 association shall act as a fiduciary to the purchasers of the  
 1879 timeshare plan. The articles of incorporation establishing the  
 1880 owners' association shall set forth the duties of the owners'  
 1881 association. All expenses reasonably incurred by the owners'  
 1882 association in the performance of its duties, together with any  
 1883 reasonable compensation of the officers or directors of the  
 1884 owners' association, shall be common expenses of the timeshare  
 1885 plan.

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1886 (V) The documents establishing the owners' association  
 1887 shall constitute a part of the timeshare instrument.

1888 (VI) For owners' associations holding property in a  
 1889 timeshare plan located outside this state, the owners'  
 1890 association holding such property shall be deemed in compliance  
 1891 with the requirements of this subparagraph if such owners'  
 1892 association is authorized and qualified to conduct owners'  
 1893 association business under the laws of such jurisdiction and the  
 1894 agreement or law governing such arrangement provides  
 1895 substantially similar protections for the purchaser as are  
 1896 required in this subparagraph for owners' associations holding  
 1897 property in a timeshare plan in this state.

1898 (VII) The owners' association shall have appointed a  
 1899 registered agent in this state for service of process. In the  
 1900 event such a registered agent cannot be located, service of  
 1901 process may be made pursuant to s. 721.265.

1902 6. Personal property subject to certificate of title.--If  
 1903 any personal property that is an accommodation or facility of a  
 1904 timeshare plan is subject to a certificate of title in this  
 1905 state pursuant to chapter 319 or chapter 328, the following  
 1906 notation must be made on such certificate of title pursuant to  
 1907 s. 319.27(1) or s. 328.15(1):

1908  
 1909 *The further transfer or encumbrance of the property subject to*  
 1910 *this certificate of title, or any lien or encumbrance thereon,*  
 1911 *is subject to the requirements of section 721.17, Florida*  
 1912 *Statutes, and the transferee or lienor agrees to be bound by all*  
 1913 *of the obligations set forth therein.*

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1915 7.4. If the developer has previously provided a certified  
 1916 copy of any document required by this paragraph, she or he may  
 1917 for all subsequent disbursements substitute a true and correct  
 1918 copy of the certified copy, provided no changes to the document  
 1919 have been made or are required to be made.

1920 8. In the event that use rights relating to an  
 1921 accommodation or facility are transferred into a trust pursuant  
 1922 to subparagraph 4. or into an owners' association pursuant to  
 1923 subparagraph 5., all other interestholders, including the owner  
 1924 of the underlying fee or underlying personal property, must  
 1925 execute a nondisturbance and notice to creditors instrument  
 1926 pursuant to subsection (3).

1927 (d) Substitution of other assurances for escrowed funds or  
 1928 other property.--Funds or other property escrowed as provided in  
 1929 this section may be released from escrow to or on the order of  
 1930 the developer upon acceptance by the director of the division of  
 1931 other assurances pursuant to subsection (5) as a substitute for  
 1932 such escrowed funds or other property. The amount of escrowed  
 1933 funds or other property that may be released pursuant to this  
 1934 paragraph shall be equal to or less than the face amount of the  
 1935 assurances accepted by the director from time to time.

1936 (3) NONDISTURBANCE AND NOTICE TO CREDITORS  
 1937 INSTRUMENT.--The nondisturbance and notice to creditors  
 1938 instrument, when required, shall be executed by each  
 1939 interestholder.

1940 (a) The instrument shall state that:

1941 1.(a) If the party seeking enforcement is not in default  
 1942 of its obligations, the instrument may be enforced by both the  
 1943 seller and any purchaser of the timeshare plan;

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1944        2.(b) The instrument shall be effective as between the  
 1945 timeshare purchaser and interestholder despite any rejection or  
 1946 cancellation of the contract between the timeshare purchaser and  
 1947 developer as a result of bankruptcy proceedings of the  
 1948 developer; and

1949        3.(e) So long as a purchaser remains in good standing with  
 1950 respect to her or his obligations under the timeshare  
 1951 instrument, including making all payments to the managing entity  
 1952 required by the timeshare instrument with respect to the annual  
 1953 common expenses of the timeshare ~~the interestholder has any~~  
 1954 ~~interest in the accommodations, facilities, or plan, then the~~  
 1955 ~~interestholder will fully honor all the rights of~~ such purchaser  
 1956 relating to the subject accommodation or facility as reflected  
 1957 ~~timeshare purchasers in and to the timeshare instrument plan,~~  
 1958 ~~will honor the purchasers' right to cancel their contracts and~~  
 1959 ~~receive appropriate refunds, and will comply with all other~~  
 1960 ~~requirements of this chapter and rules promulgated hereunder.~~

1961  
 1962 The instrument shall contain language sufficient to provide  
 1963 subsequent creditors of the developer and interestholders with  
 1964 notice of the existence of the timeshare plan and of the rights  
 1965 of purchasers and shall serve to protect the interest of the  
 1966 timeshare purchasers from any claims of subsequent creditors.

1967        (b) Real property timeshare plans.--For real property  
 1968 timeshare plans, the instrument shall be recorded in the public  
 1969 records of the county in which the subject accommodations or  
 1970 facilities are located.

1971        (c) Personal property timeshare plans.--For personal  
 1972 property timeshare plans, the instrument shall be included

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1973 within or attached as an exhibit to a security agreement or  
 1974 other agreement executed by the interestholder. Constructive  
 1975 notice of such security agreement or other agreement shall be  
 1976 filed in the manner prescribed by chapter 679 or other  
 1977 applicable law.

1978 (d) A copy of the recorded or filed nondisturbance and  
 1979 notice to creditors instrument, when required, shall be provided  
 1980 to each timeshare purchaser at the time the purchase contract is  
 1981 executed.

1982 (4) In lieu of any escrow provisions required by this act,  
 1983 the director of the division shall have the discretion to permit  
 1984 deposit of the funds or other property in an escrow account as  
 1985 required by the jurisdiction in which the sale took place.

1986 (5)(a) In lieu of any escrows required by this section,  
 1987 the director of the division shall have the discretion to accept  
 1988 other assurances, including, but not limited to, a surety bond  
 1989 issued by a company authorized and licensed to do business in  
 1990 this state as surety or an irrevocable letter of credit in an  
 1991 amount equal to the escrow requirements of this section.

1992 (b) Notwithstanding anything in chapter 718 or chapter 719  
 1993 to the contrary, the director of the division shall have the  
 1994 discretion to accept other assurances pursuant to paragraph (a)  
 1995 in lieu of any requirement that completion of construction of  
 1996 one or more accommodations or facilities of a timeshare plan be  
 1997 accomplished prior to closing.

1998 (c) In lieu of a nondisturbance and notice to creditors  
 1999 instrument, when such an instrument is otherwise required by  
 2000 this section, the director of the division shall have the  
 2001 discretion to accept alternate means of protecting the

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2002 continuing rights of purchasers in and to the subject  
 2003 accommodations or facilities of the timeshare plan as and for  
 2004 the term described in the timeshare instrument, and of providing  
 2005 effective constructive notice of such continuing purchaser  
 2006 rights to subsequent owners of the accommodations or facilities  
 2007 and to subsequent creditors of the affected interestholder.

2008 (d) In lieu of the requirements in s.  
 2009 721.08(2)(c)3.e.(III), the director of the division shall have  
 2010 the discretion to accept alternate means of protecting the use  
 2011 rights of purchasers in the subject accommodations and  
 2012 facilities of the timeshare plan against unfiled and inferior  
 2013 claims.

2014 (6) An escrow agent holding funds escrowed pursuant to  
 2015 this section may invest such escrowed funds in securities of the  
 2016 United States Government, or any agency thereof, or in savings  
 2017 or time deposits in institutions insured by an agency of the  
 2018 United States Government. The right to receive the interest  
 2019 generated by any such investments shall be paid to the party to  
 2020 whom the escrowed funds or other property are paid unless  
 2021 otherwise specified by contract.

2022 (7) Each escrow agent shall maintain separate books and  
 2023 records for each timeshare plan and shall maintain such books  
 2024 and records in accordance with good accounting practices.

2025 (8) An escrow agent holding escrowed funds pursuant to  
 2026 this chapter that have not been claimed for a period of 5 years  
 2027 after the date of deposit shall make at least one reasonable  
 2028 attempt to deliver such unclaimed funds to the purchaser who  
 2029 submitted such funds to escrow. In making such attempt, an  
 2030 escrow agent is entitled to rely on a purchaser's last known

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2031 address as set forth in the books and records of the escrow  
 2032 agent and is not required to conduct any further search for the  
 2033 purchaser. If an escrow agent's attempt to deliver unclaimed  
 2034 funds to any purchaser is unsuccessful, the escrow agent may  
 2035 deliver such unclaimed funds to the division and the division  
 2036 shall deposit such unclaimed funds in the Division of Florida  
 2037 Land Sales, Condominiums, and Mobile Homes Trust Fund, 30 days  
 2038 after giving notice in a publication of general circulation in  
 2039 the county in which the timeshare property containing the  
 2040 purchaser's timeshare interest is located. The purchaser may  
 2041 claim the same at any time prior to the delivery of such funds  
 2042 to the division. After delivery of such funds to the division,  
 2043 the purchaser shall have no more rights to the unclaimed funds.  
 2044 The escrow agent shall not be liable for any claims from any  
 2045 party arising out of the escrow agent's delivery of the  
 2046 unclaimed funds to the division pursuant to this section.

2047 (9) For each transfer of the legal title to a timeshare  
 2048 estate by a developer, the developer shall deliver an instrument  
 2049 evidencing such transfer to the purchaser or to a title  
 2050 insurance agent or the clerk of the court for recording. For  
 2051 each transfer of the legal title to a personal property  
 2052 timeshare interest by a developer, the developer shall deliver  
 2053 an instrument evidencing such transfer to the purchaser subject  
 2054 to the provisions of this section.

2055 (10)(a) Any developer, seller, or escrow agent who  
 2056 intentionally fails to comply with the provisions of this  
 2057 section concerning the establishment of an escrow account,  
 2058 deposits of funds into escrow, and withdrawal therefrom is  
 2059 guilty of a felony of the third degree, punishable as provided

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2060 in s. 775.082, s. 775.083, or s. 775.084, or the successor  
 2061 thereof. The failure to establish an escrow account or to place  
 2062 funds therein as required in this section is prima facie  
 2063 evidence of an intentional and purposeful violation of this  
 2064 section.

2065 (b) Any developer, interestholder, trustee, or officer or  
 2066 director of an owners' association who intentionally fails to  
 2067 comply with the provisions of this section concerning the  
 2068 establishment of a trust or owners' association, conveyances of  
 2069 property into the trust or owners' association, and conveyances  
 2070 or encumbrances of trust or owners' association property is  
 2071 guilty of a felony of the third degree, punishable as provided  
 2072 in s. 775.082, s. 775.083, or s. 775.084, or the successor  
 2073 thereof. The failure to establish a trust or owners'  
 2074 association, or to transfer property into the trust or owners'  
 2075 association, or the failure of a trustee or officer or director  
 2076 of an owners' association to comply with the trust agreement,  
 2077 articles of incorporation, or bylaws with respect to conveyances  
 2078 or encumbrances of trust or owners' association property, as  
 2079 required by this section, is prima facie evidence of an  
 2080 intentional and purposeful violation of this section.

2081 Section 9. Paragraphs (a) and (d) of subsection (1),  
 2082 paragraph (c) of subsection (2), and paragraph (c) of subsection  
 2083 (3) of section 721.09, Florida Statutes, are amended to read:

2084 721.09 Reservation agreements; escrows.--

2085 (1)(a) Prior to filing the filed ~~registered~~ public  
 2086 offering statement with the division, a seller shall not offer a  
 2087 timeshare plan for sale but may accept reservation deposits and  
 2088 advertise the reservation deposit program upon approval by the

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2089 division of a fully executed escrow agreement and reservation  
 2090 agreement properly filed with the division.

2091 (d) A seller who has filed a reservation agreement and an  
 2092 escrow agreement under this section may advertise the  
 2093 reservation agreement program if the advertising material meets  
 2094 the following requirements:

2095 1. The seller complies with the provisions of s. 721.11  
 2096 with respect to such advertising material.

2097 2. The advertising material is limited to a general  
 2098 description of the proposed timeshare plan, including, but not  
 2099 limited to, a general description of the type, number, and size  
 2100 of accommodations and facilities and the name of the proposed  
 2101 timeshare plan.

2102 3. The advertising material contains a statement that the  
 2103 advertising material is being distributed in connection with an  
 2104 approved reservation agreement filing only and that the seller  
 2105 cannot offer an interest in the timeshare plan for sale until a  
 2106 filed ~~registered~~ public offering statement has been filed with  
 2107 the division under this chapter.

2108 (2) Each executed reservation agreement shall be signed by  
 2109 the developer and shall contain the following:

2110 (c) A statement of the obligation of the developer to file  
 2111 a filed ~~registered~~ public offering statement with the division  
 2112 prior to entering into binding contracts.

2113 (3)

2114 (c) The escrow agent may invest the escrowed funds in  
 2115 securities of the United States Government, or any agency  
 2116 thereof, or in savings or time deposits in institutions insured  
 2117 by an agency of the United States Government. The interest

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2118 generated by any such investments shall be payable to the party  
 2119 entitled to receive the escrowed funds or other property.

2120 Section 10. Paragraph (a) of subsection (1), paragraphs  
 2121 (b) and (e) of subsection (6), and subsections (7), (8), and (9)  
 2122 of section 721.11, Florida Statutes, are amended to read:

2123 721.11 Advertising materials; oral statements.--

2124 (1)(a) A developer may file ~~All~~ advertising material ~~must~~  
 2125 ~~be filed~~ with the division for review ~~by the developer prior to~~  
 2126 ~~use. At the request of the developer,~~ The division shall review  
 2127 any the advertising material filed for review by the developer  
 2128 and notify the developer of any deficiencies within 10 days  
 2129 after the filing. If the developer corrects the deficiencies or  
 2130 if there are no deficiencies, the division shall notify the  
 2131 developer of its approval of the advertising materials.

2132 Notwithstanding anything to the contrary contained in this  
 2133 subsection, so long as the developer uses advertising materials  
 2134 approved by the division, following the developer's request for  
 2135 a review, the developer shall not be liable for any violation of  
 2136 this section or s. 721.111 with respect to such advertising  
 2137 materials.

2138 (6) Failure to provide cancellation rights or disclosures  
 2139 as required by this subsection in connection with the sale of a  
 2140 regulated short-term product constitutes misrepresentation in  
 2141 accordance with paragraph (4)(a). Any agreement relating to the  
 2142 sale of a regulated short-term product must be regulated as  
 2143 advertising material and is subject to the following:

2144 (b) A purchaser of a regulated short-term product has the  
 2145 right to cancel the agreement until midnight of the 10<sup>th</sup> calendar  
 2146 day following the execution date of the agreement. The right of

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2147 cancellation may not be waived by the prospective purchaser or  
 2148 by any other person on behalf of the prospective purchaser.  
 2149 Notice of cancellation must be given in the same manner  
 2150 prescribed for giving notice of cancellation under s. 721.10(2).  
 2151 If the prospective purchaser gives a valid notice of  
 2152 cancellation or is otherwise entitled to cancel the sale, the  
 2153 funds or other property received from or on behalf of the  
 2154 prospective purchaser, or the proceeds thereof, must be returned  
 2155 to the prospective purchaser. Such refund must be made in the  
 2156 same manner prescribed for refunds under s. 721.10.

2157 (e) If the seller provides the purchaser with the right to  
 2158 cancel the purchase of a regulated short-term product at any  
 2159 time up to 7 days prior to the purchaser's reserved use of the  
 2160 accommodations, but in no event less than 10 days, and if the  
 2161 seller refunds the total amount of all payments made by the  
 2162 purchaser reduced by the proportion of any benefits the  
 2163 purchaser has actually received prior to the effective date of  
 2164 the cancellation, the specific value of which has been agreed to  
 2165 between the purchaser and the seller, the short-term product  
 2166 offer shall be exempt from the requirements of paragraphs (b),  
 2167 (c), and (d). An agreement relating to the sale of the regulated  
 2168 short-term product made pursuant to this paragraph must contain  
 2169 a statement setting forth the cancellation and refund rights of  
 2170 the prospective purchaser in a manner that is consistent with  
 2171 this section and s. 721.10, including a description of the  
 2172 length of the cancellation right, a statement that the  
 2173 purchaser's intent to cancel must be in writing and sent to the  
 2174 seller at a specified address, a statement that the notice of  
 2175 cancellation is effective upon the date sent, and a statement

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2176 that any attempt to waive the cancellation right is unlawful.  
 2177 The right of cancellation provided to the purchaser pursuant to  
 2178 this paragraph may not be waived by the prospective purchaser or  
 2179 by any other person on behalf of the prospective purchaser.  
 2180 Notice of cancellation must be given in the same manner  
 2181 prescribed for giving notice of cancellation pursuant to s.  
 2182 721.10(2). If the prospective purchaser gives a valid notice of  
 2183 cancellation, or is otherwise entitled to cancel the sale, the  
 2184 funds or other property received from or on behalf of the  
 2185 prospective purchaser, or the proceeds thereof, shall be  
 2186 returned to the prospective purchaser. Such refund shall be made  
 2187 in the manner prescribed for refunds under s. 721.10.

2188 (7) Notwithstanding the provisions of s. 721.05(7)(~~6~~)(b),  
 2189 a seller may portray possible accommodations or facilities to  
 2190 prospective purchasers in advertising material, or a purchaser  
 2191 public offering statement, without such accommodations or  
 2192 facilities being available for use by purchasers so long as the  
 2193 advertising material or purchaser public offering statement  
 2194 complies with the provisions of subsection (4).

2195 (8) Notwithstanding the provisions of s. 721.05(7)(~~6~~)(b),  
 2196 a developer may portray possible accommodations or facilities to  
 2197 prospective purchasers by disseminating oral or written  
 2198 statements regarding same to broadcast or print media with no  
 2199 obligation on the developer's part to actually construct such  
 2200 accommodations or facilities or to file such accommodations or  
 2201 facilities with the division, but only so long as such oral or  
 2202 written statements are not considered advertising material  
 2203 pursuant to paragraph (3)(e).

2204 (9) Notwithstanding the provisions of s. 721.05(7)(~~6~~)(b),

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2205 a seller of a multisite timeshare plan may portray a possible  
2206 component site to prospective purchasers with no accommodations  
2207 or facilities located at such component site being available for  
2208 use by purchasers so long as the seller satisfies the following  
2209 requirements:

2210 (a) A developer of a multisite timeshare plan may  
2211 disseminate oral or written statements to broadcast or print  
2212 media describing a possible component site with no obligation on  
2213 the developer's part to actually add such component site to the  
2214 multisite timeshare plan or to amend the developer's filing with  
2215 the division, but only so long as such oral or written  
2216 statements are not considered advertising material pursuant to  
2217 paragraph (3)(e).

2218 (b) A seller may make representations to purchasers in  
2219 advertising material or in a purchaser public offering statement  
2220 regarding the possible accommodations and facilities of a  
2221 possible component site without such accommodations or  
2222 facilities being available for use by purchasers so long as the  
2223 advertising material or purchaser public offering statement  
2224 complies with the provisions of subsection (4).

2225 (c) In the event a seller makes any of the representations  
2226 permitted by paragraph (b), the purchase agreement must contain  
2227 the following conspicuous disclosure unless and until such time  
2228 as the developer has committed itself in the timeshare  
2229 instrument to adding the possible component site to the  
2230 multisite timeshare plan, at which time the seller may portray  
2231 the component site pursuant to the timeshare instrument without  
2232 restriction:

2233

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2234 *[Description of possible component site] is only a possible*  
 2235 *component site which may never be added to the multisite*  
 2236 *timeshare plan (or multisite vacation ownership plan or*  
 2237 *multisite vacation plan or vacation club). Do not purchase an*  
 2238 *interest in the multisite timeshare plan (or multisite vacation*  
 2239 *ownership plan or multisite vacation plan or vacation club) in*  
 2240 *reliance upon the addition of this component site.*

2241 (d) Notwithstanding anything contained in this chapter to  
 2242 the contrary, a developer or managing entity may communicate  
 2243 with existing purchasers regarding possible component sites  
 2244 without restriction, so long as all oral and written statements  
 2245 made to existing purchasers pursuant to this subsection comply  
 2246 with the provisions of subsection (4).

2247 (e) Any violation of this subsection by a developer,  
 2248 seller, or managing entity shall constitute a violation of this  
 2249 chapter. Any violation of this subsection with respect to a  
 2250 purchaser whose purchase has not yet closed shall be deemed to  
 2251 provide that purchaser with a new 10-day voidability period.

2252 Section 11. Subsection (1) of section 721.12, Florida  
 2253 Statutes, is amended to read:

2254 721.12 Recordkeeping by seller.--Each seller of a  
 2255 timeshare plan shall maintain among its business records the  
 2256 following:

2257 (1) A copy of each contract for the sale of a timeshare  
 2258 interest, which contract has not been canceled. If a timeshare  
 2259 estate is being sold, the seller is required to retain a copy of  
 2260 the contract only until a deed of conveyance, agreement for  
 2261 deed, or lease is recorded in the office of the clerk of the  
 2262 circuit court in the county wherein the plan is located. If a

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2263 personal property timeshare plan is being sold, the seller is  
 2264 required to retain a copy of the contract only until a  
 2265 certificate of transfer, agreement for transfer, lease, or other  
 2266 instrument of transfer that fully complies with s. 721.08 is  
 2267 delivered to the purchaser.

2268 Section 12. Paragraphs (a) and (b) of subsection (1),  
 2269 paragraph (b) of subsection (2), paragraphs (c), (d), and (e) of  
 2270 subsection (3), paragraph (g) of subsection (6), and subsections  
 2271 (4) and (8) of section 721.13, Florida Statutes, are amended,  
 2272 subsection (9) is renumbered as subsection (10), and new  
 2273 subsections (9) and (11) are added to said section, to read:

2274 721.13 Management.--

2275 (1)(a) For each timeshare plan, the developer shall  
 2276 provide for a managing entity, which shall be either the  
 2277 developer, a separate manager or management firm, or an owners'  
 2278 association. Any owners' association shall be created prior to  
 2279 the first closing recording of the sale of a timeshare interest  
 2280 instrument.

2281 (b)1. With respect to a timeshare plan which is also  
 2282 regulated under chapter 718 or chapter 719, or which contains a  
 2283 mandatory owners' association, the board of administration of  
 2284 the owners' association shall be considered the managing entity  
 2285 of the timeshare plan.

2286 2. During any period of time in which such owners'  
 2287 association has entered into a contract with a manager or  
 2288 management firm to provide some or all of the management  
 2289 services to the timeshare plan, both the board of administration  
 2290 and the manager or management firm shall be considered the  
 2291 managing entity of the timeshare plan and shall be jointly and

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2292 severally responsible for the faithful discharge of the duties  
 2293 of the managing entity.

2294 3. An owners' association which is the managing entity of  
 2295 a timeshare plan that includes condominium units or cooperative  
 2296 units shall not be considered a condominium association pursuant  
 2297 to the provisions of chapter 718 or a cooperative association  
 2298 pursuant to the provisions of chapter 719, unless such owners'  
 2299 association also operates the entire condominium pursuant to s.  
 2300 718.111 or the entire cooperative pursuant to s. 719.104.

2301 (2)

2302 (b) The managing entity shall invest the operating and  
 2303 reserve funds of the timeshare plan in accordance with s.  
 2304 518.11(1); however, the managing entity shall give safety of  
 2305 capital greater weight than production of income. In no event  
 2306 shall the managing entity invest timeshare plan funds with a  
 2307 developer or with any entity that is not independent of any  
 2308 developer or any managing entity within the meaning of s.  
 2309 721.05~~(20)~~~~(18)~~, and in no event shall the managing entity invest  
 2310 timeshare plan funds in notes and mortgages related in any way  
 2311 to the timeshare plan.

2312 (3) The duties of the managing entity include, but are not  
 2313 limited to:

2314 (c)1. Providing each year to all purchasers an itemized  
 2315 annual budget which shall include all estimated revenues and  
 2316 expenses. The budget shall be in the form required by s.  
 2317 721.07(5)(u). The budget ~~and~~ shall be the final budget adopted  
 2318 by the managing entity for the current fiscal year. The final  
 2319 adopted budget is not required to be delivered if the managing  
 2320 entity has previously delivered a proposed annual budget for the

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2321 current fiscal year to purchasers in accordance with chapter 718  
 2322 or chapter 719 and the managing entity includes a description of  
 2323 any changes in the adopted budget with the assessment notice and  
 2324 a disclosure regarding the purchasers' right to receive a copy  
 2325 of the adopted budget, if desired. The budget shall contain, as  
 2326 a footnote or otherwise, any related party transaction  
 2327 disclosures or notes which appear in the audited financial  
 2328 statements of the managing entity for the previous budget year  
 2329 as required by paragraph (e). A copy of the final budget shall  
 2330 be filed with the division for review within 30 days after the  
 2331 beginning of each fiscal year together with a statement of the  
 2332 number of periods of 7-day annual use availability that exist  
 2333 within the timeshare plan, including those periods filed for  
 2334 sale by the developer but not yet committed to the timeshare  
 2335 plan, for which annual fees are required to be paid to the  
 2336 division under s. 721.27.

2337 2. Notwithstanding anything contained in chapter 718 or  
 2338 chapter 719 to the contrary, the board of administration of an  
 2339 owners' association which serves as the managing entity may from  
 2340 time to time reallocate reserves for deferred maintenance and  
 2341 capital expenditures required by s. 721.07(5)(u)3.a.(XI) from  
 2342 any deferred maintenance or capital expenditure reserve account  
 2343 to any other deferred maintenance or capital expenditure reserve  
 2344 account or accounts in its discretion without the consent of  
 2345 purchasers of the timeshare plan. Funds in any deferred  
 2346 maintenance or capital expenditure reserve account may not be  
 2347 transferred to any operating account without the consent of a  
 2348 majority of the purchasers of the timeshare plan. The managing  
 2349 entity may from time to time transfer excess funds in any

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2350 operating account to any deferred maintenance or capital  
 2351 expenditure reserve account without the vote or approval of  
 2352 purchasers of the timeshare plan. In the event any amount of  
 2353 reserves for accommodations and facilities of a timeshare plan  
 2354 containing timeshare licenses or personal property timeshare  
 2355 interests exists at the end of the term of the timeshare plan,  
 2356 such reserves shall be refunded to purchasers on a pro rata  
 2357 basis.

2358 (d)1. Maintenance of all books and records concerning the  
 2359 timeshare plan so that all such books and records are reasonably  
 2360 available for inspection by any purchaser or the authorized  
 2361 agent of such purchaser. For purposes of this subparagraph, the  
 2362 books and records of the timeshare plan shall be considered  
 2363 "reasonably available" if copies of the requested portions are  
 2364 delivered to the purchaser or the purchaser's agent within 7  
 2365 days after ~~of~~ the date the managing entity receives a written  
 2366 request for the records signed by the purchaser. The managing  
 2367 entity may charge the purchaser a reasonable fee for copying the  
 2368 requested information not to exceed 25 cents per page. However,  
 2369 any purchaser or agent of such purchaser shall be permitted to  
 2370 personally inspect and examine the books and records wherever  
 2371 located at any reasonable time, under reasonable conditions, and  
 2372 under the supervision of the custodian of those records. The  
 2373 custodian shall supply copies of the records where requested and  
 2374 upon payment of the copying fee. No fees other than those set  
 2375 forth in this section may be charged for the providing of,  
 2376 inspection, or examination of books and records. All books and  
 2377 financial records of the timeshare plan must be maintained in  
 2378 accordance with generally accepted accounting practices.

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2379 2. If the books and records of the timeshare plan are not  
 2380 maintained on the premises of the accommodations and facilities  
 2381 of the timeshare plan, the managing entity shall inform the  
 2382 division in writing of the location of the books and records and  
 2383 the name and address of the person who acts as custodian of the  
 2384 books and records at that location. In the event that the  
 2385 location of the books and records changes, the managing entity  
 2386 shall notify the division of the change in location and the name  
 2387 and address of the new custodian within 30 days after ~~of~~ the  
 2388 date the books and records are moved. The purchasers shall be  
 2389 notified of the location of the books and records and the name  
 2390 and address of the custodian in the copy of the annual budget  
 2391 provided to them pursuant to paragraph (c).

2392 3. The division is authorized to adopt rules which specify  
 2393 those items and matters that shall be included in the books and  
 2394 records of the timeshare plan and which specify procedures to be  
 2395 followed in requesting and delivering copies of the books and  
 2396 records.

2397 4. Notwithstanding any provision of chapter 718 or chapter  
 2398 719 to the contrary, the managing entity may not furnish the  
 2399 name, address, or electronic mail address of any purchaser to  
 2400 any other purchaser or authorized agent thereof unless the  
 2401 purchaser whose name, ~~and~~ address, or electronic mail address is  
 2402 ~~are~~ requested first approves the disclosure in writing.

2403 (e) Arranging for an annual audit of the financial  
 2404 statements of the timeshare plan by a certified public  
 2405 accountant licensed by the Board of Accountancy of the  
 2406 Department of Business and Professional Regulation, in  
 2407 accordance with generally accepted auditing standards as defined

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2408 by the rules of the Board of Accountancy of the Department of  
 2409 Business and Professional Regulation. The financial statements  
 2410 required by this section must be prepared on an accrual basis  
 2411 using fund accounting, and must be presented in accordance with  
 2412 generally accepted accounting principles. A copy of the audited  
 2413 financial statements must be filed with the division for review  
 2414 and forwarded to the board of directors and officers of the  
 2415 owners' association, if one exists, no later than 5 calendar  
 2416 months after the end of the timeshare plan's fiscal year. If no  
 2417 owners' association exists, each purchaser must be notified, no  
 2418 later than 5 months after the end of the timeshare plan's fiscal  
 2419 year, that a copy of the audited financial statements is  
 2420 available upon request to the managing entity. Notwithstanding  
 2421 any requirement of s. 718.111(13) or s. 719.104(4), the audited  
 2422 financial statements required by this section are the only  
 2423 annual financial reporting requirements for timeshare  
 2424 condominiums or timeshare cooperatives.

2425 (4) The managing entity shall maintain among its records  
 2426 and provide to the division upon request a complete list of the  
 2427 names and addresses of all purchasers and owners of timeshare  
 2428 units in the timeshare plan. The managing entity shall update  
 2429 this list no less frequently than quarterly. Pursuant to  
 2430 paragraph (3)(d), the managing entity may not publish this  
 2431 owner's list or provide a copy of it to any purchaser or to any  
 2432 third party other than the division. However, the managing  
 2433 entity shall to those persons listed on the owner's list  
 2434 materials provided by any purchaser, upon the written request of  
 2435 that purchaser, if the purpose of the mailing is to advance  
 2436 legitimate owners' association business, such as a proxy

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2437 solicitation for any purpose, including the recall of one or  
 2438 more board members elected by the owners or the discharge of the  
 2439 manager or management firm. The use of any proxies solicited in  
 2440 this manner must comply with the provisions of the timeshare  
 2441 instrument and this chapter. A mailing requested for the purpose  
 2442 of advancing legitimate owners' association business shall occur  
 2443 within 30 days after receipt of a request from a purchaser. The  
 2444 board of administration of the owners' association shall be  
 2445 responsible for determining the appropriateness of any mailing  
 2446 requested pursuant to this subsection. The purchaser who  
 2447 requests the mailing must reimburse the owners' association in  
 2448 advance for the owners' association's actual costs in performing  
 2449 the mailing. It shall be a violation of this chapter and, if  
 2450 applicable, of part VIII of chapter 468, for the board of  
 2451 administration or the manager or management firm to refuse to  
 2452 mail any material requested by the purchaser to be mailed,  
 2453 provided the sole purpose of the materials is to advance  
 2454 legitimate owners' association business. If the purpose of the  
 2455 mailing is a proxy solicitation to recall one or more board  
 2456 members elected by the owners or to discharge the manager or  
 2457 management firm and the managing entity does not mail the  
 2458 materials within 30 days after receipt of a request from a  
 2459 purchaser, the circuit court in the county where the timeshare  
 2460 plan is located may, upon application from the requesting  
 2461 purchaser, summarily order the mailing of the materials solely  
 2462 related to the recall of one or more board members elected by  
 2463 the owners or the discharge of the manager or management firm.  
 2464 The court shall dispose of an application on an expedited basis.  
 2465 In the event of such an order, the court may order the managing

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2466 entity to pay the purchaser's costs, including attorney's fees  
 2467 reasonably incurred to enforce the purchaser's rights, unless  
 2468 the managing entity can prove it refused the mailing in good  
 2469 faith because of a reasonable basis for doubt about the  
 2470 legitimacy of the mailing.

2471 (6)

2472 (g) A managing entity shall have breached its fiduciary  
 2473 duty described in subsection (2) in the event it enforces the  
 2474 denial of use pursuant to paragraph (b) against any one  
 2475 purchaser or group of purchasers without similarly enforcing it  
 2476 against all purchasers, including all developers and owners of  
 2477 the underlying fee or underlying personal property; however, a  
 2478 managing entity shall not be required to solicit rentals  
 2479 pursuant to paragraph (f) for every delinquent purchaser. A  
 2480 managing entity shall also have breached its fiduciary duty in  
 2481 the event an error in the books and records of the timeshare  
 2482 plan results in a denial of use pursuant to this subsection of  
 2483 any purchaser who is not, in fact, delinquent. In addition to  
 2484 any remedies otherwise available to purchasers of the timeshare  
 2485 plan arising from such breaches of fiduciary duty, such breach  
 2486 shall also constitute a violation of this chapter. In addition,  
 2487 any purchaser receiving a notice of delinquency pursuant to  
 2488 paragraph (b), or any third party claiming under such purchaser  
 2489 pursuant to paragraph (b), may immediately bring an action for  
 2490 injunctive or declaratory relief against the managing entity  
 2491 seeking to have the notice invalidated on the grounds that the  
 2492 purchaser is not, in fact, delinquent, that the managing entity  
 2493 failed to follow the procedures prescribed by this section, or  
 2494 on any other available grounds. The prevailing party in any such

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2495 action shall be entitled to recover his or her reasonable  
 2496 attorney's fees from the losing party.

2497 (8) Notwithstanding anything to the contrary in s.  
 2498 718.110, s. 718.113, s. 718.114, or s. 719.1055, the board of  
 2499 administration of any owners' association that operates a  
 2500 timeshare condominium pursuant to s. 718.111, or a timeshare  
 2501 cooperative pursuant to s. 719.104, shall have the power to make  
 2502 material alterations or substantial additions to the  
 2503 accommodations or facilities of such timeshare condominium or  
 2504 timeshare cooperative without the approval of the owners'  
 2505 association. However, if the timeshare condominium or timeshare  
 2506 cooperative contains any residential units that are not subject  
 2507 to the timeshare plan, such action by the board of  
 2508 administration must be approved by a majority of the owners of  
 2509 such residential units. Unless otherwise provided in the  
 2510 timeshare instrument as originally recorded, no such amendment  
 2511 may change the configuration or size of any accommodation in any  
 2512 material fashion, or change the proportion or percentage by  
 2513 which a member of the owners' association shares the common  
 2514 expenses, unless the record owners of the affected units or  
 2515 timeshare interests and all record owners of liens on the  
 2516 affected units or timeshare interests join in the execution of  
 2517 the amendment.

2518 (9) All notices or other information sent by a board of  
 2519 administration of an owners' association may be delivered to a  
 2520 purchaser by electronic mail, provided that the purchaser first  
 2521 consents electronically to the use of electronic mail for notice  
 2522 purposes in a manner that reasonably demonstrates that the  
 2523 purchaser has the ability to access the notice by electronic

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2524 mail. Proxies or written consents on votes of any owners'  
 2525 association may be received by electronic mail, shall have legal  
 2526 effect, and may be utilized for votes of an owners' association,  
 2527 provided that the electronic signature is authenticated through  
 2528 use of a password, cryptography software, or other reasonable  
 2529 means and that proof of such authentication is made available to  
 2530 the board of directors.

2531 (10)(9) Any failure of the managing entity to faithfully  
 2532 discharge the fiduciary duty to purchasers imposed by this  
 2533 section or to otherwise comply with the provisions of this  
 2534 section shall be a violation of this chapter and of part VIII of  
 2535 chapter 468.

2536 (11) Notwithstanding the other provisions of this section,  
 2537 personal property timeshare plans are only subject to the  
 2538 provisions of subsections (1)(a)-(d), (2)(a), (3)(a)-(h), (5),  
 2539 (6), (9), and (10).

2540 Section 13. Subsection (4) is added to section 721.14,  
 2541 Florida Statutes, to read:

2542 721.14 Discharge of managing entity.--

2543 (4) This section shall not apply to personal property  
 2544 timeshare plans.

2545 Section 14. Paragraph (c) of subsection (2) of section  
 2546 721.15, Florida Statutes, is amended, and subsection (10) is  
 2547 added to said section, to read:

2548 721.15 Assessments for common expenses.--

2549 (2)

2550 (c) For the purpose of calculating the obligation of a  
 2551 developer under a guarantee pursuant to paragraph (b),  
 2552 depreciation expenses related to real property shall be excluded

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2553 from common expenses incurred during the guarantee period,  
 2554 except that for real property that is used for the production of  
 2555 fees, revenues, or other income, depreciation expenses shall be  
 2556 excluded only to the extent that they exceed the net income from  
 2557 the production of such fees, revenues, or other income.

2558 (10) This section shall not apply to personal property  
 2559 timeshare plans.

2560 Section 15. Subsection (6) is added to section 721.16,  
 2561 Florida Statutes, to read:

2562 721.16 Liens for overdue assessments; liens for labor  
 2563 performed on, or materials furnished to, a timeshare unit.--

2564 (6) This section shall not apply to personal property  
 2565 timeshare plans.

2566 Section 16. Section 721.17, Florida Statutes, is amended  
 2567 to read:

2568 721.17 Transfer of interest.--Except in the case of a  
 2569 timeshare plan subject to the provisions of chapter 718 or  
 2570 chapter 719, no developer, ~~or~~ owner of the underlying fee, or  
 2571 owner of the underlying personal property shall sell, lease,  
 2572 assign, mortgage, or otherwise transfer his or her interest in  
 2573 the accommodations and facilities of the timeshare plan except  
 2574 by an instrument evidencing the transfer recorded in the public  
 2575 records of the county in which such accommodations and  
 2576 facilities are located or, with respect to personal property  
 2577 timeshare plans, in full compliance with s. 721.08. The  
 2578 instrument shall be executed by both the transferor and  
 2579 transferee and shall state:

2580 (1) That its provisions are intended to protect the rights  
 2581 of all purchasers of the plan.

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2582 (2) That its terms may be enforced by any prior or  
 2583 subsequent timeshare purchaser so long as that purchaser is not  
 2584 in default of his or her obligations.

2585 (3) That so long as a purchaser remains in good standing  
 2586 with respect to her or his obligations under the timeshare  
 2587 instrument, including making all payments to the managing entity  
 2588 required by the timeshare instrument with respect to the annual  
 2589 common expenses of the timeshare plan, the transferee shall will  
 2590 fully honor all the rights of such purchaser relating to the  
 2591 subject accommodation or facility as reflected the purchasers to  
 2592 occupy and use the accommodations and facilities as provided in  
 2593 their original contracts and the timeshare instrument  
 2594 instruments.

2595 (4) That the transferee will fully honor all rights of  
 2596 timeshare purchasers to cancel their contracts and receive  
 2597 appropriate refunds.

2598 (5) That the obligations of the transferee under such  
 2599 instrument will continue to exist despite any cancellation or  
 2600 rejection of the contracts between the developer and purchaser  
 2601 arising out of bankruptcy proceedings.

2602  
 2603 Should any transfer of the interest of the developer, ~~the~~  
 2604 owner of the underlying fee, or the owner of the underlying  
 2605 property occur in a manner which is not in compliance with this  
 2606 section, the terms set forth in this section shall be presumed  
 2607 to be a part of the transfer and shall be deemed to be included  
 2608 in the instrument of transfer. Notice shall be mailed to each  
 2609 purchaser of record within 30 days after ~~of~~ the transfer unless  
 2610 such transfer does not affect the purchaser's rights in or use

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2611 of the timeshare plan. Persons who hold mortgages or liens on  
 2612 the property constituting a timeshare plan before the filed  
 2613 ~~registered~~ public offering statement of such plan is approved by  
 2614 the division shall not be considered transferees for the  
 2615 purposes of this section.

2616 Section 17. Section 721.18, Florida Statutes, is amended  
 2617 to read:

2618 721.18 Exchange programs; filing of information and other  
 2619 materials; filing fees; unlawful acts in connection with an  
 2620 exchange program.--

2621 (1) If a purchaser is offered the opportunity to subscribe  
 2622 to an exchange program, the seller shall deliver to the  
 2623 purchaser, together with the purchaser public offering  
 2624 statement, and prior to the offering or execution of any  
 2625 contract between the purchaser and the company offering the  
 2626 exchange program, written information regarding such exchange  
 2627 program; or, if the exchange company is dealing directly with  
 2628 the purchaser, the exchange company shall deliver to the  
 2629 purchaser, prior to the initial offering or execution of any  
 2630 contract between the purchaser and the company offering the  
 2631 exchange program, written information regarding such exchange  
 2632 program. In either case, the purchaser shall certify in writing  
 2633 to the receipt of such information. Such information shall  
 2634 include, but is not limited to, the following information, the  
 2635 form and substance of which shall first be approved by the  
 2636 division in accordance with subsection (2):

2637 (a) The name and address of the exchange company.

2638 (b) The names of all officers, directors, and shareholders  
 2639 of the exchange company.

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2640 (c) Whether the exchange company or any of its officers or  
 2641 directors has any legal or beneficial interest in any developer,  
 2642 seller, or managing entity for any timeshare plan participating  
 2643 in the exchange program and, if so, the name and location of the  
 2644 timeshare plan and the nature of the interest.

2645 (d) Unless otherwise stated, a statement that the  
 2646 purchaser's contract with the exchange company is a contract  
 2647 separate and distinct from the purchaser's contract with the  
 2648 seller of the timeshare plan.

2649 (e) Whether the purchaser's participation in the exchange  
 2650 program is dependent upon the continued affiliation of the  
 2651 timeshare plan with the exchange program.

2652 (f) A statement that ~~whether~~ the purchaser's participation  
 2653 in the exchange program is voluntary. This statement is not  
 2654 required to be given by the seller or managing entity of a  
 2655 multisite timeshare plan to purchasers in the multisite  
 2656 timeshare plan.

2657 (g) A complete and accurate description of the terms and  
 2658 conditions of the purchaser's contractual relationship with the  
 2659 exchange program and the procedure by which changes thereto may  
 2660 be made.

2661 (h) A complete and accurate description of the procedure  
 2662 to qualify for and effectuate exchanges.

2663 (i) A complete and accurate description of all  
 2664 limitations, restrictions, or priorities employed in the  
 2665 operation of the exchange program, including, but not limited  
 2666 to, limitations on exchanges based on seasonality, timeshare  
 2667 unit size, or levels of occupancy, expressed in boldfaced type,  
 2668 and, in the event that such limitations, restrictions, or

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2669 priorities are not uniformly applied by the exchange program, a  
 2670 clear description of the manner in which they are applied.

2671 (j) Whether exchanges are arranged on a space-available  
 2672 basis and whether any guarantees of fulfillment of specific  
 2673 requests for exchanges are made by the exchange program.

2674 (k) Whether and under what circumstances a purchaser, in  
 2675 dealing with the exchange program, may lose the use and  
 2676 occupancy of her or his timeshare period in any properly applied  
 2677 for exchange without her or his being provided with substitute  
 2678 accommodations by the exchange program.

2679 (l) The fees or range of fees for membership or  
 2680 participation by purchasers in the exchange program by  
 2681 purchasers, including any conversion or other fees payable to  
 2682 third parties, a statement whether any such fees may be altered  
 2683 by the exchange company, and the circumstances under which  
 2684 alterations may be made.

2685 (m) The name and address of the site of each ~~accommodation~~  
 2686 ~~or facility included in the~~ timeshare plan ~~plans~~ participating  
 2687 in the exchange program.

2688 (n) The number of the timeshare units in each timeshare  
 2689 plan which are available for occupancy and which qualify for  
 2690 participation in the exchange program, expressed within the  
 2691 following numerical groupings: 1-5; 6-10; 11-20; 21-50; and 51  
 2692 and over.

2693 (o) The number of currently enrolled purchasers for each  
 2694 timeshare plan participating in the exchange program, expressed  
 2695 within the following numerical groupings: 1-100; 101-249; 250-  
 2696 499; 500-999; and 1,000 and over; and a statement of the  
 2697 criteria used to determine those purchasers who are currently

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2698 enrolled with the exchange program.

2699 (p) The disposition made by the exchange company of  
 2700 timeshare periods deposited with the exchange program by  
 2701 purchasers enrolled in the exchange program and not used by the  
 2702 exchange company in effecting exchanges.

2703 (q) The following information, which shall be  
 2704 independently audited by a certified public accountant or  
 2705 accounting firm in accordance with the standards of the  
 2706 Accounting Standards Board of the American Institute of  
 2707 Certified Public Accountants and reported annually ~~beginning no~~  
 2708 ~~later than July 1, 1982:~~

2709 1. The number of purchasers currently enrolled in the  
 2710 exchange program.

2711 2. The number of accommodations and facilities that have  
 2712 current written affiliation agreements with the exchange  
 2713 program.

2714 3. The percentage of confirmed exchanges, which is the  
 2715 number of exchanges confirmed by the exchange program divided by  
 2716 the number of exchanges properly applied for, together with a  
 2717 complete and accurate statement of the criteria used to  
 2718 determine whether an exchange request was properly applied for.

2719 4. The number of timeshare periods for which the exchange  
 2720 program has an outstanding obligation to provide an exchange to  
 2721 a purchaser who relinquished a timeshare period during the year  
 2722 in exchange for a timeshare period in any future year.

2723 5. The number of exchanges confirmed by the exchange  
 2724 program during the year.

2725 (r) A statement in boldfaced type to the effect that the  
 2726 percentage described in subparagraph (q)3. is a summary of the

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2727 exchange requests entered with the exchange program in the  
 2728 period reported and that the percentage does not indicate the  
 2729 probabilities of a purchaser's being confirmed to any specific  
 2730 choice or range of choices.

2731 (2) Each exchange company offering an exchange program to  
 2732 purchasers in this state shall file with the division for review  
 2733 the information specified in subsection (1), together with any  
 2734 membership agreement and application between the purchaser and  
 2735 the exchange company, and the audit specified in subsection (1)  
 2736 on or before June 1 of each year. However, an exchange company  
 2737 shall make its initial filing at least 20 days prior to offering  
 2738 an exchange program to any purchaser in this state. Each filing  
 2739 shall be accompanied by an annual filing fee of \$500. Within 20  
 2740 days after ~~of~~ receipt of such filing, the division shall  
 2741 determine whether the filing is adequate to meet the  
 2742 requirements of this section and shall notify the exchange  
 2743 company in writing that the division has either approved the  
 2744 filing or found specified deficiencies in the filing. If the  
 2745 division fails to respond within 20 days, the filing shall be  
 2746 deemed approved. The exchange company may correct the  
 2747 deficiencies; and, within 10 days after receipt of corrections  
 2748 from the exchange company, the division shall notify the  
 2749 exchange company in writing that the division has either  
 2750 approved the filing or found additional specified deficiencies  
 2751 in the filing. If the exchange company fails to adequately  
 2752 respond to any deficiency notice within 10 days, the division  
 2753 may reject the filing. Subsequent to such rejection, a new  
 2754 filing fee and a new division initial review period pursuant to  
 2755 this subsection shall apply to any refiling or further review of

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2756 the rejected filing.

2757 (a) Any material change to an approved exchange company  
 2758 filing shall be filed with the division for approval as an  
 2759 amendment prior to becoming effective. Each amendment filing  
 2760 shall be accompanied by a filing fee of \$100. The exchange  
 2761 company may correct the deficiencies; and, within 10 days after  
 2762 receipt of corrections from the exchange company, the division  
 2763 shall notify the exchange company in writing that the division  
 2764 has either approved the filing or found additional specified  
 2765 deficiencies in the filing. Each approved amendment to the  
 2766 approved exchange company filing, other than an amendment that  
 2767 does not materially alter or modify the exchange program in a  
 2768 manner that is adverse to a purchaser, as determined by the  
 2769 exchange company in its reasonable discretion, shall be  
 2770 delivered to each purchaser who has not closed. An approved  
 2771 exchange program filing is required to be updated with respect  
 2772 to added or deleted resorts only once each year, and such annual  
 2773 update shall not be deemed to be a material change to the  
 2774 filing.

2775 (b) If at any time the division determines that any of  
 2776 such information supplied by an exchange company fails to meet  
 2777 the requirements of this section, the division may undertake  
 2778 enforcement action against the exchange company in accordance  
 2779 with the provision of s. 721.26.

2780 (3) No developer shall have any liability with respect to  
 2781 any violation of this chapter arising out of the publication by  
 2782 the developer of information provided to it by an exchange  
 2783 company pursuant to this section. No exchange company shall have  
 2784 any liability with respect to any violation of this chapter

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2785 arising out of the use by a developer of information relating to  
 2786 an exchange program other than that provided to the developer by  
 2787 the exchange company.

2788       (4) At the request of the exchange company, the division  
 2789 shall review any audio, written, or visual publications or  
 2790 materials relating to an exchange company or an exchange program  
 2791 ~~shall be filed~~ for review by the exchange company and shall  
 2792 notify the exchange company of any deficiencies within 10 ~~with~~  
 2793 ~~the division within 3 days~~ after the filing of their use. If the  
 2794 exchange company corrects the deficiencies, or if there are no  
 2795 deficiencies, the division shall notify the exchange company of  
 2796 its approval of the advertising materials. If the exchange  
 2797 company fails to adequately respond to any deficiency notice  
 2798 within 10 days, the division may reject the advertising  
 2799 materials. Subsequent to such rejection, a new division initial  
 2800 review period pursuant to this subsection shall apply to any  
 2801 refiling or further review.

2802       (5) The failure of an exchange company to observe the  
 2803 requirements of this section, or the use of any unfair or  
 2804 deceptive act or practice in connection with the operation of an  
 2805 exchange program, is a violation of this chapter.

2806       Section 18. Section 721.19, Florida Statutes, is amended  
 2807 to read:

2808       721.19 Provisions requiring purchase or lease of timeshare  
 2809 property by owners' association or purchasers; validity.--In any  
 2810 timeshare plan in which timeshare estates or personal property  
 2811 timeshare interests are sold, no grant or reservation made by a  
 2812 declaration, lease, or other document, nor any contract made by  
 2813 the developer, managing entity, or owners' association, which

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2814 requires the owners' association or purchasers to purchase or  
 2815 lease any portion of the timeshare property shall be valid  
 2816 unless approved by a majority of the purchasers other than the  
 2817 developer, after more than 50 percent of the timeshare periods  
 2818 have been sold.

2819 Section 19. Section 721.20, Florida Statutes, is amended  
 2820 to read:

2821 721.20 Licensing requirements; suspension or revocation of  
 2822 license; exceptions to applicability; collection of advance fees  
 2823 for listings unlawful.--

2824 (1) Any seller of a timeshare plan must be a licensed real  
 2825 estate broker, broker associate, or sales associate as defined  
 2826 in s. 475.01, except as provided in s. 475.011.

2827 (2) Solicitors who engage only in the solicitation of  
 2828 prospective purchasers and any purchaser who refers no more than  
 2829 20 people to a developer per year or who otherwise provides  
 2830 testimonials on behalf of a developer are exempt from the  
 2831 provisions of chapter 475.

2832 (3) A solicitor who has violated the provisions of chapter  
 2833 468, chapter 718, chapter 719, this chapter, or the rules of the  
 2834 division governing timesharing shall be subject to the  
 2835 provisions of s. 721.26. Any developer or other person who  
 2836 supervises, directs, or engages the services of a solicitor  
 2837 shall be liable for any violation of the provisions of chapter  
 2838 468, chapter 718, chapter 719, this chapter, or the rules of the  
 2839 division governing timesharing committed by such solicitor.

2840 (4) County and municipal governments shall have the  
 2841 authority to adopt codes of conduct and regulations to govern  
 2842 solicitor activity conducted on public property, including

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2843 providing for the imposition of penalties prescribed by a  
 2844 schedule of fines adopted by ordinance for violations of any  
 2845 such code of conduct or regulation. Any violation of any such  
 2846 adopted code of conduct or regulation shall not constitute a  
 2847 separate violation of this chapter. This subsection is not  
 2848 intended to restrict or invalidate any local code of conduct or  
 2849 regulation.

2850 (5) This section does not apply to those individuals who  
 2851 offer for sale only timeshare interests in timeshare property  
 2852 located outside this state and who do not engage in any sales  
 2853 activity within this state or to timeshare plans which are  
 2854 registered with the Securities and Exchange Commission. For the  
 2855 purposes of this section, both timeshare licenses and timeshare  
 2856 estates are considered to be interests in real property.

2857 (6) Notwithstanding the provisions of s. 475.452, it is  
 2858 unlawful for any real estate broker, broker associate, or sales  
 2859 associate to collect any advance fee for the listing of any  
 2860 timeshare estate or timeshare license.

2861 (7) It is unlawful for any broker, salesperson, or broker-  
 2862 salesperson to collect any advance fee for the listing of a  
 2863 personal property timeshare interest.

2864 (8) Subsections (1), (2), and (3) do not apply to persons  
 2865 who offer personal property timeshare plans.

2866 Section 20. Subsection (6) is added to section 721.24,  
 2867 Florida Statutes, to read:

2868 721.24 Firesafety.--

2869 (6) Accommodations and facilities of personal property  
 2870 timeshare plans shall be exempt from the requirements of this  
 2871 section.

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2872 Section 21. Paragraphs (a), (d), and (e) of subsection (5)  
 2873 of section 721.26, Florida Statutes, are amended to read:

2874 721.26 Regulation by division.--The division has the power  
 2875 to enforce and ensure compliance with the provisions of this  
 2876 chapter, except for parts III and IV, using the powers provided  
 2877 in this chapter, as well as the powers prescribed in chapters  
 2878 498, 718, and 719. In performing its duties, the division shall  
 2879 have the following powers and duties:

2880 (5) Notwithstanding any remedies available to purchasers,  
 2881 if the division has reasonable cause to believe that a violation  
 2882 of this chapter, or of any division rule or order promulgated or  
 2883 issued pursuant to this chapter, has occurred, the division may  
 2884 institute enforcement proceedings in its own name against any  
 2885 regulated party, as such term is defined in this subsection:

2886 (a)1. "Regulated party," for purposes of this section,  
 2887 means any developer, exchange company, seller, managing entity,  
 2888 owners' association, owners' association director, owners'  
 2889 association officer, manager, management firm, escrow agent,  
 2890 trustee, any respective assignees or agents, or any other person  
 2891 having duties or obligations pursuant to this chapter.

2892 2. Any person who materially participates in any offer or  
 2893 disposition of any interest in, or the management or operation  
 2894 of, a timeshare plan in violation of this chapter or relevant  
 2895 rules involving fraud, deception, false pretenses,  
 2896 misrepresentation, or false advertising or the disbursement,  
 2897 concealment, or diversion of any funds or assets, which conduct  
 2898 adversely affects the interests of a purchaser, and which person  
 2899 directly or indirectly controls a regulated party or is a  
 2900 general partner, officer, director, agent, or employee of such

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2901 regulated party, shall be jointly and severally liable under  
 2902 this subsection with such regulated party, unless such person  
 2903 did not know, and in the exercise of reasonable care could not  
 2904 have known, of the existence of the facts giving rise to the  
 2905 violation of this chapter. A right of contribution shall exist  
 2906 among jointly and severally liable persons pursuant to this  
 2907 paragraph.

2908 (d)1. The division may bring an action in circuit court  
 2909 for declaratory or injunctive relief or for other appropriate  
 2910 relief, including restitution.

2911 2. The division shall have broad authority and discretion  
 2912 to petition the circuit court to appoint a receiver with respect  
 2913 to any managing entity which fails to perform its duties and  
 2914 obligations under this chapter with respect to the operation of  
 2915 a timeshare plan. The circumstances giving rise to an  
 2916 appropriate petition for receivership under this subparagraph  
 2917 include, but are not limited to:

2918 a. Damage to or destruction of any of the accommodations  
 2919 or facilities of a timeshare plan, where the managing entity has  
 2920 failed to repair or reconstruct same.

2921 b. A breach of fiduciary duty by the managing entity,  
 2922 including, but not limited to, undisclosed self-dealing or  
 2923 failure to timely assess, collect, or disburse the common  
 2924 expenses of the timeshare plan.

2925 c. Failure of the managing entity to operate the timeshare  
 2926 plan in accordance with the timeshare instrument and this  
 2927 chapter.

2928  
 2929 If, under the circumstances, it appears that the events giving

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2930 rise to the petition for receivership cannot be reasonably and  
 2931 timely corrected in a cost-effective manner consistent with the  
 2932 timeshare instrument, the receiver may petition the circuit  
 2933 court to implement such amendments or revisions to the timeshare  
 2934 instrument as may be necessary to enable the managing entity to  
 2935 resume effective operation of the timeshare plan, or to enter an  
 2936 order terminating the timeshare plan, or to enter such further  
 2937 orders regarding the disposition of the timeshare property as  
 2938 the court deems appropriate, including the disposition and sale  
 2939 of the timeshare property held by the owners' association or the  
 2940 purchasers. In the event of a receiver's sale, all rights,  
 2941 title, and interest held by the owners' association or any  
 2942 purchaser shall be extinguished and title shall vest in the  
 2943 buyer. This provision applies to timeshare estates, personal  
 2944 property timeshare interests, and timeshare licenses. All  
 2945 reasonable costs and fees of the receiver relating to the  
 2946 receivership shall become common expenses of the timeshare plan  
 2947 upon order of the court.

2948 3. The division may revoke its approval of any filing for  
 2949 any timeshare plan for which a petition for receivership has  
 2950 been filed pursuant to this paragraph.

2951 (e)1. The division may impose a penalty against any  
 2952 regulated party for a violation of this chapter or any rule  
 2953 adopted thereunder. A penalty may be imposed on the basis of  
 2954 each day of continuing violation, but in no event may the  
 2955 penalty for any offense exceed \$10,000. All accounts collected  
 2956 shall be deposited with the Chief Financial Officer to the  
 2957 credit of the Division of Florida Land Sales, Condominiums, and  
 2958 Mobile Homes Trust Fund.

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2959           2.a. If a regulated party fails to pay a penalty, the  
 2960 division shall thereupon issue an order directing that such  
 2961 regulated party cease and desist from further operation until  
 2962 such time as the penalty is paid; or the division may pursue  
 2963 enforcement of the penalty in a court of competent jurisdiction.

2964           b. If an owners' association or managing entity fails to  
 2965 pay a civil penalty, the division may pursue enforcement in a  
 2966 court of competent jurisdiction.

2967           Section 22. Section 721.52, Florida Statutes, is amended  
 2968 to read:

2969           721.52 Definitions.--As used in this chapter, the term:

2970           (1) "Applicable law" means the law of the jurisdiction  
 2971 where the accommodations and facilities referred to are located.

2972           (2) "Component site" means a specific geographic site  
 2973 where a portion of the accommodations and facilities of the  
 2974 multisite timeshare plan are located. If permitted under  
 2975 applicable law, separate phases operated as a single development  
 2976 located at a specific geographic site under common management  
 2977 shall be deemed a single component site for purposes of this  
 2978 part.

2979           (3) "Inventory" means the accommodations and facilities  
 2980 located at a particular component site or sites owned, leased,  
 2981 licensed, or otherwise acquired for use by a developer and  
 2982 offered as part of the multisite timeshare plan.

2983           (4) "Multisite timeshare plan" means any method,  
 2984 arrangement, or procedure with respect to which a purchaser  
 2985 obtains, by any means, a recurring right to use and occupy  
 2986 accommodations or facilities of more than one component site,  
 2987 only through use of a reservation system, whether or not the

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2988 purchaser is able to elect to cease participating in the plan.  
 2989 However, the term "multisite timeshare plan" shall not include  
 2990 any method, arrangement, or procedure wherein:

2991 (a) The contractually specified maximum total financial  
 2992 obligation on the purchaser's part is \$3,000 or less, during the  
 2993 entire term of the plan; or

2994 (b) The term is for a period of 3 years or less,  
 2995 regardless of the purchaser's contractually specified maximum  
 2996 total financial obligation, if any. For purposes of determining  
 2997 the term of such use and occupancy rights, the period of any  
 2998 optional renewals which a purchaser, in his or her sole  
 2999 discretion, may elect to exercise, whether or not for additional  
 3000 consideration, shall not be included. For purposes of  
 3001 determining the term of such use and occupancy rights, the  
 3002 period of any automatic renewals shall be included unless a  
 3003 purchaser has the right to terminate the membership at any time  
 3004 and receive a pro rata refund or the purchaser receives a notice  
 3005 no less than 30 days and no more than 60 days prior to the date  
 3006 of renewal informing the purchaser of the right to terminate at  
 3007 any time prior to the date of automatic renewal.

3008  
 3009 Multisite timeshare plan does not mean an exchange program as  
 3010 defined in s. 721.05. Timeshare estates may only be offered in a  
 3011 multisite timeshare plan pursuant to s. 721.57.

3012 (5) "Nonspecific multisite timeshare plan" means a  
 3013 multisite timeshare plan containing timeshare licenses or  
 3014 personal property timeshare interests, with respect to which a  
 3015 purchaser receives a right to use all of the accommodations and  
 3016 facilities, if any, of the multisite timeshare plan through the

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3017 reservation system, but no specific right to use any particular  
 3018 accommodations and facilities for the remaining term of the  
 3019 multisite timeshare plan in the event that the reservation  
 3020 system is terminated for any reason prior to the expiration of  
 3021 the term of the multisite timeshare plan.

3022 ~~(6)~~(5) "Reservation system" means the method, arrangement,  
 3023 or procedure by which a purchaser, in order to reserve the use  
 3024 and occupancy of any accommodation or facility of the multisite  
 3025 timeshare plan for one or more use periods, is required to  
 3026 compete with other purchasers in the same multisite timeshare  
 3027 plan regardless of whether such reservation system is operated  
 3028 and maintained by the multisite timeshare plan managing entity,  
 3029 an exchange company, or any other person. In the event that a  
 3030 purchaser is required to use an exchange program as the  
 3031 purchaser's principal means of obtaining the right to use and  
 3032 occupy a multisite timeshare plan's accommodations and  
 3033 facilities, such arrangement shall be deemed a reservation  
 3034 system. When an exchange company utilizes a mechanism for the  
 3035 exchange of use of timeshare periods among members of an  
 3036 exchange program, such utilization is not a reservation system  
 3037 of a multisite timeshare plan.

3038 (7) "Specific multisite timeshare plan" means a multisite  
 3039 timeshare plan containing timeshare licenses or personal  
 3040 property timeshare interests, with respect to which a purchaser  
 3041 receives a specific right to use accommodations and facilities,  
 3042 if any, at one component site of a multisite timeshare plan,  
 3043 together with use rights in the other accommodations and  
 3044 facilities of the multisite timeshare plan created by or  
 3045 acquired through the reservation system.

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3046 ~~(8)(6)~~ "Vacation club" means a multisite timeshare plan.

3047 Section 23. Paragraph (a) of subsection (1) of section  
 3048 721.53, Florida Statutes, is amended, and paragraph (f) is added  
 3049 to said subsection, to read:

3050 721.53 Subordination instruments; alternate security  
 3051 arrangements.--

3052 (1) With respect to each accommodation or facility of a  
 3053 multisite timeshare plan, the developer shall provide the  
 3054 division with satisfactory evidence that one of the following  
 3055 has occurred with respect to each interestholder prior to  
 3056 offering the accommodation or facility as a part of the  
 3057 multisite timeshare plan:

3058 (a) The interestholder has executed and recorded a  
 3059 nondisturbance and notice to creditors instrument pursuant to s.  
 3060 721.08~~(2)(e)~~.

3061 (f) With respect to any personal property accommodations  
 3062 or facilities, the developer and any other interestholder have  
 3063 complied fully with the applicable provisions of s. 721.08.

3064 Section 24. Section 721.54, Florida Statutes, is amended  
 3065 to read:

3066 721.54 Term of nonspecific multisite timeshare plans.--It  
 3067 shall be a violation of this part to represent to a purchaser of  
 3068 a nonspecific multisite timeshare plan as defined in s.

3069 721.52(5) ~~721.552(4)~~ that the term of the plan for that  
 3070 purchaser is longer than the shortest term of availability of  
 3071 any of the accommodations included within the plan at the time  
 3072 of purchase.

3073 Section 25. Section 721.55, Florida Statutes, is amended  
 3074 to read:

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3075 721.55 Multisite timeshare plan public offering  
 3076 statement.--Each filed ~~registered~~ public offering statement for  
 3077 a multisite timeshare plan shall contain the information  
 3078 required by this section and shall comply with the provisions of  
 3079 s. 721.07, except as otherwise provided therein. The division is  
 3080 authorized to provide by rule the method by which a developer  
 3081 must provide such information to the division. Each multisite  
 3082 timeshare plan filed ~~registered~~ public offering statement shall  
 3083 contain the following information and disclosures:

3084 (1) A cover page containing:

3085 (a) The name of the multisite timeshare plan.

3086 (b) The following statement in conspicuous type:

3087  
 3088 *This public offering statement contains important matters*  
 3089 *to be considered in acquiring an interest in a multisite*  
 3090 *timeshare plan (or multisite vacation ownership plan or*  
 3091 *multisite vacation plan or vacation club). The statements*  
 3092 *contained herein are only summary in nature. A prospective*  
 3093 *purchaser should refer to all references, accompanying exhibits,*  
 3094 *contract documents, and sales materials. The prospective*  
 3095 *purchaser should not rely upon oral representations as being*  
 3096 *correct and should refer to this document and accompanying*  
 3097 *exhibits for correct representations.*

3098  
 3099 (2) A summary containing all statements required to be in  
 3100 conspicuous type in the public offering statement and in all  
 3101 exhibits thereto.

3102 (3) A separate index for the contents and exhibits of the  
 3103 public offering statement.

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3104 (4) A text, which shall include, where applicable, the  
 3105 information and disclosures set forth in paragraphs (a)-(1).

3106 (a) A description of the multisite timeshare plan,  
 3107 including its term, legal structure, and form of ownership. For  
 3108 multisite timeshare plans in which the purchaser will receive a  
 3109 timeshare estate pursuant to s. 721.57 and for ~~or~~ a specific  
 3110 multisite timeshare plans ~~license as defined in s. 721.552(4)~~,  
 3111 the description must also include the term of each component  
 3112 site within the multisite timeshare plan.

3113 (b) A description of the structure and ownership of the  
 3114 reservation system together with a disclosure of the entity  
 3115 responsible for the operation of the reservation system. The  
 3116 description shall include the financial terms of any lease of  
 3117 the reservation system, if applicable. The developer shall not  
 3118 be required to disclose the financial terms of any such lease if  
 3119 such lease is prepaid in full for the term of the multisite  
 3120 timeshare plan or to any extent that neither purchasers nor the  
 3121 managing entity will be required to make payments for the  
 3122 continued use of the system following default by the developer  
 3123 or termination of the managing entity.

3124 (c)1. A description of the manner in which the reservation  
 3125 system operates. The description shall include a disclosure in  
 3126 compliance with the demand balancing standard set forth in s.  
 3127 721.56(6) and shall describe the developer's efforts to comply  
 3128 with same in creating the reservation system. The description  
 3129 shall also include a summary of the rules and regulations  
 3130 governing access to and use of the reservation system.

3131 2. In lieu of describing the rules and regulations of the  
 3132 reservation system in the public offering statement text, the

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3133 developer may attach the rules and regulations as a separate  
 3134 public offering statement exhibit, together with a cross-  
 3135 reference in the public offering statement text to such exhibit.

3136 (d) The existence of and an explanation regarding any  
 3137 priority reservation features that affect a purchaser's ability  
 3138 to make reservations for the use of a given accommodation or  
 3139 facility on a first come, first served basis, including, if  
 3140 applicable, the following statement in conspicuous type:

3141  
 3142 *Component sites contained in the multisite timeshare plan*  
 3143 *(or multisite vacation ownership plan or multisite vacation plan*  
 3144 *or vacation club) are subject to priority reservation features*  
 3145 *which may affect your ability to obtain a reservation.*

3146  
 3147 (e) A summary of the material rules and regulations, if  
 3148 any, other than the reservation system rules and regulations,  
 3149 affecting the purchaser's use of each accommodation and facility  
 3150 at each component site.

3151 (f) If the provisions of s. 721.552 and the timeshare  
 3152 instrument permit additions, substitutions, or deletions of  
 3153 accommodations or facilities, the public offering statement must  
 3154 include substantially the following information:

3155 1. Additions.--

3156 a. A description of the basis upon which new  
 3157 accommodations and facilities may be added to the multisite  
 3158 timeshare plan; by whom additions may be made; and the  
 3159 anticipated effect of the addition of new accommodations and  
 3160 facilities upon the reservation system, its priorities, its  
 3161 rules and regulations, and the availability of existing

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3162 accommodations and facilities.

3163         b. The developer must disclose the existence of any cap on  
 3164 annual increases in common expenses of the multisite timeshare  
 3165 plan that would apply in the event that additional  
 3166 accommodations and facilities are made a part of the plan.

3167         c. The developer shall also disclose any extent to which  
 3168 the purchasers of the multisite timeshare plan will have the  
 3169 right to consent to any proposed additions; if the purchasers do  
 3170 not have the right to consent, the developer must include the  
 3171 following disclosure in conspicuous type:

3172  
 3173             *Accommodations and facilities may be added to this*  
 3174 *multisite timeshare plan (or multisite vacation ownership plan*  
 3175 *or multisite vacation plan or vacation club) without the consent*  
 3176 *of the purchasers. The addition of accommodations and facilities*  
 3177 *to the plan may result in the addition of new purchasers who*  
 3178 *will compete with existing purchasers in making reservations for*  
 3179 *the use of available accommodations and facilities within the*  
 3180 *plan, and may also result in an increase in the annual*  
 3181 *assessment against purchasers for common expenses.*

3182  
 3183             2. Substitutions.--

3184             a. A description of the basis upon which new  
 3185 accommodations and facilities may be substituted for existing  
 3186 accommodations and facilities of the multisite timeshare plan;  
 3187 by whom substitutions may be made; the basis upon which the  
 3188 determination may be made to cause such substitutions to occur;  
 3189 and any limitations upon the ability to cause substitutions to  
 3190 occur.

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3191           b. The developer shall also disclose any extent to which  
 3192 purchasers will have the right to consent to any proposed  
 3193 substitutions; if the purchasers do not have the right to  
 3194 consent, the developer must include the following disclosure in  
 3195 conspicuous type:

3196  
 3197           *New accommodations and facilities may be substituted for*  
 3198 *existing accommodations and facilities of this multisite*  
 3199 *timeshare plan (or multisite vacation ownership plan or*  
 3200 *multisite vacation plan or vacation club) without the consent of*  
 3201 *the purchasers. The replacement accommodations and facilities*  
 3202 *may be located at a different place or may be of a different*  
 3203 *type or quality than the replaced accommodations and facilities.*  
 3204 *The substitution of accommodations and facilities may also*  
 3205 *result in an increase in the annual assessment against*  
 3206 *purchasers for common expenses.*

3207  
 3208           3. Deletions.--A description of any provision of the  
 3209 timeshare instrument governing deletion of accommodations or  
 3210 facilities from the multisite timeshare plan. If the timeshare  
 3211 instrument does not provide for business interruption insurance  
 3212 in the event of a casualty, or if it is unavailable, or if the  
 3213 instrument permits the developer, the managing entity, or the  
 3214 purchasers to elect not to reconstruct after casualty under  
 3215 certain circumstances or to secure replacement accommodations or  
 3216 facilities in lieu of reconstruction, the public offering  
 3217 statement must contain a disclosure that during the  
 3218 reconstruction, replacement, or acquisition period, or as a  
 3219 result of a decision not to reconstruct, purchasers of the plan

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3220 may temporarily compete for available accommodations on a  
 3221 greater than one-to-one purchaser to accommodation ratio.

3222 (g) A description of the developer and the managing entity  
 3223 of the multisite timeshare plan, including:

3224 1. The identity of the developer; the developer's business  
 3225 address; the number of years of experience the developer has in  
 3226 the timeshare, hotel, motel, travel, resort, or leisure  
 3227 industries; and a description of any pending lawsuit or judgment  
 3228 against the developer which is material to the plan. If there  
 3229 are no such pending lawsuits or judgments, there shall be a  
 3230 statement to that effect.

3231 2. The identity of the managing entity of the multisite  
 3232 timeshare plan; the managing entity's business address; the  
 3233 number of years of experience the managing entity has in the  
 3234 timeshare, hotel, motel, travel, resort, or leisure industries;  
 3235 and a description of any lawsuit or judgment against the  
 3236 managing entity which is material to the plan. If there are no  
 3237 pending lawsuits or judgments, there shall be a statement to  
 3238 that effect. The description of the managing entity shall also  
 3239 include a description of the relationship among the managing  
 3240 entity of the multisite timeshare plan and the various component  
 3241 site managing entities.

3242 (h) A description of the purchaser's liability for common  
 3243 expenses of the multisite timeshare plan, including the  
 3244 following:

3245 1. A description of the common expenses of the plan,  
 3246 including the method of allocation and assessment of such common  
 3247 expenses, whether component site common expenses and real estate  
 3248 taxes are included within the total common expense assessment of

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3249 the multisite timeshare plan, and, if not, the manner in which  
 3250 timely payment of component site common expenses and real estate  
 3251 taxes shall be accomplished.

3252 2. A description of any cap imposed upon the level of  
 3253 common expenses payable by the purchaser. In no event shall the  
 3254 total common expense assessment for the multisite timeshare plan  
 3255 in a given calendar year exceed 125 percent of the total common  
 3256 expense assessment for the plan in the previous calendar year.

3257 3. A description of the entity responsible for the  
 3258 determination of the common expenses of the multisite timeshare  
 3259 plan, as well as any entity which may increase the level of  
 3260 common expenses assessed against the purchaser at the multisite  
 3261 timeshare plan level.

3262 4. A description of the method used to collect common  
 3263 expenses, including the entity responsible for such collections,  
 3264 and the lien rights of any entity for nonpayment of common  
 3265 expenses. If the common expenses of any component site are  
 3266 collected by the managing entity of the multisite timeshare  
 3267 plan, a statement to that effect together with the identity and  
 3268 address of the escrow agent required by s. 721.56(3).

3269 5. If the purchaser will receive an interest in a  
 3270 nonspecific multisite timeshare plan ~~license as defined in s.~~  
 3271 ~~721.552(4)~~, a statement that a multisite timeshare plan budget  
 3272 is attached to the public offering statement as an exhibit  
 3273 pursuant to paragraph (7)(c). The multisite timeshare plan  
 3274 budget shall comply with the provisions of s. 721.07(5)(u).

3275 6. If the developer intends to guarantee the level of  
 3276 assessments for the multisite timeshare plan, such guarantee  
 3277 must be based upon a good faith estimate of the revenues and

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3278 expenses of the multisite timeshare plan. The guarantee must  
 3279 include a description of the following:

3280 a. The specific time period, measured in one or more  
 3281 calendar or fiscal years, during which the guarantee will be in  
 3282 effect.

3283 b. A statement that the developer will pay all common  
 3284 expenses incurred in excess of the total revenues of the  
 3285 multisite timeshare plan, if the developer is to be excused from  
 3286 the payment of assessments during the guarantee period.

3287 c. The level, expressed in total dollars, at which the  
 3288 developer guarantees the assessments. If the developer has  
 3289 reserved the right to extend or increase the guarantee level, a  
 3290 disclosure must be included to that effect.

3291 7. If required under applicable law, the developer shall  
 3292 also disclose the following matters for each component site:

3293 a. Any limitation upon annual increases in common  
 3294 expenses;

3295 b. The existence of any bad debt or working capital  
 3296 reserve; and

3297 c. The existence of any replacement or deferred  
 3298 maintenance reserve.

3299 (i) If there are any restrictions upon the sale, transfer,  
 3300 conveyance, or leasing of an interest in a multisite timeshare  
 3301 plan, a description of the restrictions together with a  
 3302 statement in conspicuous type in substantially the following  
 3303 form:

3304  
 3305 *The sale, lease, or transfer of interests in this multisite*  
 3306 *timeshare plan is restricted or controlled.*

3307  
3308  
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(j) The following statement in conspicuous type in substantially the following form:

*The purchase of an interest in a multisite timeshare plan (or multisite vacation ownership plan or multisite vacation plan or vacation club) should be based upon its value as a vacation experience or for spending leisure time, and not considered for purposes of acquiring an appreciating investment or with an expectation that the interest may be resold.*

(k) If the multisite timeshare plan provides purchasers with the opportunity to participate in an exchange program, a description of the name and address of the exchange company and the method by which a purchaser accesses the exchange program. In lieu of this requirement, the public offering statement text may contain a cross-reference to other provisions in the public offering statement or in an exhibit containing this information.

(1) A description of each component site, which description may be disclosed in a written, graphic, tabular, or other form approved by the division. The description of each component site shall include the following information:

1. The name and address of each component site.
2. The number of accommodations, timeshare interests, and timeshare periods, expressed in periods of 7-day use availability, committed to the multisite timeshare plan and available for use by purchasers.
3. Each type of accommodation in terms of the number of bedrooms, bathrooms, sleeping capacity, and whether or not the

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3336 accommodation contains a full kitchen. For purposes of this  
 3337 description, a full kitchen shall mean a kitchen having a  
 3338 minimum of a dishwasher, range, sink, oven, and refrigerator.

3339 4. A description of facilities available for use by the  
 3340 purchaser at each component site, including the following:

3341 a. The intended use of the facility, if not apparent from  
 3342 the description.

3343 b. Any user fees associated with a purchaser's use of the  
 3344 facility.

3345 5. A cross-reference to the location in the public  
 3346 offering statement of the description of any priority  
 3347 reservation features which may affect a purchaser's ability to  
 3348 obtain a reservation in the component site.

3349 (5) Such other information as the division determines is  
 3350 necessary to fairly, meaningfully, and effectively disclose all  
 3351 aspects of the multisite timeshare plan, including, but not  
 3352 limited to, any disclosures made necessary by the operation of  
 3353 s. 721.03(8). However, if a developer has, in good faith,  
 3354 attempted to comply with the requirements of this section, and  
 3355 if, in fact, the developer has substantially complied with the  
 3356 disclosure requirements of this chapter, nonmaterial errors or  
 3357 omissions shall not be actionable.

3358 (6) Any other information that the developer, with the  
 3359 approval of the division, desires to include in the public  
 3360 offering statement text.

3361 (7) The following documents shall be included as exhibits  
 3362 to the filed ~~registered~~ public offering statement, if  
 3363 applicable:

3364 (a) The timeshare instrument.

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- 3365 (b) The reservation system rules and regulations.
- 3366 (c) The multisite timeshare plan budget pursuant to
- 3367 subparagraph (4)(h)5.
- 3368 (d) Any document containing the material rules and
- 3369 regulations described in paragraph (4)(e).
- 3370 (e) Any contract, agreement, or other document through
- 3371 which component sites are affiliated with the multisite
- 3372 timeshare plan.
- 3373 (f) Any escrow agreement required pursuant to s. 721.08 or
- 3374 s. 721.56(3).
- 3375 (g) The form agreement for sale or lease of an interest in
- 3376 the multisite timeshare plan.
- 3377 (h) The form receipt for multisite timeshare plan
- 3378 documents required to be given to the purchaser pursuant to s.
- 3379 721.551(2)(b).
- 3380 (i) The description of documents list required to be given
- 3381 to the purchaser by s. 721.551(2)(b).
- 3382 (j) The component site managing entity affidavit or
- 3383 statement required by s. 721.56(1).
- 3384 (k) Any subordination instrument required by s. 721.53.
- 3385 (l)1. If the multisite timeshare plan contains any
- 3386 component sites located in this state, the information required
- 3387 by s. 721.07(5) pertaining to each such component site unless
- 3388 exempt pursuant to s. 721.03.
- 3389 2. If the purchaser will receive a timeshare estate
- 3390 pursuant to s. 721.57, or an interest in a specific multisite
- 3391 timeshare plan, ~~license as defined in s. 721.552(4)~~ in a
- 3392 component site located outside of this state but which is
- 3393 offered in this state, the information required by s. 721.07(5)

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3394 pertaining to that component site, + provided, however, that the  
 3395 provisions of s. 721.07(5)(u) shall only require disclosure of  
 3396 information related to the estimated budget for the timeshare  
 3397 plan and purchaser's expenses as required by the jurisdiction in  
 3398 which the component site is located.

3399 (8)(a) A timeshare plan containing only one component site  
 3400 must be filed with the division as a multisite timeshare plan if  
 3401 the timeshare instrument reserves the right for the developer to  
 3402 add future component sites. However, if the developer fails to  
 3403 add at least one additional component site to a timeshare plan  
 3404 described in this paragraph within 3 years after the date the  
 3405 plan is initially filed with the division, the multisite filing  
 3406 for such plan shall thereupon terminate, and the developer may  
 3407 not thereafter offer any further interests in such plan unless  
 3408 and until he or she refiles such plan with the division pursuant  
 3409 to this chapter.

3410 (b) The public offering statement for any timeshare plan  
 3411 described in paragraph (a) must include the following disclosure  
 3412 in conspicuous type:

3413  
 3414 *This timeshare plan has been filed as a multisite timeshare*  
 3415 *plan (or multisite vacation ownership plan or multisite vacation*  
 3416 *plan or vacation club); however, this plan currently contains*  
 3417 *only one component site. The developer is not required to add*  
 3418 *any additional component sites to the plan. Do not purchase an*  
 3419 *interest in this plan in reliance upon the addition of any other*  
 3420 *component sites.*

3421 Section 26. Paragraphs (b), (c), and (f) of subsection (2)  
 3422 of section 721.551, Florida Statutes, are amended to read:

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3423 721.551 Delivery of multisite timeshare plan purchaser  
 3424 public offering statement.--

3425 (2) The developer shall furnish each purchaser with the  
 3426 following:

3427 (b) A receipt for multisite timeshare plan documents and a  
 3428 list describing any exhibit to the filed ~~registered~~ public  
 3429 offering statement which is not delivered to the purchaser. The  
 3430 division is authorized to prescribe by rule the form of the  
 3431 receipt for multisite timeshare plan documents and the  
 3432 description of exhibits list that must be furnished to the  
 3433 purchaser pursuant to this section.

3434 (c) If the purchaser will receive a timeshare estate  
 3435 pursuant to s. 721.57, or an interest in a specific multisite  
 3436 timeshare plan, ~~license as defined in s. 721.552(4)~~ in a  
 3437 component site located in this state, the developer shall also  
 3438 furnish the purchaser with the information required to be  
 3439 delivered pursuant to s. 721.07(6)(a) and (b) for the component  
 3440 site in which the purchaser will receive an estate or interest  
 3441 in a specific multisite timeshare plan ~~license~~.

3442 (f) The developer shall be required to provide the  
 3443 managing entity of the multisite timeshare plan with a copy of  
 3444 the approved filed ~~registered~~ public offering statement and any  
 3445 approved amendments thereto to be maintained by the managing  
 3446 entity as part of the books and records of the timeshare plan  
 3447 pursuant to s. 721.13(3)(d).

3448 Section 27. Paragraph (a) of subsection (2), paragraph (c)  
 3449 of subsection (3), and subsections (4) and (5) of section  
 3450 721.552, Florida Statutes, are amended to read:

3451 721.552 Additions, substitutions, or deletions of

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3452 component site accommodations or facilities; purchaser remedies  
 3453 for violations.--Additions, substitutions, or deletions of  
 3454 component site accommodations or facilities may be made only in  
 3455 accordance with the following:

3456 (2) SUBSTITUTIONS.--

3457 (a) Substitutions are available only for nonspecific  
 3458 multisite timeshare ~~license~~ plans ~~as defined in subsection (4).~~  
 3459 Specific multisite timeshare ~~license~~ plans or ~~as defined in~~  
 3460 ~~subsection (4) and~~ plans offering timeshare estates pursuant to  
 3461 s. 721.57 may not contain an accommodation substitution right.

3462 (3) DELETIONS.--

3463 (c) *Automatic deletion.*--The timeshare instrument may  
 3464 provide that a component site will be automatically deleted upon  
 3465 the expiration of its term in a timeshare plan other than a  
 3466 nonspecific multisite timeshare ~~license~~ plan or as otherwise  
 3467 provided in the timeshare instrument. However, the timeshare  
 3468 instrument must also provide that in the event a component site  
 3469 is deleted from the plan in this manner, a sufficient number of  
 3470 purchasers of the plan will also be deleted so as to maintain no  
 3471 greater than a one-to-one purchaser to accommodation ratio.

3472 ~~(4) SPECIFIC AND NONSPECIFIC TIMESHARE LICENSES.--~~ For

3473 ~~purposes of this chapter, a specific timeshare license means one~~  
 3474 ~~with respect to which a purchaser receives a specific right to~~  
 3475 ~~use accommodations and facilities, if any, at one component site~~  
 3476 ~~of a multisite timeshare plan, together with use rights in the~~  
 3477 ~~other accommodations and facilities of the multisite timeshare~~  
 3478 ~~plan created by or acquired through the reservation system. For~~  
 3479 ~~purposes of this chapter, a nonspecific timeshare license means~~  
 3480 ~~one with respect to which a purchaser receives a right to use~~

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3481 ~~all of the accommodations and facilities, if any, of a multisite~~  
 3482 ~~timeshare plan through the reservation system, but no specific~~  
 3483 ~~right to use any particular accommodations and facilities for~~  
 3484 ~~the remaining term of the multisite timeshare plan in the event~~  
 3485 ~~that the reservation system is terminated for any reason prior~~  
 3486 ~~to the expiration of the term of the multisite timeshare plan.~~

3487 (4)~~(5)~~ VIOLATIONS; PURCHASER REMEDIES.--All purchaser  
 3488 remedies pursuant to s. 721.21 shall be available for any  
 3489 violation of the provisions of this section.

3490 Section 28. Subsections (4) and (5) of section 721.56,  
 3491 Florida Statutes, are amended to read:

3492 721.56 Management of multisite timeshare plans;  
 3493 reservation systems; demand balancing.--

3494 (4) The managing entity of a multisite timeshare plan  
 3495 shall comply fully with the requirements of s. 721.13, subject  
 3496 to the provisions of s. 721.13(11) for personal property  
 3497 timeshare plans; however, with respect to a given component  
 3498 site, the managing entity of the multisite timeshare plan shall  
 3499 not be responsible for compliance as the managing entity of that  
 3500 component site unless the managing entity of the multisite  
 3501 timeshare plan is also the managing entity of that component  
 3502 site. Unless the timeshare instrument provides otherwise, the  
 3503 operator of the reservation system is the managing entity of a  
 3504 multisite timeshare plan.

3505 (5)(a)1. The reservation system is a facility of any  
 3506 nonspecific ~~timeshare license~~ multisite timeshare plan ~~as~~  
 3507 ~~defined in s. 721.552(4)~~. The reservation system is not a  
 3508 facility of any specific ~~timeshare license~~ multisite timeshare  
 3509 plan ~~as defined in s. 721.552(4)~~, nor is it a facility of any

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3510 multisite timeshare plan in which timeshare estates are offered  
 3511 pursuant to s. 721.57.

3512         2. The reservation system of any multisite timeshare plan  
 3513 shall include any computer software and hardware employed for  
 3514 the purpose of enabling or facilitating the operation of the  
 3515 reservation system. Nothing contained in this part shall  
 3516 preclude a manager or management firm that is serving as  
 3517 managing entity of a multisite timeshare plan from providing in  
 3518 its contract with the purchasers or owners' association of the  
 3519 multisite timeshare plan or in the timeshare instrument that the  
 3520 manager or management firm owns the reservation system and that  
 3521 the managing entity shall continue to own the reservation system  
 3522 in the event the purchasers discharge the managing entity  
 3523 pursuant to s. 721.14.

3524         (b) In the event of a termination of a managing entity of  
 3525 a nonspecific ~~license~~ multisite timeshare plan ~~as defined in s.~~  
 3526 ~~721.552(4)~~, which managing entity owns the reservation system,  
 3527 irrespective of whether the termination is voluntary or  
 3528 involuntary and irrespective of the cause of such termination,  
 3529 in addition to any other remedies available to purchasers in  
 3530 this part, the terminated managing entity shall, prior to such  
 3531 termination, establish a trust meeting the criteria set forth in  
 3532 this paragraph. It is the intent of the Legislature that this  
 3533 trust arrangement provide for an adequate period of continued  
 3534 operation of the reservation system of the multisite timeshare  
 3535 plan, during which period the new managing entity shall make  
 3536 provision for the acquisition of a substitute reservation  
 3537 system.

3538         1. The trust shall be established with an independent

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3539 trustee. Both the terminated managing entity and the new  
 3540 managing entity shall attempt to agree on an acceptable trustee.  
 3541 In the event they cannot agree on an acceptable trustee, they  
 3542 shall each designate a nominee, and the two nominees shall  
 3543 select the trustee.

3544 2. The terminated managing entity shall take all steps  
 3545 necessary to enable the trustee or the trustee's designee to  
 3546 operate the reservation system in the same manner as provided in  
 3547 the timeshare instrument and the public offering statement. The  
 3548 trustee may, but shall not be required to, contract with the  
 3549 terminated managing entity for the continued operation of the  
 3550 reservation system. In the event the trustee elects to contract  
 3551 with the terminated managing entity, that managing entity shall  
 3552 be required to operate the reservation system and shall be  
 3553 entitled to payment for that service. The payment shall in no  
 3554 event exceed the amount previously paid to the terminated  
 3555 managing entity for operation of the reservation system.

3556 3. The trust shall remain in effect for a period of no  
 3557 longer than 1 year following the date of termination of the  
 3558 managing entity.

3559 4. Nothing contained in this subsection shall abrogate or  
 3560 otherwise interfere with any proprietary rights in the  
 3561 reservation system that have been reserved by the discharged  
 3562 managing entity, in its management contract or otherwise, so  
 3563 long as such proprietary rights are not asserted in a manner  
 3564 that would prevent the continued operation of the reservation  
 3565 system as contemplated in this subsection.

3566 (c) In the event of a termination of a managing entity of  
 3567 a timeshare estate or ~~specific license~~ multisite timeshare plan

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3568 ~~as defined in s. 721.552(4)~~, which managing entity owns the  
 3569 reservation system, irrespective of whether the termination is  
 3570 voluntary or involuntary and irrespective of the cause of such  
 3571 termination, in addition to any other remedies available to  
 3572 purchasers in this part, the terminated managing entity shall,  
 3573 prior to such termination, promptly transfer to each component  
 3574 site managing entity all relevant data contained in the  
 3575 reservation system with respect to that component site,  
 3576 including, but not limited to:

- 3577 1. The names, addresses, and reservation status of  
 3578 component site accommodations.
- 3579 2. The names and addresses of all purchasers of timeshare  
 3580 interests at that component site.
- 3581 3. All outstanding confirmed reservations and reservation  
 3582 requests for that component site.
- 3583 4. Such other component site records and information as  
 3584 are necessary, in the reasonable discretion of the component  
 3585 site managing entity, to permit the uninterrupted operation and  
 3586 administration of the component site, provided that a given  
 3587 component site managing entity shall not be entitled to any  
 3588 information regarding other component sites or regarding the  
 3589 terminated multisite timeshare plan managing entity.

3590  
 3591 All reasonable costs incurred by the terminated managing entity  
 3592 in effecting the transfer of information required by this  
 3593 paragraph shall be reimbursed to the terminated managing entity  
 3594 on a pro rata basis by each component site, and the amount of  
 3595 such reimbursement shall constitute a common expense of each  
 3596 component site.

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3597 Section 29. Subsection (2) of section 721.57, Florida  
3598 Statutes, is amended to read:

3599 721.57 Offering of timeshare estates in multisite  
3600 timeshare plans; required provisions in the timeshare  
3601 instrument.--

3602 (2) The timeshare instrument of a multisite timeshare plan  
3603 in which timeshare estates are offered, other than a trust  
3604 meeting the requirements of s. 721.08, must contain or provide  
3605 for all of the following matters:

3606 (a) The purchaser will receive a timeshare estate as  
3607 defined in s. 721.05 in one of the component sites of the  
3608 multisite timeshare plan. The use rights in the other component  
3609 sites of the multisite timeshare plan shall be made available to  
3610 the purchaser through the reservation system pursuant to the  
3611 timeshare instrument.

3612 (b) In the event that the reservation system is terminated  
3613 or otherwise becomes unavailable for any reason prior to the  
3614 expiration of the term of the multisite timeshare plan:

3615 1. The purchaser will be able to continue to use the  
3616 accommodations and facilities of the component site in which she  
3617 or he has been conveyed a timeshare estate in the manner  
3618 described in the timeshare instrument for the remaining term of  
3619 the timeshare estate; and

3620 2. Any use rights in that component site which had  
3621 previously been made available through the reservation system to  
3622 purchasers of the multisite timeshare plan who were not offered  
3623 a timeshare estate at that component site will terminate when  
3624 the reservation system is terminated or otherwise becomes  
3625 unavailable for any reason.

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3626 Section 30. Subsection (6) of section 721.84, Florida  
 3627 Statutes, is amended to read:

3628 721.84 Appointment of a registered agent; duties.--

3629 (6) Unless otherwise provided in this section, a  
 3630 registered agent in receipt of any notice or other document  
 3631 addressed from the lienholder to the obligor in care of the  
 3632 registered agent at the registered office must mail, by first  
 3633 class mail if the obligor's address is within the United States,  
 3634 and by international air mail if the obligor's address is  
 3635 outside the United States, with postage fees prepaid, such  
 3636 notice or documents to the obligor at the obligor's last  
 3637 designated address within 5 days after ~~of~~ receipt.

3638 Section 31. Section 721.96, Florida Statutes, is amended  
 3639 to read:

3640 721.96 Purpose.--The purpose of this part is to provide  
 3641 for the appointment of commissioners of deeds to take  
 3642 acknowledgments, proofs of execution, and oaths outside the  
 3643 United States in connection with the execution of any deed,  
 3644 mortgage, deed of trust, contract, power of attorney, or any  
 3645 other agreement, instrument or writing concerning, relating to,  
 3646 or to be used or recorded in connection with a timeshare estate,  
 3647 personal property timeshare interest, timeshare license, any  
 3648 property subject to a timeshare plan, or the operation of a  
 3649 timeshare plan located within this state.

3650 Section 32. Subsection (1) of section 721.97, Florida  
 3651 Statutes, is amended to read:

3652 721.97 Timeshare commissioner of deeds.--

3653 (1) The Governor may appoint commissioners of deeds to  
 3654 take acknowledgments, proofs of execution, or oaths in any

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3655 foreign country. The term of office is 4 years. Commissioners of  
 3656 deeds shall have authority to take acknowledgments, proofs of  
 3657 execution, and oaths in connection with the execution of any  
 3658 deed, mortgage, deed of trust, contract, power of attorney, or  
 3659 any other writing to be used or recorded in connection with a  
 3660 timeshare estate, personal property timeshare interest,  
 3661 timeshare license, any property subject to a timeshare plan, or  
 3662 the operation of a timeshare plan located within this state;  
 3663 provided such instrument or writing is executed outside the  
 3664 United States. Such acknowledgments, proofs of execution, and  
 3665 oaths must be taken or made in the manner directed by the laws  
 3666 of this state, including but not limited to s. 117.05(4),  
 3667 (5)(a), and (6), Florida Statutes 1997, and certified by a  
 3668 commissioner of deeds. The certification must be endorsed on or  
 3669 annexed to the instrument or writing aforesaid and has the same  
 3670 effect as if made or taken by a notary public licensed in this  
 3671 state.

3672 Section 33. Paragraph (b) of subsection (8) of section  
 3673 475.011, Florida Statutes, is amended to read:

3674 475.011 Exemptions.--This part does not apply to:

3675 (8)

3676 (b) An exchange company, as that term is defined by s.  
 3677 721.05~~(15)~~~~(14)~~, but only to the extent that the exchange company  
 3678 is engaged in exchange program activities as described in and is  
 3679 in compliance with s. 721.18.

3680 Section 34. Subsection (23) of section 718.103, Florida  
 3681 Statutes, is amended to read:

3682 718.103 Definitions.--As used in this chapter, the term:

3683 (23) "Residential condominium" means a condominium

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3684 consisting of two or more units, any of which are intended for  
 3685 use as a private temporary or permanent residence, except that a  
 3686 condominium is not a residential condominium if the use for  
 3687 which the units are intended is primarily commercial or  
 3688 industrial and not more than three units are intended to be used  
 3689 for private residence, and are intended to be used as housing  
 3690 for maintenance, managerial, janitorial, or other operational  
 3691 staff of the condominium. With respect to a condominium that is  
 3692 not a timeshare condominium, a residential unit includes a unit  
 3693 intended as a private temporary or permanent residence as well  
 3694 as a unit not intended for commercial or industrial use. With  
 3695 respect to a timeshare condominium, the timeshare instrument as  
 3696 defined in s. 721.05(35)+~~33~~ shall govern the intended use of  
 3697 each unit in the condominium. If a condominium is a residential  
 3698 condominium but contains units intended to be used for  
 3699 commercial or industrial purposes, then, with respect to those  
 3700 units which are not intended for or used as private residences,  
 3701 the condominium is not a residential condominium. A condominium  
 3702 which contains both commercial and residential units is a mixed-  
 3703 use condominium and is subject to the requirements of s.  
 3704 718.404.

3705 Section 35. This act shall take effect upon becoming a  
 3706 law; however, with respect to any timeshare plan or exchange  
 3707 program filing approved by the division prior to the date this  
 3708 act becomes a law, the amendments to s. 721.06(1)(g)2., s.  
 3709 721.07(2)(d)1. and (5)(e)4., s. 721.075(2)(e), or s.  
 3710 721.18(1)(l) and (m), Florida Statutes, shall not apply to such  
 3711 filing until the earlier of January 1, 2004, or the date that  
 3712 any amendments to such filing are made subsequent to the date

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3713 | this act becomes a law. With respect to any timeshare plan  
 3714 | filing approved by the division prior to the date this act  
 3715 | becomes a law, the amendment to s. 721.08(3)(a), Florida  
 3716 | Statutes, shall not apply to the nondisturbance and notice to  
 3717 | creditors instrument required by s. 721.08, Florida Statutes,  
 3718 | unless and only to the extent that the developer otherwise  
 3719 | voluntarily complies with all or a portion of such provisions.  
 3720 |