

580-1177A-07

See HB 405

1 A bill to be entitled  
2 An act relating to vacation and timeshare  
3 plans; amending s. 721.03, F.S.; revising the  
4 formula for funding reserve accounts for  
5 conversions; authorizing a seller to offer  
6 timeshare interests in a timeshare plan located  
7 outside of this state without filing a public  
8 offering statement for such out-of-state  
9 timeshare plan; providing criteria for such  
10 offers; requiring certain notice; providing for  
11 a fee; conforming cross-references and  
12 terminology; amending s. 721.05, F.S.; revising  
13 the definition of the term "one-to-one  
14 purchaser to accommodation ratio"; providing  
15 definitions for the terms "lead dealer,"  
16 "personal contact information," and "resale  
17 service provider"; amending s. 721.07, F.S.;  
18 revising information required to be contained  
19 in filed public offering statements for certain  
20 timeshare plans; authorizing the Division of  
21 Florida Land Sales, Condominiums, and Mobile  
22 Homes to accept alternate forms of timeshare  
23 disclosure statements; conforming  
24 cross-references; amending s. 721.075, F.S.;  
25 conforming terminology; amending s. 721.11,  
26 F.S.; revising provisions relating to  
27 advertising and oral statements to include  
28 those made by resale service providers;  
29 providing that a seller or resale service  
30 provider may not misrepresent or falsely imply  
31 that the resale service provider is affiliated

1 with, or obtained personal contact information  
2 from, a developer, managing entity, or exchange  
3 company; creating s. 721.121, F.S.; providing  
4 recordkeeping requirements for resale service  
5 providers and lead dealers; providing that the  
6 failure to produce such records in any civil or  
7 criminal action relating to the wrongful  
8 possession or wrongful use of personal contact  
9 information shall lead to a presumption that  
10 the personal contact information was wrongfully  
11 obtained; providing what constitutes wrongful  
12 use of such personal contact information;  
13 providing for recovery of certain damages and  
14 attorney's fees and costs; amending s. 721.13,  
15 F.S.; providing that failure to obtain and  
16 maintain required insurance coverage  
17 constitutes a breach of the managing entity's  
18 fiduciary duty; authorizing funding of reserve  
19 accounts to be waived or reduced; providing the  
20 managing entity with certain rights and powers;  
21 providing language to be included in public  
22 offering statements; providing recordkeeping  
23 requirements; requiring the managing entity to  
24 make certain records available to the division  
25 under certain circumstances; conforming  
26 cross-references; amending s. 721.15, F.S.;  
27 providing that amounts expended for any  
28 insurance coverage required by law or by the  
29 timeshare instrument to be maintained by the  
30 owners' association shall be exempt from  
31 assessment of common expenses; providing that

1 any determination by a timeshare association of  
2 whether assessments exceed 115 percent of  
3 assessments for the prior fiscal year shall  
4 exclude anticipated expenses for required  
5 insurance coverage; amending s. 721.165, F.S.;  
6 revising provisions relating to insurance;  
7 requiring managing entities to use due  
8 diligence to obtain certain types of insurance;  
9 providing factors that a managing entity must  
10 take into account in determining whether the  
11 insurance obtained is adequate; providing that  
12 insurance coverage may be subject to certain  
13 requirements; authorizing the managing entity  
14 to apply any existing reserves for certain  
15 purposes; exempting the managing entity from  
16 liability for certain claims; amending s.  
17 721.20, F.S.; revising licensing requirements  
18 for sellers of timeshare plans; amending ss.  
19 721.55 and 721.552, F.S.; conforming  
20 cross-references and terminology; amending s.  
21 721.97, F.S.; authorizing the Governor to  
22 appoint commissioners of deeds to take  
23 acknowledgments, proofs of execution, or oaths  
24 in international waters; providing an effective  
25 date.

26  
27 Be It Enacted by the Legislature of the State of Florida:

28  
29 Section 1. Paragraph (b) of subsection (1), paragraph  
30 (e) of subsection (3), and subsection (10) of section 721.03,  
31

1 Florida Statutes, are amended, and subsection (11) is added to  
2 that section, to read:

3 721.03 Scope of chapter.--

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

9 (b) With respect to a timeshare plan containing  
10 accommodations or facilities located in this state which is  
11 offered for sale outside the jurisdictional limits of the  
12 United States, such offer or sale shall be exempt from the  
13 requirements of this chapter, provided that the developer  
14 shall either file the timeshare plan with the division for  
15 approval pursuant to this chapter, or pay an exemption  
16 registration fee of \$100 and file the following minimum  
17 information pertaining to the timeshare plan with the division  
18 for approval:

19 1. The name and address of the timeshare plan.

20 2. The name and address of the developer and seller,  
21 if any.

22 3. The location and a brief description of the  
23 accommodations and facilities, if any, that are located in  
24 this state.

25 4. The number of timeshare interests and timeshare  
26 periods to be offered.

27 5. The term of the timeshare plan.

28 6. A copy of the timeshare instrument relating to the  
29 management and operation of accommodations and facilities, if  
30 any, that are located in this state.

31

1           7. A copy of the budget required by s. 721.07(5)~~(t)~~~~(u)~~  
2 or s. 721.55(4)(h)5., as applicable.

3           8. A copy of the management agreement and any other  
4 contracts regarding management or operation of the  
5 accommodations and facilities, if any, that are located in  
6 this state, and which have terms in excess of 1 year.

7           9. A copy of the provision of the purchase contract to  
8 be utilized in offering the timeshare plan containing the  
9 following disclosure in conspicuous type immediately above the  
10 space provided for the purchaser's signature:

11  
12 The offering of this timeshare plan outside the jurisdictional  
13 limits of the United States of America is exempt from  
14 regulation under Florida law, and any such purchase is not  
15 protected by the State of Florida. However, the management and  
16 operation of any accommodations or facilities located in  
17 Florida is subject to Florida law and may give rise to  
18 enforcement action regardless of the location of any offer.

19           (3) A timeshare plan which is subject to the  
20 provisions of chapter 718 or chapter 719, if fully in  
21 compliance with the provisions of this chapter, is exempt from  
22 the following:

23           (e) Part VI of chapter 718 and part VI of chapter 719,  
24 relating to conversion of existing improvements to the  
25 condominium or cooperative form of ownership, respectively,  
26 provided that a developer converting existing improvements to  
27 a timeshare condominium or timeshare cooperative must comply  
28 with ss. 718.606, 718.608, 718.61, and 718.62, or ss. 719.606,  
29 719.608, 719.61, and 719.62, if applicable, and, if the  
30 existing improvements received a certificate of occupancy more  
31 than 18 months before such conversion, one of the following:

1           1. The accommodations and facilities shall be  
2 renovated and improved to a condition such that the remaining  
3 useful life in years of the roof, plumbing, air-conditioning,  
4 and any component of the structure which has a useful life  
5 less than the useful life of the overall structure is equal to  
6 the useful life of accommodations or facilities that would  
7 exist if such accommodations and facilities were newly  
8 constructed and not previously occupied.

9           2. The developer shall fund reserve accounts for  
10 capital expenditures and deferred maintenance for the roof,  
11 plumbing, air-conditioning, and any component of the structure  
12 the useful life of which is less than the useful life of the  
13 overall structure. The reserve accounts shall be funded for  
14 each component in an amount equal to the product of the  
15 estimated current replacement cost of such component as of the  
16 date of such conversion (as disclosed and substantiated by a  
17 certificate under the seal of an architect or engineer  
18 authorized to practice in this state) multiplied by a  
19 fraction, the numerator of which shall be the age remaining  
20 ~~life~~ of the component in years (as disclosed and substantiated  
21 by a certificate under the seal of an architect or engineer  
22 authorized to practice in this state) and the denominator of  
23 which shall be the total useful life of the component in years  
24 (as disclosed and substantiated by a certificate under the  
25 seal of an architect or engineer authorized to practice in  
26 this state). Alternatively, the reserve accounts may be funded  
27 for each component in an amount equal to the amount that,  
28 except for the application of this subsection, would be  
29 required to be maintained pursuant to s. 718.618(1) or s.  
30 719.618(1). The developer shall fund the reserve accounts  
31 contemplated in this subparagraph out of the proceeds of each

1 sale of a timeshare interest, on a pro rata basis, in an  
2 amount not less than a percentage of the total amount to be  
3 deposited in the reserve account equal to the percentage of  
4 ownership allocable to the timeshare interest sold. When an  
5 owners' association makes an expenditure of reserve account  
6 funds before the developer has initially sold all timeshare  
7 interests, the developer shall make a deposit in the reserve  
8 account if the reserve account is insufficient to pay the  
9 expenditure. Such deposit shall be at least equal to that  
10 portion of the expenditure which would be charged against the  
11 reserve account deposit that would have been made for any such  
12 timeshare interest had the timeshare interest been initially  
13 sold. When a developer deposits amounts in excess of the  
14 minimum reserve account funding, later deposits may be reduced  
15 to the extent of the excess funding.

16 3. The developer shall provide each purchaser with a  
17 warranty of fitness and merchantability pursuant to s.  
18 718.618(6) or s. 719.618(6).

19 (10) A developer or seller may not offer any number of  
20 timeshare interests that would cause the total number of  
21 timeshare interests offered to exceed a one-to-one use right  
22 ~~purchaser to use night requirement accommodation~~ ratio.

23 (11)(a) A seller may offer timeshare interests in a  
24 real property timeshare plan located outside of this state  
25 without filing a public offering statement for such  
26 out-of-state real property timeshare plan pursuant to s.  
27 721.07 or s. 721.55, provided all of the following criteria  
28 have been satisfied:

29 1. The seller shall provide a disclosure statement to  
30 each prospective purchaser of such out-of-state timeshare  
31 plan. The disclosure statement for a single-site timeshare

1 plan shall contain information otherwise required under s.  
2 721.07(5)(e)-(cc) and the exhibits required by s.  
3 721.07(5)(ff)1., 2., 3., 4., 5., 7., 8., and 20. The  
4 disclosure statement for a multisite timeshare plan shall  
5 contain information otherwise required under s. 721.55(4) and  
6 (5) and the exhibits required under s. 721.55(7). If a  
7 developer has, in good faith, attempted to comply with the  
8 requirements of this subsection and if the developer has  
9 substantially complied with the disclosure requirements of  
10 this subsection, nonmaterial errors or omissions shall not be  
11 actionable. With respect to any offer for an out-of-state  
12 timeshare plan made pursuant to this subsection, the delivery  
13 by the seller to a prospective purchaser of the disclosure  
14 statement required by this subparagraph shall be deemed to  
15 satisfy any requirement of this chapter regarding a public  
16 offering statement.

17 2. The seller shall utilize and furnish to each  
18 purchaser of an out-of-state timeshare plan offered under this  
19 subsection a fully completed and executed copy of a purchase  
20 contract that contains the statement set forth in s.  
21 721.065(2)(c) in conspicuous type located immediately prior to  
22 the space in the contract reserved for the purchaser's  
23 signature. The purchase contract shall also contain the  
24 initial purchase price and any additional charges to which the  
25 purchaser may be subject in connection with the purchase of  
26 the timeshare plan, such as financing, or that will be  
27 collected from the purchaser on or before closing, such as the  
28 current year's annual assessment for common expenses.

29 3. All purchase contracts for out-of-state timeshare  
30 plans offered under this subsection must also contain the  
31 following statements in conspicuous type:



1           This timeshare plan has not been reviewed or  
2           approved by the State of Florida.

3  
4           The timeshare interest you are purchasing  
5           requires certain procedures to be followed in  
6           order for you to use your interest. These  
7           procedures may be different from those followed  
8           in other timeshare plans. You should read and  
9           understand these procedures prior to  
10          purchasing.

11  
12          4.a. An out-of-state timeshare plan may only be  
13          offered pursuant to this subsection by the seller on behalf  
14          of:

15            (I) The developer of a timeshare plan that has been  
16            approved by the division within the preceding 7 years pursuant  
17            to s. 721.07 or s. 721.55, or concerning which an amendment by  
18            the developer has been approved by the division within the  
19            preceding 7 years, which timeshare plan has been neither  
20            terminated nor withdrawn; or

21            (II) A developer under common ownership or control  
22            with a developer described in sub-sub-subparagraph (I),  
23            provided that any common ownership shall constitute at least a  
24            50-percent ownership interest.

25            b. An out-of-state timeshare plan may only be offered  
26            pursuant to this subsection to a person who already owns a  
27            timeshare interest in a timeshare plan filed by a developer  
28            described in sub-subparagraph a.

29            5. Any seller of an out-of-state timeshare plan  
30            offered pursuant to this subsection shall be required to  
31            provide notice of such plan to the division on a form

1 prescribed by the division, along with payment of a one-time  
2 fee not to exceed \$1,000 per filing.

3 (b) Timeshare plans offered pursuant to this  
4 subsection shall be exempt from the requirements of ss.  
5 721.06, 721.065, 721.07, 721.27, 721.55, and 721.58 in  
6 addition to the exemptions otherwise applicable to  
7 accommodations and facilities located outside of the state  
8 pursuant to subparagraph (1)(c)1.

9 (c) Any escrow account required to be established by  
10 s. 721.08 for any out-of-state timeshare plan offered under  
11 this subsection may be maintained in the situs jurisdiction  
12 provided the escrow agent submits to personal jurisdiction in  
13 this state in a form satisfactory to the division.

14 Section 2. Subsection (25) of section 721.05, Florida  
15 Statutes, is amended, and subsections (42), (43), and (44) are  
16 added to that section, to read:

17 721.05 Definitions.--As used in this chapter, the  
18 term:

19 (25) "One-to-one use right purchaser to use night  
20 requirement accommodation ratio" means that the sum of the  
21 nights that owners are entitled to use in a given 12-month  
22 period shall not exceed the number of nights available for use  
23 by those owners during the same 12-month period. No individual  
24 timeshare unit may be counted as providing more than 365 use  
25 nights per 12-month period or more than 366 use nights per  
26 12-month period that includes February 29. The use rights of  
27 each owner shall be counted without regard to whether the  
28 owner's use rights have been suspended for failure to pay  
29 assessments or otherwise the ratio of the number of purchasers  
30 eligible to use the accommodations of a timeshare plan on a  
31 given day to the number of accommodations available for use

1 ~~within the plan on that day, such that the total number of~~  
2 ~~purchasers eligible to use the accommodations of the timeshare~~  
3 ~~plan during a given calendar year never exceeds the total~~  
4 ~~number of accommodations available for use in the timeshare~~  
5 ~~plan during that year. For purposes of calculation under this~~  
6 ~~subsection, each purchaser must be counted at least once, and~~  
7 ~~no individual timeshare unit may be counted more than 365~~  
8 ~~times per calendar year (or more than 366 times per leap~~  
9 ~~year). A purchaser who is delinquent in the payment of~~  
10 ~~timeshare plan assessments shall continue to be considered~~  
11 ~~eligible to use the accommodations of the timeshare plan for~~  
12 ~~purposes of this subsection notwithstanding any application of~~  
13 ~~s. 721.13(6).~~

14 (42) "Lead dealer" means any person who sells or  
15 otherwise provides a resale service provider or any other  
16 person with personal contact information for five or more  
17 owners of timeshare interests. In the event a lead dealer is  
18 not a natural person, the term shall also include the natural  
19 person providing personal contact information to a resale  
20 service provider or other person on behalf of the lead dealer  
21 entity. The term does not include developers, managing  
22 entities, or exchange companies to the extent they provide  
23 others with personal contact information about owners of  
24 timeshare interests in their own timeshare plans or members of  
25 their own exchange programs.

26 (43) "Personal contact information" means any  
27 information that can be used to contact the owner of a  
28 specific timeshare interest, including, but not limited to,  
29 the owner's name, address, telephone number, and e-mail  
30 address.

31

1           (44) "Resale service provider" means any person who  
2 uses unsolicited telemarketing, direct mail, or e-mail in  
3 connection with the offering of resale brokerage or resale  
4 advertising services to owners of timeshare interests. The  
5 term does not include developers, managing entities, or  
6 exchange companies to the extent they offer resale brokerage  
7 or resale advertising services to owners of timeshare  
8 interests in their own timeshare plans or members of their own  
9 exchange programs.

10           Section 3. Paragraphs (n) through (v) of subsection  
11 (5) of section 721.07, Florida Statutes, are redesignated as  
12 paragraphs (m) through (u), present paragraphs (m) and (v) of  
13 that subsection are amended, and subsection (7) is added to  
14 that section, to read:

15           721.07 Public offering statement.--Prior to offering  
16 any timeshare plan, the developer must submit a filed public  
17 offering statement to the division for approval as prescribed  
18 by s. 721.03, s. 721.55, or this section. Until the division  
19 approves such filing, any contract regarding the sale of that  
20 timeshare plan is subject to cancellation by the purchaser  
21 pursuant to s. 721.10.

22           (5) Every filed public offering statement for a  
23 timeshare plan which is not a multisite timeshare plan shall  
24 contain the information required by this subsection. The  
25 division is authorized to provide by rule the method by which  
26 a developer must provide such information to the division.

27           ~~(m) A description of any financing to be offered to~~  
28 ~~purchasers by the developer or any person or entity in which~~  
29 ~~the developer has a financial interest, together with a~~  
30 ~~disclosure that the description of such financing may be~~  
31 ~~changed by the developer and that any change in the financing~~

1 ~~offered to prospective purchasers will not be deemed to be a~~  
2 ~~material change.~~

3 (u)(v) For any timeshare plan for which the purchase  
4 or closing of timeshare interests is not subject to the  
5 requirements of the Real Estate Settlement Procedures Act, 12  
6 U.S.C. s. 2601 et seq., a schedule of estimated closing  
7 expenses to be paid by a purchaser or lessee of a timeshare  
8 interest.

9 (v) ~~and~~ A statement as to whether a title opinion or  
10 title insurance policy is available to the purchaser and, if  
11 so, at whose expense.

12 (ff) Copies of the following documents and plans, to  
13 the extent they are applicable, shall be included as exhibits  
14 to the filed public offering statement provided, if the  
15 timeshare plan has not been declared or created at the time of  
16 the filing, the developer shall provide proposed documents:

- 17 1. The declaration of condominium.
- 18 2. The cooperative documents.
- 19 3. The declaration of covenants and restrictions.
- 20 4. The articles of incorporation creating the owners'  
21 association.
- 22 5. The bylaws of the owners' association.
- 23 6. Any ground lease or other underlying lease of the  
24 real property associated with the timeshare plan. In the case  
25 of a personal property timeshare plan, any lease of the  
26 personal property associated with the personal property  
27 timeshare plan.
- 28 7. The management agreement and all maintenance and  
29 other contracts regarding the management and operation of the  
30 timeshare property which have terms in excess of 1 year.

31

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

3 9. The floor plan of each type of accommodation and  
4 the plot plan showing the location of all accommodations and  
5 facilities declared as part of the timeshare plan and filed  
6 with the division.

7 10. The lease for any facilities.

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

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

14 13. The form of agreement for sale or lease of  
15 timeshare interests.

16 14. The executed agreement for escrow of payments made  
17 to the developer prior to closing and the form of any  
18 agreement for escrow of ad valorem tax escrow payments, if  
19 any, to be made into an ad valorem tax escrow account pursuant  
20 to s. 192.037(6).

21 15. The documents containing any restrictions on use  
22 of the property required by paragraph (r) ~~(s)~~.

23 16. A letter from the escrow agent or filing attorney  
24 confirming that the escrow agent and its officers, directors,  
25 or other partners are independent pursuant to the requirements  
26 of this chapter.

27 17. Any nondisturbance and notice to creditors  
28 instrument required by s. 721.08.

29 18. In the case of any personal property timeshare  
30 plan in which the accommodations and facilities are located on  
31 or in a documented vessel or foreign vessel as provided in s.

1 721.08(2)(c)3.e., a copy of the certificate of ownership of  
2 such vessel and either a copy of the certificate of  
3 documentation or certificate of registry of such vessel.

4 19. An executed affidavit given under oath by an  
5 attorney licensed to practice law in any jurisdiction in the  
6 United States stating that the attorney has researched the  
7 applicable laws of the jurisdiction in which governing law has  
8 been established and the laws of the jurisdiction in which the  
9 vessel is registered, and has found that the timeshare  
10 instrument complies with the provisions of s.

11 721.08(2)(c)3.e.(II)(C) and (III).

12 20. Any other documents or instruments creating the  
13 timeshare plan.

14 (7) The division may accept an alternate form of  
15 timeshare disclosure statement under an agreement with another  
16 state. At a minimum, the alternate form of timeshare  
17 disclosure statement must have provisions substantially  
18 similar to this section. The division may adopt rules pursuant  
19 to ss. 120.536(1) and 120.54 to implement this subsection.

20 Section 4. Paragraph (d) of subsection (1) of section  
21 721.075, Florida Statutes, is amended to read:

22 721.075 Incidental benefits.--Incidental benefits  
23 shall be offered only as provided in this section.

24 (1) Accommodations, facilities, products, services,  
25 discounts, or other benefits which satisfy the requirements of  
26 this subsection shall be subject to the provisions of this  
27 section and exempt from the other provisions of this chapter  
28 which would otherwise apply to such accommodations or  
29 facilities if and only if:

30 (d) The continued availability to purchasers of  
31 timeshare plan accommodations on no greater than a one-to-one

1 ~~use right purchaser to use night requirement accommodation~~  
2 ratio is not dependent upon continued availability of the  
3 incidental benefit.

4 Section 5. Subsection (4) of section 721.11, Florida  
5 Statutes, is amended to read:

6 721.11 Advertising materials; oral statements.--

7 (4) No advertising or oral statement made by any  
8 ~~seller or resale service provider~~ shall:

9 (a) Misrepresent a fact or create a false or  
10 misleading impression regarding the timeshare plan or  
11 promotion thereof.

12 (b) Make a prediction of specific or immediate  
13 increases in the price or value of timeshare interests.

14 (c) Contain a statement concerning future price  
15 increases by a seller which are nonspecific or not bona fide.

16 (d) Contain any asterisk or other reference symbol as  
17 a means of contradicting or substantially changing any  
18 previously made statement or as a means of obscuring a  
19 material fact.

20 (e) Describe any facility that is not required to be  
21 built or that is uncompleted unless the improvement is  
22 conspicuously labeled as "NEED NOT BE BUILT," "PROPOSED," or  
23 "UNDER CONSTRUCTION." If the facility is labeled "NEED NOT BE  
24 BUILT" or "PROPOSED," the seller may indicate the estimated  
25 date that such facility will be made part of the timeshare  
26 plan. If the facility is labeled "UNDER CONSTRUCTION," the  
27 estimated date of completion must be included.

28 (f) Misrepresent the size, nature, extent, qualities,  
29 or characteristics of the offered accommodations or  
30 facilities.

31



1 (g) Misrepresent the amount or period of time during  
2 which the accommodations or facilities will be available to  
3 any purchaser.

4 (h) Misrepresent the nature or extent of any  
5 incidental benefit.

6 (i) Make any misleading or deceptive representation  
7 with respect to the contents of the public offering statement  
8 and the contract or the rights, privileges, benefits, or  
9 obligations of the purchaser under the contract or this  
10 chapter.

11 (j) Misrepresent the conditions under which a  
12 purchaser may exchange the right to use accommodations or  
13 facilities in one location for the right to use accommodations  
14 or facilities in another location.

15 (k) Misrepresent the availability of a resale or  
16 rental program or resale or rental opportunity ~~offered by or~~  
17 ~~on behalf of the developer.~~

18 (l) Contain an offer or inducement to purchase which  
19 purports to be limited as to quantity or restricted as to time  
20 unless the numerical quantity or time limit applicable to the  
21 offer or inducement is clearly stated.

22 (m) Imply that a facility is available for the  
23 exclusive use of purchasers if the facility will actually be  
24 shared by others or by the general public.

25 (n) Purport to have resulted from a referral unless  
26 the name of the person making the referral can be produced  
27 upon demand of the division.

28 (o) Misrepresent the source of the advertising or  
29 statement by leading a prospective purchaser to believe that  
30 the advertising material is mailed by a governmental or  
31

1 official agency, credit bureau, bank, or attorney, if that is  
2 not the case.

3 (p) Misrepresent the value of any prize, gift, or  
4 other item to be awarded in connection with any prize and gift  
5 promotional offer, as described in s. 721.111, or any  
6 incidental benefit.

7 (q) Misrepresent or falsely imply that the resale  
8 service provider is affiliated with, or obtained personal  
9 contact information from, a developer, managing entity, or  
10 exchange company.

11 Section 6. Section 721.121, Florida Statutes, is  
12 created to read:

13 721.121 Recordkeeping by resale service providers and  
14 lead dealers.--

15 (1) Resale service providers and lead dealers shall  
16 maintain the following records for a period of 5 years from  
17 the date each piece of personal contact information is  
18 obtained:

19 (a) The name, home address, work address, home  
20 telephone number, work telephone number, and cellular  
21 telephone number of the lead dealer from which the personal  
22 contact information was obtained.

23 (b) A copy of a current government-issued photographic  
24 identification for the lead dealer from which the personal  
25 contact information was obtained, such as a driver's license,  
26 passport, or military identification card.

27 (c) The date, time, and place of the transaction at  
28 which the personal contact information was obtained, along  
29 with the amount of consideration paid and a signed receipt  
30 from the lead dealer or copy of a canceled check.

31

1           (d) A copy of all pieces of personal contact  
2 information obtained in the exact form and media in which they  
3 were received.

4           (e) If personal contact information was directly  
5 researched and assembled by the resale service provider or  
6 lead dealer and not obtained from another lead dealer, a  
7 complete written description of the sources from which  
8 personal contact information was obtained, the methodologies  
9 used for researching and assembling it, the items set forth in  
10 paragraphs (a) and (b) for the individuals who performed the  
11 work, and the date such work was done.

12           (2) In any civil or criminal action relating to the  
13 wrongful possession or wrongful use of personal contact  
14 information by a resale service provider or lead dealer, any  
15 failure by a resale service provider or lead dealer to produce  
16 the records required by subsection (1) shall lead to a  
17 presumption that the personal contact information was  
18 wrongfully obtained.

19           (3) Any use by a resale service provider or lead  
20 dealer of personal contact information that is wrongfully  
21 obtained pursuant to this section shall be considered wrongful  
22 use of such personal contact information by the resale service  
23 provider or lead dealer, as applicable. Any party who  
24 establishes that a resale service provider or lead dealer  
25 wrongfully obtained or wrongfully used personal contact  
26 information with respect to owners of a timeshare plan or  
27 members of an exchange program shall, in addition to any other  
28 remedies that may be available in law or equity, be entitled  
29 to recover from such resale service provider or lead dealer an  
30 amount equal to \$1,000 for each owner about whom personal  
31 contact information was wrongfully obtained or used. Upon

1 prevailing, the plaintiff in any such action shall also be  
2 entitled to recover reasonable attorney's fees and costs.

3 Section 7. Paragraph (c) is added to subsection (2) of  
4 section 721.13, Florida Statutes, paragraph (c) of subsection  
5 (3) of that section is amended, and subsection (12) is added  
6 to that section, to read:

7 721.13 Management.--

8 (2)

9 (c) Failure by a managing entity to obtain and  
10 maintain insurance coverage as required under s. 721.165  
11 during any period of developer control of the managing entity  
12 shall constitute a breach of the managing entity's fiduciary  
13 duty.

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

16 (c)1. Providing each year to all purchasers an  
17 itemized annual budget which shall include all estimated  
18 revenues and expenses. The budget shall be in the form  
19 required by s. 721.07(5)~~(t)~~~~(u)~~. The budget shall be the final  
20 budget adopted by the managing entity for the current fiscal  
21 year. The final adopted budget is not required to be delivered  
22 if the managing entity has previously delivered a proposed  
23 annual budget for the current fiscal year to purchasers in  
24 accordance with chapter 718 or chapter 719 and the managing  
25 entity includes a description of any changes in the adopted  
26 budget with the assessment notice and a disclosure regarding  
27 the purchasers' right to receive a copy of the adopted budget,  
28 if desired. The budget shall contain, as a footnote or  
29 otherwise, any related party transaction disclosures or notes  
30 which appear in the audited financial statements of the  
31 managing entity for the previous budget year as required by

1 paragraph (e). A copy of the final budget shall be filed with  
2 the division for review within 30 days after the beginning of  
3 each fiscal year together with a statement of the number of  
4 periods of 7-day annual use availability that exist within the  
5 timeshare plan, including those periods filed for sale by the  
6 developer but not yet committed to the timeshare plan, for  
7 which annual fees are required to be paid to the division  
8 under s. 721.27.

9           2. Notwithstanding anything contained in chapter 718  
10 or chapter 719 to the contrary, the board of administration of  
11 an owners' association which serves as the managing entity may  
12 from time to time reallocate reserves for deferred maintenance  
13 and capital expenditures required by s.  
14 721.07(5)(~~t~~)(~~u~~)3.a.(XI) from any deferred maintenance or  
15 capital expenditure reserve account to any other deferred  
16 maintenance or capital expenditure reserve account or accounts  
17 in its discretion without the consent of purchasers of the  
18 timeshare plan. Funds in any deferred maintenance or capital  
19 expenditure reserve account may not be transferred to any  
20 operating account without the consent of a majority of the  
21 purchasers of the timeshare plan. The managing entity may from  
22 time to time transfer excess funds in any operating account to  
23 any deferred maintenance or capital expenditure reserve  
24 account without the vote or approval of purchasers of the  
25 timeshare plan. In the event any amount of reserves for  
26 accommodations and facilities of a timeshare plan containing  
27 timeshare licenses or personal property timeshare interests  
28 exists at the end of the term of the timeshare plan, such  
29 reserves shall be refunded to purchasers on a pro rata basis.

30           3. With respect to any timeshare plan that has a  
31 managing entity that is an owners' association, reserves may

1 be waived or reduced by a majority vote of those voting  
2 interests that are present, in person or by proxy, at a duly  
3 called meeting of the owners' association. If a meeting of the  
4 purchasers has been called to determine whether to waive or  
5 reduce the funding of reserves and no such result is achieved  
6 or a quorum is not attained, the reserves as included in the  
7 budget shall go into effect.

8 (12)(a) In addition to any other rights granted by the  
9 rules and regulations of the timeshare plan, the managing  
10 entity of a timeshare plan is authorized to manage the  
11 reservation and use of accommodations using those processes,  
12 analyses, procedures, and methods that are in the best  
13 interests of the owners as a whole to efficiently manage the  
14 timeshare plan and encourage the maximum use and enjoyment of  
15 the accommodations and other benefits made available through  
16 the timeshare plan. The managing entity shall have the right  
17 to forecast anticipated reservation and use of the  
18 accommodations, including the right to take into account  
19 current and previous reservation and use of the  
20 accommodations, information about events that are scheduled to  
21 occur, seasonal use patterns, and other pertinent factors that  
22 affect the reservation or use of the accommodations. In  
23 furtherance of the provisions of this subsection, the managing  
24 entity is authorized to reserve accommodations, in the best  
25 interests of the owners as a whole, for the purposes of  
26 depositing such reserved use with an affiliated exchange  
27 program or renting such reserved accommodations in order to  
28 facilitate the use or future use of the accommodations or  
29 other benefits made available through the timeshare plan.

1           (b) A statement in conspicuous type, in substantially  
2 the following form, shall appear in the public offering  
3 statement as provided in s. 721.07:

4  
5           The managing entity shall have the right to  
6 forecast anticipated reservation and use of the  
7 accommodations of the timeshare plan and is  
8 authorized to reasonably reserve, deposit, or  
9 rent the accommodations for the purpose of  
10 facilitating the use or future use of the  
11 accommodations or other benefits made available  
12 through the timeshare plan.

13  
14           (c) The managing entity shall maintain copies of all  
15 records, data, and information supporting the processes,  
16 analyses, procedures, and methods utilized by the managing  
17 entity in its determination to reserve accommodations of the  
18 timeshare plan pursuant to this subsection for a period of 5  
19 years from the date of such determination. In the event of an  
20 investigation by the division for failure of a managing entity  
21 to comply with this subsection, the managing entity shall make  
22 all such records, data, and information available to the  
23 division for inspection, provided that if the managing entity  
24 complies with the provisions of s. 721.071, any such records,  
25 data, and information provided to the division shall  
26 constitute a trade secret pursuant to that section.

27           Section 8. Paragraph (c) of subsection (2) of section  
28 721.15, Florida Statutes, is amended, and subsection (11) is  
29 added to that section, to read:

30           721.15 Assessments for common expenses.--

31           (2)

1 (c) For the purpose of calculating the obligation of a  
2 developer under a guarantee pursuant to paragraph (b), amounts  
3 expended for any insurance coverage required by law or by the  
4 timeshare instrument to be maintained by the owners'  
5 association and depreciation expenses related to real property  
6 shall be excluded from common expenses incurred during the  
7 guarantee period, except that for real property that is used  
8 for the production of fees, revenues, or other income,  
9 depreciation expenses shall be excluded only to the extent  
10 that they exceed the net income from the production of such  
11 fees, revenues, or other income. Any special assessment  
12 imposed for amounts excluded from the developer guarantee  
13 pursuant to this paragraph shall be paid proportionately by  
14 all owners of timeshare interests, including the developer  
15 with respect to the timeshare interests owned by the  
16 developer, in accordance with the timeshare instrument.

17 (11) Notwithstanding any provision of chapter 718 or  
18 chapter 719 to the contrary, any determination by a timeshare  
19 association of whether assessments exceed 115 percent of  
20 assessments for the prior fiscal year shall exclude  
21 anticipated expenses for insurance coverage required by law or  
22 by the timeshare instrument to be maintained by the  
23 association.

24 Section 9. Section 721.165, Florida Statutes, is  
25 amended to read:

26 721.165 Insurance.--

27 (1) Notwithstanding any provision contained in the  
28 timeshare instrument or in this chapter, chapter 718, or  
29 chapter 719 to the contrary, the seller, initially, and  
30 thereafter the managing entity, shall use due diligence to  
31 obtain adequate casualty ~~be responsible for obtaining~~



1 insurance as a common expense of the timeshare plan to protect  
2 the timeshare property against all reasonably foreseeable  
3 perils, in such covered amounts and subject to such reasonable  
4 exclusions and reasonable deductibles as are consistent with  
5 the provisions of this section accommodations and facilities  
6 ~~of the timeshare plan in an amount equal to the replacement~~  
7 ~~cost of such accommodations and facilities. Failure to obtain~~  
8 ~~and maintain the insurance required by this subsection during~~  
9 ~~any period of developer control of the managing entity shall~~  
10 ~~constitute a breach of s. 721.13(2)(a) by the managing entity,~~  
11 ~~unless the managing entity can show that, despite such~~  
12 ~~failure, it exercised due diligence to obtain and maintain the~~  
13 ~~insurance required by this subsection.~~

14 (2) In making the determination as to whether the  
15 insurance obtained pursuant to subsection (1) is adequate, the  
16 managing entity shall take into account the following factors,  
17 among others as may be applicable:

18 (a) Available insurance coverages and related premiums  
19 in the marketplace.

20 (b) Amounts of any related deductibles, types of  
21 exclusions, and coverage limitations.

22 (c) The probable maximum loss relating to the insured  
23 timeshare property during the policy term.

24 (d) The extent to which a given peril is insurable  
25 under commercially reasonable terms.

26 (e) Amounts of any deferred maintenance or replacement  
27 reserves on hand.

28 (f) Geography and any special risks associated with  
29 the location of the timeshare property.

30 (g) The age and type of construction of the timeshare  
31 property.

1           (3) Notwithstanding any provision contained in this  
2 section or in the timeshare instrument to the contrary,  
3 insurance shall be procured and maintained by the managing  
4 entity for the timeshare property as a common expense of the  
5 timeshare plan against such perils, in such coverages, and  
6 subject to such reasonable deductions or reasonable exclusions  
7 as may be required by:

8           (a) An institutional lender to a developer, for so  
9 long as such lender holds a mortgage encumbering any interest  
10 in or lien against a portion of the timeshare property; or

11           (b) Any holder or pledgee of, or any institutional  
12 lender having a security interest in, a pool of promissory  
13 notes secured by mortgages or other security interests  
14 relating to the timeshare plan, executed by purchasers in  
15 connection with such purchasers' acquisition of timeshare  
16 interests in such timeshare property, or any agent,  
17 underwriter, placement agent, trustee, servicer, custodian, or  
18 other portfolio manager acting on behalf of such holder,  
19 pledgee, or institutional lender, for so long as any such  
20 notes and mortgages or other security interests remain  
21 outstanding.

22           (4) Notwithstanding any provision contained in the  
23 timeshare instrument or in this chapter, chapter 718, or  
24 chapter 719 to the contrary, the managing entity is authorized  
25 to apply any existing reserves for deferred maintenance and  
26 capital expenditures toward payment of insurance deductibles  
27 or the repair or replacement of the timeshare property after a  
28 casualty without regard to the purposes for which such  
29 reserves were originally established.

1           (5) Notwithstanding any provision in the timeshare  
2 instrument or in this chapter, chapter 607, chapter 617,  
3 chapter 718, or chapter 719 to the contrary:

4           (a) The managing entity shall not be liable for any  
5 claims relating to the insufficiency or inadequacy of any  
6 insurance procured or maintained pursuant to this section  
7 other than claims based on the gross negligence or willful  
8 misconduct of the managing entity in procuring or maintaining  
9 such insurance.

10           (b) The managing entity shall not be liable for any  
11 claims relating to the insufficiency or inadequacy of any  
12 insurance procured or maintained pursuant to this section  
13 under any circumstances if the managing entity's plan for  
14 insurance coverage is approved, or if the insurance coverage  
15 actually procured by the managing entity is ratified, by a  
16 majority of the owners of the timeshare plan, including any  
17 developer, present in person or by proxy at a properly noticed  
18 meeting called for such purpose. A minimum quorum of 15  
19 percent of all owners of the timeshare plan, including any  
20 developer, shall be required to attend the owner meeting  
21 contemplated by this paragraph in person or by proxy.

22           (c) The failure of the managing entity to request or  
23 obtain approval or ratification of an insurance plan or  
24 insurance coverage shall not be evidence of the gross  
25 negligence or willful misconduct of the managing entity  
26 pursuant to paragraph (a).

27           ~~(6)(2)~~ A copy of each policy of insurance in effect  
28 shall be made available for reasonable inspection by  
29 purchasers and their authorized agents.

30           Section 10. Subsections (1) and (2) of section 721.20,  
31 Florida Statutes, are amended to read:

1 721.20 Licensing requirements; suspension or  
2 revocation of license; exceptions to applicability; collection  
3 of advance fees for listings unlawful.--

4 (1) Any seller of a timeshare plan must be a licensed  
5 real estate broker, broker associate, or sales associate as  
6 defined in s. 475.01; however, any individual, corporation,  
7 partnership, trust, joint venture, or other entity that sells,  
8 exchanges, or leases its own timeshare interests, and any  
9 employee of such seller, regardless of whether such employee  
10 is paid a commission or other compensation to make such sales,  
11 exchanges, or leases of the seller's own timeshare interests  
12 to or with such seller's customers, shall be exempt from the  
13 provisions of chapter 475, except as provided in s. 475.011.

14 (2) Any person ~~Solicitors~~ who engages ~~engage~~ only in  
15 the solicitation of prospective purchasers ~~and any purchaser~~  
16 ~~who refers no more than 20 people to a developer per year or~~  
17 who otherwise provides testimonials on behalf of a developer  
18 is ~~are~~ exempt from the provisions of chapter 475.

19 Section 11. Paragraphs (f) and (h) of subsection (4)  
20 and paragraph (1) of subsection (7) of section 721.55, Florida  
21 Statutes, are amended to read:

22 721.55 Multisite timeshare plan public offering  
23 statement.--Each filed public offering statement for a  
24 multisite timeshare plan shall contain the information  
25 required by this section and shall comply with the provisions  
26 of s. 721.07, except as otherwise provided therein. The  
27 division is authorized to provide by rule the method by which  
28 a developer must provide such information to the division.  
29 Each multisite timeshare plan filed public offering statement  
30 shall contain the following information and disclosures:  
31

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

3 (f) If the provisions of s. 721.552 and the timeshare  
4 instrument permit additions, substitutions, or deletions of  
5 accommodations or facilities, the public offering statement  
6 must include substantially the following information:

7 1. Additions.--

8 a. A description of the basis upon which new  
9 accommodations and facilities may be added to the multisite  
10 timeshare plan; by whom additions may be made; and the  
11 anticipated effect of the addition of new accommodations and  
12 facilities upon the reservation system, its priorities, its  
13 rules and regulations, and the availability of existing  
14 accommodations and facilities.

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

19 c. The developer shall also disclose any extent to  
20 which the purchasers of the multisite timeshare plan will have  
21 the right to consent to any proposed additions; if the  
22 purchasers do not have the right to consent, the developer  
23 must include the following disclosure in conspicuous type:

24  
25 Accommodations and facilities may be added to this  
26 multisite timeshare plan (or multisite vacation ownership plan  
27 or multisite vacation plan or vacation club) without the  
28 consent of the purchasers. The addition of accommodations and  
29 facilities to the plan may result in the addition of new  
30 purchasers who will compete with existing purchasers in making  
31 reservations for the use of available accommodations and

1 facilities within the plan, and may also result in an increase  
2 in the annual assessment against purchasers for common  
3 expenses.

4  
5 2. Substitutions.--

6 a. A description of the basis upon which new  
7 accommodations and facilities may be substituted for existing  
8 accommodations and facilities of the multisite timeshare plan;  
9 by whom substitutions may be made; the basis upon which the  
10 determination may be made to cause such substitutions to  
11 occur; and any limitations upon the ability to cause  
12 substitutions to occur.

13 b. The developer shall also disclose any extent to  
14 which purchasers will have the right to consent to any  
15 proposed substitutions; if the purchasers do not have the  
16 right to consent, the developer must include the following  
17 disclosure in conspicuous type:

18  
19 New accommodations and facilities may be substituted  
20 for existing accommodations and facilities of this multisite  
21 timeshare plan (or multisite vacation ownership plan or  
22 multisite vacation plan or vacation club) without the consent  
23 of the purchasers. The replacement accommodations and  
24 facilities may be located at a different place or may be of a  
25 different type or quality than the replaced accommodations and  
26 facilities. The substitution of accommodations and facilities  
27 may also result in an increase in the annual assessment  
28 against purchasers for common expenses.

29  
30 3. Deletions.--A description of any provision of the  
31 timeshare instrument governing deletion of accommodations or

1 facilities from the multisite timeshare plan. If the timeshare  
2 instrument does not provide for business interruption  
3 insurance in the event of a casualty, or if it is unavailable,  
4 or if the instrument permits the developer, the managing  
5 entity, or the purchasers to elect not to reconstruct after  
6 casualty under certain circumstances or to secure replacement  
7 accommodations or facilities in lieu of reconstruction, the  
8 public offering statement must contain a disclosure that  
9 during the reconstruction, replacement, or acquisition period,  
10 or as a result of a decision not to reconstruct, purchasers of  
11 the plan may temporarily compete for available accommodations  
12 on a greater than one-to-one use right purchaser to use night  
13 requirement accommodation ratio.

14 (h) A description of the purchaser's liability for  
15 common expenses of the multisite timeshare plan, including the  
16 following:

17 1. A description of the common expenses of the plan,  
18 including the method of allocation and assessment of such  
19 common expenses, whether component site common expenses and  
20 real estate taxes are included within the total common expense  
21 assessment of the multisite timeshare plan, and, if not, the  
22 manner in which timely payment of component site common  
23 expenses and real estate taxes shall be accomplished.

24 2. A description of any cap imposed upon the level of  
25 common expenses payable by the purchaser. In no event shall  
26 the total common expense assessment for the multisite  
27 timeshare plan in a given calendar year exceed 125 percent of  
28 the total common expense assessment for the plan in the  
29 previous calendar year.

30 3. A description of the entity responsible for the  
31 determination of the common expenses of the multisite

1 | timeshare plan, as well as any entity which may increase the  
2 | level of common expenses assessed against the purchaser at the  
3 | multisite timeshare plan level.

4 |         4. A description of the method used to collect common  
5 | expenses, including the entity responsible for such  
6 | collections, and the lien rights of any entity for nonpayment  
7 | of common expenses. If the common expenses of any component  
8 | site are collected by the managing entity of the multisite  
9 | timeshare plan, a statement to that effect together with the  
10 | identity and address of the escrow agent required by s.  
11 | 721.56(3).

12 |         5. If the purchaser will receive an interest in a  
13 | nonspecific multisite timeshare plan, a statement that a  
14 | multisite timeshare plan budget is attached to the public  
15 | offering statement as an exhibit pursuant to paragraph (7)(c).  
16 | The multisite timeshare plan budget shall comply with the  
17 | provisions of s. 721.07(5)(t)~~(u)~~.

18 |         6. If the developer intends to guarantee the level of  
19 | assessments for the multisite timeshare plan, such guarantee  
20 | must be based upon a good faith estimate of the revenues and  
21 | expenses of the multisite timeshare plan. The guarantee must  
22 | include a description of the following:

23 |             a. The specific time period, measured in one or more  
24 | calendar or fiscal years, during which the guarantee will be  
25 | in effect.

26 |             b. A statement that the developer will pay all common  
27 | expenses incurred in excess of the total revenues of the  
28 | multisite timeshare plan, if the developer is to be excused  
29 | from the payment of assessments during the guarantee period.

30 |             c. The level, expressed in total dollars, at which the  
31 | developer guarantees the assessments. If the developer has



1 reserved the right to extend or increase the guarantee level,  
2 a disclosure must be included to that effect.

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

6 a. Any limitation upon annual increases in common  
7 expenses;

8 b. The existence of any bad debt or working capital  
9 reserve; and

10 c. The existence of any replacement or deferred  
11 maintenance reserve.

12 (7) The following documents shall be included as  
13 exhibits to the filed public offering statement, if  
14 applicable:

15 (1)1. If the multisite timeshare plan contains any  
16 component sites located in this state, the information  
17 required by s. 721.07(5) pertaining to each such component  
18 site unless exempt pursuant to s. 721.03.

19 2. If the purchaser will receive a timeshare estate  
20 pursuant to s. 721.57, or an interest in a specific multisite  
21 timeshare plan, in a component site located outside of this  
22 state but which is offered in this state, the information  
23 required by s. 721.07(5) pertaining to that component site,  
24 provided, however, that the provisions of s. 721.07(5)~~(t)~~~~(u)~~  
25 shall only require disclosure of information related to the  
26 estimated budget for the timeshare plan and purchaser's  
27 expenses as required by the jurisdiction in which the  
28 component site is located.

29 Section 12. Paragraph (b) of subsection (1), paragraph  
30 (g) of subsection (2), and subsection (3) of section 721.552,  
31 Florida Statutes, are amended to read:

1 721.552 Additions, substitutions, or deletions of  
2 component site accommodations or facilities; purchaser  
3 remedies for violations.--Additions, substitutions, or  
4 deletions of component site accommodations or facilities may  
5 be made only in accordance with the following:

6 (1) ADDITIONS.--

7 (b) Any person who is authorized by the timeshare  
8 instrument to make additions to the multisite timeshare plan  
9 pursuant to this subsection shall act as a fiduciary in such  
10 capacity in the best interests of the purchasers of the plan  
11 as a whole and shall adhere to the demand balancing standard  
12 set forth in s. 721.56(6) in connection with such additions.  
13 Additions that are otherwise permitted may be made only so  
14 long as a one-to-one use right purchaser to use night  
15 requirement accommodation ratio is maintained at all times.

16 (2) SUBSTITUTIONS.--

17 (g) The person who is authorized by the timeshare  
18 instrument to make substitutions to the multisite timeshare  
19 plan pursuant to this subsection shall act as a fiduciary in  
20 such capacity in the best interests of the purchasers of the  
21 plan as a whole and shall adhere to the demand balancing  
22 standard set forth in s. 721.56(6) in connection with such  
23 substitutions. Substitutions that are otherwise permitted may  
24 be made only so long as a one-to-one use right purchaser to  
25 use night requirement accommodation ratio is maintained at all  
26 times.

27 (3) DELETIONS.--

28 (a) Deletion by casualty.--

29 1. Pursuant to s. 721.165, the timeshare instrument  
30 creating the multisite timeshare plan must provide for  
31 casualty insurance for the accommodations and facilities of

1 the multisite timeshare plan in an amount equal to the  
2 replacement cost of such accommodations or facilities. The  
3 timeshare instrument must also provide that in the event of a  
4 casualty that results in accommodations or facilities being  
5 unavailable for use by purchasers, the managing entity shall  
6 notify all affected purchasers of such unavailability of use  
7 within 30 days after the event of casualty.

8 2. The timeshare instrument must also provide for the  
9 application of any insurance proceeds arising from a casualty  
10 to either the replacement or acquisition of additional similar  
11 accommodations or facilities or to the removal of purchasers  
12 from the multisite timeshare plan so that purchasers will not  
13 be competing for available accommodations on a greater than  
14 one-to-one use right purchaser to use night requirement  
15 ~~accommodation~~ ratio.

16 3. If the timeshare instrument does not provide for  
17 business interruption insurance, or if it is unavailable, or  
18 if the instrument permits the developer, the managing entity,  
19 or the purchasers to elect not to reconstruct after casualty  
20 under certain circumstances or to secure replacement  
21 accommodations or facilities in lieu of reconstruction,  
22 purchasers of the plan may temporarily compete for available  
23 accommodations on a greater than one-to-one use right  
24 ~~purchaser to use night requirement accommodation~~ ratio. The  
25 decision whether or not to reconstruct shall be made as  
26 promptly as possible under the circumstances.

27 4. Any replacement of accommodations or facilities  
28 pursuant to this paragraph shall be made upon the same basis  
29 as required for substitution as set forth in subparagraph  
30 (2)(b)2.

31 (b) Deletion by eminent domain.--

1 1. The timeshare instrument creating the multisite  
2 timeshare plan must also provide for the application of any  
3 proceeds arising from a taking under eminent domain  
4 proceedings to either the replacement or acquisition of  
5 additional similar accommodations or facilities or to the  
6 removal of purchasers from the multisite timeshare plan so  
7 that purchasers will not be competing for available  
8 accommodations on a greater than one-to-one use right  
9 ~~purchaser to use night requirement accommodation~~ ratio.

10 2. Any replacement of accommodations or facilities  
11 pursuant to this paragraph shall be made upon the same basis  
12 as required for substitution set forth in subparagraph  
13 (2)(b)2.

14 (c) Automatic deletion.--The timeshare instrument may  
15 provide that a component site will be automatically deleted  
16 upon the expiration of its term in a timeshare plan other than  
17 a nonspecific multisite timeshare plan or as otherwise  
18 provided in the timeshare instrument. However, the timeshare  
19 instrument must also provide that in the event a component  
20 site is deleted from the plan in this manner, a sufficient  
21 number of purchasers of the plan will also be deleted so as to  
22 maintain no greater than a one-to-one use right ~~purchaser to~~  
23 use night requirement accommodation ratio.

24 Section 13. Subsection (1) of section 721.97, Florida  
25 Statutes, is amended to read:

26 721.97 Timeshare commissioner of deeds.--

27 (1) The Governor may appoint commissioners of deeds to  
28 take acknowledgments, proofs of execution, or oaths in any  
29 foreign country, in international waters, or in any  
30 possession, territory, or commonwealth of the United States  
31 outside the 50 states. The term of office is 4 years.

1 Commissioners of deeds shall have authority to take  
2 acknowledgments, proofs of execution, and oaths in connection  
3 with the execution of any deed, mortgage, deed of trust,  
4 contract, power of attorney, or any other writing to be used  
5 or recorded in connection with a timeshare estate, personal  
6 property timeshare interest, timeshare license, any property  
7 subject to a timeshare plan, or the operation of a timeshare  
8 plan located within this state; provided such instrument or  
9 writing is executed outside the United States. Such  
10 acknowledgments, proofs of execution, and oaths must be taken  
11 or made in the manner directed by the laws of this state,  
12 including but not limited to s. 117.05(4), (5)(a), and (6),  
13 Florida Statutes 1997, and certified by a commissioner of  
14 deeds. The certification must be endorsed on or annexed to the  
15 instrument or writing aforesaid and has the same effect as if  
16 made or taken by a notary public licensed in this state.

17 Section 14. This act shall take effect July 1, 2007.  
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