

By Senator Fasano

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1 A bill to be entitled
2 An act relating to travel buying clubs and travel
3 buying services; amending s. 559.3903, F.S.;
4 authorizing a person who has elected to become a
5 member of a travel buying club or travel buying
6 service to cancel the membership within a specified
7 period; requiring the travel buying club or travel
8 buying service to hold in escrow the membership fee
9 paid by the person until the end of the cancellation
10 period; amending s. 559.3904, F.S.; requiring that
11 every contract for a travel buying club or travel
12 buying service be in writing, be signed by the member,
13 designate the date on which the member signed the
14 contract, and state, clearly and conspicuously in
15 boldfaced type, specified information regarding
16 cancellation of the contract; amending s. 559.3905,
17 F.S.; requiring each buying club, travel buying club,
18 or travel buying service to disclose to each
19 prospective member in writing, before signing a
20 contract for buying services all complaints filed with
21 the Department of Agriculture and Consumer Services
22 and the Department of Legal Affairs; amending s.
23 559.927, F.S.; redefining the term "seller of travel"
24 for purposes of part XI of ch. 559, F.S., to include
25 travel buying clubs and travel buying services;
26 providing an effective date.

27
28 Be It Enacted by the Legislature of the State of Florida:
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30 Section 1. Subsection (6) is added to section 559.3903,
31 Florida Statutes, to read:

32 559.3903 Contracts of membership; right of cancellation;
33 how exercised; entitlement to refund; right not waivable.-

34 (6) Any person who has elected to become a member of a
35 travel buying club or travel buying service may cancel the
36 membership by giving written notice of cancellation any time
37 before 12 midnight of the 30th business day following the date
38 on which membership was attained. Any membership fee paid by the
39 person must be held in escrow by the travel buying club or
40 travel buying service until the end of the cancellation period.

41 Section 2. Subsection (2) of section 559.3904, Florida
42 Statutes, is amended to read:

43 559.3904 Contracts of membership; requirements; notice;
44 effect of noncompliance.-

45 (2) (a) Every contract must ~~shall~~ be in writing, must ~~shall~~
46 be signed by the member, must ~~shall~~ designate the date on which
47 the member signed the contract, and must ~~shall~~ state, clearly
48 and conspicuously in boldfaced type of a minimum size of 14
49 points, the following:

50
51 "MEMBER'S RIGHT TO CANCEL

52
53 If you wish to cancel this contract, you may cancel by
54 delivering or mailing a written notice to the club. To prove
55 that you canceled, it is recommended that you send the notice by
56 certified mail. The notice must ~~shall~~ state that you do not wish
57 to be bound by the contract and must ~~shall~~ be delivered or
58 mailed before 12 midnight of the third business day after you

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59 sign this contract. The notice must ~~shall~~ be delivered or mailed
60 to: (insert name and mailing address of club). If you cancel,
61 the club will return, within 10 days after ~~of~~ the date on which
62 you give notice of cancellation, a total refund. It is
63 recommended that you mail the notice of cancellation by
64 certified mail, return receipt requested; check with your post
65 office as to the time when you will be able to mail a certified
66 letter. Be sure to keep a photocopy of the notice of
67 cancellation which you mail."

68 (b) Every contract for a travel buying club or travel
69 buying service must be in writing, must be signed by the member,
70 must designate the date on which the member signed the contract,
71 and must state, clearly and conspicuously in boldfaced type of a
72 minimum size of 14 points, the following:

73
74 "MEMBER'S RIGHT TO CANCEL

75
76 If you wish to cancel this travel buying club contract or
77 travel buying service contract, you may cancel by delivering or
78 mailing a written notice to the club. To prove that you
79 canceled, it is recommended that you send the notice by
80 certified mail. The notice must state that you do not wish to be
81 bound by the travel buying club or travel buying service
82 contract and must be delivered or mailed before 12 midnight of
83 the 30th business day after you sign this contract. The notice
84 must be delivered or mailed to: (insert name and mailing address
85 of club). If you cancel, the travel buying club or travel buying
86 service will return, within 10 days after the date on which you
87 give notice of cancellation, a total refund. It is recommended

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88 that you mail the notice of cancellation by certified mail,
89 return receipt requested; check with your post office as to the
90 time when you will be able to mail a certified letter. Be sure
91 to keep a photocopy of the notice of cancellation which you
92 mail."

93 Section 3. Subsection (1) of section 559.3905, Florida
94 Statutes, is amended to read:

95 559.3905 Required disclosures; prohibited acts.-

96 (1) It is ~~shall be~~ unlawful for any buying club, travel
97 buying club, or travel buying service to fail to disclose to a
98 prospective member in writing, prior to the sale of any contract
99 for buying services:

100 (a) That goods or services can ~~only~~ be bought only through
101 catalogs with no opportunity to inspect samples if such is the
102 case.

103 (b) The buying club's policies regarding warranties or
104 guarantees on goods ordered, return of ordered goods by buyers,
105 procedures for cancellation of merchandise orders by the buyer,
106 and refunds of deposits for the cancellation of orders.

107 (c) Any charges, such as estimated freight costs, handling
108 fees, credit life or disability insurance, suppliers' and buying
109 clubs' markup, and other costs incidental to the purchase of
110 goods through the buying club and which are to be paid by the
111 buyer.

112 (d) Advice that the contract for buying service or
113 incidental retail installments contracts will be transferred,
114 sold, or assigned to a third party if such practice is the case.

115 (e) The percentage of the purchase price required as a down
116 payment on merchandise orders of any nature. This prohibition

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117 applies in all cases where rebates are offered, regardless of
118 whether such promised rebates are contingent upon the seller's
119 ability to enroll the referred persons into the buying club.

120 (f) All complaints that have been filed with the Department
121 of Agriculture and Consumer Services and the Department of Legal
122 Affairs with respect to that buying club, travel buying club, or
123 travel buying service.

124 Section 4. Subsection (11) of section 559.927, Florida
125 Statutes, is amended to read:

126 559.927 Definitions.—For the purposes of this part, the
127 term:

128 (11) "Seller of travel" means any resident or nonresident
129 person, firm, corporation, or business entity who offers for
130 sale, directly or indirectly, at wholesale or retail,
131 prearranged travel, tourist-related services, or tour-guide
132 services for individuals or groups, including, but not limited
133 to, vacation or tour packages, or vacation certificates in
134 exchange for a fee, commission, or other valuable consideration.
135 The term includes any business entity offering membership in a
136 travel club, travel buying club, or travel buying service, as
137 described in s. 559.3902, ~~services~~ for an advance fee or
138 payment, even if no travel contracts or certificates or vacation
139 or tour packages are sold by the business entity.

140 Section 5. This act shall take effect July 1, 2009.