

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
21 with the Department of Agriculture and Consumer
22 Services and the Department of Legal Affairs; amending
23 s. 559.927, F.S.; redefining the term "seller of
24 travel" for purposes of part XI of ch. 559, F.S., to
25 include travel buying clubs and travel buying
26 services; 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 "MEMBER'S RIGHT TO CANCEL

51
52 If you wish to cancel this contract, you may cancel by
53 delivering or mailing a written notice to the club. To prove
54 that you canceled, it is recommended that you send the notice by
55 certified mail. The notice must ~~shall~~ state that you do not wish
56 to be bound by the contract and must ~~shall~~ be delivered or
57 mailed before 12 midnight of the third business day after you
58 sign this contract. The notice must ~~shall~~ be delivered or mailed

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

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

72 "MEMBER'S RIGHT TO CANCEL

73
74 If you wish to cancel this travel buying club contract or
75 travel buying service contract, you may cancel by delivering or
76 mailing a written notice to the club. To prove that you
77 canceled, it is recommended that you send the notice by
78 certified mail. The notice must state that you do not wish to be
79 bound by the travel buying club or travel buying service
80 contract and must be delivered or mailed before 12 midnight of
81 the 30th business day after you sign this contract. The notice
82 must be delivered or mailed to: (insert name and mailing address
83 of club). If you cancel, the travel buying club or travel buying
84 service will return, within 10 days after the date on which you
85 give notice of cancellation, a total refund. It is recommended
86 that you mail the notice of cancellation by certified mail,
87 return receipt requested; check with your post office as to the

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88 time when you will be able to mail a certified letter. Be sure
89 to keep a photocopy of the notice of cancellation which you
90 mail."

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

93 559.3905 Required disclosures; prohibited acts.—

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

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

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

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

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

113 (e) The percentage of the purchase price required as a down
114 payment on merchandise orders of any nature. This prohibition
115 applies in all cases where rebates are offered, regardless of
116 whether such promised rebates are contingent upon the seller's

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117 ability to enroll the referred persons into the buying club.

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

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

124 559.927 Definitions.—For the purposes of this part, the
125 term:

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

138 Section 5. This act shall take effect July 1, 2010.