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1
2 An act relating to timeshares; amending s. 721.05,
3 F.S.; revising a definition; amending s. 721.07, F.S.;
4 revising requirements for amendments made to a
5 timeshare instrument; revising requirements for public
6 offering statements; amending s. 721.08, F.S.;
7 revising compliance requirements for the release of
8 certain escrow funds; creating s. 721.125, F.S.;
9 providing for the extension or termination of
10 timeshare plans under certain conditions; providing
11 applicability; amending s. 721.14, F.S.; authorizing
12 an owners' association and a managing entity to agree
13 to certain conditions related to the discharge of the
14 managing entity; providing for the transfer of
15 specified reservation system data upon the termination
16 of the managing entity; providing that reasonable
17 costs incurred by the terminated managing entity in
18 effecting the transfer of certain information shall be
19 reimbursed as a common expense; amending s. 721.52,
20 F.S.; revising definitions; amending s. 721.53, F.S.;
21 revising requirements with respect to subordination
22 instruments; deleting a requirement relating to court
23 approval of trustee dispositions of multisite
24 timeshare trust property; providing that a vote of the
25 voting interests of a multisite timeshare plan is not
26 required for substitution or automatic deletion of



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27 | multisite timeshare trust property; repealing s.
28 | 721.54, F.S., relating to terms of nonspecific
29 | multisite timeshare plans; amending s. 721.55, F.S.;
30 | revising disclosure requirements for a multisite
31 | timeshare plan public offering statement; amending s.
32 | 721.551, F.S.; revising disclosure requirements for
33 | multisite timeshare plan purchaser public offering
34 | statements; amending s. 721.552, F.S.; revising
35 | requirements relating to substitutions and deletions
36 | of component site accommodations or facilities;
37 | amending s. 721.56, F.S.; deleting provisions relating
38 | to the transfer of specified reservation system data
39 | upon the termination of managing entity and costs
40 | incurred by the terminated managing entity; amending
41 | s. 721.57, F.S.; revising language with respect to
42 | timeshare estates in multisite timeshare plans;
43 | providing an effective date.

44 |
45 | Be It Enacted by the Legislature of the State of Florida:

46 |
47 | Section 1. Subsection (34) of section 721.05, Florida
48 | Statutes, is amended to read:

49 | 721.05 Definitions.—As used in this chapter, the term:

50 | (34) "Timeshare estate" means a right to occupy a
51 | timeshare unit, coupled with a freehold estate or an estate for
52 | years with a future interest in a timeshare property or a



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53 | specified portion thereof, or coupled with. ~~The term includes~~ an
54 | ownership interest in a condominium unit pursuant to s. 718.103,
55 | an ownership interest in a cooperative unit pursuant to s.
56 | 719.103, or a direct or indirect beneficial interest in a trust
57 | that complies in all respects with ~~the provisions of~~ s.
58 | 721.08(2)(c)4. or s. 721.53(1)(e), provided that the trust does
59 | not contain any personal property timeshare interests. A
60 | timeshare estate is a parcel of real property under the laws of
61 | this state.

62 | Section 2. Paragraph (a) of subsection (3) and paragraph
63 | (gg) of subsection (5) of section 721.07, Florida Statutes, are
64 | amended to read:

65 | 721.07 Public offering statement.—Prior to offering any
66 | timeshare plan, the developer must submit a filed public
67 | offering statement to the division for approval as prescribed by
68 | s. 721.03, s. 721.55, or this section. Until the division
69 | approves such filing, any contract regarding the sale of that
70 | timeshare plan is subject to cancellation by the purchaser
71 | pursuant to s. 721.10.

72 | (3)(a)1. Any change to an approved public offering
73 | statement filing shall be filed with the division for approval
74 | as an amendment prior to becoming effective. The division shall
75 | have 20 days after receipt of a proposed amendment to approve or
76 | cite deficiencies in the proposed amendment. If the division
77 | fails to act within 20 days, the amendment will be deemed
78 | approved. If the proposed amendment adds a new component site to



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79 | an approved multisite timeshare plan, the division's initial
80 | period in which to approve or cite deficiencies is 45 days. If
81 | the developer fails to adequately respond to any deficiency
82 | notice within 30 days, the division may reject the amendment.
83 | Subsequent to such rejection, a new filing fee pursuant to
84 | subsection (4) and a new division initial review period pursuant
85 | to this paragraph shall apply to any refiling or further review
86 | of the rejected amendment.

87 | 2. For filings only subject to this part, each approved
88 | amendment to the approved purchaser public offering statement,
89 | other than an amendment made only for the purpose of the
90 | addition of a phase or phases to the timeshare plan in the
91 | manner described in the timeshare instrument or any amendment
92 | that does not materially alter or modify the offering in a
93 | manner that is adverse to a purchaser, shall be delivered to a
94 | purchaser no later than 10 days prior to closing. For filings
95 | made under part II, each approved amendment to the multisite
96 | timeshare plan purchaser public offering statement, other than
97 | an amendment made only for the purpose of the addition,
98 | substitution, or deletion of a component site pursuant to part
99 | II or the addition of a phase or phases to a component site of a
100 | multisite timeshare plan in the manner described in the
101 | timeshare instrument or any amendment that does not materially
102 | alter or modify the offering in a manner that is adverse to a
103 | purchaser, shall be delivered to a purchaser no later than 10
104 | days prior to closing.



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105 3. For filings subject only to part II of this chapter,
 106 amendments made to a timeshare instrument for a component site
 107 located in this state are ~~not~~ required only to be delivered to
 108 purchasers who ~~do not receive a timeshare estate or an interest~~
 109 in a specific multisite timeshare plan in that component site.
 110 Amendments made to a timeshare instrument for a component site
 111 not located in this state are not required to be delivered to
 112 purchasers.

113 (5) Every filed public offering statement for a timeshare
 114 plan which is not a multisite timeshare plan shall contain the
 115 information required by this subsection. The division is
 116 authorized to provide by rule the method by which a developer
 117 must provide such information to the division.

118 (gg) 1. Such other information as is necessary to fairly,
 119 meaningfully, and effectively disclose all aspects of the
 120 timeshare plan, including, but not limited to, any disclosures
 121 made necessary by the operation of s. 721.03(8). ~~However,~~

122 2. If a developer has, in good faith, attempted to comply
 123 with ~~the requirements of this chapter section,~~ and if, in fact,
 124 the developer he or she has substantially complied with ~~the~~
 125 ~~disclosure requirements of this chapter,~~ nonmaterial errors or
 126 omissions are shall not be actionable, are not violations of
 127 this chapter, and do not give rise to any purchaser cancellation
 128 right. The developer has the burden of proof for purposes of
 129 this paragraph.

130 Section 3. Paragraph (c) of subsection (2) of section



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131 721.08, Florida Statutes, is amended to read:

132 721.08 Escrow accounts; nondisturbance instruments;
 133 alternate security arrangements; transfer of legal title.—

134 (2) One hundred percent of all funds or other property
 135 which is received from or on behalf of purchasers of the
 136 timeshare plan or timeshare interest prior to the occurrence of
 137 events required in this subsection shall be deposited pursuant
 138 to an escrow agreement approved by the division. The funds or
 139 other property may be released from escrow only as follows:

140 (c) Compliance with conditions.—

141 1. Timeshare licenses.—If the timeshare plan is one in
 142 which timeshare licenses are to be sold and no cancellation or
 143 default has occurred, the escrow agent may release the escrowed
 144 funds or other property to or on the order of the developer upon
 145 presentation of:

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

148 (I) Expiration of the cancellation period.

149 (II) Completion of construction.

150 (III) Closing.

151 (IV) Either:

152 (A) Execution, delivery, and recordation by each
 153 interestholder of the nondisturbance and notice to creditors
 154 instrument, as described in this section; or

155 (B) Transfer by the developer of legal title to the
 156 subject accommodations and facilities, or all use rights



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157 | therein, into a trust satisfying the requirements of
158 | subparagraph 4. and the execution, delivery, and recordation by
159 | each other interestholder of the nondisturbance and notice to
160 | creditors instrument, as described in this section.

161 | b. A certified copy of each recorded nondisturbance and
162 | notice to creditors instrument.

163 | c. One of the following:

164 | (I) A copy of a memorandum of agreement, as defined in s.
165 | 721.05, together with satisfactory evidence that the original
166 | memorandum of agreement has been irretrievably delivered for
167 | recording to the appropriate official responsible for
168 | maintaining the public records in the county in which the
169 | subject accommodations and facilities are located. The original
170 | memorandum of agreement must be recorded within 180 days after
171 | the date on which the purchaser executed her or his purchase
172 | agreement.

173 | (II) A notice delivered for recording to the appropriate
174 | official responsible for maintaining the public records in each
175 | county in which the subject accommodations and facilities are
176 | located notifying all persons of the identity of an independent
177 | escrow agent or trustee satisfying the requirements of
178 | subparagraph 4. that shall maintain separate books and records,
179 | in accordance with good accounting practices, for the timeshare
180 | plan in which timeshare licenses are to be sold. The books and
181 | records shall indicate each accommodation and facility that is
182 | subject to such a timeshare plan and each purchaser of a



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183 | timeshare license in the timeshare plan.

184 | 2. Timeshare estates.—If the timeshare plan is one in
185 | which timeshare estates are to be sold and no cancellation or
186 | default has occurred, the escrow agent may release the escrowed
187 | funds or other property to or on the order of the developer upon
188 | presentation of:

189 | a. An affidavit by the developer that all of the following
190 | conditions have been met:

191 | (I) Expiration of the cancellation period.

192 | (II) Completion of construction.

193 | (III) Closing.

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

197 | c. Evidence that each accommodation and facility:

198 | (I) Is free and clear of the claims of any
199 | interestholders, other than the claims of interestholders that,
200 | through a recorded instrument, are irrevocably made subject to
201 | the timeshare instrument and the use rights of purchasers made
202 | available through the timeshare instrument;

203 | (II) Is the subject of a recorded nondisturbance and
204 | notice to creditors instrument that complies with subsection (3)
205 | and s. 721.17; or

206 | (III) Has been transferred into a trust satisfying the
207 | requirements of subparagraph 4.

208 | d. Evidence that the timeshare estate:



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209 (I) Is free and clear of the claims of any
 210 interestholders, other than the claims of interestholders that,
 211 through a recorded instrument, are irrevocably made subject to
 212 the timeshare instrument and the use rights of purchasers made
 213 available through the timeshare instrument; or

214 (II) Is the subject of a recorded nondisturbance and
 215 notice to creditors instrument that complies with subsection (3)
 216 and s. 721.17.

217 3. Personal property timeshare interests.—If the timeshare
 218 plan is one in which personal property timeshare interests are
 219 to be sold and no cancellation or default has occurred, the
 220 escrow agent may release the escrowed funds or other property to
 221 or on the order of the developer upon presentation of:

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

224 (I) Expiration of the cancellation period.

225 (II) Completion of construction.

226 (III) Closing.

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

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

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



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

239 d. Evidence of compliance with the provisions of
240 subparagraph 6., if required.

241 e. If a personal property timeshare plan is created with
242 respect to accommodations and facilities that are located on or
243 in an oceangoing vessel, including a "documented vessel" or a
244 "foreign vessel," as defined and governed by 46 U.S.C., chapter
245 301:

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

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

254 (A) Prohibit the vessel owner, the developer, any manager
255 or operator of the vessel, the owners' association or the
256 trustee, the managing entity, or any other person from incurring
257 any liens against the vessel except for liens that are required
258 for the operation and upkeep of the vessel, including liens for
259 fuel expenditures, repairs, crews' wages, and salvage, and
260 except as provided in sub-sub-subparagraphs 4.b.(III) and



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261 5.b.(III). All expenses, fees, and taxes properly incurred in
262 connection with the creation, satisfaction, and discharge of any
263 such permitted lien, or a prorated portion thereof if less than
264 all of the accommodations on the vessel are subject to the
265 timeshare plan, shall be common expenses of the timeshare plan.

266 (B) Grant a lien against the vessel in favor of the
267 owners' association or trustee to secure the full and faithful
268 performance of the vessel owner and developer of all of their
269 obligations to the purchasers.

270 (C) Establish governing law in a jurisdiction that
271 recognizes and will enforce the timeshare instrument and the
272 laws of the jurisdiction of registry of the vessel.

273 (D) Require that a description of the use rights of
274 purchasers be posted and displayed on the vessel in a manner
275 that will give notice of such rights to any party examining the
276 vessel. This notice must identify the owners' association or
277 trustee and include a statement disclosing the limitation on
278 incurring liens against the vessel described in sub-sub-sub-
279 subparagraph (A).

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

282 (F) The owners' association created under subparagraph 5.
283 or trustee created under subparagraph 4. shall have access to
284 any certificates of classification in accordance with the
285 timeshare instrument.

286 (III) If the vessel is a foreign vessel, the vessel must



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287 | be registered in a jurisdiction that permits a filing evidencing
288 | the use rights of purchasers in the subject accommodations and
289 | facilities, offers protection for such use rights against
290 | unfiled and inferior claims, and recognizes the document or
291 | instrument creating such use rights as a lien against the
292 | vessel.

293 | (IV) In addition to the disclosures required by s.
294 | 721.07(5), the public offering statement and purchase contract
295 | must contain a disclosure in conspicuous type in substantially
296 | the following form:

297 | The laws of the State of Florida govern the offering of this
298 | timeshare plan in this state. There are inherent risks in
299 | purchasing a timeshare interest in this timeshare plan because
300 | the accommodations and facilities of the timeshare plan are
301 | located on a vessel that will sail into international waters and
302 | into waters governed by many different jurisdictions. Therefore,
303 | the laws of the State of Florida cannot fully protect your
304 | purchase of an interest in this timeshare plan. Specifically,
305 | management and operational issues may need to be addressed in
306 | the jurisdiction in which the vessel is registered, which is
307 | (insert jurisdiction in which vessel is registered). Concerns of
308 | purchasers may be sent to (insert name of applicable regulatory
309 | agency and address).

310 | 4. Trust.—

311 | a. If the subject accommodations or facilities, or all use
312 | rights therein, are to be transferred into a trust in order to



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313 comply with this paragraph, such transfer shall take place
314 pursuant to this subparagraph. If the accommodations or
315 facilities included in such transfer are subject to a lease, the
316 unexpired term of the lease must be disclosed as the term of the
317 timeshare plan pursuant to s. 721.07(5)(f)4.

318 b. Prior to the transfer ~~by each interestholder~~ of the
319 subject accommodations and facilities, or all use rights
320 therein, to a trust, any lien or other encumbrance against such
321 accommodations and facilities, or use rights therein, shall be
322 made subject to a nondisturbance and notice to creditors
323 instrument pursuant to subsection (3). No transfer pursuant to
324 this subparagraph shall become effective until the trustee
325 accepts such transfer and the responsibilities set forth herein.
326 A trust established pursuant to this subparagraph shall comply
327 with the following provisions:

328 (I) The trustee shall be an individual or a business
329 entity authorized and qualified to conduct trust business in
330 this state. Any corporation authorized to do business in this
331 state may act as trustee in connection with a timeshare plan
332 pursuant to this chapter. The trustee must be independent from
333 any developer or managing entity of the timeshare plan or any
334 interestholder of any accommodation or facility of such plan.

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

338 (III) The trustee shall not convey, hypothecate, mortgage,



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339 assign, lease, or otherwise transfer or encumber in any fashion
 340 any interest in or portion of the timeshare property with
 341 respect to which any purchaser has a right of use or occupancy
 342 unless the timeshare plan is terminated pursuant to the
 343 timeshare instrument, or such conveyance, hypothecation,
 344 mortgage, assignment, lease, transfer, or encumbrance is
 345 approved by a vote of two-thirds of all voting interests of the
 346 timeshare plan. Subject to s. 721.552, a vote of the voting
 347 interests of the timeshare plan is not required for substitution
 348 or automatic deletion of accommodations or facilities. ~~and such~~
 349 ~~decision is declared by a court of competent jurisdiction to be~~
 350 ~~in the best interests of the purchasers of the timeshare plan.~~
 351 ~~The trustee shall notify the division in writing within 10 days~~
 352 ~~after receiving notice of the filing of any petition relating to~~
 353 ~~obtaining such a court order. The division shall have standing~~
 354 ~~to advise the court of the division's interpretation of the~~
 355 ~~statute as it relates to the petition.~~

356 (IV) All purchasers of the timeshare plan or the owners'
 357 association of the timeshare plan shall be the express
 358 beneficiaries of the trust. The trustee shall act as a fiduciary
 359 to the beneficiaries of the trust. The personal liability of the
 360 trustee shall be governed by ss. 736.08125, 736.08163, 736.1013,
 361 and 736.1015. The agreement establishing the trust shall set
 362 forth the duties of the trustee. The trustee shall be required
 363 to furnish promptly to the division upon request a copy of the
 364 complete list of the names and addresses of the owners in the



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365 | timeshare plan and a copy of any other books and records of the
366 | timeshare plan required to be maintained pursuant to s. 721.13
367 | that are in the possession, custody, or control of the trustee.
368 | All expenses reasonably incurred by the trustee in the
369 | performance of its duties, together with any reasonable
370 | compensation of the trustee, shall be common expenses of the
371 | timeshare plan.

372 | (V) The trustee shall not resign upon less than 90 days'
373 | prior written notice to the managing entity and the division. No
374 | resignation shall become effective until a substitute trustee,
375 | approved by the division, is appointed by the managing entity
376 | and accepts the appointment.

377 | (VI) The documents establishing the trust arrangement
378 | shall constitute a part of the timeshare instrument.

379 | (VII) For trusts holding property in a timeshare plan
380 | located outside this state, the trust and trustee holding such
381 | property shall be deemed in compliance with the requirements of
382 | this subparagraph if such trust and trustee are authorized and
383 | qualified to conduct trust business under the laws of such
384 | jurisdiction and the agreement or law governing such trust
385 | arrangement provides substantially similar protections for the
386 | purchaser as are required in this subparagraph for trusts
387 | holding property in a timeshare plan in this state.

388 | (VIII) The trustee shall have appointed a registered agent
389 | in this state for service of process. In the event such a
390 | registered agent is not appointed, service of process may be



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391 served pursuant to s. 721.265.

392 5. Owners' association.—

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

397 b. Before ~~Prior to~~ the transfer ~~by each interestholder~~ of
398 the subject accommodations and facilities, or all use rights
399 therein, to an owners' association, any lien or other
400 encumbrance against such accommodations and facilities, or use
401 rights therein, shall be made subject to a nondisturbance and
402 notice to creditors instrument pursuant to subsection (3). No
403 transfer pursuant to this subparagraph shall become effective
404 until the owners' association accepts such transfer and the
405 responsibilities set forth herein. An owners' association
406 established pursuant to this subparagraph shall comply with the
407 following provisions:

408 (I) The owners' association shall be a business entity
409 authorized and qualified to conduct business in this state.
410 Control of the board of directors of the owners' association
411 must be independent from any developer or managing entity of the
412 timeshare plan or any interestholder.

413 (II) The bylaws of the owners' association shall provide
414 that the corporation may not be voluntarily dissolved without
415 the unanimous vote of all owners of personal property timeshare
416 interests so long as any purchaser has a right to occupy any



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417 | portion of the timeshare property pursuant to the timeshare
418 | plan.

419 | (III) The owners' association shall not convey,
420 | hypothecate, mortgage, assign, lease, or otherwise transfer or
421 | encumber in any fashion any interest in or portion of the
422 | timeshare property with respect to which any purchaser has a
423 | right of use or occupancy, unless the timeshare plan is
424 | terminated pursuant to the timeshare instrument, or unless such
425 | conveyance, hypothecation, mortgage, assignment, lease,
426 | transfer, or encumbrance is approved by a vote of two-thirds of
427 | all voting interests of the association and such decision is
428 | declared by a court of competent jurisdiction to be in the best
429 | interests of the purchasers of the timeshare plan. The owners'
430 | association shall notify the division in writing within 10 days
431 | after receiving notice of the filing of any petition relating to
432 | obtaining such a court order. The division shall have standing
433 | to advise the court of the division's interpretation of the
434 | statute as it relates to the petition.

435 | (IV) All purchasers of the timeshare plan shall be members
436 | of the owners' association and shall be entitled to vote on
437 | matters requiring a vote of the owners' association as provided
438 | in this chapter or the timeshare instrument. The owners'
439 | association shall act as a fiduciary to the purchasers of the
440 | timeshare plan. The articles of incorporation establishing the
441 | owners' association shall set forth the duties of the owners'
442 | association. All expenses reasonably incurred by the owners'



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443 association in the performance of its duties, together with any
444 reasonable compensation of the officers or directors of the
445 owners' association, shall be common expenses of the timeshare
446 plan.

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

449 (VI) For owners' associations holding property in a
450 timeshare plan located outside this state, the owners'
451 association holding such property shall be deemed in compliance
452 with the requirements of this subparagraph if such owners'
453 association is authorized and qualified to conduct owners'
454 association business under the laws of such jurisdiction and the
455 agreement or law governing such arrangement provides
456 substantially similar protections for the purchaser as are
457 required in this subparagraph for owners' associations holding
458 property in a timeshare plan in this state.

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

463 6. Personal property subject to certificate of title.—If
464 any personal property that is an accommodation or facility of a
465 timeshare plan is subject to a certificate of title in this
466 state pursuant to chapter 319 or chapter 328, the following
467 notation must be made on such certificate of title pursuant to
468 s. 319.27(1) or s. 328.15(1):



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469 The further transfer or encumbrance of the property subject to
 470 this certificate of title, or any lien or encumbrance thereon,
 471 is subject to the requirements of section 721.17, Florida
 472 Statutes, and the transferee or lienor agrees to be bound by all
 473 of the obligations set forth therein.

474 7. If the developer has previously provided a certified
 475 copy of any document required by this paragraph, she or he may
 476 for all subsequent disbursements substitute a true and correct
 477 copy of the certified copy, provided no changes to the document
 478 have been made or are required to be made.

479 8. In the event that use rights relating to an
 480 accommodation or facility are transferred into a trust pursuant
 481 to subparagraph 4. or into an owners' association pursuant to
 482 subparagraph 5., all other interestholders, including the owner
 483 of the underlying fee or underlying personal property, must
 484 execute a nondisturbance and notice to creditors instrument
 485 pursuant to subsection (3).

486 Section 4. Section 721.125, Florida Statutes, is created
 487 to read:

488 721.125 Extension or termination of timeshare plans.—

489 (1) Unless the timeshare instrument provides otherwise,
 490 the vote or written consent, or both, of 60 percent of all
 491 voting interests in a timeshare plan may extend or terminate the
 492 term of the timeshare plan at any time. If the term of a
 493 timeshare plan is extended pursuant to this section, all rights,
 494 privileges, duties, and obligations created under applicable law



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495 or the timeshare instrument continue in full force to the same
 496 extent as if the extended termination date of the timeshare plan
 497 were the original termination date of the timeshare plan. If a
 498 timeshare plan is terminated pursuant to this section, the
 499 termination has immediate effect pursuant to applicable law and
 500 the timeshare instrument as if the effective date of the
 501 termination were the original date of termination.

502 (2) If a termination or extension vote or consent pursuant
 503 to subsection (1) is proposed for a component site of a
 504 multisite timeshare plan located in this state, the proposed
 505 termination or extension is effective only if the person
 506 authorized to make additions or substitutions of accommodations
 507 and facilities pursuant to the timeshare instrument also
 508 approves the termination or extension.

509 (3) This section applies only to a timeshare plan that has
 510 been in existence for at least 25 years as of the effective date
 511 of the termination or extension vote or consent required by
 512 subsection (1).

513 Section 5. Subsection (4) of section 721.14, Florida
 514 Statutes, is amended to read:

515 721.14 Discharge of managing entity.—

516 (4)(a) An owners' association and a manager or management
 517 firm may, in the management contract or other written document,
 518 agree to the transition procedures and related time periods to
 519 be followed in the event the manager or management firm is
 520 discharged pursuant to this section. If there is no written



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521 agreement between the parties that covers the matters set forth
522 in paragraphs (b) and (c), the provisions of paragraphs (b) and
523 (c) shall apply.

524 (b) Within 90 days after the date that the manager or
525 management firm is notified by the owners' association of a
526 successful termination vote pursuant to subsection (1), the
527 terminated managing entity shall transfer to the owners'
528 association or new manager or management firm all relevant data
529 held by the managing entity and related to any reservation
530 system for the timeshare plan, including, but not limited to:

531 1. The names, addresses, and reservation status of all
532 accommodations.

533 2. The names and addresses of all purchasers of timeshare
534 interests.

535 3. All outstanding confirmed reservations and reservation
536 requests.

537 4. Such other records and information as is necessary to
538 permit the uninterrupted operation and administration of the
539 timeshare plan. However, the information required to be
540 transferred does not include private information of the
541 terminated managing entity that is not directly related to
542 operation and management of the timeshare plan.

543 (c) All reasonable costs incurred by the terminated
544 managing entity in effecting the transfer of information
545 required by this subsection shall be reimbursed to the
546 terminated managing entity as a common expense of the timeshare



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547 plan within 10 days after the completed transfer of the data
548 described in paragraph (b). ~~This section shall not apply to~~
549 ~~personal property timeshare plans.~~

550 Section 6. Subsections (5) and (7) of section 721.52,
551 Florida Statutes, are amended to read:

552 721.52 Definitions.—As used in this chapter, the term:

553 (5) "Nonspecific multisite timeshare plan" means a
554 multisite timeshare plan ~~containing timeshare licenses or~~
555 ~~personal property timeshare interests,~~ with respect to which a
556 purchaser receives a right to use all of the accommodations and
557 facilities, if any, of the multisite timeshare plan through the
558 reservation system, but no specific right to use any particular
559 accommodations and facilities for the remaining term of the
560 multisite timeshare plan in the event that the reservation
561 system is terminated for any reason prior to the expiration of
562 the term of the multisite timeshare plan.

563 (7) "Specific multisite timeshare plan" means a multisite
564 timeshare plan ~~containing timeshare licenses or personal~~
565 ~~property timeshare interests,~~ with respect to which a purchaser
566 receives a specific right to use accommodations and facilities,
567 if any, at one component site of a multisite timeshare plan,
568 together with use rights in the other accommodations and
569 facilities of the multisite timeshare plan created by or
570 acquired through the reservation system.

571 Section 7. Paragraph (e) of subsection (1) of section
572 721.53, Florida Statutes, is amended to read:



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573 721.53 Subordination instruments; alternate security
574 arrangements.—

575 (1) With respect to each accommodation or facility of a
576 multisite timeshare plan, the developer shall provide the
577 division with satisfactory evidence that one of the following
578 has occurred with respect to each interestholder prior to
579 offering the accommodation or facility as a part of the
580 multisite timeshare plan:

581 (e) The interestholder has transferred the subject
582 accommodation or facility or all use rights therein to a trust
583 that complies with this paragraph. If the accommodation or
584 facility included in such transfer is subject to a lease, the
585 unexpired term of the lease must be disclosed as the term of
586 that component site pursuant to s. 721.55(4)(a). Prior to such
587 transfer, any lien or other encumbrance against such
588 accommodation or facility shall be made subject to a
589 nondisturbance and notice to creditors instrument pursuant to
590 paragraph (a) or a subordination and notice to creditors
591 instrument pursuant to paragraph (b). No transfer pursuant to
592 this paragraph shall become effective until the trust accepts
593 such transfer and the responsibilities set forth herein. A trust
594 established pursuant to this paragraph shall comply with the
595 following provisions:

596 1. The trustee shall be an individual or a business entity
597 authorized and qualified to conduct trust business in this
598 state. Any corporation authorized to do business in this state



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599 | may act as trustee in connection with a timeshare plan pursuant
600 | to this chapter. The trustee must be independent from any
601 | developer or managing entity of the timeshare plan or any
602 | interestholder of any accommodation or facility of such plan.
603 | The same trustee may hold the accommodations and facilities, or
604 | use rights therein, for one or more of the component sites of
605 | the timeshare plan.

606 | 2. The trust shall be irrevocable so long as any purchaser
607 | has a right to occupy any portion of the timeshare property
608 | pursuant to the timeshare plan.

609 | 3. The trustee shall not convey, hypothecate, mortgage,
610 | assign, lease, or otherwise transfer or encumber in any fashion
611 | any interests in or portion of the timeshare property with
612 | respect to which any purchaser has a right of use or occupancy
613 | unless the timeshare plan is terminated pursuant to the
614 | timeshare instrument, or the timeshare property held in trust is
615 | deleted from a multisite timeshare plan pursuant to s.
616 | 721.552(3), or such conveyance, hypothecation, mortgage,
617 | assignment, lease, transfer, or encumbrance is approved by vote
618 | of two-thirds of all voting interests of the timeshare plan.
619 | Subject to s. 721.552, a vote of the voting interests of the
620 | timeshare plan is not required for substitution or automatic
621 | deletion of accommodations or facilities ~~and such decision is~~
622 | ~~declared by a court of competent jurisdiction to be in the best~~
623 | ~~interests of the purchasers of the timeshare plan.~~

624 | 4. All purchasers of the timeshare plan or the owners'



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625 association of the timeshare plan shall be express beneficiaries
626 of the trust. The trustee shall act as a fiduciary to the
627 beneficiaries of the trust. The personal liability of the
628 trustee shall be governed by ss. 736.08125, 736.08163, 736.1013,
629 and 736.1015. The agreement establishing the trust shall set
630 forth the duties of the trustee. The trustee shall be required
631 to furnish promptly to the division upon request a copy of the
632 complete list of the names and addresses of the owners in the
633 timeshare plan and a copy of any other books and records of the
634 timeshare plan required to be maintained pursuant to s. 721.13
635 that are in the possession of the trustee. All expenses
636 reasonably incurred by the trustee in the performance of its
637 duties, together with any reasonable compensation of the
638 trustee, shall be common expenses of the timeshare plan.

639 5. The trustee shall not resign upon less than 90 days'
640 prior written notice to the managing entity and the division. No
641 resignation shall become effective until a substitute trustee,
642 approved by the division, is appointed by the managing entity
643 and accepts the appointment.

644 6. The documents establishing the trust arrangement shall
645 constitute a part of the timeshare instrument.

646 7. For trusts holding property in component sites located
647 outside this state, the trust holding such property shall be
648 deemed in compliance with the requirements of this paragraph, if
649 such trust is authorized and qualified to conduct trust business
650 under the laws of such jurisdiction and the agreement or law



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651 governing such trust arrangement provides substantially similar
652 protections for the purchaser as are required in this paragraph
653 for trusts holding property in a component site located in this
654 state.

655 8. The trustee shall have appointed a registered agent in
656 this state for service of process. In the event such a
657 registered agent is not appointed, service of process may be
658 served pursuant to s. 721.265.

659 Section 8. Section 721.54, Florida Statutes, is repealed.

660 Section 9. Paragraphs (a) and (h) of subsection (4),
661 subsection (5), and paragraph (1) of subsection (7) of section
662 721.55, Florida Statutes, are amended to read:

663 721.55 Multisite timeshare plan public offering
664 statement.—Each filed public offering statement for a multisite
665 timeshare plan shall contain the information required by this
666 section and shall comply with the provisions of s. 721.07,
667 except as otherwise provided therein. The division is authorized
668 to provide by rule the method by which a developer must provide
669 such information to the division. Each multisite timeshare plan
670 filed public offering statement shall contain the following
671 information and disclosures:

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

674 (a) A description of the multisite timeshare plan,
675 including its term, legal structure, ~~and~~ form of ownership, and
676 ~~For multisite timeshare plans in which the purchaser will~~



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677 ~~receive a timeshare estate pursuant to s. 721.57 and for~~
678 ~~specific multisite timeshare plans, the description must also~~
679 ~~include~~ the term of each component site within the multisite
680 timeshare plan. The term of each component site that is shorter
681 than the term of the multisite timeshare plan must be disclosed
682 in conspicuous type.

683 (h) A description of the purchaser's liability for common
684 expenses of the multisite timeshare plan, including the
685 following:

686 1. A description of the common expenses of the plan,
687 including the method of allocation and assessment of such common
688 expenses, whether component site common expenses and real estate
689 taxes are included within the total common expense assessment of
690 the multisite timeshare plan, and, if not, the manner in which
691 timely payment of component site common expenses and real estate
692 taxes shall be accomplished.

693 2. A description of any cap imposed upon the level of
694 common expenses payable by the purchaser.

695 a. In no event shall the total common expense assessment
696 for the multisite timeshare plan in a given calendar year exceed
697 125 percent of the total common expense assessment for the plan
698 in the previous calendar year.

699 b. Component site common expenses and ad valorem taxes
700 shall not be included in calculating the total common expense
701 assessment under sub-subparagraph a.

702 3. A description of the entity responsible for the



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703 determination of the common expenses of the multisite timeshare
704 plan, as well as any entity which may increase the level of
705 common expenses assessed against the purchaser at the multisite
706 timeshare plan level.

707 4. A description of the method used to collect common
708 expenses, including the entity responsible for such collections,
709 and the lien rights of any entity for nonpayment of common
710 expenses. If the common expenses of any component site are
711 collected by the managing entity of the multisite timeshare
712 plan, a statement to that effect together with the identity and
713 address of the escrow agent required by s. 721.56(3).

714 5. If the purchaser will receive an interest in a
715 nonspecific multisite timeshare plan, a statement that a
716 multisite timeshare plan budget is attached to the public
717 offering statement as an exhibit pursuant to paragraph (7)(c).
718 The multisite timeshare plan budget shall comply with the
719 provisions of s. 721.07(5)(t).

720 6. If the developer intends to guarantee the level of
721 assessments for the multisite timeshare plan, such guarantee
722 must be based upon a good faith estimate of the revenues and
723 expenses of the multisite timeshare plan. The guarantee must
724 include a description of the following:

725 a. The specific time period, measured in one or more
726 calendar or fiscal years, during which the guarantee will be in
727 effect.

728 b. A statement that the developer will pay all common



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729 expenses incurred in excess of the total revenues of the
 730 multisite timeshare plan, if the developer is to be excused from
 731 the payment of assessments during the guarantee period.

732 c. The level, expressed in total dollars, at which the
 733 developer guarantees the assessments. If the developer has
 734 reserved the right to extend or increase the guarantee level, a
 735 disclosure must be included to that effect.

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

738 a. Any limitation upon annual increases in common
 739 expenses;

740 b. The existence of any bad debt or working capital
 741 reserve; and

742 c. The existence of any replacement or deferred
 743 maintenance reserve.

744 (5) (a) Such other information as the division determines
 745 is necessary to fairly, meaningfully, and effectively disclose
 746 all aspects of the multisite timeshare plan, including, but not
 747 limited to, any disclosures made necessary by the operation of
 748 s. 721.03(8). ~~However,~~

749 (b) If a developer has, in good faith, attempted to comply
 750 with ~~the requirements of this chapter section,~~ and if, in fact,
 751 the developer has substantially complied with ~~the disclosure~~
 752 ~~requirements of this chapter,~~ nonmaterial errors or omissions
 753 are not actionable, are not violations of this chapter, and do
 754 not give rise to any purchaser cancellation right ~~shall not be~~



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755 ~~actionable.~~

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

758 (1)1. If the multisite timeshare plan contains any
759 component sites located in this state, the information required
760 by s. 721.07(5) pertaining to each such component site unless
761 exempt pursuant to s. 721.03.

762 2. If the purchaser will receive ~~a timeshare estate~~
763 ~~pursuant to s. 721.57, or~~ an interest in a specific multisite
764 timeshare plan, ~~in a~~ component site located outside of this
765 state but which is offered in this state, the information
766 required by s. 721.07(5) pertaining to that component site,
767 provided, however, that the provisions of s. 721.07(5)(t) shall
768 only require disclosure of information related to the estimated
769 budget for the timeshare plan and purchaser's expenses as
770 required by the jurisdiction in which the component site is
771 located.

772 Section 10. Paragraph (c) of subsection (2) of section
773 721.551, Florida Statutes, is amended to read:

774 721.551 Delivery of multisite timeshare plan purchaser
775 public offering statement.—

776 (2) The developer shall furnish each purchaser with the
777 following:

778 (c) If the purchaser will receive ~~a timeshare estate~~
779 ~~pursuant to s. 721.57, or~~ an interest in a specific multisite
780 timeshare plan, ~~in a~~ component site located in this state, the



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781 developer shall also furnish the purchaser with the information
782 required to be delivered pursuant to s. 721.07(6) (a) and (b) for
783 that ~~the component site in which the purchaser will receive an~~
784 ~~estate or interest in a specific multisite timeshare plan.~~

785 Section 11. Subsection (2) and paragraph (c) of subsection
786 (3) of section 721.552, Florida Statutes, are amended to read:

787 721.552 Additions, substitutions, or deletions of
788 component site accommodations or facilities; purchaser remedies
789 for violations.—Additions, substitutions, or deletions of
790 component site accommodations or facilities may be made only in
791 accordance with the following:

792 (2) SUBSTITUTIONS.—

793 (a) Substitutions are available only for nonspecific
794 multisite timeshare plans. Specific multisite timeshare plans ~~or~~
795 ~~plans offering timeshare estates pursuant to s. 721.57~~ may not
796 contain an accommodation substitution right.

797 (b) The timeshare instrument shall provide for the
798 following:

799 1. The basis upon which new accommodations and facilities
800 may be substituted for existing accommodations and facilities of
801 the multisite timeshare plan; by whom substitutions may be made;
802 and the basis upon which the determination may be made to cause
803 such substitutions to occur.

804 2. The replacement accommodations and facilities must
805 provide purchasers with an opportunity to enjoy a substantially
806 similar or improved vacation experience as compared to ~~as was~~



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807 | the experience available at ~~with~~ the replaced accommodation or
808 | facility. In determining whether the replacement accommodations
809 | and facilities will provide a substantially similar or improved
810 | vacation experience, all relevant factors must be considered,
811 | including, but not limited to, some or all of the following:
812 | size, capacity, furnishings, maintenance, location (geographic,
813 | topographic, and scenic), demand, and availability for purchaser
814 | use, and recreational capabilities.

815 | 3. The extent, if any, to which purchasers will have the
816 | right to consent to any proposed substitutions.

817 | (c) No substitutions may be made during the first year
818 | after the developer begins to offer the multisite timeshare
819 | plan.

820 | (d)1. If the timeshare instrument provides that the
821 | developer, acting unilaterally, is the person authorized to make
822 | substitutions, the developer may not substitute ~~No more than 25~~
823 | ~~percent of the~~ available accommodations in the multisite
824 | timeshare plan at a given component site may undergo
825 | substitution in a given calendar year pursuant to paragraph (e)
826 | if the amount of such substituted accommodations provides more
827 | than 10 percent of the total annual use availability in the
828 | multisite timeshare plan calculated in 7-day increments ~~in which~~
829 | ~~substitution is permitted. This paragraph shall be interpreted~~
830 | ~~to permit the substitution of an entire component site over a 4-~~
831 | ~~year period.~~

832 | 2. If the timeshare instrument provides that the managing



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833 entity is the person authorized to make substitutions, and the
834 managing entity is under common ownership or control with the
835 developer, the managing entity may not substitute available
836 accommodations in the multisite timeshare plan in a given
837 calendar year pursuant to paragraph (e) if the amount of such
838 substituted accommodations provides more than 10 percent of the
839 total annual use availability in the multisite timeshare plan
840 calculated in 7-day increments.

841 3. If the timeshare instrument provides that the managing
842 entity is the person authorized to make substitutions, and the
843 managing entity is not under common ownership or control with
844 the developer, the managing entity may not substitute available
845 accommodations in the multisite timeshare plan in a given
846 calendar year pursuant to paragraph (e) if the amount of such
847 substituted accommodations provides more than 25 percent of the
848 total annual use availability in the multisite timeshare plan
849 calculated in 7-day increments.

850 4. If the person authorized to make substitutions
851 receives, within 21 days after the date of the notice of
852 substitution required by paragraph (e), a written objection to
853 the proposed substitution from at least 10 percent of all
854 purchasers in the multisite timeshare plan, a meeting of the
855 purchasers must be conducted by the managing entity within 30
856 days after the end of such 21-day period. The proposed
857 substitution is ratified unless it is rejected by a majority of
858 purchasers voting in person or by proxy at the meeting, provided



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859 that at least 25 percent of all purchasers cast votes. This
860 subparagraph does not apply if the timeshare instrument provides
861 that purchasers do not have the right to consent to any proposed
862 substitutions.

863 5. This paragraph does not apply if the proposed
864 substitution is approved in advance pursuant to paragraph (f).

865 (e) The person authorized to make substitutions shall
866 notify all purchasers of the multisite timeshare plan in writing
867 of her or his intention to delete accommodations or facilities
868 ~~at a given component site~~ and to substitute them with other
869 specified accommodations or facilities pursuant to this
870 subsection. This notice must be given at least 6 months in
871 advance of the date that the proposed substitution will occur;
872 must state the last day after the end of the 6-month period on
873 which reservations will be accepted from purchasers for use of
874 the accommodations to be deleted; and must state that purchasers
875 shall have 21 days after the date of the notice of substitution
876 to file a written objection with the person authorized to make
877 substitutions, ~~and the notice must inform the purchasers that~~
878 ~~they may reserve the use of the accommodations to be deleted~~
879 ~~during this 6-month period. At the end of the 6-month period,~~
880 The person authorized to make substitutions may delete
881 accommodations for substitution only after such accommodations
882 have no pending purchaser use reservations ~~to the extent that~~
883 ~~they were not reserved during the 6-month period.~~

884 (f) The person authorized to make substitutions may make



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885 unlimited substitutions ~~If the managing entity of a multisite~~
886 ~~timeshare plan includes an owners' association composed of all~~
887 ~~purchasers or a corporation which owns or controls the~~
888 ~~accommodations and facilities of the plan, the board of~~
889 ~~administration of either of which is comprised of a majority of~~
890 ~~board members elected by purchasers other than the developer,~~
891 ~~and if such managing entity has the right to make substitutions~~
892 ~~pursuant to the timeshare instrument, all of the available~~
893 ~~accommodations at a given component site may undergo~~
894 ~~substitution in a given year without compliance with paragraphs~~
895 ~~(d) and (e) if a proposed a written plan of substitution is~~
896 ~~provided to each purchaser has been approved in advance by a~~
897 ~~majority of purchasers of the multisite timeshare plan voting in~~
898 ~~person or by proxy at a meeting called for that purpose,~~
899 ~~provided that at least 25 percent of the total number of~~
900 ~~purchasers cast votes of the board of administration and by a~~
901 ~~majority of all purchasers in the plan. The plan of substitution~~
902 ~~must:~~

- 903 ~~1. Specifically identify the component site being replaced~~
904 ~~and the proposed substitute component site.~~
- 905 ~~2. Contain information regarding prior demand for~~
906 ~~purchaser use of the component site being replaced.~~
- 907 ~~3. Provide the results of a survey of purchaser attitudes~~
908 ~~regarding the component site being replaced and the proposed~~
909 ~~substitute component site.~~
- 910 ~~4. Explain the practical and business reasons for~~



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911 ~~effecting a total substitution within the given calendar year.~~

912 ~~5. Provide a plan for handling reservation requests during~~
 913 ~~the substitution period for both the component site being~~
 914 ~~replaced and the proposed substitute component site.~~

915
 916 Substitutions made pursuant to this paragraph shall not be
 917 subject to the provisions of subparagraph (b)2.

918 (g) If the person authorized to make substitutions has
 919 fully complied with the applicable provisions of this subsection
 920 and the timeshare instrument, the trustee of a timeshare trust
 921 qualified under s. 721.53(1)(e) may convey title to any
 922 accommodations and facilities that have been designated or
 923 approved for substitution as and when directed by the person
 924 authorized to make substitutions without any further vote or
 925 other authorization of the purchasers of the multisite timeshare
 926 plan.

927 (h) ~~(g)~~ The person who is authorized by the timeshare
 928 instrument to make substitutions to the multisite timeshare plan
 929 pursuant to this subsection shall act as a fiduciary in such
 930 capacity in the best interests of the purchasers of the plan as
 931 a whole and shall adhere to the demand balancing standard set
 932 forth in s. 721.56(6) in connection with such substitutions.
 933 Substitutions that are otherwise permitted may be made only so
 934 long as a one-to-one use right to use night requirement ratio is
 935 maintained at all times.

936 (3) DELETIONS.—



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937 (c) Automatic deletion.—The timeshare instrument may
938 provide that a component site will be automatically deleted upon
939 the expiration of its term ~~in a timeshare plan other than a~~
940 ~~nonspecific multisite timeshare plan~~ or as otherwise provided in
941 the timeshare instrument. However, the timeshare instrument must
942 also provide that in the event a component site is deleted from
943 the plan in this manner, a sufficient number of purchasers of
944 the plan will also be deleted, or a sufficient number of
945 replacement accommodations and facilities that comply with
946 subparagraph (2)(b)2. will be substituted for the deleted
947 accommodations and facilities, so as to maintain no greater than
948 a one-to-one use right to use night requirement ratio.

949 Section 12. Subsection (5) of section 721.56, Florida
950 Statutes, is amended to read:

951 721.56 Management of multisite timeshare plans;
952 reservation systems; demand balancing.—

953 (5)(a)1. ~~The reservation system is a facility of any~~
954 ~~nonspecific multisite timeshare plan. The reservation system is~~
955 ~~not a facility of any specific multisite timeshare plan, nor is~~
956 ~~it a facility of any multisite timeshare plan in which timeshare~~
957 ~~estates are offered pursuant to s. 721.57.~~

958 ~~2. The reservation system of any multisite timeshare plan~~
959 ~~shall include any computer software and hardware employed for~~
960 ~~the purpose of enabling or facilitating the operation of the~~
961 ~~reservation system.~~ Nothing contained in this part shall
962 preclude a manager or management firm that is serving as



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963 | managing entity of a multisite timeshare plan from providing in
964 | its contract with the purchasers or owners' association of the
965 | multisite timeshare plan or in the timeshare instrument that the
966 | manager or management firm owns the reservation system and that
967 | the managing entity shall continue to own the reservation system
968 | in the event the purchasers discharge the managing entity
969 | pursuant to s. 721.14.

970 | ~~(b) In the event of a termination of a managing entity of~~
971 | ~~a nonspecific multisite timeshare plan, which managing entity~~
972 | ~~owns the reservation system, irrespective of whether the~~
973 | ~~termination is voluntary or involuntary and irrespective of the~~
974 | ~~cause of such termination, in addition to any other remedies~~
975 | ~~available to purchasers in this part, the terminated managing~~
976 | ~~entity shall, prior to such termination, establish a trust~~
977 | ~~meeting the criteria set forth in this paragraph. It is the~~
978 | ~~intent of the Legislature that this trust arrangement provide~~
979 | ~~for an adequate period of continued operation of the reservation~~
980 | ~~system of the multisite timeshare plan, during which period the~~
981 | ~~new managing entity shall make provision for the acquisition of~~
982 | ~~a substitute reservation system.~~

983 | ~~1. The trust shall be established with an independent~~
984 | ~~trustee. Both the terminated managing entity and the new~~
985 | ~~managing entity shall attempt to agree on an acceptable trustee.~~
986 | ~~In the event they cannot agree on an acceptable trustee, they~~
987 | ~~shall each designate a nominee, and the two nominees shall~~
988 | ~~select the trustee.~~



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989 ~~2. The terminated managing entity shall take all steps~~
990 ~~necessary to enable the trustee or the trustee's designee to~~
991 ~~operate the reservation system in the same manner as provided in~~
992 ~~the timeshare instrument and the public offering statement. The~~
993 ~~trustee may, but shall not be required to, contract with the~~
994 ~~terminated managing entity for the continued operation of the~~
995 ~~reservation system. In the event the trustee elects to contract~~
996 ~~with the terminated managing entity, that managing entity shall~~
997 ~~be required to operate the reservation system and shall be~~
998 ~~entitled to payment for that service. The payment shall in no~~
999 ~~event exceed the amount previously paid to the terminated~~
1000 ~~managing entity for operation of the reservation system.~~

1001 ~~3. The trust shall remain in effect for a period of no~~
1002 ~~longer than 1 year following the date of termination of the~~
1003 ~~managing entity.~~

1004 ~~4. Nothing contained in this subsection shall abrogate or~~
1005 ~~otherwise interfere with any proprietary rights in the~~
1006 ~~reservation system that have been reserved by the discharged~~
1007 ~~managing entity, in its management contract or otherwise, so~~
1008 ~~long as such proprietary rights are not asserted in a manner~~
1009 ~~that would prevent the continued operation of the reservation~~
1010 ~~system as contemplated in this subsection.~~

1011 ~~(c) In the event of a termination of a managing entity of~~
1012 ~~a timeshare estate or specific multisite timeshare plan, which~~
1013 ~~managing entity owns the reservation system, irrespective of~~
1014 ~~whether the termination is voluntary or involuntary and~~



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1015 ~~irrespective of the cause of such termination, in addition to~~
1016 ~~any other remedies available to purchasers in this part, the~~
1017 ~~terminated managing entity shall, prior to such termination,~~
1018 ~~promptly transfer to each component site managing entity all~~
1019 ~~relevant data contained in the reservation system with respect~~
1020 ~~to that component site, including, but not limited to:~~

1021 ~~1. The names, addresses, and reservation status of~~
1022 ~~component site accommodations.~~

1023 ~~2. The names and addresses of all purchasers of timeshare~~
1024 ~~interests at that component site.~~

1025 ~~3. All outstanding confirmed reservations and reservation~~
1026 ~~requests for that component site.~~

1027 ~~4. Such other component site records and information as~~
1028 ~~are necessary, in the reasonable discretion of the component~~
1029 ~~site managing entity, to permit the uninterrupted operation and~~
1030 ~~administration of the component site, provided that a given~~
1031 ~~component site managing entity shall not be entitled to any~~
1032 ~~information regarding other component sites or regarding the~~
1033 ~~terminated multisite timeshare plan managing entity.~~

1034
1035 ~~All reasonable costs incurred by the terminated managing entity~~
1036 ~~in effecting the transfer of information required by this~~
1037 ~~paragraph shall be reimbursed to the terminated managing entity~~
1038 ~~on a pro rata basis by each component site, and the amount of~~
1039 ~~such reimbursement shall constitute a common expense of each~~
1040 ~~component site.~~



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1041 Section 13. Section 721.57, Florida Statutes, is amended
 1042 to read:

1043 721.57 Offering of timeshare estates in specific multisite
 1044 timeshare plans; required provisions in the timeshare
 1045 instrument.—

1046 (1) In addition to meeting all the requirements of part I,
 1047 timeshare estates offered in a specific multisite timeshare plan
 1048 must meet the requirements of subsection (2). Any offering of
 1049 timeshare estates in a specific multisite timeshare plan that
 1050 does not comply with these requirements shall be deemed to be an
 1051 offering of a timeshare license.

1052 (2) The timeshare instrument of a specific multisite
 1053 timeshare plan in which timeshare estates are offered, ~~other~~
 1054 ~~than a trust meeting the requirements of s. 721.08,~~ must contain
 1055 or provide for all of the following matters:

1056 (a) The purchaser will receive a timeshare estate as
 1057 defined in s. 721.05 in one of the component sites of the
 1058 specific multisite timeshare plan. The use rights in the other
 1059 component sites of the multisite timeshare plan shall be made
 1060 available to the purchaser through the reservation system
 1061 pursuant to the timeshare instrument.

1062 (b) In the event that the reservation system is terminated
 1063 or otherwise becomes unavailable for any reason prior to the
 1064 expiration of the term of the specific multisite timeshare plan:

1065 1. The purchaser will be able to continue to use the
 1066 accommodations and facilities of the component site in which she



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1067 or he has been conveyed a timeshare estate in the manner
1068 described in the timeshare instrument for that component site
1069 for the remaining term of the timeshare estate; and

1070 2. Any use rights in that component site which had
1071 previously been made available through the reservation system to
1072 purchasers of the specific multisite timeshare plan who were not
1073 offered a timeshare estate at that component site will terminate
1074 when the reservation system is terminated or otherwise becomes
1075 unavailable for any reason.

1076 Section 14. This act shall take effect July 1, 2015.