

1 A bill to be entitled
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. 721.27,
20 F.S.; revising timeshare unit annual fee requirements;
21 amending s. 721.52, F.S.; revising definitions;
22 amending s. 721.53, F.S.; revising requirements with
23 respect to subordination instruments; deleting a
24 requirement relating to court approval of trustee
25 dispositions of multisite timeshare trust property;
26 providing that a vote of the voting interests of a

27 multisite timeshare plan is not required for
28 substitution or automatic deletion of multisite
29 timeshare trust property; repealing s. 721.54, F.S.,
30 relating to terms of nonspecific multisite timeshare
31 plans; amending s. 721.55, F.S.; revising disclosure
32 requirements for a multisite timeshare plan public
33 offering statement; amending s. 721.551, F.S.;
34 revising disclosure requirements for multisite
35 timeshare plan purchaser public offering statements;
36 amending s. 721.552, F.S.; revising requirements
37 relating to substitutions and deletions of component
38 site accommodations or facilities; amending s. 721.56,
39 F.S.; deleting provisions relating to the transfer of
40 specified reservation system data upon the termination
41 of managing entity and costs incurred by the
42 terminated managing entity; amending s. 721.57, F.S.;
43 revising language with respect to timeshare estates in
44 multisite timeshare plans; amending s. 721.58, F.S.;
45 deleting certain annual fee requirements for managing
46 entities of multisite timeshare plans; providing an
47 effective date.

48
49 Be It Enacted by the Legislature of the State of Florida:

50
51 Section 1. Subsection (34) of section 721.05, Florida
52 Statutes, is amended to read:

53 721.05 Definitions.—As used in this chapter, the term:
 54 (34) "Timeshare estate" means a right to occupy a
 55 timeshare unit, coupled with a freehold estate or an estate for
 56 years with a future interest in a timeshare property or a
 57 specified portion thereof, or coupled with. ~~The term includes an~~
 58 ownership interest in a condominium unit pursuant to s. 718.103,
 59 an ownership interest in a cooperative unit pursuant to s.
 60 719.103, or a direct or indirect beneficial interest in a trust
 61 that complies in all respects with ~~the provisions of s.~~
 62 721.08(2)(c)4. or s. 721.53(1)(e), provided that the trust does
 63 not contain any personal property timeshare interests. A
 64 timeshare estate is a parcel of real property under the laws of
 65 this state.

66 Section 2. Paragraph (a) of subsection (3) and paragraph
 67 (gg) of subsection (5) of section 721.07, Florida Statutes, are
 68 amended to read:

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

76 (3)(a)1. Any change to an approved public offering
 77 statement filing shall be filed with the division for approval
 78 as an amendment prior to becoming effective. The division shall

79 have 20 days after receipt of a proposed amendment to approve or
80 cite deficiencies in the proposed amendment. If the division
81 fails to act within 20 days, the amendment will be deemed
82 approved. If the proposed amendment adds a new component site to
83 an approved multisite timeshare plan, the division's initial
84 period in which to approve or cite deficiencies is 45 days. If
85 the developer fails to adequately respond to any deficiency
86 notice within 30 days, the division may reject the amendment.
87 Subsequent to such rejection, a new filing fee pursuant to
88 subsection (4) and a new division initial review period pursuant
89 to this paragraph shall apply to any refiling or further review
90 of the rejected amendment.

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

105 | timeshare instrument or any amendment that does not materially
 106 | alter or modify the offering in a manner that is adverse to a
 107 | purchaser, shall be delivered to a purchaser no later than 10
 108 | days prior to closing.

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

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

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

126 | 2. If a developer has, in good faith, attempted to comply
 127 | with ~~the requirements of this chapter section,~~ and if, in fact,
 128 | the developer ~~he or she~~ has substantially complied with ~~the~~
 129 | ~~disclosure requirements of this chapter,~~ nonmaterial errors or
 130 | omissions are shall not be actionable, are not violations of

131 this chapter, and do not give rise to any purchaser cancellation
132 right.

133 Section 3. Paragraph (c) of subsection (2) of section
134 721.08, Florida Statutes, is amended to read:

135 721.08 Escrow accounts; nondisturbance instruments;
136 alternate security arrangements; transfer of legal title.—

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

143 (c) Compliance with conditions.—

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

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

151 (I) Expiration of the cancellation period.

152 (II) Completion of construction.

153 (III) Closing.

154 (IV) Either:

155 (A) Execution, delivery, and recordation by each

156 interestholder of the nondisturbance and notice to creditors

157 instrument, as described in this section; or

158 (B) Transfer by the developer of legal title to the
159 subject accommodations and facilities, or all use rights
160 therein, into a trust satisfying the requirements of
161 subparagraph 4. and the execution, delivery, and recordation by
162 each other interestholder of the nondisturbance and notice to
163 creditors instrument, as described in this section.

164 b. A certified copy of each recorded nondisturbance and
165 notice to creditors instrument.

166 c. One of the following:

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

176 (II) A notice delivered for recording to the appropriate
177 official responsible for maintaining the public records in each
178 county in which the subject accommodations and facilities are
179 located notifying all persons of the identity of an independent
180 escrow agent or trustee satisfying the requirements of
181 subparagraph 4. that shall maintain separate books and records,
182 in accordance with good accounting practices, for the timeshare

183 plan in which timeshare licenses are to be sold. The books and
184 records shall indicate each accommodation and facility that is
185 subject to such a timeshare plan and each purchaser of a
186 timeshare license in the timeshare plan.

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

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

194 (I) Expiration of the cancellation period.

195 (II) Completion of construction.

196 (III) Closing.

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

200 c. Evidence that each accommodation and facility:

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

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

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

211 d. Evidence that the timeshare estate:

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

217 (II) Is the subject of a recorded nondisturbance and
 218 notice to creditors instrument that complies with subsection (3)
 219 and s. 721.17.

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

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

227 (I) Expiration of the cancellation period.

228 (II) Completion of construction.

229 (III) Closing.

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

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

234 (I) Transfer by the owner of the underlying personal

235 | property of legal title to the subject accommodations and
 236 | facilities or all use rights therein into a trust satisfying the
 237 | requirements of subparagraph 4.; or

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

242 | d. Evidence of compliance with the provisions of
 243 | subparagraph 6., if required.

244 | e. If a personal property timeshare plan is created with
 245 | respect to accommodations and facilities that are located on or
 246 | in an oceangoing vessel, including a "documented vessel" or a
 247 | "foreign vessel," as defined and governed by 46 U.S.C., chapter
 248 | 301:

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

254 | (II) The transfer instrument shall comply fully with the
 255 | provisions of this chapter, shall be part of the timeshare
 256 | instrument, and shall contain specific provisions that:

257 | (A) Prohibit the vessel owner, the developer, any manager
 258 | or operator of the vessel, the owners' association or the
 259 | trustee, the managing entity, or any other person from incurring
 260 | any liens against the vessel except for liens that are required

261 for the operation and upkeep of the vessel, including liens for
262 fuel expenditures, repairs, crews' wages, and salvage, and
263 except as provided in sub-sub-subparagraphs 4.b.(III) and
264 5.b.(III). All expenses, fees, and taxes properly incurred in
265 connection with the creation, satisfaction, and discharge of any
266 such permitted lien, or a prorated portion thereof if less than
267 all of the accommodations on the vessel are subject to the
268 timeshare plan, shall be common expenses of the timeshare plan.

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

273 (C) Establish governing law in a jurisdiction that
274 recognizes and will enforce the timeshare instrument and the
275 laws of the jurisdiction of registry of the vessel.

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

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

285 (F) The owners' association created under subparagraph 5.
286 or trustee created under subparagraph 4. shall have access to

287 any certificates of classification in accordance with the
288 timeshare instrument.

289 (III) If the vessel is a foreign vessel, the vessel must
290 be registered in a jurisdiction that permits a filing evidencing
291 the use rights of purchasers in the subject accommodations and
292 facilities, offers protection for such use rights against
293 unfiled and inferior claims, and recognizes the document or
294 instrument creating such use rights as a lien against the
295 vessel.

296 (IV) In addition to the disclosures required by s.
297 721.07(5), the public offering statement and purchase contract
298 must contain a disclosure in conspicuous type in substantially
299 the following form:

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

313 4. Trust.—

314 a. If the subject accommodations or facilities, or all use
315 rights therein, are to be transferred into a trust in order to
316 comply with this paragraph, such transfer shall take place
317 pursuant to this subparagraph. If the accommodations or
318 facilities included in such transfer are subject to a lease, the
319 unexpired term of the lease must be disclosed as the term of the
320 timeshare plan pursuant to s. 721.07(5)(f)4.

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

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

338 (II) The trust shall be irrevocable so long as any

339 purchaser has a right to occupy any portion of the timeshare
340 property pursuant to the timeshare plan.

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

359 (IV) All purchasers of the timeshare plan or the owners'
360 association of the timeshare plan shall be the express
361 beneficiaries of the trust. The trustee shall act as a fiduciary
362 to the beneficiaries of the trust. The personal liability of the
363 trustee shall be governed by ss. 736.08125, 736.08163, 736.1013,
364 and 736.1015. The agreement establishing the trust shall set

365 | forth the duties of the trustee. The trustee shall be required
366 | to furnish promptly to the division upon request a copy of the
367 | complete list of the names and addresses of the owners in the
368 | timeshare plan and a copy of any other books and records of the
369 | timeshare plan required to be maintained pursuant to s. 721.13
370 | that are in the possession, custody, or control of the trustee.
371 | All expenses reasonably incurred by the trustee in the
372 | performance of its duties, together with any reasonable
373 | compensation of the trustee, shall be common expenses of the
374 | timeshare plan.

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

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

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

391 (VIII) The trustee shall have appointed a registered agent
 392 in this state for service of process. In the event such a
 393 registered agent is not appointed, service of process may be
 394 served pursuant to s. 721.265.

395 5. Owners' association.—

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

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

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

416 (II) The bylaws of the owners' association shall provide

417 that the corporation may not be voluntarily dissolved without
418 the unanimous vote of all owners of personal property timeshare
419 interests so long as any purchaser has a right to occupy any
420 portion of the timeshare property pursuant to the timeshare
421 plan.

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

438 (IV) All purchasers of the timeshare plan shall be members
439 of the owners' association and shall be entitled to vote on
440 matters requiring a vote of the owners' association as provided
441 in this chapter or the timeshare instrument. The owners'
442 association shall act as a fiduciary to the purchasers of the

443 | timeshare plan. The articles of incorporation establishing the
 444 | owners' association shall set forth the duties of the owners'
 445 | association. All expenses reasonably incurred by the owners'
 446 | association in the performance of its duties, together with any
 447 | reasonable compensation of the officers or directors of the
 448 | owners' association, shall be common expenses of the timeshare
 449 | plan.

450 | (V) The documents establishing the owners' association
 451 | shall constitute a part of the timeshare instrument.

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

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

466 | 6. Personal property subject to certificate of title.—If
 467 | any personal property that is an accommodation or facility of a
 468 | timeshare plan is subject to a certificate of title in this

469 state pursuant to chapter 319 or chapter 328, the following
470 notation must be made on such certificate of title pursuant to
471 s. 319.27(1) or s. 328.15(1):

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

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

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

489 Section 4. Section 721.125, Florida Statutes, is created
490 to read:

491 721.125 Extension or termination of timeshare plans.—

492 (1) Unless the timeshare instrument provides otherwise,
493 the vote or written consent, or both, of 60 percent of all
494 voting interests in a timeshare plan may extend or terminate the

495 term of the timeshare plan at any time. If the term of a
496 timeshare plan is extended pursuant to this section, all rights,
497 privileges, duties, and obligations created under applicable law
498 or the timeshare instrument continue in full force to the same
499 extent as if the extended termination date of the timeshare plan
500 were the original termination date of the timeshare plan. If a
501 timeshare plan is terminated pursuant to this section, the
502 termination has immediate effect pursuant to applicable law and
503 the timeshare instrument as if the effective date of the
504 termination were the original date of termination.

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

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

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

518 721.14 Discharge of managing entity.—

519 (4) (a) An owners' association and a manager or management
520 firm may, in the management contract or other written document,

521 agree to the transition procedures and related time periods to
522 be followed in the event the manager or management firm is
523 discharged pursuant to this section. If there is no written
524 agreement between the parties that covers the matters set forth
525 in paragraphs (b) and (c), the provisions of paragraphs (b) and
526 (c) shall apply.

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

534 1. The names, addresses, and reservation status of all
535 accommodations.

536 2. The names and addresses of all purchasers of timeshare
537 interests.

538 3. All outstanding confirmed reservations and reservation
539 requests.

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

546 (c) All reasonable costs incurred by the terminated

547 managing entity in effecting the transfer of information
548 required by this subsection shall be reimbursed to the
549 terminated managing entity as a common expense of the timeshare
550 plan within 10 days after the completed transfer of the data
551 described in paragraph (b). ~~This section shall not apply to~~
552 ~~personal property timeshare plans.~~

553 Section 6. Section 721.27, Florida Statutes, is amended to
554 read:

555 721.27 Annual managing entity fee ~~for each timeshare unit~~
556 ~~in plan.~~ For each timeshare unit ~~On January 1 of each year, each~~
557 ~~managing entity of a timeshare plan~~ located in this state, the
558 managing entity shall collect as a common expense and pay to the
559 division on January 1 of each year an annual fee of \$2 for each
560 7 days of annual use availability that exist within the
561 timeshare plan at that time, ~~subject to any limitations on the~~
562 ~~amount of such annual fee pursuant to s. 721.58.~~ Only one fee
563 shall be due and payable for any 7 days of annual use
564 availability that are included within both a single site
565 timeshare plan under this part and a multisite timeshare plan
566 under part II of this chapter. If any portion of the annual fee
567 is not paid by March 1, the managing entity may be assessed a
568 penalty pursuant to s. 721.26.

569 Section 7. Subsections (5) and (7) of section 721.52,
570 Florida Statutes, are amended to read:

571 721.52 Definitions.—As used in this chapter, the term:

572 (5) "Nonspecific multisite timeshare plan" means a

573 multisite timeshare plan ~~containing timeshare licenses or~~
574 ~~personal property timeshare interests,~~ with respect to which a
575 purchaser receives a right to use all of the accommodations and
576 facilities, if any, of the multisite timeshare plan through the
577 reservation system, but no specific right to use any particular
578 accommodations and facilities for the remaining term of the
579 multisite timeshare plan in the event that the reservation
580 system is terminated for any reason prior to the expiration of
581 the term of the multisite timeshare plan.

582 (7) "Specific multisite timeshare plan" means a multisite
583 timeshare plan ~~containing timeshare licenses or personal~~
584 ~~property timeshare interests,~~ with respect to which a purchaser
585 receives a specific right to use accommodations and facilities,
586 if any, at one component site of a multisite timeshare plan,
587 together with use rights in the other accommodations and
588 facilities of the multisite timeshare plan created by or
589 acquired through the reservation system.

590 Section 8. Paragraph (e) of subsection (1) of section
591 721.53, Florida Statutes, is amended to read:

592 721.53 Subordination instruments; alternate security
593 arrangements.—

594 (1) With respect to each accommodation or facility of a
595 multisite timeshare plan, the developer shall provide the
596 division with satisfactory evidence that one of the following
597 has occurred with respect to each interestholder prior to
598 offering the accommodation or facility as a part of the

599 multisite timeshare plan:

600 (e) The interestholder has transferred the subject
601 accommodation or facility or all use rights therein to a trust
602 that complies with this paragraph. If the accommodation or
603 facility included in such transfer is subject to a lease, the
604 unexpired term of the lease must be disclosed as the term of
605 that component site pursuant to s. 721.55(4)(a). Prior to such
606 transfer, any lien or other encumbrance against such
607 accommodation or facility shall be made subject to a
608 nondisturbance and notice to creditors instrument pursuant to
609 paragraph (a) or a subordination and notice to creditors
610 instrument pursuant to paragraph (b). No transfer pursuant to
611 this paragraph shall become effective until the trust accepts
612 such transfer and the responsibilities set forth herein. A trust
613 established pursuant to this paragraph shall comply with the
614 following provisions:

615 1. The trustee shall be an individual or a business entity
616 authorized and qualified to conduct trust business in this
617 state. Any corporation authorized to do business in this state
618 may act as trustee in connection with a timeshare plan pursuant
619 to this chapter. The trustee must be independent from any
620 developer or managing entity of the timeshare plan or any
621 interestholder of any accommodation or facility of such plan.
622 The same trustee may hold the accommodations and facilities, or
623 use rights therein, for one or more of the component sites of
624 the timeshare plan.

625 2. The trust shall be irrevocable so long as any purchaser
 626 has a right to occupy any portion of the timeshare property
 627 pursuant to the timeshare plan.

628 3. The trustee shall not convey, hypothecate, mortgage,
 629 assign, lease, or otherwise transfer or encumber in any fashion
 630 any interests in or portion of the timeshare property with
 631 respect to which any purchaser has a right of use or occupancy
 632 unless the timeshare plan is terminated pursuant to the
 633 timeshare instrument, or the timeshare property held in trust is
 634 deleted from a multisite timeshare plan pursuant to s.
 635 721.552(3), or such conveyance, hypothecation, mortgage,
 636 assignment, lease, transfer, or encumbrance is approved by vote
 637 of two-thirds of all voting interests of the timeshare plan.
 638 Subject to s. 721.552, a vote of the voting interests of the
 639 timeshare plan is not required for substitution or automatic
 640 deletion of accommodations or facilities ~~and such decision is~~
 641 ~~declared by a court of competent jurisdiction to be in the best~~
 642 ~~interests of the purchasers of the timeshare plan.~~

643 4. All purchasers of the timeshare plan or the owners'
 644 association of the timeshare plan shall be express beneficiaries
 645 of the trust. The trustee shall act as a fiduciary to the
 646 beneficiaries of the trust. The personal liability of the
 647 trustee shall be governed by ss. 736.08125, 736.08163, 736.1013,
 648 and 736.1015. The agreement establishing the trust shall set
 649 forth the duties of the trustee. The trustee shall be required
 650 to furnish promptly to the division upon request a copy of the

651 complete list of the names and addresses of the owners in the
652 timeshare plan and a copy of any other books and records of the
653 timeshare plan required to be maintained pursuant to s. 721.13
654 that are in the possession of the trustee. All expenses
655 reasonably incurred by the trustee in the performance of its
656 duties, together with any reasonable compensation of the
657 trustee, shall be common expenses of the timeshare plan.

658 5. The trustee shall not resign upon less than 90 days'
659 prior written notice to the managing entity and the division. No
660 resignation shall become effective until a substitute trustee,
661 approved by the division, is appointed by the managing entity
662 and accepts the appointment.

663 6. The documents establishing the trust arrangement shall
664 constitute a part of the timeshare instrument.

665 7. For trusts holding property in component sites located
666 outside this state, the trust holding such property shall be
667 deemed in compliance with the requirements of this paragraph, if
668 such trust is authorized and qualified to conduct trust business
669 under the laws of such jurisdiction and the agreement or law
670 governing such trust arrangement provides substantially similar
671 protections for the purchaser as are required in this paragraph
672 for trusts holding property in a component site located in this
673 state.

674 8. The trustee shall have appointed a registered agent in
675 this state for service of process. In the event such a
676 registered agent is not appointed, service of process may be

677 served pursuant to s. 721.265.

678 Section 9. Section 721.54, Florida Statutes, is repealed.

679 Section 10. Paragraphs (a) and (h) of subsection (4),
 680 subsection (5), and paragraph (l) of subsection (7) of section
 681 721.55, Florida Statutes, are amended to read:

682 721.55 Multisite timeshare plan public offering
 683 statement.—Each filed public offering statement for a multisite
 684 timeshare plan shall contain the information required by this
 685 section and shall comply with the provisions of s. 721.07,
 686 except as otherwise provided therein. The division is authorized
 687 to provide by rule the method by which a developer must provide
 688 such information to the division. Each multisite timeshare plan
 689 filed public offering statement shall contain the following
 690 information and disclosures:

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

693 (a) A description of the multisite timeshare plan,
 694 including its term, legal structure, ~~and form of ownership, and~~
 695 ~~For multisite timeshare plans in which the purchaser will~~
 696 ~~receive a timeshare estate pursuant to s. 721.57 and for~~
 697 ~~specific multisite timeshare plans, the description must also~~
 698 ~~include~~ the term of each component site within the multisite
 699 timeshare plan. The term of each component site that is shorter
 700 than the term of the multisite timeshare plan must be disclosed
 701 in conspicuous type.

702 (h) A description of the purchaser's liability for common

703 expenses of the multisite timeshare plan, including the
704 following:

705 1. A description of the common expenses of the plan,
706 including the method of allocation and assessment of such common
707 expenses, whether component site common expenses and real estate
708 taxes are included within the total common expense assessment of
709 the multisite timeshare plan, and, if not, the manner in which
710 timely payment of component site common expenses and real estate
711 taxes shall be accomplished.

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

714 a. In no event shall the total common expense assessment
715 for the multisite timeshare plan in a given calendar year exceed
716 125 percent of the total common expense assessment for the plan
717 in the previous calendar year.

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

721 3. A description of the entity responsible for the
722 determination of the common expenses of the multisite timeshare
723 plan, as well as any entity which may increase the level of
724 common expenses assessed against the purchaser at the multisite
725 timeshare plan level.

726 4. A description of the method used to collect common
727 expenses, including the entity responsible for such collections,
728 and the lien rights of any entity for nonpayment of common

729 expenses. If the common expenses of any component site are
730 collected by the managing entity of the multisite timeshare
731 plan, a statement to that effect together with the identity and
732 address of the escrow agent required by s. 721.56(3).

733 5. If the purchaser will receive an interest in a
734 nonspecific multisite timeshare plan, a statement that a
735 multisite timeshare plan budget is attached to the public
736 offering statement as an exhibit pursuant to paragraph (7)(c).
737 The multisite timeshare plan budget shall comply with the
738 provisions of s. 721.07(5)(t).

739 6. If the developer intends to guarantee the level of
740 assessments for the multisite timeshare plan, such guarantee
741 must be based upon a good faith estimate of the revenues and
742 expenses of the multisite timeshare plan. The guarantee must
743 include a description of the following:

744 a. The specific time period, measured in one or more
745 calendar or fiscal years, during which the guarantee will be in
746 effect.

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

751 c. The level, expressed in total dollars, at which the
752 developer guarantees the assessments. If the developer has
753 reserved the right to extend or increase the guarantee level, a
754 disclosure must be included to that effect.

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

757 a. Any limitation upon annual increases in common
758 expenses;

759 b. The existence of any bad debt or working capital
760 reserve; and

761 c. The existence of any replacement or deferred
762 maintenance reserve.

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

768 (b) If a developer has, in good faith, attempted to comply
769 with ~~the requirements of this chapter section,~~ and if, in fact,
770 the developer has substantially complied with ~~the disclosure~~
771 ~~requirements of this chapter,~~ nonmaterial errors or omissions
772 are not actionable, are not violations of this chapter, and do
773 not give rise to any purchaser cancellation right shall not be
774 ~~actionable.~~

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

777 (1)1. If the multisite timeshare plan contains any
778 component sites located in this state, the information required
779 by s. 721.07(5) pertaining to each such component site unless
780 exempt pursuant to s. 721.03.

781 2. If the purchaser will receive a ~~timeshare estate~~
782 ~~pursuant to s. 721.57, or~~ an interest in a specific multisite
783 timeshare plan, ~~in a~~ component site located outside of this
784 state but which is offered in this state, the information
785 required by s. 721.07(5) pertaining to that component site,
786 provided, however, that the provisions of s. 721.07(5)(t) shall
787 only require disclosure of information related to the estimated
788 budget for the timeshare plan and purchaser's expenses as
789 required by the jurisdiction in which the component site is
790 located.

791 Section 11. Paragraph (c) of subsection (2) of section
792 721.551, Florida Statutes, is amended to read:

793 721.551 Delivery of multisite timeshare plan purchaser
794 public offering statement.—

795 (2) The developer shall furnish each purchaser with the
796 following:

797 (c) If the purchaser will receive a ~~timeshare estate~~
798 ~~pursuant to s. 721.57, or~~ an interest in a specific multisite
799 timeshare plan, ~~in a~~ component site located in this state, the
800 developer shall also furnish the purchaser with the information
801 required to be delivered pursuant to s. 721.07(6)(a) and (b) for
802 that ~~the~~ component site ~~in which the purchaser will receive an~~
803 ~~estate or interest in a specific multisite timeshare plan.~~

804 Section 12. Subsection (2) and paragraph (c) of subsection
805 (3) of section 721.552, Florida Statutes, are amended to read:

806 721.552 Additions, substitutions, or deletions of

807 component site accommodations or facilities; purchaser remedies
 808 for violations.—Additions, substitutions, or deletions of
 809 component site accommodations or facilities may be made only in
 810 accordance with the following:

811 (2) SUBSTITUTIONS.—

812 (a) Substitutions are available only for nonspecific
 813 multisite timeshare plans. Specific multisite timeshare plans ~~or~~
 814 ~~plans offering timeshare estates pursuant to s. 721.57~~ may not
 815 contain an accommodation substitution right.

816 (b) The timeshare instrument shall provide for the
 817 following:

818 1. The basis upon which new accommodations and facilities
 819 may be substituted for existing accommodations and facilities of
 820 the multisite timeshare plan; by whom substitutions may be made;
 821 and the basis upon which the determination may be made to cause
 822 such substitutions to occur.

823 2. The replacement accommodations and facilities must
 824 provide purchasers with an opportunity to enjoy a substantially
 825 similar or improved vacation experience as compared to ~~as was~~
 826 the experience available at ~~with~~ the replaced accommodation or
 827 facility. In determining whether the replacement accommodations
 828 and facilities will provide a substantially similar or improved
 829 vacation experience, all relevant factors must be considered,
 830 including, but not limited to, some or all of the following:
 831 size, capacity, furnishings, maintenance, location (geographic,
 832 topographic, and scenic), demand, and availability for purchaser

833 use, and recreational capabilities.

834 3. The extent, if any, to which purchasers will have the
835 right to consent to any proposed substitutions.

836 (c) No substitutions may be made during the first year
837 after the developer begins to offer the multisite timeshare
838 plan.

839 (d)1. If the timeshare instrument provides that the
840 developer, acting unilaterally, is the person authorized to make
841 substitutions, the developer may not substitute ~~No more than 25~~
842 ~~percent of the~~ available accommodations in the multisite
843 timeshare plan at a given component site may undergo
844 ~~substitution~~ in a given calendar year pursuant to paragraph (e)
845 if the amount of such substituted accommodations provides more
846 than 10 percent of the total annual use availability in the
847 multisite timeshare plan calculated in 7-day increments ~~in which~~
848 ~~substitution is permitted. This paragraph shall be interpreted~~
849 ~~to permit the substitution of an entire component site over a 4-~~
850 ~~year period.~~

851 2. If the timeshare instrument provides that the managing
852 entity is the person authorized to make substitutions, and the
853 managing entity is under common ownership or control with the
854 developer, the managing entity may not substitute available
855 accommodations in the multisite timeshare plan in a given
856 calendar year pursuant to paragraph (e) if the amount of such
857 substituted accommodations provides more than 10 percent of the
858 total annual use availability in the multisite timeshare plan

859 calculated in 7-day increments.

860 3. If the timeshare instrument provides that the managing
861 entity is the person authorized to make substitutions, and the
862 managing entity is not under common ownership or control with
863 the developer, the managing entity may not substitute available
864 accommodations in the multisite timeshare plan in a given
865 calendar year pursuant to paragraph (e) if the amount of such
866 substituted accommodations provides more than 25 percent of the
867 total annual use availability in the multisite timeshare plan
868 calculated in 7-day increments.

869 4. If the person authorized to make substitutions
870 receives, within 21 days after the date of the notice of
871 substitution required by paragraph (e), a written objection to
872 the proposed substitution from at least 10 percent of all
873 purchasers in the multisite timeshare plan, a meeting of the
874 purchasers must be conducted by the managing entity within 30
875 days after the end of such 21-day period. The proposed
876 substitution is ratified unless it is rejected by a majority of
877 purchasers voting in person or by proxy at the meeting, provided
878 that at least 25 percent of all purchasers cast votes. This
879 subparagraph does not apply if the timeshare instrument provides
880 that purchasers do not have the right to consent to any proposed
881 substitutions.

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

884 (e) The person authorized to make substitutions shall

885 | notify all purchasers of the multisite timeshare plan in writing
886 | of her or his intention to delete accommodations or facilities
887 | ~~at a given component site~~ and to substitute them with other
888 | specified accommodations or facilities pursuant to this
889 | subsection. This notice must be given at least 6 months in
890 | advance of the date that the proposed substitution will occur;
891 | must state the last day after the end of the 6-month period on
892 | which reservations will be accepted from purchasers for use of
893 | the accommodations to be deleted; and must state that purchasers
894 | shall have 21 days after the date of the notice of substitution
895 | to file a written objection with the person authorized to make
896 | substitutions, ~~and the notice must inform the purchasers that~~
897 | ~~they may reserve the use of the accommodations to be deleted~~
898 | ~~during this 6-month period. At the end of the 6-month period,~~
899 | The person authorized to make substitutions may delete
900 | accommodations for substitution only after such accommodations
901 | have no pending purchaser use reservations to the extent that
902 | they were not reserved during the 6-month period.

903 | (f) The person authorized to make substitutions may make
904 | unlimited substitutions ~~If the managing entity of a multisite~~
905 | ~~timeshare plan includes an owners' association composed of all~~
906 | ~~purchasers or a corporation which owns or controls the~~
907 | ~~accommodations and facilities of the plan, the board of~~
908 | ~~administration of either of which is comprised of a majority of~~
909 | ~~board members elected by purchasers other than the developer,~~
910 | ~~and if such managing entity has the right to make substitutions~~

911 ~~pursuant to the timeshare instrument, all of the available~~
912 ~~accommodations at a given component site may undergo~~
913 ~~substitution~~ in a given year without compliance with paragraphs
914 (d) and (e) if a proposed a written plan of substitution is
915 ~~provided to each purchaser has been approved~~ in advance by a
916 majority of purchasers of the multisite timeshare plan voting in
917 person or by proxy at a meeting called for that purpose,
918 provided that at least 25 percent of the total number of
919 purchasers cast votes ~~of the board of administration and by a~~
920 majority ~~of all purchasers in the plan. The plan of substitution~~
921 ~~must:~~

922 1. ~~Specifically identify the component site being replaced~~
923 ~~and the proposed substitute component site.~~

924 2. ~~Contain information regarding prior demand for~~
925 ~~purchaser use of the component site being replaced.~~

926 3. ~~Provide the results of a survey of purchaser attitudes~~
927 ~~regarding the component site being replaced and the proposed~~
928 ~~substitute component site.~~

929 4. ~~Explain the practical and business reasons for~~
930 ~~effecting a total substitution within the given calendar year.~~

931 5. ~~Provide a plan for handling reservation requests during~~
932 ~~the substitution period for both the component site being~~
933 ~~replaced and the proposed substitute component site.~~

934

935 Substitutions made pursuant to this paragraph shall not be
936 subject to the provisions of subparagraph (b)2.

937 (g) If the person authorized to make substitutions has
938 fully complied with the applicable provisions of this subsection
939 and the timeshare instrument, the trustee of a timeshare trust
940 qualified under s. 721.53(1)(e) may convey title to any
941 accommodations and facilities that have been designated or
942 approved for substitution as and when directed by the person
943 authorized to make substitutions without any further vote or
944 other authorization of the purchasers of the multisite timeshare
945 plan.

946 (h) ~~(g)~~ The person who is authorized by the timeshare
947 instrument to make substitutions to the multisite timeshare plan
948 pursuant to this subsection shall act as a fiduciary in such
949 capacity in the best interests of the purchasers of the plan as
950 a whole and shall adhere to the demand balancing standard set
951 forth in s. 721.56(6) in connection with such substitutions.
952 Substitutions that are otherwise permitted may be made only so
953 long as a one-to-one use right to use night requirement ratio is
954 maintained at all times.

955 (3) DELETIONS.—

956 (c) Automatic deletion.—The timeshare instrument may
957 provide that a component site will be automatically deleted upon
958 the expiration of its term ~~in a timeshare plan other than a~~
959 ~~nonspecific multisite timeshare plan~~ or as otherwise provided in
960 the timeshare instrument. However, the timeshare instrument must
961 also provide that in the event a component site is deleted from
962 the plan in this manner, a sufficient number of purchasers of

963 the plan will also be deleted, or a sufficient number of
964 replacement accommodations and facilities that comply with
965 subparagraph (2) (b)2. will be substituted for the deleted
966 accommodations and facilities, so as to maintain no greater than
967 a one-to-one use right to use night requirement ratio.

968 Section 13. Subsection (5) of section 721.56, Florida
969 Statutes, is amended to read:

970 721.56 Management of multisite timeshare plans;
971 reservation systems; demand balancing.-

972 ~~(5) (a)1. The reservation system is a facility of any~~
973 ~~nonspecific multisite timeshare plan. The reservation system is~~
974 ~~not a facility of any specific multisite timeshare plan, nor is~~
975 ~~it a facility of any multisite timeshare plan in which timeshare~~
976 ~~estates are offered pursuant to s. 721.57.~~

977 ~~2. The reservation system of any multisite timeshare plan~~
978 ~~shall include any computer software and hardware employed for~~
979 ~~the purpose of enabling or facilitating the operation of the~~
980 ~~reservation system.~~ Nothing contained in this part shall
981 preclude a manager or management firm that is serving as
982 managing entity of a multisite timeshare plan from providing in
983 its contract with the purchasers or owners' association of the
984 multisite timeshare plan or in the timeshare instrument that the
985 manager or management firm owns the reservation system and that
986 the managing entity shall continue to own the reservation system
987 in the event the purchasers discharge the managing entity
988 pursuant to s. 721.14.

989 ~~(b) In the event of a termination of a managing entity of~~
990 ~~a nonspecific multisite timeshare plan, which managing entity~~
991 ~~owns the reservation system, irrespective of whether the~~
992 ~~termination is voluntary or involuntary and irrespective of the~~
993 ~~cause of such termination, in addition to any other remedies~~
994 ~~available to purchasers in this part, the terminated managing~~
995 ~~entity shall, prior to such termination, establish a trust~~
996 ~~meeting the criteria set forth in this paragraph. It is the~~
997 ~~intent of the Legislature that this trust arrangement provide~~
998 ~~for an adequate period of continued operation of the reservation~~
999 ~~system of the multisite timeshare plan, during which period the~~
1000 ~~new managing entity shall make provision for the acquisition of~~
1001 ~~a substitute reservation system.~~

1002 ~~1. The trust shall be established with an independent~~
1003 ~~trustee. Both the terminated managing entity and the new~~
1004 ~~managing entity shall attempt to agree on an acceptable trustee.~~
1005 ~~In the event they cannot agree on an acceptable trustee, they~~
1006 ~~shall each designate a nominee, and the two nominees shall~~
1007 ~~select the trustee.~~

1008 ~~2. The terminated managing entity shall take all steps~~
1009 ~~necessary to enable the trustee or the trustee's designee to~~
1010 ~~operate the reservation system in the same manner as provided in~~
1011 ~~the timeshare instrument and the public offering statement. The~~
1012 ~~trustee may, but shall not be required to, contract with the~~
1013 ~~terminated managing entity for the continued operation of the~~
1014 ~~reservation system. In the event the trustee elects to contract~~

1015 ~~with the terminated managing entity, that managing entity shall~~
 1016 ~~be required to operate the reservation system and shall be~~
 1017 ~~entitled to payment for that service. The payment shall in no~~
 1018 ~~event exceed the amount previously paid to the terminated~~
 1019 ~~managing entity for operation of the reservation system.~~

1020 ~~3. The trust shall remain in effect for a period of no~~
 1021 ~~longer than 1 year following the date of termination of the~~
 1022 ~~managing entity.~~

1023 ~~4. Nothing contained in this subsection shall abrogate or~~
 1024 ~~otherwise interfere with any proprietary rights in the~~
 1025 ~~reservation system that have been reserved by the discharged~~
 1026 ~~managing entity, in its management contract or otherwise, so~~
 1027 ~~long as such proprietary rights are not asserted in a manner~~
 1028 ~~that would prevent the continued operation of the reservation~~
 1029 ~~system as contemplated in this subsection.~~

1030 ~~(c) In the event of a termination of a managing entity of~~
 1031 ~~a timeshare estate or specific multisite timeshare plan, which~~
 1032 ~~managing entity owns the reservation system, irrespective of~~
 1033 ~~whether the termination is voluntary or involuntary and~~
 1034 ~~irrespective of the cause of such termination, in addition to~~
 1035 ~~any other remedies available to purchasers in this part, the~~
 1036 ~~terminated managing entity shall, prior to such termination,~~
 1037 ~~promptly transfer to each component site managing entity all~~
 1038 ~~relevant data contained in the reservation system with respect~~
 1039 ~~to that component site, including, but not limited to:~~

1040 ~~1. The names, addresses, and reservation status of~~

1041 ~~component site accommodations.~~

1042 ~~2. The names and addresses of all purchasers of timeshare~~
1043 ~~interests at that component site.~~

1044 ~~3. All outstanding confirmed reservations and reservation~~
1045 ~~requests for that component site.~~

1046 ~~4. Such other component site records and information as~~
1047 ~~are necessary, in the reasonable discretion of the component~~
1048 ~~site managing entity, to permit the uninterrupted operation and~~
1049 ~~administration of the component site, provided that a given~~
1050 ~~component site managing entity shall not be entitled to any~~
1051 ~~information regarding other component sites or regarding the~~
1052 ~~terminated multisite timeshare plan managing entity.~~

1053
1054 ~~All reasonable costs incurred by the terminated managing entity~~
1055 ~~in effecting the transfer of information required by this~~
1056 ~~paragraph shall be reimbursed to the terminated managing entity~~
1057 ~~on a pro rata basis by each component site, and the amount of~~
1058 ~~such reimbursement shall constitute a common expense of each~~
1059 ~~component site.~~

1060 Section 14. Section 721.57, Florida Statutes, is amended
1061 to read:

1062 721.57 Offering of timeshare estates in specific multisite
1063 timeshare plans; required provisions in the timeshare
1064 instrument.—

1065 (1) In addition to meeting all the requirements of part I,
1066 timeshare estates offered in a specific multisite timeshare plan

1067 must meet the requirements of subsection (2). Any offering of
 1068 timeshare estates in a specific multisite timeshare plan that
 1069 does not comply with these requirements shall be deemed to be an
 1070 offering of a timeshare license.

1071 (2) The timeshare instrument of a specific multisite
 1072 timeshare plan in which timeshare estates are offered, ~~other~~
 1073 ~~than a trust meeting the requirements of s. 721.08,~~ must contain
 1074 or provide for all of the following matters:

1075 (a) The purchaser will receive a timeshare estate as
 1076 defined in s. 721.05 in one of the component sites of the
 1077 specific multisite timeshare plan. The use rights in the other
 1078 component sites of the multisite timeshare plan shall be made
 1079 available to the purchaser through the reservation system
 1080 pursuant to the timeshare instrument.

1081 (b) In the event that the reservation system is terminated
 1082 or otherwise becomes unavailable for any reason prior to the
 1083 expiration of the term of the specific multisite timeshare plan:

1084 1. The purchaser will be able to continue to use the
 1085 accommodations and facilities of the component site in which she
 1086 or he has been conveyed a timeshare estate in the manner
 1087 described in the timeshare instrument for that component site
 1088 for the remaining term of the timeshare estate; and

1089 2. Any use rights in that component site which had
 1090 previously been made available through the reservation system to
 1091 purchasers of the specific multisite timeshare plan who were not
 1092 offered a timeshare estate at that component site will terminate

1093 when the reservation system is terminated or otherwise becomes
 1094 unavailable for any reason.

1095 Section 15. Section 721.58, Florida Statutes, is amended
 1096 to read:

1097 721.58 Filing fee; ~~annual fee.~~

1098 ~~(1)~~ The developer of the multisite timeshare plan shall
 1099 pay the filing fee required by s. 721.07(4)(a); however, the
 1100 maximum amount of such filing fee shall be \$25,000 or the total
 1101 filing fee due with respect to the timeshare units in the
 1102 multisite timeshare plan that are located in this state pursuant
 1103 to s. 721.07(4)(a), whichever is greater.

1104 ~~(2) The managing entity of the multisite timeshare plan~~
 1105 ~~shall pay the annual fee required by s. 721.27; provided,~~
 1106 ~~however, that the maximum amount of such annual fee shall be~~
 1107 ~~\$25,000 or the total annual fee due with respect to the~~
 1108 ~~timeshare units in the multisite timeshare plan that are located~~
 1109 ~~in this state calculated pursuant to s. 721.07(4)(a), whichever~~
 1110 ~~is greater.~~

1111 Section 16. This act shall take effect July 1, 2015.