

**First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 13-0125.02 Christy Chase x2008

SENATE BILL 13-182

SENATE SPONSORSHIP

Nicholson, Todd, Schwartz

HOUSE SPONSORSHIP

Williams, Hamner, Mitsch Bush

Senate Committees

Local Government

House Committees

Business, Labor, Economic, & Workforce
Development

A BILL FOR AN ACT

101 **CONCERNING DECEPTIVE TRADE PRACTICES RELATED TO TIME SHARE**

102 **RESALE SERVICES.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

The bill amends provisions of the "Colorado Consumer Protection Act" relating to time share transactions and, in particular, transactions involving resale time shares. **Section 3** of the bill requires entities that provide time share resale services to disclose specified information about

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

HOUSE
3rd Reading Unamended
April 2, 2013

HOUSE
Amended 2nd Reading
April 1, 2013

SENATE
3rd Reading Unamended
March 11, 2013

SENATE
2nd Reading Unamended
March 8, 2013

the services to the owner of the resale time share, and makes failure to disclose the information a deceptive trade practice. A time share resale entity is prohibited from knowingly transferring or offering to transfer, or receiving compensation in connection with a transfer of, a resale time share to a transferee who is unable or does not intend to fulfill the obligations of ownership. A person injured by a violation of the requirements relating to time share resale services may bring an action for damages within 3 years after discovering the violation.

Section 2 of the bill defines specified activities as deceptive trade practices in the advertisement or sale of a time share or the provision of a time share resale service.

Section 1 defines the following terms: "Resale time share", "time share resale entity", "time share resale service", and "time share resale transfer agreement".

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 6-1-102, **add** (9.5),
3 (11.7), (11.8), and (11.9) as follows:

4 **6-1-102. Definitions.** As used in this article, unless the context
5 otherwise requires:

6 (9.5) "RESALE TIME SHARE" MEANS A TIME SHARE, INCLUDING ALL
7 OR SUBSTANTIALLY ALL OWNERSHIP, RIGHTS, OR INTERESTS ASSOCIATED
8 WITH THE TIME SHARE:

9 (a) THAT HAS BEEN ACQUIRED PREVIOUSLY FOR PERSONAL,
10 FAMILY, OR HOUSEHOLD USE; AND

11 (b) (I) THAT IS OWNED BY A COLORADO RESIDENT; OR

12 (II) THE ACCOMMODATIONS AND OTHER FACILITIES OF WHICH ARE
13 AVAILABLE FOR USE THROUGH THE TIME SHARE AND ARE PRIMARILY
14 LOCATED IN COLORADO.

15 (11.7) (a) "TIME SHARE RESALE ENTITY" MEANS ANY PERSON WHO,
16 EITHER DIRECTLY OR INDIRECTLY, ENGAGES IN A TIME SHARE RESALE
17 SERVICE.

1 (b) "TIME SHARE RESALE ENTITY" DOES NOT INCLUDE:

2 (I) THE DEVELOPER, ASSOCIATION OF TIME SHARE OWNERS, OR
3 OTHER PERSON RESPONSIBLE FOR MANAGING OR OPERATING THE PLAN OR
4 ARRANGEMENT BY WHICH THE RIGHTS OR INTERESTS ASSOCIATED WITH A
5 RESALE TIME SHARE ARE UTILIZED, BUT ONLY TO THE EXTENT THE RESALE
6 TIME SHARE IS PART OF AN EXISTING PLAN OR ARRANGEMENT MANAGED
7 BY THAT DEVELOPER, ASSOCIATION, OR PERSON; ■

8 (II) ATTORNEYS, TITLE AGENTS, TITLE COMPANIES, OR ESCROW
9 COMPANIES PROVIDING CLOSING, SETTLEMENT, OR OTHER TRANSACTION
10 SERVICES AS LONG AS THE SERVICES ARE PROVIDED IN THE NORMAL
11 COURSE OF BUSINESS IN SUPPORTING A CONVEYANCE OF TITLE OR IN
12 ISSUING TITLE INSURANCE PRODUCTS IN A TIME SHARE RESALE
13 TRANSACTION. TO THE EXTENT THE ATTORNEY, TITLE AGENT, TITLE
14 COMPANY, OR ESCROW COMPANY IS ENGAGED IN PROVIDING SERVICES OR
15 PRODUCTS THAT ARE OUTSIDE THE NORMAL COURSE OF BUSINESS IN
16 SUPPORTING A CONVEYANCE OF TITLE OR IN ISSUING TITLE INSURANCE
17 PRODUCTS OR HAS AN AFFILIATED BUSINESS ARRANGEMENT WITH A PARTY
18 TO A TIME SHARE RESALE TRANSACTION, THIS EXEMPTION DOES NOT
19 APPLY; OR

20 (III) REAL ESTATE BROKERS OPERATING WITHIN THE SCOPE OF
21 ACTIVITIES SPECIFIED IN SECTION 12-61-101 (2), C.R.S., WITH RESPECT TO
22 A TIME SHARE RESALE TRANSACTION AS LONG AS THE REAL ESTATE
23 BROKER DOES NOT COLLECT A FEE IN ADVANCE. TO THE EXTENT A REAL
24 ESTATE BROKER IS ENGAGED IN ACTIVITIES OUTSIDE THE SCOPE OF
25 ACTIVITIES SPECIFIED IN SECTION 12-61-101 (2), C.R.S., COLLECTS AN
26 ADVANCE FEE, OR HAS AN AFFILIATED BUSINESS ARRANGEMENT WITH A
27 PARTY TO A TIME SHARE RESALE TRANSACTION, THIS EXEMPTION DOES

1 NOT APPLY.

2 (11.8) "TIME SHARE RESALE SERVICE" MEANS ANY OF THE
3 FOLLOWING ACTIVITIES, ENGAGED IN DIRECTLY OR INDIRECTLY AND FOR
4 CONSIDERATION, REGARDLESS OF WHETHER PERFORMED IN PERSON, BY
5 MAIL, BY TELEPHONE, OR BY ANY OTHER MODE OF INTERNET OR
6 ELECTRONIC COMMUNICATION, UNLESS PERFORMED BY A PERSON OR
7 ENTITY THAT, PURSUANT TO PARAGRAPH (b) OF SUBSECTION (11.7) OF
8 THIS SECTION, IS EXEMPTED:

9 (a) THE SALE, RENTAL, LISTING, OR ADVERTISING OF, OR AN OFFER
10 TO SELL, RENT, LIST, OR ADVERTISE, ANY RESALE TIME SHARE;

11 (b) THE PURCHASE OR OFFER TO PURCHASE ANY RESALE TIME
12 SHARE;

13 (c) THE TRANSFER OR OFFER TO ASSIST IN THE TRANSFER OF ANY
14 RESALE TIME SHARE; OR

15 (d) THE INVALIDATION OR AN OFFER TO INVALIDATE THE
16 PURCHASE OR OWNERSHIP OF ANY RESALE TIME SHARE OR THE PURCHASE
17 OF ANY TIME SHARE RESALE SERVICE.

18 (11.9) (a) "TIME SHARE RESALE TRANSFER AGREEMENT" MEANS A
19 CONTRACT BETWEEN A TIME SHARE RESALE ENTITY AND THE OWNER OF A
20 RESALE TIME SHARE IN WHICH THE TIME SHARE RESALE ENTITY AGREES TO
21 TRANSFER, OR OFFERS TO ASSIST IN THE TRANSFER OF ALL OR
22 SUBSTANTIALLY ALL OF, THE RIGHTS OR INTERESTS IN A RESALE TIME
23 SHARE ON BEHALF OF THE OWNER OF THE RESALE TIME SHARE.

24 (b) (I) "TIME SHARE RESALE TRANSFER AGREEMENT" DOES NOT
25 INCLUDE A CONTRACT TO SELL, RENT, LIST, ADVERTISE, PURCHASE, OR
26 TRANSFER A RESALE TIME SHARE IF THE OWNER OF THE RESALE TIME
27 SHARE:

1 (A) UPON ENTERING THE CONTRACT, REASONABLY EXPECTS TO
2 RECEIVE CONSIDERATION IN EXCHANGE FOR THE RESALE TIME SHARE; AND

3 (B) UPON THE ACTUAL SALE, RENTAL, OR TRANSFER OF THE TIME
4 SHARE, RECEIVES CONSIDERATION.

5 (II) FOR PURPOSES OF THIS SUBSECTION (11.9), A TRANSFER OF THE
6 RESALE TIME SHARE DOES NOT, BY ITSELF, CONSTITUTE CONSIDERATION.

7 **SECTION 2.** In Colorado Revised Statutes, **amend** 6-1-703 as
8 follows:

9 **6-1-703. Time shares and resale time shares - deceptive trade**

10 **practices.** (1) A person engages in a deceptive trade practice when, in
11 the course of ~~such~~ THE person's business, vocation, or occupation, ~~such~~
12 THE person engages in one or more of the following activities in
13 connection with the advertisement or sale of a time share OR THE
14 PROVISION OF A TIME SHARE RESALE SERVICE:

15 (a) Misrepresents:

16 (I) The investment, resale, or rental value of any time share;

17 (II) The conditions under which a purchaser may exchange the
18 right to use accommodations or facilities in one location for the right to
19 use accommodations or facilities in another location; or

20 (III) The period of time during which the accommodations or
21 facilities contracted for will be available to the purchaser;

22 (b) Fails to allow any purchaser ~~of a time share~~ a right to rescind
23 the sale OF A TIME SHARE OR A TIME SHARE RESALE SERVICE within five
24 calendar days after the sale;

25 (c) (I) Fails to provide conspicuous notice on the contract of the
26 right of a purchaser of a time share OR TIME SHARE RESALE SERVICE to
27 rescind the sale IN WRITING either by ~~telegram~~ ELECTRONIC MEANS, mail,

1 or hand delivery.

2 (II) For purposes of this section, notice of rescission is ~~considered~~
3 given:

4 (A) If by mail, when postmarked;

5 (B) If by ~~telegram~~ ELECTRONIC MAIL OR OTHER ELECTRONIC
6 MEANS, when ~~filed for telegraphic transmission~~ SENT; or

7 (C) If by hand delivery, when delivered to the seller's place of
8 business.

9 (d) Fails to refund any down payment or deposit made pursuant
10 to a time share contract OR CONTRACT FOR TIME SHARE RESALE SERVICE
11 within seven days after the seller OR TIME SHARE RESALE ENTITY receives
12 the purchaser's written notice of rescission; EXCEPT THAT, IF THE
13 PURCHASER'S CHECK HAS NOT CLEARED AT THE TIME NOTICE OF
14 RESCISSION IS RECEIVED, THE PERSON HAS SEVEN ADDITIONAL DAYS AFTER
15 RECEIPT OF FUNDS FROM THE PURCHASER'S CLEARED CHECK TO REFUND
16 THE DOWN PAYMENT OR DEPOSIT;

17 (e) WITH RESPECT TO THE SALE OR SOLICITATION OF ANY TIME
18 SHARE RESALE SERVICE, MAKES FALSE OR MISLEADING STATEMENTS,
19 INCLUDING STATEMENTS CONCERNING:

20 (I) THE EXISTENCE OF OFFERS TO BUY OR RENT THE RESALE TIME
21 SHARE;

22 (II) THE LIKELIHOOD OF, OR THE TIME NECESSARY TO COMPLETE,
23 ANY SALE, RENTAL, TRANSFER, OR INVALIDATION;

24 (III) THE VALUE OF THE RESALE TIME SHARE;

25 (IV) THE CURRENT OR FUTURE COSTS OF OWNING THE RESALE TIME
26 SHARE, INCLUDING ASSESSMENTS, MAINTENANCE FEES, OR TAXES;

27 (V) HOW AMOUNTS PAID BY THE PURCHASER OF THE TIME SHARE

1 RESALE SERVICE WILL BE UTILIZED;

2 (VI) THE METHOD OR SOURCE FROM WHICH THE NAME, ADDRESS,
3 TELEPHONE NUMBER, OR OTHER CONTACT INFORMATION OF THE OWNER
4 OF THE RESALE TIME SHARE WAS OBTAINED;

5 (VII) THE IDENTITY OF THE TIME SHARE RESALE ENTITY OR THAT
6 ENTITY'S AFFILIATES; OR

7 (VIII) THE TERMS AND CONDITIONS UPON WHICH THE TIME SHARE
8 RESALE SERVICE IS OFFERED;

9 (f) ENGAGES IN ANY TIME SHARE RESALE SERVICE WITHOUT FIRST
10 OBTAINING A WRITTEN CONTRACT TO PROVIDE THE SERVICE, WHICH
11 CONTRACT IS SIGNED BY THE PURCHASER OF THE TIME SHARE RESALE
12 SERVICE AND COMPLIES WITH THE REQUIREMENTS OF THIS SECTION. FOR
13 PURPOSES OF PARAGRAPH (c) OF THIS SUBSECTION (1), THE REQUIRED
14 NOTICE OF RESCISSION RIGHTS APPLICABLE TO A CONTRACT FOR A TIME
15 SHARE RESALE SERVICE IS CONSPICUOUS IF PRINTED IN AT LEAST
16 FOURTEEN-POINT, BOLD-FACED TYPE IMMEDIATELY PRECEDING THE SPACE
17 IN THE CONTRACT PROVIDED FOR THE PURCHASER'S SIGNATURE. IN
18 ADDITION TO ANY OTHER REMEDY PROVIDED IN THIS ARTICLE, A TIME
19 SHARE RESALE SERVICE CONTRACT THAT DOES NOT SATISFY THE
20 REQUIREMENTS OF THIS SECTION IS VOIDABLE AT THE OPTION OF THE
21 PURCHASER FOR UP TO ONE YEAR AFTER THE DATE THE PURCHASER
22 EXECUTES THE CONTRACT.

23 (g) WITH RESPECT TO TIME SHARE RESALE TRANSFER
24 AGREEMENTS, FAILS TO COMPLY WITH ANY PROVISION OF, OR OTHERWISE
25 MAKES FALSE OR MISLEADING STATEMENTS IN CONNECTION WITH, ANY
26 DISCLOSURE OR OTHER ACT REQUIRED TO BE MADE OR OBSERVED UNDER
27 SECTION 6-1-703.5.

1 (2) THE UNLAWFUL PRACTICES LISTED IN THIS SECTION ARE IN
2 ADDITION TO, AND DO NOT LIMIT, THE TYPES OF DECEPTIVE TRADE
3 PRACTICES ACTIONABLE UNDER SECTION 6-1-105.

4 (3) NO PERSON SHALL KNOWINGLY CIRCUMVENT THE
5 REQUIREMENTS OF THIS SECTION OR SECTION 6-1-703.5.

6 (4) (a) A PERSON WHO, AS DIRECTOR, OFFICER, OR AGENT OF A
7 TIME SHARE RESALE ENTITY OR AS AGENT OF A PERSON WHO VIOLATES
8 THIS ARTICLE, ASSISTS OR AIDS, DIRECTLY OR INDIRECTLY, IN A VIOLATION
9 OF THIS ARTICLE IS RESPONSIBLE EQUALLY WITH THE PERSON FOR WHICH
10 THE PERSON ACTS.

11 (b) IN THE PROSECUTION OF A PERSON AS OFFICER, DIRECTOR, OR
12 AGENT, IT IS SUFFICIENT TO ALLEGE AND PROVE THE UNLAWFUL INTENT OF
13 THE PERSON OR ENTITY FOR WHICH THE PERSON ACTS.

14 **SECTION 3.** In Colorado Revised Statutes, **add** 6-1-703.5 as
15 follows:

16 **6-1-703.5. Time share resale transfer agreements - deceptive**
17 **trade practices.** (1) A TIME SHARE RESALE ENTITY ENGAGES IN A
18 DECEPTIVE TRADE PRACTICE WHEN THE ENTITY FAILS TO INCLUDE IN A
19 TIME SHARE RESALE TRANSFER AGREEMENT THE FOLLOWING
20 INFORMATION:

21 (a) THE NAME, TELEPHONE NUMBER, AND PHYSICAL ADDRESS OF
22 THE TIME SHARE RESALE ENTITY AND THE NAME AND ADDRESS OF ANY
23 AGENT OR THIRD-PARTY SERVICE PROVIDER WHO WILL PERFORM ANY OF
24 THE TIME SHARE RESALE SERVICES FOR THAT TIME SHARE RESALE ENTITY;

25 (b) A DESCRIPTION OF THE APPLICABLE RESALE TIME SHARE
26 LEGALLY SUFFICIENT FOR RECORDING OR OTHER LEGAL TRANSFER;

27 (c) A DESCRIPTION OF THE METHOD OR DOCUMENTATION BY

1 WHICH THE TRANSFER OF THE RESALE TIME SHARE WILL BE COMPLETED,
2 INCLUDING WHETHER:

3 (I) THE OWNER OF THE RESALE TIME SHARE WILL RETAIN ANY
4 INTEREST IN THE RESALE TIME SHARE FOLLOWING THE TRANSFER; AND

5 (II) THE OWNER OF THE RESALE TIME SHARE MUST GRANT A POWER
6 OF ATTORNEY OR OTHERWISE DELEGATE ANY AUTHORITY NECESSARY TO
7 COMPLETE THE TRANSFER OF THE RESALE TIME SHARE AND THE SCOPE OF
8 THE AUTHORITY DELEGATED BY THE OWNER OF THE RESALE TIME SHARE;

9 (d) IF THE OWNER OF THE RESALE TIME SHARE WILL RETAIN ANY
10 INTEREST IN THE RESALE TIME SHARE, A DESCRIPTION OF THE INTERESTS
11 RETAINED BY THE OWNER OF THE RESALE TIME SHARE;

12 (e) A LISTING OF ANY FEES, COSTS, OR OTHER CONSIDERATION
13 THAT THE OWNER OF THE RESALE TIME SHARE MUST PAY OR REIMBURSE
14 FOR PERFORMANCE OF THE TIME SHARE RESALE SERVICE;

15 (f) A STATEMENT THAT NEITHER THE TIME SHARE RESALE ENTITY
16 NOR ANY AFFILIATE OR AGENT OF THE ENTITY SHALL COLLECT FROM THE
17 OWNER OF THE RESALE TIME SHARE ANY FEES, COSTS, OR OTHER
18 CONSIDERATION UNTIL THE TIME SHARE RESALE ENTITY:

19 (I) PROVIDES THE OWNER OF THE RESALE TIME SHARE A COPY OF
20 THE RECORDABLE DEED OR OTHER EQUIVALENT WRITTEN EVIDENCE
21 CLEARLY DEMONSTRATING THAT THE RESALE TIME SHARE HAS BEEN
22 TRANSFERRED TO A SUBSEQUENT TRANSFEREE IN ACCORDANCE WITH THE
23 TIME SHARE RESALE TRANSFER AGREEMENT AND APPLICABLE LAW; AND

24 (II) SATISFIES ALL OTHER REQUIREMENTS OF THIS SECTION.

25 (g) THE DATE BY WHICH ALL ACTS SUFFICIENT TO TRANSFER THE
26 RESALE TIME SHARE IN ACCORDANCE WITH THE TIME SHARE RESALE
27 TRANSFER AGREEMENT ARE ESTIMATED TO BE COMPLETED. THE TIME

1 SHARE RESALE ENTITY SHALL USE COMMERCIALY REASONABLE GOOD
2 FAITH EFFORTS TO COMPLETE THE TRANSFER OF THE SUBJECT TIME SHARE
3 WITHIN THE ESTIMATED PERIOD. COMMERCIALY REASONABLE GOOD
4 FAITH EFFORTS INCLUDE MAKING A REQUEST TO THE ASSOCIATION OF TIME
5 SHARE OWNERS PURSUANT TO SECTION 38-33.3-316 (8), C.R.S., FOR A
6 WRITTEN STATEMENT DETAILING UNPAID ASSESSMENTS LEVIED AGAINST
7 THE TIME SHARE.

8 (h) A STATEMENT AS TO WHETHER ANY PERSON, INCLUDING THE
9 OWNER OF THE RESALE TIME SHARE, MAY OCCUPY, RENT, EXCHANGE, OR
10 OTHERWISE EXERCISE ANY FORM OF USE OF THE RESALE TIME SHARE
11 DURING THE TERM OF THE TIME SHARE RESALE TRANSFER AGREEMENT;

12 (i) THE NAME OF ANY PERSON, OTHER THAN THE OWNER OF THE
13 RESALE TIME SHARE, WHO WILL RECEIVE ANY RENTS, PROFITS, OR OTHER
14 CONSIDERATION OR THING OF VALUE, IF ANY, GENERATED FROM THE
15 TRANSFER OF THE APPLICABLE RESALE TIME SHARE OR THE USE OF THE
16 APPLICABLE RESALE TIME SHARE DURING THE TERM OF THE TIME SHARE
17 RESALE TRANSFER AGREEMENT;

18 (j) THE FOLLOWING STATEMENT CLEARLY AND CONSPICUOUSLY
19 AND IN SUBSTANTIALLY THE FOLLOWING FORM:

20 WE [NAME OF TIME SHARE RESALE ENTITY] WILL USE
21 COMMERCIALY REASONABLE GOOD FAITH EFFORTS TO
22 TRANSFER OWNERSHIP OF YOUR RESALE TIME SHARE TO
23 ANOTHER PERSON WITHIN THE PERIOD WE ESTIMATE FOR
24 COMPLETING THE TRANSFER. UNTIL THE TRANSFER OF
25 OWNERSHIP IS COMPLETE, YOU, THE RESALE TIME SHARE
26 OWNER, WILL CONTINUE TO BE RESPONSIBLE FOR THE
27 PAYMENT OF ALL COSTS AND FEES ASSOCIATED WITH YOUR

1 RESALE TIME SHARE, INCLUDING, AS APPLICABLE, REGULAR
2 ASSESSMENTS, SPECIAL ASSESSMENTS, AND REAL AND
3 PERSONAL PROPERTY TAXES.

4 (k) A STATEMENT THAT THE TIME SHARE RESALE ENTITY WILL
5 NOTIFY THE FOLLOWING PERSONS OR ENTITIES, IN WRITING, WHEN
6 OWNERSHIP OF THE RESALE TIME SHARE IS TRANSFERRED, AS APPLICABLE:

7 (I) THE ASSOCIATION OF TIME SHARE OWNERS OR OTHER PERSONS
8 RESPONSIBLE FOR MANAGING OR OPERATING THE PLAN OR ARRANGEMENT
9 BY WHICH THE RIGHTS OR INTERESTS ASSOCIATED WITH THE APPLICABLE
10 TIME SHARE RESALE ARE UTILIZED; AND

11 (II) THE EXCHANGE COMPANY OPERATING ANY EXCHANGE
12 PROGRAM THAT THE RESALE TIME SHARE WAS PART OF AT THE TIME THE
13 TRANSFER WAS COMPLETED.

14 (2) IN MAKING THE DISCLOSURES REQUIRED UNDER THIS SECTION,
15 THE TIME SHARE RESALE ENTITY MAY RELY UPON INFORMATION PROVIDED
16 IN WRITING BY THE OWNER OF THE APPLICABLE RESALE TIME SHARE OR
17 THE DEVELOPER, ASSOCIATION OF TIME SHARE OWNERS, OR OTHER PERSON
18 RESPONSIBLE FOR MANAGING OR OPERATING THE PLAN OR ARRANGEMENT
19 BY WHICH THE RIGHTS OR INTERESTS ASSOCIATED WITH THE APPLICABLE
20 RESALE TIME SHARE ARE UTILIZED.

21 (3) A TIME SHARE RESALE ENTITY SHALL NOT TRANSFER OR OFFER
22 TO ASSIST IN TRANSFERRING A RESALE TIME SHARE, OR RECEIVE
23 CONSIDERATION IN CONNECTION WITH THE TRANSFER OF A RESALE TIME
24 SHARE, IF THE TIME SHARE RESALE ENTITY KNOWS THAT THE TRANSFEREE
25 DOES NOT HAVE THE ABILITY OR THE INTENT TO FULFILL THE OBLIGATIONS
26 OF OWNERSHIP OF THE RESALE TIME SHARE, INCLUDING THE OBLIGATION
27 TO PAY ALL ASSESSMENTS AND TAXES INCURRED IN CONNECTION WITH

1 OWNERSHIP OF THE RESALE TIME SHARE. IF A TIME SHARE RESALE ENTITY
2 TRANSFERS OR OFFERS TO TRANSFER, OR RECEIVES COMPENSATION IN
3 CONNECTION WITH THE TRANSFER OF, A RESALE TIME SHARE TO A PERSON
4 WHO HAS A DEMONSTRATED PATTERN OF NONPAYMENT OF ASSESSMENTS
5 OR TAXES OR THE DEMONSTRATED INABILITY TO MEET PAYMENT
6 OBLIGATIONS, THE ACTIONS OF THE TIME SHARE RESALE ENTITY ARE PRIMA
7 FACIE EVIDENCE OF A VIOLATION OF THIS SUBSECTION (3).

8 (4) A TIME SHARE RESALE ENTITY SHALL SUPERVISE, MANAGE,
9 AND CONTROL ALL ASPECTS OF THE TIME SHARE RESALE TRANSFER
10 AGREEMENT AND THE OFFERING OF THE RESALE TIME SHARE BY ANY
11 AFFILIATE, AGENT, CONTRACTOR, OR EMPLOYEE OF THAT TIME SHARE
12 RESALE ENTITY. A VIOLATION OF THIS SECTION IS A VIOLATION BY THE
13 TIME SHARE RESALE ENTITY AND BY THE PERSON ACTUALLY COMMITTING
14 THE CONDUCT THAT CONSTITUTES THE VIOLATION.

15 (5) IF A TIME SHARE RESALE ENTITY ENGAGES IN AN ACT THAT IS
16 PROHIBITED BY THIS SECTION, EITHER DIRECTLY OR AS A MEANS TO AVOID
17 OR CIRCUMVENT THE PURPOSE OF THIS SECTION, A PERSON INJURED BY THE
18 ACT MAY BRING A PRIVATE CIVIL ACTION PURSUANT TO SECTION 6-1-113.

19 **SECTION 4. No appropriation.** The general assembly has
20 determined that this act can be implemented within existing
21 appropriations, and therefore no separate appropriation of state moneys
22 is necessary to carry out the purposes of this act.

23 **SECTION 5. Act subject to petition - effective date.** This act
24 takes effect at 12:01 a.m. on the day following the expiration of the
25 ninety-day period after final adjournment of the general assembly (August
26 7, 2013, if adjournment sine die is on May 8, 2013); except that, if a
27 referendum petition is filed pursuant to section 1 (3) of article V of the

1 state constitution against this act or an item, section, or part of this act
2 within such period, then the act, item, section, or part will not take effect
3 unless approved by the people at the general election to be held in
4 November 2014 and, in such case, will take effect on the date of the
5 official declaration of the vote thereon by the governor.