

HB 2471 -- TIMESHARE RESALE SERVICES

SPONSOR: Quade

This bill modifies provisions relating to timeshares.

Currently, a purchaser can bring an action against a timeshare seller if the purchaser does not receive an advertised gift or cash promotion, and the damages will be at least five times the cash retail value of the most expensive gift offered, but not to exceed \$1,000. This bill changes such amount to \$10,000 and includes reasonable attorney's fees.

The bill defines "consumer timeshare resellers" as consumers who want to sell their timeshare that is used for their own personal use and defines a "resale service provider" as a person or company that resells timeshares on behalf of consumers.

This bill creates provisions regarding consumer timeshare resellers who want to sell their timeshare using a resale service provider.

The bill requires any resale service provider to provide a written contract to the consumer timeshare reseller before engaging in any timeshare resale service. The contract must include a description of the timeshare resale services and any fees or costs. The contract must include a notice of the consumer's right to cancel the contract within 30 days and a statement that the resale service provider must deliver all documentation of the transfer of legal ownership of the timeshare interest.

The resale service provider cannot charge an appraisal fee. The resale service provider cannot charge any upfront fees, unless the fees are deposited in an escrow account until the timeshare resale service is completed. If the escrow agent receives any conflicting demands for money held in escrow, the agency must immediately notify the Missouri Real Estate Commission of the dispute.

A contract for timeshare resale services resulting from conduct in violation of the provisions of the bill is voidable by the consumer and the resale service provider must return all consideration received. A person who violates the provisions of the bill commits an unfair trade practice and is subject to civil penalties. For a nonmaterial, technical violation that is inadvertent and unintentional, the court may assess a technical violation penalty of no more than \$200. The Consumer Protection section of the Attorney General's Office may enforce the provisions of the bill.

Timeshare interests are subject to the protections of the federal Service Members Civil Relief Act.

This bill is similar to HB 1250 (2019).