

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Villalba, King of Parker

H.B. No. 2261

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the transfer or termination of certain timeshare  
3 interests.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 221.003(b), Property Code, is amended to  
6 read as follows:

7 (b) Timeshare properties located outside this state are  
8 subject only to Subchapters C through H and J.

9 SECTION 2. Chapter 221, Property Code, is amended by adding  
10 Subchapter J to read as follows:

11 SUBCHAPTER J. SERVICE AGREEMENTS TO TRANSFER OR TERMINATE A  
12 TIMESHARE INTEREST

13 Sec. 221.101. TRANSFER OR TERMINATION OF TIMESHARE  
14 INTEREST. In this subchapter:

15 (1) "Termination" with respect to a timeshare  
16 interest:

17 (A) means:

18 (i) the release of contractual obligations  
19 relating to a timeshare interest by the developer, association, or  
20 managing entity; or

21 (ii) the invalidation of a timeshare  
22 interest by a judgment or court order; and

23 (B) does not include the cancellation of a  
24 purchase contract governed by Subchapter E.

1           (2) "Transfer" with respect to a timeshare interest  
2 means the conveyance of all or substantially all of a timeshare  
3 interest.

4           Sec. 221.102. APPLICABILITY. (a) This subchapter applies  
5 to a timeshare interest if the timeshare interest has been acquired  
6 only for the purchaser's personal, family, or household use and:

7           (1) the timeshare interest is owned by a resident of  
8 this state;

9           (2) the timeshare property is located in this state;  
10 or

11           (3) the timeshare interest acquired is in a multisite  
12 timeshare plan required to be registered under Subchapter C.

13           (b) Except as provided by Subsection (c), this subchapter  
14 applies to a person who:

15           (1) is acting in the ordinary course of business; and

16           (2) directly or indirectly, regardless of whether  
17 acting in person, by mail, by telephone, or by any mode of Internet  
18 or electronic communication, offers or advertises an offer to  
19 engage in, for consideration, the following activities:

20           (A) obtaining or attempting to obtain on behalf  
21 of a timeshare interest owner:

22                   (i) a release of the owner's timeshare  
23 interest from any person, including the developer, association, or  
24 managing entity; or

25                   (ii) a judgment or court order invalidating  
26 the owner's timeshare interest;

27           (B) selling, renting, listing, or advertising a

1 timeshare interest on behalf of a timeshare interest owner;

2 (C) purchasing a timeshare interest from a  
3 timeshare interest owner; or

4 (D) assisting in the transfer of an owner's  
5 timeshare interest.

6 (c) This subchapter does not apply to:

7 (1) a license holder under Chapter 1101, Occupations  
8 Code, acting as a broker, agent, or salesperson under that person's  
9 license in connection with the transfer or termination of a  
10 timeshare interest;

11 (2) a developer, association, or managing entity for a  
12 timeshare interest to be transferred or terminated; or

13 (3) an attorney, title agent, title company, or escrow  
14 company that:

15 (A) provides only closing, settlement, or other  
16 specific transaction services in connection with the transfer or  
17 termination of a timeshare interest; and

18 (B) does not otherwise engage in activities  
19 described by Subsection (b).

20 Sec. 221.103. GENERAL DISCLOSURES REQUIRED. A person  
21 subject to this subchapter who enters into an agreement with a  
22 timeshare interest owner to facilitate the transfer or termination  
23 of a timeshare interest shall provide to the timeshare interest  
24 owner the following written disclosures, as applicable:

25 (1) the name, telephone number, and physical address  
26 of the person providing services under the agreement and any  
27 affiliate, agent, or third-party representative of that person;

1           (2) a description, legally sufficient for  
2 identification, of the timeshare interest to be transferred or  
3 terminated;

4           (3) a description of the method of transfer or  
5 termination or a copy of the instrument that will be used for  
6 transferring or terminating the timeshare interest;

7           (4) a description of any interest the timeshare  
8 interest owner retains after the transfer;

9           (5) a description of the scope of a power of attorney  
10 or other delegation of authority, if any, that the timeshare  
11 interest owner is required to give to complete the transfer of the  
12 timeshare interest;

13           (6) an itemized statement of any amounts the timeshare  
14 owner is required to pay as consideration or reimbursement for  
15 services provided in connection with the agreement;

16           (7) the name of each recipient of amounts described by  
17 Subdivision (6);

18           (8) the estimated date for completing all services  
19 sufficient to transfer or terminate the timeshare interest; and

20           (9) a statement that, on completion of the transfer or  
21 termination of the timeshare interest, the person will give written  
22 notice of the transfer or termination to:

23                   (A) the developer, association, or managing  
24 entity, as applicable; and

25                   (B) if applicable, the exchange company for the  
26 timeshare interest.

27           Sec. 221.104. DISCLOSURE OF AUTHORIZED USE OF TIMESHARE

1 INTEREST. (a) A person subject to this subchapter who enters into  
2 an agreement with a timeshare interest owner to facilitate the  
3 transfer or termination of a timeshare interest shall disclose in  
4 writing to the timeshare interest owner the name of any person,  
5 other than the timeshare interest owner, who may occupy, rent,  
6 exchange, or otherwise use the timeshare interest during the term  
7 of the agreement.

8 (b) If a person is authorized to occupy, rent, exchange, or  
9 otherwise use the timeshare interest during the term of the  
10 agreement, the agreement must state the name of each person  
11 receiving consideration for the occupation, rent, exchange, or use  
12 of the timeshare interest.

13 Sec. 221.105. DISCLOSURES RELATING TO PAYMENT OF FEES FOR  
14 TRANSFER SERVICES. A person subject to this subchapter who enters  
15 into an agreement with a timeshare interest owner to facilitate the  
16 transfer of the timeshare interest must disclose in writing to the  
17 timeshare interest owner that the timeshare interest owner is not  
18 required to pay any consideration or reimbursement under the  
19 agreement until the timeshare interest owner receives:

20 (1) a written acknowledgement from the developer, the  
21 association, or the managing entity that the person facilitating  
22 the transfer under the agreement complied with all applicable  
23 policies, if any, governing the transfer of the timeshare interest;  
24 and

25 (2) a copy of the instrument transferring the  
26 timeshare interest, recorded, if required by applicable law, in the  
27 real property records of the county in which the timeshare property

1 is located.

2 Sec. 221.106. REQUIRED NOTICE FOR TRANSFER SERVICES. A  
3 person subject to this subchapter who enters into an agreement with  
4 a timeshare interest owner to facilitate the transfer of the  
5 timeshare interest must provide to the timeshare interest owner a  
6 statement printed in 14-point boldface type or 14-point uppercase  
7 typewritten letters that reads substantially similar to the  
8 following:

9 I (name of the person facilitating the transfer) WILL ACT IN  
10 GOOD FAITH AND IN A COMMERCIALY REASONABLE MANNER TO COMPLETE THE  
11 TRANSFER OF OWNERSHIP OF YOUR TIMESHARE INTEREST NOT LATER THAN THE  
12 180TH DAY AFTER THE DATE OF THIS AGREEMENT.

13 YOUR OBLIGATION TO PAY ALL COSTS AND FEES ASSOCIATED WITH  
14 YOUR TIMESHARE INTEREST, INCLUDING ANY REGULAR OR SPECIAL  
15 ASSESSMENTS OR REAL OR PERSONAL PROPERTY TAXES, DOES NOT CEASE BY  
16 VIRTUE OF THE EXECUTION OF THIS AGREEMENT.

17 IF THE TRANSFER OF YOUR TIMESHARE INTEREST IS NOT COMPLETED  
18 BEFORE THE 180TH DAY AFTER THE DATE OF THIS AGREEMENT, YOU WILL  
19 CONTINUE TO BE RESPONSIBLE FOR THE PAYMENT OF ALL COSTS AND FEES  
20 ASSOCIATED WITH YOUR TIMESHARE INTEREST, INCLUDING ANY REGULAR OR  
21 SPECIAL ASSESSMENTS OR REAL OR PERSONAL PROPERTY TAXES.

22 Sec. 221.107. REQUIRED NOTICE FOR TERMINATION SERVICES. A  
23 person subject to this subchapter who enters into an agreement with  
24 a timeshare interest owner to facilitate the termination of the  
25 timeshare interest must provide to the timeshare interest owner a  
26 statement printed in 14-point boldface type or 14-point uppercase  
27 typewritten letters that reads substantially similar to the

1 following:

2 I (name of the person facilitating the termination of the  
3 timeshare interest) WILL ACT IN GOOD FAITH AND IN A COMMERCIALY  
4 REASONABLE MANNER TO COMPLETE THE TERMINATION OF YOUR TIMESHARE  
5 INTEREST NOT LATER THAN THE 180TH DAY AFTER THE DATE OF THIS  
6 AGREEMENT BY OBTAINING:

7 (1) A VALID AND ENFORCEABLE RELEASE FROM THE  
8 DEVELOPER, ASSOCIATION, OR MANAGING ENTITY; OR

9 (2) A JUDGMENT OR COURT ORDER INVALIDATING THE  
10 PURCHASE OR OWNERSHIP OF YOUR TIMESHARE INTEREST.

11 YOUR OBLIGATION TO PAY ALL COSTS AND FEES ASSOCIATED WITH  
12 YOUR TIMESHARE INTEREST, INCLUDING ANY REGULAR OR SPECIAL  
13 ASSESSMENTS OR REAL OR PERSONAL PROPERTY TAXES, DOES NOT CEASE BY  
14 VIRTUE OF THE EXECUTION OF THIS AGREEMENT.

15 I CANNOT GUARANTEE THAT I WILL SUCCESSFULLY COMPLETE THE  
16 TERMINATION OF YOUR TIMESHARE INTEREST. IF I FAIL TO COMPLETE THE  
17 TERMINATION OF YOUR TIMESHARE INTEREST, YOU WILL CONTINUE TO BE  
18 RESPONSIBLE FOR THE PAYMENT OF ALL COSTS AND FEES ASSOCIATED WITH  
19 YOUR TIMESHARE INTEREST, INCLUDING ANY REGULAR OR SPECIAL  
20 ASSESSMENTS OR REAL OR PERSONAL PROPERTY TAXES.

21 Sec. 221.108. RELIANCE. In making disclosures required by  
22 this subchapter, a person facilitating the transfer or termination  
23 of a timeshare interest may rely on written information provided by  
24 the timeshare interest owner, the developer, the association, or  
25 the managing entity.

26 Sec. 221.109. DUTY OF GOOD FAITH REGARDING TRANSFER OR  
27 TERMINATION SERVICES. A person facilitating the transfer or

1 termination of a timeshare interest must act in good faith to  
2 accomplish the transfer or termination not later than the 180th day  
3 after the date the person enters into an agreement with the  
4 timeshare interest owner.

5 Sec. 221.110. DECEPTIVE TRADE PRACTICES. A person subject  
6 to this subchapter commits a false, misleading, or deceptive act or  
7 practice within the meaning of Sections 17.46(a) and (b), Business  
8 & Commerce Code, by engaging in any of the following acts:

9 (1) failing to disclose information as required by  
10 this subchapter;

11 (2) making false or misleading statements concerning:

12 (A) the existence of an offer related to the  
13 purchase or rent of a timeshare interest;

14 (B) the likelihood of the completion or the time  
15 necessary to complete any sale, rental, transfer, or termination of  
16 a timeshare interest;

17 (C) the value of a timeshare interest;

18 (D) the current or future costs, including  
19 assessments, maintenance fees, or taxes, of owning a timeshare  
20 interest;

21 (E) the method by which or source from which a  
22 timeshare interest owner's name, address, telephone number, or  
23 other contact information was obtained;

24 (F) the identity of the person providing services  
25 to facilitate the transfer or termination of a timeshare interest  
26 or any affiliate, agent, or third-party representative of that  
27 person;

1           (G) the terms and conditions under which services  
2 to facilitate a transfer or termination of a timeshare interest are  
3 offered;

4           (H) the willingness of a developer, association,  
5 or managing entity to:

6                   (i) agree to the transfer or termination of  
7 a timeshare interest; or

8                   (ii) execute instruments necessary to  
9 transfer or terminate the timeshare interest; or

10           (I) the manner in which consideration or  
11 reimbursements paid by a timeshare interest owner will be used or  
12 applied; or

13           (3) encouraging or inducing a timeshare interest owner  
14 to stop paying the developer, the association, or the managing  
15 entity in violation of a contract with the developer, the  
16 association, or the managing entity before the completion of a  
17 transfer or termination.

18           Sec. 221.111. SUPERVISORY DUTIES. (a) The person who  
19 enters into an agreement to facilitate the transfer or termination  
20 of a timeshare interest shall supervise, manage, and control all  
21 aspects of the services provided under the agreement.

22           (b) Any violation of this subchapter that occurs during the  
23 provision of services is considered a violation by the person who  
24 enters into the agreement and any affiliate, agent, or third-party  
25 representative of that person.

26           (c) Section 221.035 does not apply to a person providing  
27 services under this subchapter.

1           SECTION 3. (a) The disclosure and notice requirements  
2 provided by Subchapter J, Chapter 221, Property Code, as added by  
3 this Act, apply only to an agreement to facilitate the transfer or  
4 termination of a timeshare interest entered into on or after the  
5 effective date of this Act. An agreement to facilitate the transfer  
6 or termination of a timeshare interest entered into before the  
7 effective date of this Act is governed by the law as it existed  
8 immediately before the effective date of this Act, and that law is  
9 continued in effect for that purpose.

10           (b) Section 221.110, Property Code, as added by this Act,  
11 applies only to conduct that occurs on or after the effective date  
12 of this Act. Conduct that occurs before the effective date of this  
13 Act is governed by the law as it existed when the conduct occurred,  
14 and the former law is continued in effect for that purpose.

15           SECTION 4. This Act takes effect September 1, 2015.

ADOPTED

MAY 20 2015

*Atty. Gen.*  
Secretary of the Senate

By: *B. G. [Signature]*

\_\_\_\_.B. No. \_\_\_\_

Substitute the following for \_\_\_\_B. No. \_\_\_\_:

By: *B. G. [Signature]*

C.S.HB.B. No. 2261

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the transfer or termination of certain timeshare  
3 interests.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 221.003(b), Property Code, is amended to  
6 read as follows:

7 (b) Timeshare properties located outside this state are  
8 subject only to Subchapters C through H and J.

9 SECTION 2. Chapter 221, Property Code, is amended by adding  
10 Subchapter J to read as follows:

11 SUBCHAPTER J. SERVICE AGREEMENTS TO TRANSFER OR TERMINATE A  
12 TIMESHARE INTEREST

13 Sec. 221.101. TRANSFER OR TERMINATION OF TIMESHARE  
14 INTEREST. In this subchapter:

15 (1) "Termination" with respect to a timeshare  
16 interest:

17 (A) means:

18 (i) the release of contractual obligations  
19 relating to a timeshare interest by the developer, association, or  
20 managing entity; or

21 (ii) the invalidation, cancellation,  
22 nullification, or cessation of contractual obligations related to a  
23 timeshare interest by a judgment or court order; and

24 (B) does not include the cancellation of a

1 purchase contract governed by Subchapter E.

2 (2) "Transfer" with respect to a timeshare interest  
3 means the conveyance of all or substantially all of a timeshare  
4 interest.

5 Sec. 221.102. APPLICABILITY. (a) This subchapter applies  
6 to a timeshare interest if the timeshare interest has been acquired  
7 only for the purchaser's personal, family, or household use and:

8 (1) the timeshare interest is owned by a resident of  
9 this state;

10 (2) the timeshare property is located in this state;  
11 or

12 (3) the timeshare interest acquired is in a multisite  
13 timeshare plan required to be registered under Subchapter C.

14 (b) Except as provided by Subsection (c), this subchapter  
15 applies to a person who:

16 (1) is acting in the ordinary course of business; and

17 (2) directly or indirectly, regardless of whether  
18 acting in person, by mail, by telephone, or by any mode of Internet  
19 or electronic communication, offers or advertises an offer to  
20 engage in, for consideration, the following activities:

21 (A) obtaining or attempting to obtain on behalf  
22 of a timeshare interest owner a termination of contractual  
23 obligations relating to a timeshare interest;

24 (B) selling, renting, listing, or advertising a  
25 timeshare interest on behalf of a timeshare interest owner;

26 (C) purchasing a timeshare interest from a  
27 timeshare interest owner; or

1                   (D) assisting in the transfer of an owner's  
2 timeshare interest.

3           (c) This subchapter does not apply to:

4                   (1) a license holder under Chapter 1101, Occupations  
5 Code, acting as a broker, agent, or salesperson under that person's  
6 license in connection with the transfer or termination of a  
7 timeshare interest;

8                   (2) a developer, association, or managing entity for a  
9 timeshare interest to be transferred or terminated or a third party  
10 acting at the specific request of the developer, association, or  
11 managing entity; or

12                   (3) an attorney, title agent, title company, or escrow  
13 company that:

14                           (A) provides only closing, settlement, or other  
15 comparable transaction services in connection with the transfer or  
16 termination of a timeshare interest; and

17                           (B) does not otherwise engage in activities  
18 described by Subsection (b).

19           Sec. 221.103. GENERAL DISCLOSURES REQUIRED. A person  
20 subject to this subchapter who enters into an agreement with a  
21 timeshare interest owner to facilitate the transfer or termination  
22 of a timeshare interest shall provide to the timeshare interest  
23 owner, before the third day before the date the timeshare interest  
24 owner enters into the agreement the following written disclosures,  
25 as applicable:

26                   (1) the name, telephone number, and physical address  
27 of the person providing services under the agreement and any

1 affiliate, agent, or third-party representative of that person;  
2 (2) if the person identified in Subdivision (1), or an  
3 affiliate, agent, or third-party representative of that person  
4 providing services under the agreement, is an attorney licensed to  
5 practice law in this state, a disclosure of whether the attorney  
6 will be providing services under the agreement and representing the  
7 timeshare interest owner in connection with the transfer or  
8 termination of the timeshare interest;  
9 (3) a description, legally sufficient for  
10 identification, of the timeshare interest to be transferred or  
11 terminated;  
12 (4) a description of the method of transfer or  
13 termination or a copy of the instrument that will be used for  
14 transferring or terminating the timeshare interest;  
15 (5) a description of any interest the timeshare  
16 interest owner retains after the transfer;  
17 (6) a description of the scope of a power of attorney  
18 or other delegation of authority, if any, that the timeshare  
19 interest owner is required to give to complete the transfer of the  
20 timeshare interest;  
21 (7) an itemized statement of any amounts the timeshare  
22 owner is required to pay as consideration or reimbursement for  
23 services provided in connection with the agreement;  
24 (8) the name of each recipient of amounts described by  
25 Subdivision (7);  
26 (9) the estimated date for completing all services  
27 sufficient to transfer or terminate the timeshare interest; and

1           (10) a statement that, on completion of the transfer  
2 or termination of the timeshare interest, the person will give  
3 written notice of the transfer or termination to:

4                   (A) the developer, association, or managing  
5 entity, as applicable; and

6                   (B) if applicable, the exchange company for the  
7 timeshare interest.

8           Sec. 221.104. DISCLOSURE OF AUTHORIZED USE OF TIMESHARE  
9 INTEREST. (a) A person subject to this subchapter who enters into  
10 an agreement with a timeshare interest owner to facilitate the  
11 transfer or termination of a timeshare interest shall disclose in  
12 writing to the timeshare interest owner the name of any person,  
13 other than the timeshare interest owner, who may occupy, rent,  
14 exchange, or otherwise use the timeshare interest during the term  
15 of the agreement.

16                   (b) If a person is authorized to occupy, rent, exchange, or  
17 otherwise use the timeshare interest during the term of the  
18 agreement, the agreement must state the name of each person  
19 receiving consideration for the occupation, rent, exchange, or use  
20 of the timeshare interest.

21           Sec. 221.105. DISCLOSURES RELATING TO PAYMENT OF FEES FOR  
22 TRANSFER SERVICES. A person subject to this subchapter who enters  
23 into an agreement with a timeshare interest owner to facilitate the  
24 transfer of the timeshare interest must conspicuously disclose in  
25 writing to the timeshare interest owner that the timeshare interest  
26 owner is not required to pay any consideration or reimbursement  
27 under the agreement until the timeshare interest owner receives:

1           (1) a written acknowledgement from the developer, the  
2 association, or the managing entity that the person facilitating  
3 the transfer under the agreement complied with all applicable  
4 policies of the developer, association, or managing entity, if any,  
5 governing the transfer of the timeshare interest; and

6           (2) a copy of the instrument transferring the  
7 timeshare interest, recorded, if required by applicable law, in the  
8 real property records of the county in which the timeshare property  
9 is located.

10           Sec. 221.106. REQUIRED NOTICE FOR TRANSFER SERVICES. A  
11 person subject to this subchapter who enters into an agreement with  
12 a timeshare interest owner to facilitate the transfer of the  
13 timeshare interest must provide to the timeshare interest owner a  
14 statement printed in 14-point boldface type or 14-point uppercase  
15 typewritten letters that reads substantially similar to the  
16 following:

17           I (name of the person facilitating the transfer) WILL ACT IN  
18 GOOD FAITH AND IN A COMMERCIALY REASONABLE MANNER TO COMPLETE THE  
19 TRANSFER OF OWNERSHIP OF YOUR TIMESHARE INTEREST NOT LATER THAN THE  
20 180TH DAY AFTER THE DATE OF THIS AGREEMENT.

21           YOUR OBLIGATION TO PAY ALL COSTS AND FEES ASSOCIATED WITH  
22 YOUR TIMESHARE INTEREST, INCLUDING ANY REGULAR OR SPECIAL  
23 ASSESSMENTS OR REAL OR PERSONAL PROPERTY TAXES, DOES NOT CEASE BY  
24 VIRTUE OF THE EXECUTION OF THIS AGREEMENT.

25           IF THE TRANSFER OF YOUR TIMESHARE INTEREST IS NOT COMPLETED  
26 BEFORE THE 180TH DAY AFTER THE DATE OF THIS AGREEMENT, YOU WILL  
27 CONTINUE TO BE RESPONSIBLE FOR THE PAYMENT OF ALL COSTS AND FEES

1 ASSOCIATED WITH YOUR TIMESHARE INTEREST, INCLUDING ANY REGULAR OR  
2 SPECIAL ASSESSMENTS OR REAL OR PERSONAL PROPERTY TAXES.

3 Sec. 221.107. REQUIRED NOTICE FOR TERMINATION SERVICES. A  
4 person subject to this subchapter who enters into an agreement with  
5 a timeshare interest owner to facilitate the termination of the  
6 timeshare interest must provide to the timeshare interest owner a  
7 statement printed in 14-point boldface type or 14-point uppercase  
8 typewritten letters that reads substantially similar to the  
9 following:

10 I (name of the person facilitating the termination of the  
11 timeshare interest) WILL ACT IN GOOD FAITH AND IN A COMMERCIALY  
12 REASONABLE MANNER TO COMPLETE THE TERMINATION OF YOUR TIMESHARE  
13 INTEREST NOT LATER THAN THE 180TH DAY AFTER THE DATE OF THIS  
14 AGREEMENT BY OBTAINING:

15 (1) A VALID AND ENFORCEABLE RELEASE FROM THE  
16 DEVELOPER, ASSOCIATION, OR MANAGING ENTITY; OR

17 (2) A JUDGMENT OR COURT ORDER INVALIDATING THE  
18 PURCHASE OR OWNERSHIP OF YOUR TIMESHARE INTEREST.

19 YOUR OBLIGATION TO PAY ALL COSTS AND FEES ASSOCIATED WITH  
20 YOUR TIMESHARE INTEREST, INCLUDING ANY REGULAR OR SPECIAL  
21 ASSESSMENTS OR REAL OR PERSONAL PROPERTY TAXES, DOES NOT CEASE BY  
22 VIRTUE OF THE EXECUTION OF THIS AGREEMENT.

23 I CANNOT GUARANTEE THAT I WILL SUCCESSFULLY COMPLETE THE  
24 TERMINATION OF YOUR TIMESHARE INTEREST. IF I FAIL TO COMPLETE THE  
25 TERMINATION OF YOUR TIMESHARE INTEREST, YOU WILL CONTINUE TO BE  
26 RESPONSIBLE FOR THE PAYMENT OF ALL COSTS AND FEES ASSOCIATED WITH  
27 YOUR TIMESHARE INTEREST, INCLUDING ANY REGULAR OR SPECIAL

1 ASSESSMENTS OR REAL OR PERSONAL PROPERTY TAXES.

2 Sec. 221.108. RELIANCE. In making disclosures required by  
3 this subchapter, a person facilitating the transfer or termination  
4 of a timeshare interest may rely on written information provided by  
5 the timeshare interest owner, the developer, the association, or  
6 the managing entity.

7 Sec. 221.109. DUTY OF GOOD FAITH REGARDING TRANSFER OR  
8 TERMINATION SERVICES. A person facilitating the transfer or  
9 termination of a timeshare interest must act in good faith to  
10 accomplish the transfer or termination not later than the 180th day  
11 after the date the person enters into an agreement with the  
12 timeshare interest owner.

13 Sec. 221.110. DECEPTIVE TRADE PRACTICES. A person subject  
14 to this subchapter commits a false, misleading, or deceptive act or  
15 practice within the meaning of Sections 17.46(a) and (b), Business  
16 & Commerce Code, by engaging in any of the following acts:

17 (1) failing to disclose information as required by  
18 this subchapter;

19 (2) making false or misleading statements concerning:

20 (A) the existence of an offer related to the  
21 purchase or rent of a timeshare interest;

22 (B) the likelihood of the completion or the time  
23 necessary to complete any sale, rental, transfer, or termination of  
24 a timeshare interest;

25 (C) the value of a timeshare interest;

26 (D) the current or future costs, including  
27 assessments, maintenance fees, or taxes, of owning a timeshare

1 interest;

2 (E) the method by which or source from which a  
3 timeshare interest owner's name, address, telephone number, or  
4 other contact information was obtained;

5 (F) the identity of the person providing services  
6 to facilitate the transfer or termination of a timeshare interest  
7 or any affiliate, agent, or third-party representative of that  
8 person;

9 (G) the terms and conditions under which services  
10 to facilitate a transfer or termination of a timeshare interest are  
11 offered;

12 (H) the willingness of a developer, association,  
13 or managing entity to:

14 (i) agree to the transfer or termination of  
15 a timeshare interest; or

16 (ii) execute instruments necessary to  
17 transfer or terminate the timeshare interest; or

18 (I) the manner in which consideration or  
19 reimbursements paid by a timeshare interest owner will be used or  
20 applied;

21 (3) encouraging or inducing a timeshare interest owner  
22 to stop paying the developer, the association, or the managing  
23 entity in violation of a contract with or any other legally  
24 enforceable obligation to the developer, the association, or the  
25 managing entity before the completion of a transfer or termination;  
26 or

27 (4) receiving or collecting consideration for or

1 reimbursement related to the facilitation of the transfer of a  
2 timeshare interest before the timeshare interest owner receives the  
3 documents described by Sections 221.105(1) and (2).

4 Sec. 221.111. SUPERVISORY DUTIES. (a) The person who  
5 enters into an agreement to facilitate the transfer or termination  
6 of a timeshare interest shall supervise, manage, and control all  
7 aspects of the services provided under the agreement.

8 (b) Any violation of this subchapter that occurs during the  
9 provision of services is considered a violation by the person who  
10 enters into the agreement and any affiliate, agent, or third-party  
11 representative of that person.

12 (c) Section 221.035 does not apply to a person providing  
13 services under this subchapter.

14 SECTION 3. (a) The disclosure and notice requirements  
15 provided by Subchapter J, Chapter 221, Property Code, as added by  
16 this Act, apply only to an agreement to facilitate the transfer or  
17 termination of a timeshare interest entered into on or after the  
18 effective date of this Act. An agreement to facilitate the transfer  
19 or termination of a timeshare interest entered into before the  
20 effective date of this Act is governed by the law as it existed  
21 immediately before the effective date of this Act, and that law is  
22 continued in effect for that purpose.

23 (b) Section 221.110, Property Code, as added by this Act,  
24 applies only to conduct that occurs on or after the effective date  
25 of this Act. Conduct that occurs before the effective date of this  
26 Act is governed by the law as it existed when the conduct occurred,  
27 and the former law is continued in effect for that purpose.

1 SECTION 4. This Act takes effect September 1, 2015.

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 20, 2015**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2261** by Villalba (Relating to the transfer or termination of certain timeshare interests.), **As Passed 2nd House**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 329 Real Estate Commission

**LBB Staff:** UP, SD, ER, CL, KVe

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 12, 2015**

**TO:** Honorable Kevin Eltife, Chair, Senate Committee on Business & Commerce

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2261** by Villalba (Relating to the transfer or termination of certain timeshare interests.), **Committee Report 2nd House, Substituted**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 329 Real Estate Commission

**LBB Staff:** UP, ER, CL, KVe

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 13, 2015**

**TO:** Honorable Kevin Eltife, Chair, Senate Committee on Business & Commerce

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **HB2261** by Villalba (Relating to the transfer or termination of certain timeshare interests.), **As Engrossed**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 329 Real Estate Commission

**LBB Staff:** UP, CL, ER, KVe

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**March 27, 2015**

**TO:** Honorable René Oliveira, Chair, House Committee on Business & Industry

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2261** by Villalba (Relating to the transfer or termination of certain timeshare interests.), **As Introduced**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 329 Real Estate Commission

**LBB Staff:** UP, CL, ER, KVe