

HOUSE BILL 787

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2000 Regular Session
0lr2038
CF 0lr2071

By: **Delegates Krysiak, Kirk, La Vay, and Brown**
Introduced and read first time: February 10, 2000
Assigned to: Economic Matters

Committee Report: Favorable
House action: Adopted
Read second time: March 7, 2000

CHAPTER _____

1 AN ACT concerning

2 **Maryland Real Estate Time-Sharing Act - Promotional Devices - Disclosure**

3 FOR the purpose of authorizing and clarifying the use of certain promotional devices
4 to solicit the purchase of time-shares if certain disclosures are made; repealing
5 certain prohibitions against using certain promotional devices; exempting the
6 use of certain promotional devices from certain provisions of law; and generally
7 relating to the Maryland Real Estate Time-Sharing Act.

8 BY repealing and reenacting, with amendments,
9 Article - Commercial Law
10 Section 13-305(f)
11 Annotated Code of Maryland
12 (1990 Replacement Volume and 1999 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article - Real Property
15 Section 11A-119(c), (e), and (f)
16 Annotated Code of Maryland
17 (1996 Replacement Volume and 1999 Supplement)

18 BY repealing
19 Article - Real Property
20 Section 11A-119(d)
21 Annotated Code of Maryland
22 (1996 Replacement Volume and 1999 Supplement)

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article - Commercial Law**

4 13-305.

5 (f) (1) Where provisions of law or regulations relating to the awarding of
6 prizes in the sale, lease, or rental of real property exist, [including § 11A-119 of the
7 Real Property Article,] the provisions of those laws or regulations shall apply if the
8 provisions are more stringent than this section.

9 (2) THE PROVISIONS OF PARAGRAPH (1) OF THIS SUBSECTION DO NOT
10 APPLY TO §11A-119 OF THE REAL PROPERTY ARTICLE.

11 **Article - Real Property**

12 11A-119.

13 (c) [It is unlawful for any person to use any] NOTWITHSTANDING §13-305 OF
14 THE COMMERCIAL LAW ARTICLE, A PERSON MAY UTILIZE A promotional device,
15 including sweepstakes, gift awards, lodging certificates or discounts, with the intent
16 to solicit the [acquisition] PURCHASE of time-shares [without disclosing that
17 purpose] OR OFFER MERCHANDISE OR SERVICES TO PROSPECTIVE PURCHASERS IF
18 THE FOLLOWING DISCLOSURES ARE MADE:

19 (1) THE PURPOSE OF THE PROMOTION IS THE SOLICITATION OF THE
20 ACQUISITION OF TIME-SHARES;

21 (2) THE RETAIL VALUE OF THE MERCHANDISE OR SERVICES;

22 (3) THE REQUIREMENT, IF ANY, TO ATTEND A SALES PRESENTATION;
23 AND

24 (4) ANY OTHER RULES, TERMS, REQUIREMENTS, OR PRECONDITIONS
25 THAT MUST BE FILLED IN ORDER TO CLAIM THE MERCHANDISE OR SERVICES.

26 [(d) A person may not utilize a promotional device to solicit the purchase of a
27 time-share or offer merchandise or services to any prospective purchaser without
28 clearly disclosing the retail value of such merchandise or services. No promotional
29 device may involve any elements of chance as to the selection or award of particular
30 merchandise or services to any prospective purchaser.]

31 [(e)] (D) It is unlawful for any person using a promotional device to solicit the
32 purchase of a time-share to fail to award all items promised in such promotion by the
33 date and year specified in the promotion.

34 [(f)] (E) A public offering statement may not be used for promotional purpose
35 before the developer is registered and afterwards only if used in its entirety. No
36 person may advertise or represent that the Commission or the Secretary of State has

1 approved or recommended the time-shares or any of the documents contained in the
2 application for registration.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2000.