

HOUSE BILL NO. 74

INTRODUCED BY WISEMAN
BY REQUEST OF THE DEPARTMENT OF COMMERCE

IN THE HOUSE

DECEMBER 23, 1992	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT.
JANUARY 4, 1993	FIRST READING.
JANUARY 6, 1993	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
JANUARY 7, 1993	PRINTING REPORT.
	SECOND READING, DO PASS.
JANUARY 8, 1993	ENGROSSING REPORT.
	THIRD READING, PASSED. AYES, 97; NOES, 2.
	TRANSMITTED TO SENATE.

IN THE SENATE

JANUARY 11, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & INDUSTRY.
	FIRST READING.
JANUARY 19, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
JANUARY 20, 1993	SECOND READING, CONCURRED IN.
JANUARY 21, 1993	THIRD READING, CONCURRED IN. AYES, 48; NOES, 0.
	RETURNED TO HOUSE.

IN THE HOUSE

JANUARY 21, 1993	RECEIVED FROM SENATE.
	SENT TO ENROLLING.
	REPORTED CORRECTLY ENROLLED.

HOUSE BILL NO. 74

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A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING THE MONTANA
TIMESHARE ACT BY REQUIRING THAT APPLICATIONS FOR
REGISTRATION OF A TIMESHARE INCLUDE AN AUDITED FINANCIAL
STATEMENT; AMENDING SECTION 37-53-202, MCA; AND PROVIDING AN
IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 37-53-202, MCA, is amended to read:

"37-53-202. Application for registration. An
application for registration of a timeshare offering must be
in a form developed by the board in conjunction with input
from the timeshare industry. The application must be signed
by the applicant and accompanied by the registration fee.
Except as provided in 37-53-204, the application must
contain:

(1) audited financial statements showing the financial
condition of the developer and any affiliate, including:

(a) a balance sheet dated within 4 months before the
filing of the application for registration; and

(b) statements of income, shareholders' equity, and
material changes in financial position as of the end of the

prior fiscal year and for any period between the end of the
prior fiscal year and the date of the last balance sheet;

(2) a projected budget for the timeshare project for 2
years after the offering being made, including but not
limited to source of revenues and expenses of construction,
development, management, maintenance, advertisement,
operating reserves, interest, and any other necessary
reserves;

(3) a description of the background of the developer
for the previous 10 years, including information about the
business experience of the developer and any relevant
criminal convictions, civil lawsuits, or administrative
actions related to any offering during that period;

(4) a statement disclosing any fees in excess of the
stated price per unit to be charged to the purchasers, a
description of their purpose, and the method of calculation;

(5) a statement disclosing when and where the developer
or an affiliate has previously sold timeshares;

(6) a statement of any liens, defects, or encumbrances
on or affecting the title to the timeshare units;

(7) copies of all timeshare instruments;

(8) a copy of the disclosure document provided for in
37-53-303, signed by the applicant;

(9) an irrevocable consent to service of process signed
by the applicant; and

HB 0074/01

1 (10) any other information that the board may by rule
2 require in the protection of the public interest or
3 necessary to describe the risks involved."

4 NEW SECTION. **Section 2.** Effective date. [This act] is
5 effective on passage and approval.

-End-

APPROVED BY COMM. ON BUSINESS
AND ECONOMIC DEVELOPMENT

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