

## **Department of Planning and Budget 2008 Fiscal Impact Statement**

**1. Bill Number:** HB1077

**House of Origin**      X   Introduced              Substitute              Engrossed

**Second House**              In Committee           Substitute              Enrolled

**2. Patron:**        Suit

**3. Committee:**    General Laws

**4. Title:**            **Virginia Real Estate Time Share Act; obligation for fees; limitation on actions; powers of Real Estate Board**

**5. Summary:** This bill allows a developer, during the developer control period and at any time after the lapse of a purchaser's right of cancellation, and without regard to the recordation of the deed, to collect an annual or specially assessed charge from each time-share estate owner for the payment of the time-share estate occupancy expenses by way of a maintenance fee. The bill also provides that prior to the commencement of any action alleging a failure to comply with the provisions relating to escrow of deposits or the developer's obligation to complete common elements, an aggrieved owner shall first seek a determination from the Real Estate Board as to whether compliance with such provisions has occurred. The Board shall make such determination within 120 days of the request therefore. Finally, the bill provides that rescission of a contract shall not be granted by a court unless the inaccuracy of the public offering statement or the insufficiency of the time-share instrument directly and adversely affected the purchaser's right to participate in the time-share program or to own his time-share. Further, if damages are awarded, the amount of the damages shall be limited to actual damages sustained notwithstanding any other law to the contrary. The bill contains technical amendments.

**6. No Fiscal Impact**

**7. Budget Amendment Necessary:** No.

**8. Fiscal Implications:** The Department of Professional and Occupational Regulation anticipates that this bill will not have a significant fiscal impact on their agency. Any fiscal impact of this bill can be absorbed with existing resources.

**9. Specific Agency or Political Subdivisions Affected:** Department of Professional and Occupational Regulation.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

**Date:** 1/16/2008    dpbaek

**Document:** G:\FIS\2008 Fiscal Impact Statements\DPOR\HB1077.Doc    aek

cc: Secretary of Commerce and Trade  
      Secretary of Finance