

SB 274 -- TRAVEL CLUBS

This bill prohibits travel clubs from selling vacation benefits unless the club maintains an effective registration statement with the Attorney General. The requirements of the registration statement, including a \$50 fee, are specified. The Attorney General must approve or disapprove a travel club's registration statement within 30 days of its submission. If the registration is incomplete, the Attorney General must advise the club of the missing information in writing within 15 days from its submission. Travel clubs may submit registration renewal statements annually.

The bill gives an individual who has purchased travel benefits from a travel club the right to rescind and cancel the travel club purchase within three business days. This right cannot be waived. If an individual exercises this right, a full refund must be issued within 15 business days. If an individual purchased a travel club membership from a club that is not registered in Missouri, he or she has three years from the date of purchase to rescind and cancel the membership and to receive a full refund within 15 business days.

Individuals who have purchased a travel club membership and have a complaint regarding the purchase may file a written complaint with the Attorney General or the county prosecuting attorney. The office that receives the complaint must forward it to the travel club by registered mail within 10 working days. The travel club has 30 days from the date on which the complaint was filed to remedy the grievance. If the complaint is settled, the parties will execute a written mutual release containing the terms of the settlement. Payments arising from any settlement must be made within 15 business days of the settlement's signing date.

A person who violates these provisions is guilty of a class D felony and will be fined \$10,000. Fines collected will be deposited into the State School Moneys Fund and distributed to Missouri's public schools.

Any travel club which a court determines has failed to provide the required refund or failed to honor a settlement agreement must post a \$50,000 surety bond with the Attorney General.