

1 ENGROSSED HOUSE AMENDMENT
TO
2 ENGROSSED SENATE BILL NO. 1497

By: Brinkley of the Senate
and
Mulready of the House

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7 An Act relating to the Oklahoma Consumer Protection
8 Act; amending 15 O.S. 2011, Sections 753 and 768,
9 which relate to unlawful practices and objections to
going out of business application; * * * and
declaring an emergency.

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12 AMENDMENT NO. 1. Page 8, line 1 1/2, insert a new Section 3 to read
13 "SECTION 3. AMENDATORY 59 O.S. 2011, Section 2004, is
14 amended to read as follows:

15 Section 2004. Every health spa contract or membership agreement
16 for the sale of future health spa services which are paid for in
17 advance or which the buyer agrees to pay for in future installments
18 shall be in writing and shall contain the following provisions:

19 1. A provision for the penalty-free cancellation of the
20 contract or membership agreement within three (3) business days of
21 its making and refund upon such notice, of all monies paid under the
22 contract or membership agreement;

23 2. A provision for the cancellation of the contract or
24 membership agreement if the health spa relocates or goes out of

1 business and fails to provide alternative facilities within eight
2 (8) miles of the location designated in the health spa contract or
3 membership agreement. Upon receipt of such notice, the health spa
4 shall refund to the buyer funds paid or accepted in payment of the
5 contract or membership agreement in an amount computed by dividing
6 the contract price by the number of weeks in the contract or
7 membership agreement term and multiplying the result by the number
8 of weeks remaining in the contract or membership agreement term;

9 3. A provision for the cancellation of the contract or
10 membership agreement if the buyer dies or becomes physically unable
11 to use a substantial portion of the services for thirty (30) or more
12 consecutive days. Upon receipt of such notice, the health spa shall
13 refund to the buyer funds paid or accepted in payment of the
14 contract or membership agreement in an amount computed by dividing
15 the contract price by the number of weeks in the contract or
16 membership agreement term and multiplying the result by the number
17 of weeks remaining in the contract or membership agreement term. In
18 the case of disability, the health spa may require the buyer to
19 submit to a physical examination by a doctor agreeable to the buyer
20 and the health spa. The cost of the examination shall be borne by
21 the health spa;

22 4. A provision that:

23 a. to cancel a contract or membership agreement, the
24 buyer shall notify the health spa of cancellation in

1 writing, by certified mail, return receipt requested,
2 or personal delivery, to the address specified in the
3 health spa contract or membership agreement~~†~~,
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5 b. all moneys to be refunded upon cancellation of the
6 health spa contract or membership agreement shall be
7 paid within thirty (30) days of receipt of the notice
8 of cancellation~~†~~, and

9 c. if the customer has executed any credit or lien
10 agreement with the health spa to pay for all or part
11 of health spa services, any such agreement executed by
12 the buyer shall also be returned within sixty (60)
13 days after such cancellation;

14 5. A provision for the penalty-free cancellation of the
15 contract or membership agreement if the health spa changes ownership
16 and relocates and fails to provide notice of the change of ownership
17 and relocation within thirty (30) days through certified mail to the
18 buyer; and

19 6. A provision for the penalty-free cancellation of the
20 contract or membership agreement if the health spa changes ownership
21 and relocates and fails to obtain written authorization from the
22 buyer to continue to collect automatic bank draft deductions. If
23 the health spa fails to secure written authorization from the buyer,
24 the health spa shall refund to the buyer any funds drafted after the
change of ownership and relocation."

