



1 3. "Buyer/Member" means a natural person who enters into a  
2 health spa contract or membership;

3 4. "Membership agreement" means any agreement between a member  
4 and a health spa for use of health spa services;

5 5. "Health spa" means and includes any person, firm,  
6 corporation, organization, club or association engaged in a program  
7 of physical exercise, which includes the use of one or more of a  
8 sauna, whirlpool, weight-lifting room, massage, steam room, or  
9 exercising machine or device, or exercise rooms, or engaged in the  
10 sale of the right or privilege to use exercise equipment or  
11 facilities, such as a sauna, whirlpool, weight-lifting room,  
12 massage, steam room or exercising machine or device or exercise  
13 rooms. The term "health spa" shall not include the following:

- 14 a. bona fide nonprofit organizations, including, but not  
15 limited to, the Young Men's Christian Association,  
16 Young Women's Christian Association, or similar  
17 organizations whose functions as health spas are only  
18 incidental to their overall functions and purposes,
- 19 b. any private club owned and operated by its members,
- 20 c. any organization solely operated for the purpose of  
21 teaching a particular form of self-defense such as  
22 judo or karate,
- 23 d. any facility owned or operated by the United States,

- 1 e. any facility owned or operated by this state or any of  
2 its political subdivisions,  
3 f. any nonprofit public or private school, college or  
4 university, ~~and~~  
5 g. any facility operated solely for aerobics or toning,  
6 and  
7 h. any facility that only offers month-to-month  
8 memberships and does not charge any application,  
9 process, cancellation, or other service fees;

10 6. "Health spa services" means and includes services,  
11 privileges, or rights offered for sale or provided by a health spa;

12 7. "Initiation fee" means a nonrecurring fee charged at or near  
13 the beginning of a health spa membership;

14 8. "Monthly fee" means the total consideration, including but  
15 not limited to, equipment or locker rental, credit check, finance,  
16 medical and dietary evaluation, class and training fees, and all  
17 other similar fees or charges and interest, but excluding any  
18 initiation fee, to be paid by a buyer, divided by the total number  
19 of months of health spa service use allowed by the buyer's contract  
20 or membership, including months or time periods called "free" or  
21 "bonus" months or time periods and such months or time periods which  
22 are described in any other terms suggesting that they are provided  
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1 free of charge, which months or time periods are given or  
2 contemplated when the contract or membership is initially executed;

3 9. "Prepayment" means any amount paid in advance of the  
4 maturity of the health spa membership, to include payment in part or  
5 in full, accelerated monthly fees or any required down payment or  
6 initiation fee;

7 10. "Program" means any use of a health spa facility for the  
8 purpose of physical exercise in a structured or nonstructured  
9 environment; and

10 11. "Presale" means payment of any consideration for services  
11 or the use of facilities made prior to the day on which the services  
12 or facilities of the health spa are fully open and available for  
13 regular use by the members.

14 SECTION 2. This act shall become effective November 1, 2013.

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16 COMMITTEE REPORT BY: COMMITTEE ON ECONOMIC DEVELOPMENT AND FINANCIAL  
17 SERVICES, dated 02/07/2013 - DO PASS, As Amended and Coauthored.

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