

SENATE BILL 707

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HB 671/03 - ECM

2004 Regular Session
4r2255
CF 4r2250

By: **Senators Kelley and Gladden**

Introduced and read first time: February 6, 2004

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 18, 2004

CHAPTER_____

1 AN ACT concerning

2 **Health Club Services Providers - Registration and Renewal Fees - Fund**

3 FOR the purpose of altering the date on which a registered health club services
4 provider must pay a certain renewal fee; increasing certain registration and
5 renewal fees paid by certain health club services providers; providing for the
6 reversion of certain funds from the Health Club Administration Fund to the
7 General Fund; and generally relating to registration and renewal fees paid by
8 health club services providers and the Health Club Administration Fund.

9 BY repealing and reenacting, with amendments,
10 Article - Commercial Law
11 Section 14-12B-02(b)(2) and (3)
12 Annotated Code of Maryland
13 (2000 Replacement Volume and 2003 Supplement)

14 BY adding to
15 Article - Commercial Law
16 Section 14-12B-03(c)
17 Annotated Code of Maryland
18 (2000 Replacement Volume and 2003 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
20 MARYLAND, That the Laws of Maryland read as follows:

1

Article - Commercial Law

2 14-12B-02.

3 (b) (2) On [September] OCTOBER 1 of each year following the initial
4 registration, each registered person shall pay a renewal fee to the Division.

5 (3) The fees for registration and renewal required under this subsection
6 shall be set by the Division:

7 (i) In an amount not exceeding [\$800] ~~\$1,200~~ \$1,100 for a person
8 who is required to purchase a surety bond or file an irrevocable letter of credit or cash
9 under subsection (e) of this section;

10 (ii) In an amount not exceeding [\$150] ~~\$300~~ \$250 for a person who:

11 1. Is exempt from the requirement to purchase a surety bond
12 or file an irrevocable letter of credit or cash under subsection (e) of this section; and

13 2. Does not meet the requirements of item (iii) of this
14 paragraph; and

15 (iii) In an amount not exceeding [\$50] \$75 for a person who:

16 1. Is exempt from the requirement to purchase a surety bond
17 or file an irrevocable letter of credit or cash under subsection (e) of this section;

18 2. Does not charge an initiation fee or other fee that is not
19 identified as a payment for specified future services;

20 3. Does not contractually obligate a buyer of health club
21 services to pay in advance of the date the services are provided to the buyer; and

22 4. Does not collect from a buyer of health club services any
23 payment in advance of the date the services are provided to the buyer.

24 14-12B-03.

25 (C) AT THE END OF EACH REGISTRATION YEAR ENDING SEPTEMBER 30, ANY
26 UNEXPENDED FUNDS IN THE FUND THAT WERE COLLECTED FOR THAT OR ANY
27 PRIOR REGISTRATION YEAR SHALL REVERT TO THE GENERAL FUND.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
29 effect June 1, 2004.

