

BILL ANALYSIS

Senate Research Center

C.S.S.B. 1702
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Business & Commerce
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current practice under the Health Spa Act has revealed certain problems with the language and requirements of the Act. This bill corrects these problems in the language without substantially altering the Act.

C.S.S.B. 1702 modifies provisions relating to the duration of security filed or posted by a health spa operator; amends the requirements relating to the manner in which a health spa member may file a claim with the secretary of state; amends the required language of certain health spa contracts; and sets forth the date by which a claim against a health spa must be filed.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 702.155, Occupations Code, to require a certificate holder to maintain the security filed or posted under Section 702.151 (Security Required) in effect until the earlier, rather than later, of the second anniversary of the date the certificate holder's health spa closes of a certain date.

SECTION 2. Amends 702.156(b), Occupations Code, to require the secretary of state (SOS), if the security filed or posted under this subchapter by a certificate holder is canceled, to maintain other security on file with the secretary until the earlier, rather than later, of a certain date.

SECTION 3. Amends Section 702.251, Occupations Code, to authorize a member to file a claim against the security filed or posted under this subchapter by providing SOS a copy of the contract, rather than sending by certified mail, a copy of the contract, between the member and certificate holder who filed or posted the security, accompanied by proof of payment made under the contract, if the certificate holder's health spa performs certain actions.

SECTION 4. Amends Section 702.304(a), Occupations Code, to amend the language required to be in a contract.

SECTION 5. Amends Section 702.452(a), Occupations Code, to require the certificate holder, at least 30 days before the date a health spa is scheduled to close or relocate, to contemporaneously post, inside and outside each entrance to the health spa, a notice saying that a member of the health spa is authorized, not later than the 90th day after the date the notice is first posted, rather than after the date the health spa closes or relocates, to file with SOS a claim to recover actual financial loss suffered by the member as a result of the health spa closing.

SECTION 6. Makes the changes in law made by this Act to Sections 702.251, 702.304(a), and 702.452(a), Occupations Code, prospective.

SECTION 7. Effective date: September 1, 2009.