
SENATE BILL 5810

State of Washington

59th Legislature

2005 Regular Session

By Senator Fairley

Read first time 02/08/2005. Referred to Committee on Financial Institutions, Housing & Consumer Protection.

1 AN ACT Relating to health studio services; and amending RCW
2 19.142.040.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 19.142.040 and 1990 c 55 s 2 are each amended to read
5 as follows:

6 (1) A contract for health studio services shall include all of the
7 following:

8 ~~((1))~~ (a) The name and address of the health studio facilities
9 operator;

10 ~~((2))~~ (b) The date the buyer signed the contract;

11 ~~((3))~~ (c) A description of the health studio services and general
12 equipment to be provided, or acknowledgement in a conspicuous form that
13 the buyer has received a written description of the health studio
14 services and equipment to be provided. If any of the health studio
15 services or equipment are to be delivered at a planned facility, at a
16 facility under construction, or through substantial improvements to an
17 existing facility, the description shall include a date for completion
18 of the facility, construction, or improvement. Health studio services

1 must begin within twelve months from the date the contract is signed
2 unless the completion of the facility, construction, or improvement is
3 delayed due to war, or fire, flood, or other natural disaster;

4 ~~((4))~~ (d) A statement of the duration of the contract. No
5 contract for health studio services may require payments or financing
6 by the buyer over a period in excess of thirty-six months from the date
7 of the contract, nor may any contract term be measured by or be for the
8 life of the buyer;

9 ~~((5))~~ (e) The use fees or dues to be paid by the buyer and if
10 such fees are subject to periodic adjustment. Use fees or dues may not
11 be raised more than once in any calendar year;

12 ~~((6))~~ (f) A complete statement of the rules of the health studio
13 or an acknowledgement in a conspicuous form that the buyer has
14 received a copy of the rules;

15 ~~((7))~~ (g) Clauses which notify the buyer of the right to cancel:

16 ~~((a))~~ (i) If the buyer dies or becomes totally disabled. The
17 contract may require that the disability be confirmed by an examination
18 of a physician agreeable to the buyer and the health studio;

19 ~~((b)(i))~~ (ii)(A) Subject to ~~((b))~~(ii)(B) of this subsection, if
20 the buyer moves his or her permanent residence to a location more than
21 twenty-five miles from the health studio or an affiliated health studio
22 offering the same or similar services and facilities at no additional
23 expense to the buyer and the buyer cancels after one year from signing
24 the contract if the contract extends for more than one year. The
25 health studio may require reasonable evidence of relocation;

26 ~~((ii))~~ (B) If at the time of signing the contract requiring
27 payment of an initiation or membership fee the buyer lived more than
28 twenty-five miles from the health studio, the buyer may cancel under
29 ~~((7)(b)(i))~~ (g)(ii)(A) of this ~~((section))~~ subsection only if the
30 buyer moves an additional five miles or more from the health
31 studio~~((-))~~;

32 ~~((e))~~ (iii) If a contract extends for more than one year, the
33 buyer may cancel the contract for any reason upon thirty days' written
34 notice to the health studio;

35 ~~((d))~~ (iv) If the health studio facilities are permanently closed
36 and comparable facilities owned and operated by the seller are not made
37 available within a ten-mile radius of the closed facility;

1 ~~((e))~~ (v) If a facility, construction, or improvement is not
2 completed by the date represented by the contract;

3 ~~((f))~~ (vi) If the contract for health studio services was sold
4 prior to the opening of the facility, the buyer may cancel within the
5 first five business days the facility opens for use of the buyer and
6 the health studio begins to provide the agreed upon health studio
7 services;

8 ~~((g))~~ (h) Clauses explaining the buyer's right to a refund and
9 relief from future payment obligations after cancellation of the
10 contract;

11 ~~((9))~~ (i) A provision under a conspicuous caption in capital
12 letters and boldface type stating substantially the following:

13 "BUYER'S RIGHT TO CANCEL

14 If you wish to cancel this contract without penalty, you
15 may cancel it by delivering or mailing a written notice to the
16 health studio. The notice must say that you do not wish to be
17 bound by the contract and must be delivered or mailed before
18 midnight of the third business day after you sign this
19 contract. The notice must be mailed to (insert
20 name and mailing address of health studio). If you cancel
21 within the three days, the health studio will return to you
22 within thirty days all amounts you have paid."

23 (2) No contract for health studio services may:

24 (a) Charge an annual fee in excess of three thousand six hundred
25 dollars. However, this subsection (2)(a) does not apply to contracts
26 relating solely to the use of tennis, platform tennis, or racquetball
27 facilities;

28 (b) Contain an automatic renewal clause;

29 (c) Require payments or financing by the buyer over a period that
30 extends more than one month beyond the expiration of the contract. The
31 installment payments must be in substantially equal amounts exclusive
32 of the down payment and are required to be made at substantially equal
33 intervals, not more frequently than one payment per month;

34 (d) Require the buyer to execute a promissory note or series of
35 promissory notes which, when negotiated, cuts off as to third parties

1 a defense which the buyer may have against the seller.

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