

COUNCIL OF THE DISTRICT OF COLUMBIA

NOTICE

D.C. LAW 5-138

"Health Spa Consumer Protection Act Amendments
Act of 1984".

Pursuant to Section 412 of the District of Columbia Self-Government and Governmental Reorganization Act, P. L. 93-198, "the Act", the Council of the District of Columbia adopted Bill No. 5-405 on first and second readings, September 12, 1984 and October 9, 1984, respectively. Following the signature of the Mayor on October 25, 1984, this legislation was assigned Act No. 5-196, published in the November 16, 1984 edition of the D.C. Register, (Vol. 31 page 5747) and transmitted to Congress January 7, 1985 for a 30-day review, in accordance with Section 602 (c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional Review Period has expired, and therefore, cites this enactment as D.C. Law 5-138, effective March 13, 1985.



DAVID A. CLARKE
Chairman of the Council

Dates Counted During the 30-day Congressional Review Period:

January	7,22,23,24,25,28,29,30,31
February	1,4,5,6,7,19,20,21,22,25,26,27,28
March	1,4,5,6,7,8,11,12

D.C. ACT 5-196

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

OCT 25 1984

To amend the Health Spa Consumer Protection Act to provide registration requirements, stronger bonding requirements, and an additional basis for contract cancellations; and for other purposes.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Health Spa Consumer Protection Act Amendments Act of 1984".

Sec. 2. D.C Code, sec. 28-3817 is amended as follows:

D.C. Code,
sec. 28-3817
(1985 supp.)

(a) Subsection (b)(4) is amended by striking the phrase "a doctor's certificate" and inserting the phrase "a certificate from a doctor of your choice" in its place.

(b) Subsection (c)(2) is amended by striking the phrase "a doctor's certificate" and inserting the phrase "a certificate from a doctor of the consumer's choice" in its place, and by inserting after the word "residence" the phrase "or in the location of the health spa".

(c) Subsection (e) is amended to read as follows:

"(e)(1) Each health spa which contracts health spa sales for goods or services to be provided or made available at a health spa which is planned, under construction, or in operation shall be required by the Department of Consumer and Regulatory Affairs ("Department") to maintain a bond, issued by a surety company licensed to do business in the

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District of Columbia, in an amount not less than \$50,000, or shall file with the Department an irrevocable letter of credit or cash in that amount. A buyer of a health spa sale who suffers or sustains any loss or damage by reason of breach of contract or bankruptcy by the seller or by reason of a violation by the seller of the provisions of this act may bring an action based on the bond and recover against the surety. The liability of the surety under any bond may not exceed the aggregate amount of the bond, regardless of the number or amount of claims filed. If the claims filed should exceed the amount of the bond, the surety shall pay the amount of the bond to the Department for distribution to claimants entitled to restitution and shall be relieved of all liability under the bond.

"(2) A health spa which states in writing, at the time it registers with the Department pursuant to subsection (f), that it will make health spa sales to no more than 100 persons, shall for as long as it abides by the agreement be required to purchase a surety bond in the amount of \$25,000 or to file with the Department an irrevocable letter of credit or cash in that amount.

"(3) Each health spa, prior to making or contracting for any health spa sale, shall complete the registration required by subsection (f) and shall file with the Department evidence that the bond or letter of credit is in force or shall file cash in lieu of the bond or letter of credit. Each health spa obtaining a bond or letter of credit shall file annually with the Department evidence that

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the bond or letter of credit remains in force, and shall maintain accurate records of the bond and premium payments on it, or of the letter of credit. These records shall be open to inspection by the Department at any time during normal business hours."

(d) New subsections (f), (g), and (h) are added to read as follows:

"(f)(1) Each person or health spa which makes health spa sales in the District of Columbia shall register with the Department on forms provided by the Department. The person or health spa shall furnish the full name and address of each business location where health spa sales are contracted, a financial statement, and any other information the Department deems appropriate.

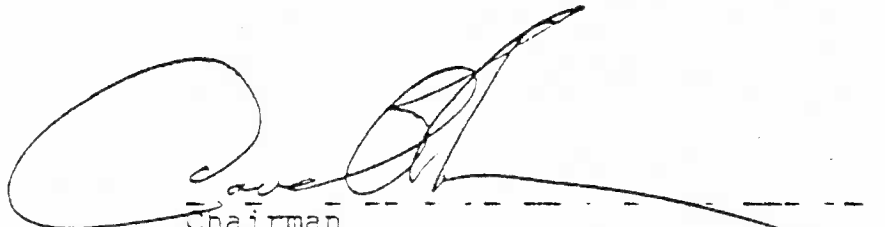
"(2) Each seller of health spa sales in the District of Columbia shall designate a resident of the District of Columbia to serve as resident agent for receipt of service of process.

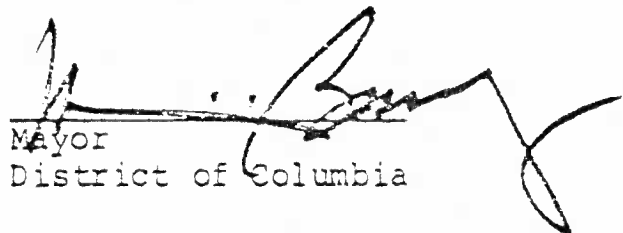
"(g) Any person or health spa which makes or contracts to make any health spa sale in violation of subsection (e)(3) shall be subject to a fine of not less than \$1,000 and not more \$5,000.

"(h) The Department may bring an action to enjoin the sale of health spa memberships by any health spa which fails to comply with subsection (e)(3)."

Sec. 3. This act shall take effect after a 30-day period of Congressional review following approval by the Mayor (or in the event of veto by the Mayor, action by the

Council of the District of Columbia to override the veto) as provided in section 602(c)(1) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 813; D.C. Code, sec. 1-233(c)(1)).


Chairman
Council of the District of Columbia


Mayor
District of Columbia

APPROVED: October 25, 1984

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COUNCIL OF THE DISTRICT OF COLUMBIA

Council Period Five — Second Session

RECORD OF OFFICIAL COUNCIL VOTE

DOCKET NO: B 5-405

Item on Consent Calendar

ACTION & DATE: Adopted First Reading, 9-12-84

VOICE VOTE: Unanimous

Recorded vote on request

Absent: Crawford, Shackleton and Spaulding

ROLL CALL VOTE: — RESULT

Table with 14 columns: COUNCIL MEMBER, AYE, NAY, N.V., A.B. for two groups of members.

X — Indicates Vote A.B. — Absent N.V. — Present, not voting

CERTIFICATION RECORD

Secretary to the Council signature

Date: Oct 11, 1984

Item on Consent Calendar

ACTION & DATE: Adopted Final Reading, 10-9-84

VOICE VOTE: Unanimous

Recorded vote on request

Absent: all present

ROLL CALL VOTE: — RESULT

Table with 14 columns: COUNCIL MEMBER, AYE, NAY, N.V., A.B. for two groups of members.

X — Indicates Vote A.B. — Absent N.V. — Present, not voting

CERTIFICATION RECORD

Secretary to the Council signature

Date: Oct 11, 1984

Item on Consent Calendar

ACTION & DATE:

VOICE VOTE:

Recorded vote on request

Absent:

ROLL CALL VOTE: — RESULT

Table with 14 columns: COUNCIL MEMBER, AYE, NAY, N.V., A.B. for two groups of members.

X — Indicates Vote A.B. — Absent N.V. — Present, not voting

CERTIFICATION RECORD

Secretary to the Council

Date