

BILL ANALYSIS

Senate Research Center
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S.B. 1702
By: Fraser
Business & Commerce
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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.

As proposed, 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 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, as follows:

Sec. 702.155. DURATION OF SECURITY. Deletes existing text requiring a certificate holder to maintain the security filed or posted under Section 702.151 (Security Required) in effect until the later of the second anniversary of the date the certificate holder's health spa closes or another certain date. Makes a nonsubstantive change.

SECTION 2. Amends 702.156(b), Occupations Code, as follows:

(b) Deletes existing text requiring the secretary of state to maintain other security on file with the secretary until the later of the second anniversary of the date the certificate holder's health spa closes or another certain date. Makes a nonsubstantive change.

SECTION 3. Amends Section 702.251, Occupations Code, as follows:

Sec. 702.251. FILING OF SECURITY CLAIM. Authorizes a member to file a claim against the security filed or posted under this subchapter by providing the secretary of state (SOS) a copy of the contract, rather than sending to SOS 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 set forth required to be on 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), prospective.

SECTION 7. Effective date: September 1, 2009.