

HOUSE BILL No. 4559

March 13, 1991, Introduced by Rep. Ciaramitaro and referred to the Committee on Consumers.

A bill to regulate contracts for physical fitness services; and to prescribe remedies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "physical fitness services contract act".

3 Sec. 3. As used in this act:

4 (a) "Customer" means a person who contracts for the use of
5 physical fitness services.

6 (b) "Person" means an individual, group, organization, asso-
7 ciation, partnership, corporation, trust, or other legal entity.

8 (c) "Physical fitness services" means services or facilities
9 that are purported primarily to assist customers in physical
10 exercise, in weight control, or in body or figure development,
11 including, but not limited to, a fitness center, studio, salon,
12 spa class or club, and athletic or sports club.

1 (d) "Provider" means a person that provides physical fitness
2 services and enters into prepaid or credit contracts for physical
3 fitness services of 1 month in duration or longer.

4 Sec. 5. (1) Every prepaid or credit contract for physical
5 fitness services of 1 month in duration or longer shall conform
6 to all of the following requirements:

7 (a) The contract shall be in writing and include an attach-
8 ment stating the total assets, total debt, and number of years
9 the provider has been engaged in business as a provider. A copy
10 shall be given to the customer at the time of signing.

11 (b) In addition to any right to cancel otherwise provided by
12 law, the contract may be canceled by the customer within 3 days
13 after its execution upon the customer's sending a written letter
14 or notice of cancellation to the provider before midnight of the
15 third business day after the contract is signed by the customer.
16 The notice shall be hand delivered to the provider or sent by
17 first-class mail to the address provided in the contract. Notice
18 of cancellation is given when deposited in a mailbox with postage
19 prepaid or when it is hand delivered. Within 45 days of receipt
20 of the written notice or letter of cancellation, the provider
21 shall return any payments made by the customer in connection with
22 the contract.

23 (c) The contract shall contain a provision in the following
24 language:

25 "Customer Right to Cancel Within 3 Days After Execution of

26 Contract

7 Within 45 days of receipt of the written notice of cancella-
8 tion, (name of provider) shall return any payments made by the
9 customer in connection with the contract."

12 Notice

18 (2) A contract for physical fitness services that does not
19 comply with this act is voidable by the customer.