

Honolulu, Hawaii

March 19, 2010

RE: S.B. No. 2137
S.D. 1
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Economic Revitalization, Business, & Military Affairs, to which was referred S.B. No. 2137, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH CLUBS,"

begs leave to report as follows:

The purpose of this bill is to support members of the military deployed outside of the state, by allowing these individuals to cancel or suspend their health club contracts within 90 days of notice of deployment, and receive a refund of the unused balance of the amount paid for the contract.

The Chamber of Commerce of Hawaii, Oahu Veterans Council, and Military Officers Association of America, Hawaii Chapter testified in support of this bill.

Your Committee has amended this bill by including the provisions contained in H.B. No. 1944 which your Committee passed, as follows:

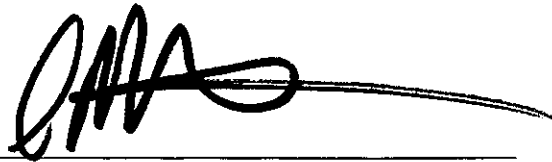
- (1) Limiting the documentation that can be used to prove deployment to a copy of the member's official military orders or a written verification from the member's commanding officer;



- (2) Deleting the requirement for the pro rata refund of fees from the health club to the member;
- (3) Allowing a health club to retain the portion of the total contract price representing the services used plus reimbursement for the expenses incurred in an amount not to exceed 25 percent of the total contract price, if a contract is cancelled; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Revitalization, Business, & Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2137, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2137, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Revitalization, Business, &
Military Affairs,



ANGUS L.K. MCKELVEY, Chair



