

By: Solomons

H.B. No. 135

A BILL TO BE ENTITLED

AN ACT

relating to regulation of health spas.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter C, Chapter 702, Occupations Code, is amended by adding Section 702.107 to read as follows:

Sec. 702.107. SALES TAX PERMIT; PROOF OF REGISTRATION REQUIRED. (a) A health spa operator shall submit to the comptroller a copy of the operator's certificate of registration at the time the operator applies for a sales tax permit.

(b) The comptroller may not issue a sales tax permit to a health spa operator who fails to comply with this section. The secretary of state shall assist the comptroller in determining whether a business is a health spa under this chapter.

SECTION 2. Section 702.151, Occupations Code, is amended to read as follows:

Sec. 702.151. SECURITY REQUIRED. (a) Except as provided by Subchapter E, the secretary of state may not issue a health spa operator's certificate of registration to an applicant unless the applicant files a surety bond, or posts other security as prescribed by the secretary, in the amount prescribed by the secretary under Subsection (b) [~~of \$20,000~~].

(b) The secretary of state shall prescribe the amount of security required for an applicant in the amount determined sufficient by the secretary to protect the health spa's total

1 membership, but not less than \$20,000.

2 SECTION 3. Subchapter D, Chapter 702, Occupations Code, is
3 amended by adding Section 702.158 to read as follows:

4 Sec. 702.158. REVIEW OF SECURITY AMOUNT. (a) At least once
5 every five years, the secretary of state shall review the amount of
6 security a health spa operator is required to post under Section
7 702.151 to determine whether the amount is sufficient to protect
8 the health spa's total membership. The secretary may increase the
9 amount required if the secretary determines that the increase is
10 necessary to protect that membership.

11 (b) The secretary of state may adopt procedures necessary to
12 implement this section, including:

13 (1) establishing a schedule to review the amount of
14 security posted by each health spa operator; and

15 (2) requiring each health spa operator to submit
16 periodically a written statement of the health spa's total
17 membership.

18 SECTION 4. Subchapter I, Chapter 702, Occupations Code, is
19 amended by adding Section 702.404 to read as follows:

20 Sec. 702.404. INFORMATION REQUIRED IN ADVERTISEMENT. A
21 health spa operator may not advertise in any print or electronic
22 medium unless the advertisement includes the health spa operator's
23 certificate of registration number.

24 SECTION 5. Not later than January 1, 2006, the comptroller
25 of public accounts shall provide the secretary of state with the
26 name and address of each person that holds a sales tax permit issued
27 before September 1, 2005, and provides services that may require

1 the person to hold a health spa operator's certificate of
2 registration under Chapter 702, Occupations Code.

3 SECTION 6. This Act takes effect September 1, 2005.