

## **BILL ANALYSIS**

H.B. 2623  
By: Kuempel  
Business & Industry  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Currently, there are no provisions in Texas' statutes which allow persons that have entered into dating service contracts the ability to cancel their contract within a certain period of time. However, Texas does provide a three day cancellation period for similar membership contracts, such as health spa contracts. Several states have recognized the need for laws requiring a cancellation period for dating service contracts and have passed such legislation.

House Bill 2623 allows persons that have entered into dating service contracts three business days to cancel their memberships and receive a full refund of the payments made under that contract. The bill provides specific contract language which outlines the process for obtaining a refund, and allows a person to file suit against any provider that does not adhere to those provisions. H.B. 2623 would ensure Texans a safeguard when entering into dating service contracts.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

House Bill 2623 allows a person to cancel a dating service contract and receive a full refund of the contract. The bill requires that contracts include specific language that outlines the process for obtaining a refund. Cancellations are required to be sent no later than midnight of the third business day after the contract date, are required to include written notice of cancellation with proof of payment, and are required to be sent by certified mail to the dating service provider's home office. The bill requires providers that receive notice to submit the refund no later than the 30th day after the date notice is received.

H.B. 2623 authorizes a person to file suit in Travis county or the county associated with the dating service contract if the dating service provider violates the contract.

H.B. 2623 specifies that the changes in law made by this Act only apply to contracts executed on or after September 1, 2007.

### **EFFECTIVE DATE**

September 1, 2007.