

Testimony of

Thomas Smyth, President

Military Officers Association of America, Hawaii Chapter

Before the Committee on Consumer Protection & Commerce

Wednesday, March 24, 2010, 2:00 pm, Room 325

On SB 2137, SD1, HD1 Relating to Health Clubs

Chair Herkes, Vice Chair Wakai and Members of the Committee:

Our chapter of 500 retired and currently serving officers of the Uniformed Services continues to support the purpose of SB 2137, SD1, HD1, allowing deploying military members to cancel or suspend health club memberships. We do not support that bill provision providing for the health club to charge a relatively large fee for suspending the contract.

The Office of Consumer Protection, testifying on the House Companion, HB 1944, felt that 25% of the total contract price was excessive for the likely cost of contract suspension.

Health clubs are different from social clubs or country clubs that charge an initiation fee and then a periodic fee or are governed by their members. These clubs are not as formally regulated as are health clubs which have long term contracts that can be quite expensive.

Local Reservists or Hawaii National Guard members are more likely to have private health club membership than active-duty personnel who can conveniently use on-base facilities. Many of our citizen-soldiers have a significant income loss when deployed and would be particularly affected by excessive charges for suspension. We realize this committee passed HB 1944 un-amended, supporting this charge, but we urge you to now reconsider lowering the amount as recommended by the Consumer Protector.

Thank you for the opportunity to testify.