

By the Fiscal Responsibility Council and Representative
Dockery

1 A bill to be entitled
2 An act relating to ballroom dance studios;
3 amending s. 205.1969, F.S.; removing a
4 requirement for the issuance of an occupational
5 license to a ballroom dance studio; amending s.
6 501.143, F.S.; eliminating the regulation of
7 ballroom dance studios by the Department of
8 Agriculture and Consumer Services, including
9 the authority to seek penalties and to adopt
10 rules; deleting registration requirements;
11 providing that bonds or other security obtained
12 to ensure refunds to customers will not be
13 placed with the department; providing an
14 effective date.

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16 Be It Enacted by the Legislature of the State of Florida:

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18 Section 1. Section 205.1969, Florida Statutes, is
19 amended to read:

20 205.1969 Health studios; consumer protection.--No
21 county or municipality shall issue or renew an occupational
22 license for the operation of a health studio pursuant to ss.
23 ~~501.012-501.019 or ballroom dance studio pursuant to s.~~
24 ~~501.143~~, unless such business exhibits a current license,
25 registration, or letter of exemption from the Department of
26 Agriculture and Consumer Services.

27 Section 2. Section 501.143, Florida Statutes, is
28 amended to read:

29 501.143 Dance Studio Act.--

30 (1) SHORT TITLE.--This section may be cited as the
31 "Dance Studio Act."

1 (2) DEFINITIONS.--For the purposes of this section,
2 the term:
3 (a) "Ballroom dance studio" means any person that:
4 1. Engages in the sale of ballroom dance studio
5 lessons or services which are provided at a location
6 specifically used for dance studio lessons or services; or
7 2. Secures floor space at a registered ballroom dance
8 studio facility or other facility which is not used primarily
9 for rendering dance studio lessons or services and enters into
10 contracts for future dance studio lessons or services.
11 (b) "Dance studio lessons" include instruction,
12 training, or assistance in dancing and the use of ballroom
13 dance studio facilities.
14 (c) "Dance studio services" include membership in any
15 group, club, or association formed by a ballroom dance studio,
16 participation in dance competitions, dance showcases, trips,
17 tours, parties, and other organized events.
18 ~~(d) "Department" means the Department of Agriculture~~
19 ~~and Consumer Services.~~
20 ~~(e) "Enforcing authority" means the Department of~~
21 ~~Agriculture and Consumer Services or the Department of Legal~~
22 ~~Affairs.~~
23 (d)(f) "Notice of cancellation" means the mailing or
24 delivering by a pupil or prospective pupil of written
25 notification to cancel the contract or written agreement.
26 (e)(g) "Reasonable and fair service fee" means no more
27 than 10 percent of the total contract price for contracts of
28 \$1,000 and under. For contracts over \$1,000, "reasonable and
29 fair service fee" shall mean no more than \$100 plus an amount
30 equal to 5 percent of the total contract price over \$1,000
31 (not to exceed \$250 in total).

1 ~~(3) REGISTRATION OF BALLROOM DANCE STUDIOS.~~
2 ~~(a) Each owner or operator of a ballroom dance studio~~
3 ~~shall annually register with the department providing its~~
4 ~~legal business or trade name, mailing address, and business~~
5 ~~locations, and the full names, addresses, and telephone~~
6 ~~numbers of its owners or corporate officers and directors and~~
7 ~~the Florida agent of the corporation. A copy of all contracts~~
8 ~~offered to the public shall also be submitted to the~~
9 ~~department. A certificate evidencing proof of registration~~
10 ~~shall be issued by the department. This certificate must be~~
11 ~~prominently displayed at the sales or front desk at each~~
12 ~~business location of a ballroom dance studio defined in~~
13 ~~subparagraph (2)(a)1. Ballroom dance studios defined in~~
14 ~~subparagraph (2)(a)2. must possess the certificate when~~
15 ~~providing dance studio lessons or services.~~
16 ~~(b) Any person applying for or renewing a local~~
17 ~~occupational license to engage in business as a ballroom dance~~
18 ~~studio must exhibit an active registration certificate from~~
19 ~~the department before the local occupational license may be~~
20 ~~issued or reissued under chapter 205.~~
21 ~~(c) Each advertisement or contract of a ballroom dance~~
22 ~~studio shall include the phrase "... (NAME OF FIRM) ... is~~
23 ~~registered with the State of Florida as a Ballroom Dance~~
24 ~~Studio Registration No."~~
25 ~~(d) Registration fees shall be \$300 per year for each~~
26 ~~dance studio location. All amounts collected shall be~~
27 ~~deposited in the General Inspection Trust Fund of the~~
28 ~~Department of Agriculture and Consumer Services for the~~
29 ~~administration of this section.~~
30 ~~(e) No registration shall be valid for any ballroom~~
31 ~~dance studio defined in subparagraph (2)(a)1. that transacts~~

1 ~~business at any place other than that designated in its~~
2 ~~application, unless the department is first notified in~~
3 ~~writing in advance of any change of location. A registration~~
4 ~~issued under this section shall not be assignable, and the~~
5 ~~ballroom dance studio shall not be permitted to conduct~~
6 ~~business under more than one name except as registered. A~~
7 ~~ballroom dance studio desiring to change its registered name~~
8 ~~or location or designated agent for service of process at a~~
9 ~~time other than upon renewal of registration shall notify the~~
10 ~~department of such change.~~

11 ~~(f) The department may deny or refuse to renew the~~
12 ~~registration of any dance studio based upon a determination~~
13 ~~that the dance studio, or any of its directors, officers,~~
14 ~~owners, or general partners:~~

15 ~~1. Has failed to meet the requirements for initial~~
16 ~~application or renewal as provided in this section; or~~

17 ~~2. Has been convicted of a crime involving fraud,~~
18 ~~dishonest dealing, or any other act of moral turpitude; or~~

19 ~~3. Has not satisfied any fine or penalty arising out~~
20 ~~of any administrative or civil enforcement action brought by~~
21 ~~any governmental agency or private person based upon conduct~~
22 ~~involving fraud, dishonest dealing, or any violation of this~~
23 ~~section; or~~

24 ~~4. Has had a judgment entered against him or her in~~
25 ~~any action brought under ss. 501.201-501.213 by the Department~~
26 ~~of Legal Affairs or brought under this section by the~~
27 ~~department.~~

28 (3)~~(4)~~ CONTRACT REQUIREMENTS.--Every contract for
29 ballroom dance studio services or lessons shall be in writing
30 and shall be subject to this section. All provisions,
31 requirements, and prohibitions which are mandated by this

1 section shall be contained in the written contract before it
2 is signed by the customer. A copy of the signed contract
3 shall be given to the customer at the time the customer signs
4 the contract.

5 (a) Every contract for ballroom dance studio services
6 or lessons shall set forth the customer's total payment
7 obligation for services or lessons to be received pursuant to
8 the contract and shall contain a written statement of the
9 hourly or lesson rate charged for each type of lesson for
10 which the customer has contracted.

11 (b) If the contract includes ballroom dance studio
12 lessons which are sold at different hourly or lesson rates,
13 the contract shall contain separate hourly or lesson rates for
14 each different type of lesson sold.

15 (c) If the contract for dance studio services or
16 lessons calls for payment in installments, the studio shall
17 comply with all the provisions of the Retail Installment Sales
18 Act, part II of chapter 520.

19 (d) All charges for dance studio services or lessons
20 for which the customer has contracted which are not capable of
21 an hourly rate shall be set forth in writing in specific
22 terms.

23 (e) Every ballroom dance studio to which this section
24 applies shall keep a copy of each contract for dance studio
25 services or lessons on file for as long as the contract is in
26 effect and for a period of 2 years thereafter.

27 (f) Every contract for the sale of future dance studio
28 services or lessons which are paid for in advance or which the
29 buyer agrees to pay for in future installment payments shall
30 be in writing and shall contain in boldfaced type, under
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1 conspicuous caption, contractual provisions to the contrary
2 notwithstanding, the following:

3 1. A provision for the penalty-free cancellation of
4 the contract within 3 days, exclusive of holidays and
5 weekends, of its making, upon the mailing or delivery of
6 written notice to the ballroom dance studio. Written notice
7 may be construed as any written expression of the customer to
8 not be bound by the contract. The ballroom dance studio shall
9 refund upon such notice all moneys paid under the contract
10 except the amount for ballroom dance studio services or
11 lessons actually rendered or to have been rendered, by
12 contract, during the number of days prior to the cancellation
13 notice. A refund shall be issued within 20 days after receipt
14 of the notice of cancellation made within the 3-day notice.

15 2. A provision for the cancellation of the contract,
16 if the buyer dies or becomes physically or mentally unable to
17 avail himself or herself of the dance studio lessons or
18 services or if the lessons or services cease to be offered as
19 stated in the contract, after 3 business days of its making
20 and release from further payments upon notice of cancellation.
21 After 3 business days the studio shall charge only for the
22 dance instruction and dance instruction services actually
23 furnished under the agreement plus a reasonable and fair
24 service fee. The studio shall refund the balance in three
25 equal monthly installments, to be completed within not more
26 than 90 days after receiving notice of cancellation.

27 3. Any provision in a dance contract, certificate,
28 dance package, or brochure or other material from a dance
29 studio that purports to waive, limit, restrict, or avoid any
30 of the duties, obligations, or prescriptions of the dance
31 studio, as provided in this section, is void and unenforceable

1 and against public policy, unless it is necessitated by
2 contractual arrangements with suppliers and fully disclosed.
3 (4)~~(5)~~ SECURITY PROVISIONS.--Each ballroom dance
4 studio that has been in business under the same ownership for
5 less than 3 years and that requires or receives an advance
6 payment from any customer in excess of \$250 or enters into
7 retail installment contracts for payment by any customer for
8 dance studio services or lessons in installments shall
9 establish and maintain a mechanism for ensuring customer
10 refunds. These ballroom dance studios shall maintain security
11 in the form of a bond issued by a surety company admitted to
12 do business in this state, an irrevocable letter of credit
13 from any foreign or domestic bank, or a guaranty agreement
14 that is secured by a certificate of deposit. If the ballroom
15 dance studio has been in business under the same ownership for
16 less than 1 year, the principal amount of the bond or other
17 security shall be \$5,000. If the ballroom dance studio has
18 been in business under the same ownership for at least 1 year,
19 but less than 2 years, the principal amount of the bond or
20 other security shall be \$10,000. If the ballroom dance studio
21 has been in business under the same ownership for at least 2
22 years, but less than 3 years, the principal amount of the bond
23 or other security shall be \$15,000. The aggregate liability to
24 all persons for all breaches of the conditions of the bond or
25 other security provided under this subsection shall not exceed
26 the amount of the bond or other security.

27 ~~(a) The bond shall be in favor of the state for the~~
28 ~~benefit of any person injured as a result of a violation of~~
29 ~~this section. The original surety bond required by this~~
30 ~~section shall be filed with the department.~~

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1 ~~(b) The original letter of credit or certificate of~~
2 ~~deposit submitted in lieu of the bond shall be filed with the~~
3 ~~department. The department shall decide whether the security~~
4 ~~furnished in lieu of bond by the ballroom dance studio is in~~
5 ~~compliance with the requirements of this section.~~

6 (5)~~(6)~~ PROHIBITED PRACTICES.--It is a violation of
7 this section for any person:

8 ~~(a) To conduct business as a ballroom dance studio~~
9 ~~without registering annually with the department.~~

10 ~~(b) Knowingly to make any false statement,~~
11 ~~representation, or certification in any application or~~
12 ~~registration form required by department rule.~~

13 ~~(c) Knowingly to violate or fail to comply with any~~
14 ~~rule or order adopted or issued by the department pursuant to~~
15 ~~its lawful authority in carrying out the intent of this~~
16 ~~section.~~

17 (a)~~(d)~~ To represent, directly or by implication, that
18 a specified number of dance studio lessons or a dance studio
19 service will be furnished, unless the bona fide lessons or
20 service is in fact furnished as represented.

21 (b)~~(e)~~ To refuse to honor the terms and provisions of
22 any offer or promise.

23 (c)~~(f)~~ To use any of the following or similar
24 techniques or practices to mislead, coerce, or induce the
25 purchase of dance studio lessons or dance studio services:

- 26 1. Requesting any customer to sign an uncompleted
27 contract or agreement;
28 2. Misrepresenting to any customer what is or will be
29 due or payable;

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- 1 3. Using any single day "relay salesmanship" or
2 consecutive sales talks with more than one representative,
3 with or without the use of hidden listening devices;
4 4. Falsely assuring or representing to any customer
5 that a given course of dance studio lessons will enable him or
6 her to achieve a given standard of dancing proficiency;
7 5. Representing in any manner that a dancing
8 instructor or job is obtainable at a studio or misrepresenting
9 what such an instructor will be paid; or
10 6. Using any analyses, tests, studio competitions, or
11 other artifices purportedly designed to evaluate dancing
12 ability, progress, or proficiency when the artifices are not
13 so designed or so used.

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15 ~~The department may employ investigators and conduct~~
16 ~~investigations of violations of this section.~~

17 ~~(7) PENALTIES; REMEDIES.-- The following penalties and~~
18 ~~remedies are available for enforcement of the provisions of~~
19 ~~this section:~~

20 ~~(a) The department shall have administrative authority~~
21 ~~to issue a notice of noncompliance pursuant to s. 120.695 and~~
22 ~~to suspend or revoke the registration of any ballroom dance~~
23 ~~studio that violates any of the provisions of this section or~~
24 ~~the rules adopted or orders issued pursuant to such rules.~~
25 ~~Such ballroom dance studio may not engage in business while~~
26 ~~the registration is revoked or suspended.~~

27 ~~(b) The department may impose an administrative fine~~
28 ~~not to exceed \$5,000 per violation against any ballroom dance~~
29 ~~studio that violates any of the provisions of this section or~~
30 ~~the rules adopted or orders issued pursuant to this section.~~

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1 ~~(c) Notwithstanding the provisions of subsection (5),~~
2 ~~the department may require any ballroom dance studio that has~~
3 ~~operated or is operating in violation of any of the provisions~~
4 ~~of this section or the rules adopted or orders issued pursuant~~
5 ~~to such rules to post security with the department in an~~
6 ~~amount not to exceed \$25,000.~~

7 ~~(d) The department may proceed by injunction to~~
8 ~~prevent any ballroom dance studio from doing business subject~~
9 ~~to the provisions of this section until a performance bond,~~
10 ~~letter of credit, or certificate of deposit is posted with the~~
11 ~~department.~~

12 ~~(e) The enforcing authority may seek a civil penalty~~
13 ~~not to exceed \$5,000 for each violation of this section or the~~
14 ~~rules adopted or orders issued pursuant to such rules and may~~
15 ~~institute a civil action in circuit court to recover any~~
16 ~~penalties or damages allowed in this section and for~~
17 ~~injunctive relief to enforce compliance with this section or~~
18 ~~any rule or order of the department.~~

19 ~~(f) The remedies provided in this section are in~~
20 ~~addition to any other remedies available for the same conduct.~~

21 (6)(8) CRIMINAL PENALTIES.--Any person which knowingly
22 violates this section commits a misdemeanor of the first
23 degree, punishable as provided in s. 775.082 or s. 775.083.
24 However, any person which knowingly conducts business as a
25 ballroom dance studio without registering annually with the
26 department commits a misdemeanor of the second degree,
27 punishable as provided in s. 775.082 or s. 775.083.

28 ~~(9) GENERAL INSPECTION TRUST FUND; PAYMENTS.--Any~~
29 ~~moneys recovered by the enforcing authority as a penalty under~~
30 ~~this section shall be deposited in the General Inspection~~
31 ~~Trust Fund if the action or proceeding was brought by the~~

1 ~~department, or the Consumer Frauds Trust Fund if the action or~~
2 ~~proceeding was brought by the Department of Legal Affairs.~~

3 (7)~~(10)~~ ENFORCEMENT BY CUSTOMER.--Any customer injured
4 by a fraudulent act or fraudulent omission in violation of
5 this section may bring an action for the recovery of damages.
6 Judgment may be entered for three times the amount at which
7 the actual damages are assessed, plus costs and reasonable
8 attorney's fees.

9 (8)~~(11)~~ EXEMPTIONS.--This section does not apply to
10 governmental and bona fide tax-exempt not-for-profit entities.

11 ~~(12) RULEMAKING AUTHORITY.--The department has the~~
12 ~~authority to adopt rules pursuant to ss. 120.536(1) and 120.54~~
13 ~~to implement this section.~~

14 Section 3. This act shall take effect July 1, 2001.

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17 HOUSE SUMMARY

18 Eliminates the regulation of ballroom dance studios by
19 the Department of Agriculture and Consumer Services.

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