

STORAGE NAME: h1725.frc
DATE: March 22, 2001

HOUSE OF REPRESENTATIVES
FISCAL RESPONSIBILITY COUNCIL
ANALYSIS

BILL #: HB 1725
RELATING TO: Health Studios
SPONSOR(S): Fiscal Responsibility Council and Representative Dockery

TIED BILL(S):

ORIGINATING COMMITTEE(S)/COUNCIL(S)/COMMITTEE(S) OF REFERENCE:

- (1) FISCAL RESPONSIBILITY COUNCIL YEAS 20 NAYS 1
 - (2)
 - (3)
 - (4)
 - (5)
-

I. SUMMARY:

This bill eliminates the registration requirement for health studios and the regulation of such health studios by the Department of Agriculture and Consumer Services, as required in section 501.015, Florida Statutes.

The change reflects budget reductions contained within the House Appropriations bill. Four full-time equivalent (FTE) positions are eliminated and spending authority of \$190,755 is reduced in the General Inspection Trust Fund in the Department of Agriculture and Consumer Services. The program is funded through an annual registration fee of \$300 for each health studio location.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|---|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

B. PRESENT SITUATION:

According to section 501.012, F. S., regulation of health studios was needed due to the substantial number of contracts for health studio services that contain practices and business and financing methods that worked undue financial hardship upon some citizens of the state.

The Department currently registers 811 non-exempt health studios engaged in the sale of services for instruction, training, or assistance in a program of physical exercise or services. The Department also monitors registrants for violation of the statute, responds to complaints, and administers claims against security. Section 501.015, F. S., requires each health studio to remit an annual registration fee of \$300 to the department for each business location.

C. EFFECT OF PROPOSED CHANGES:

The bill eliminates the requirement for health studios to register with the Department and eliminates the regulation of such studios by the Department.

D. SECTION-BY-SECTION ANALYSIS:

Section 1 amends s. 205.1969, F. S., eliminating the requirement that a health studio must be licensed, registered, or exempted by the Department of Agriculture and Consumer Services in order to receive an occupational license.

Section 2 repeals s. 501.012, F. S., providing legislative intent; s. 501.014, providing powers and duties of the department; s. 501.015, providing registration requirements and fees; and s. 501.016, providing security requirements.

Section 3 amends s. 501.0125, F. S., deleting definitions for the "Department" and "Reasonable and fair service fee."

Section 4 amends s. 501.013, F. S., to conform language and references to substantive changes.

Section 5 amends s. 501.017, F. S., to conform language and references to substantive changes.

Section 6 amends s. 501.019, F. S., to remove enforcement of penalties by the Department.

Section 7 provides that this act shall take effect July 1, 2001.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues: FY 2001-02
- Recurring
General Inspection Trust Fund
Registration Fees (250,000)
2. Expenditures: FY 2001-02
- Salaries and Benefits (4) FTE (152,475)
Expenses (38,280)
Total – General Inspection Trust Fund (190,755)

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:
None
2. Expenditures:
None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

D. FISCAL COMMENTS:

None

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

None

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

None

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V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None

B. RULE-MAKING AUTHORITY:

None

C. OTHER COMMENTS:

None

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None

VII. SIGNATURES:

FISCAL RESPONSIBILITY COUNCIL:

Prepared by:

Staff Director:

Marsha Belcher

David K. Coburn