

years and still no club open. So that's...it is important that we have some type of restriction in the bill, and I appreciate your bringing that to me. I know we discussed it and that is the reason so that they don't go out and sell memberships for three years and people are just...nothing.

SENATOR RASMUSSEN: All right. I appreciate that and there are some complexes that have been large enough that it has taken even over a year, legitimately, to build, and I think that if we can work something out so that the consumer is protected, and yet at the same time we don't get unreasonable in terms of our expectations for the people who are building the business. The other question I had was that in Section 21 it talks about the right of someone who purchases a contract to get the contract back if the company is in any way in violation of this act. My concern is the way it reads, it sounds as if I join a club, I use the club for six months, then they do something that is in violation of this act, it sounds as if I get all of that contract money back as opposed to that unused portion. What is your intent here?

SENATOR NELSON: Senator Rasmussen, I am not all that familiar in Section 21. The purchaser shall also have a right of action against the physical for recovery of the amount of the purchase paid to the physical, okay, that would...in essence, I would say that would be the full amount and I would say that there should be some, if they've used it for six months...

SPEAKER BAACK: One minute.

SENATOR NELSON: ...could address that. In addition, any judgment awarded to the purchaser, the court may allow reasonable attorney fees. That always scares us, see, but that...thanks.

SENATOR RASMUSSEN: Thank you, Senator Nelson. I appreciate your cooperativeness in this. I just want to mention one other point that's been brought up and that is the issue of nonprofit organizations. I would suggest that many of the nonprofit organizations now do really compete with the private operations. They sell their health club memberships separate from their memberships in their nonprofit clubs, and that if we allow them to sell three-year contracts, we allow them to have automatic renewal, that it is unfair competition for the private businesses, and I would urge us to also consider not exempting