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Clarification on Gym Membership Transfers

It has come to our attention that although we have addressed the issue in a number of previous podcasts, there are still questions regarding the transfer of gym memberships from one organization to another. The FBPA provides invaluable information and is the final authority when it comes to the criteria for the transfer of gym memberships. Therefore, gym owners and corporate offices who desire to transfer gym memberships in this State can only do so if the transfer was made according to the requirements of the FBPA. According to the FBPA, gym memberships may only be transferred from a facility that closes, to another that is still servicing members and is located within ten miles. The facility to which members are transferred must be substantially similar. A substantially similar facility must offer the same hours, services, amenities, equipment, and facilities. It must be a facility that is equal in size or greater in size and cannot be one that is smaller in size and offers lesser services and amenities to the transferred members. So, if a facility that is scheduled to close its doors, offers services only to a specific gender, those memberships could be transferred to a substantially similar facility that is located within ten miles that provides services also to that specific gender. In another example, if a gym that offers 24 hour access to its members is closing, the members may only be transferred to another gym that offers 24 hour access, is substantially similar and is located within ten miles.

Gym memberships that are transferred to organizations or gyms which are not substantially similar must be terminated immediately by the parties responsible for the transfer. This means that billing companies, gyms and corporate offices are not authorized to collect membership dues on memberships that were not transferred to a substantially similar facility. Since there are no exceptions to this requirement, billing companies, gyms and corporate offices which are found to be in violation of the FBPA will be subject to legal action by the Administrator of the FBPA.

In addition, it has also been brought to our attention that after a certain facility closed its doors, consumers were informed that they should contact OCP for refunds. Please be aware that if refunds are due to consumers when a gym closes, it is always the responsibility of the gym and corporate office to ensure that refunds are provided to consumers. At no time should consumers be told that OCP maintains bonds on gyms and will provide refunds. If there are any questions on these matters, please contact this office.

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