



Sent and Posted: August 30, 2012

NOTICE OF PUBLIC MEETING

September 12, 2012, 10:30 a.m.

September 13, 2012, 8:30 a.m.

Radisson Hotel at Los Angeles Airport

San Jose Room

6225 W. Century Blvd., Los Angeles, CA 90045

AGENDA

1. OPEN SESSION- Call to Order and Establishment of Quorum
2. Chair's Comments
3. Discussion and Adoption of Short and Long Terms Strategic Priorities
4. Discussion and Adoption of Schedule of Authority
5. Reestablishment of Executive Committee's Function- Bylaws Change
6. Approval of Minutes- June 20, 2012 Board Meeting
7. Chief Executive Officer's Report
 - a) State of CAMTC
 - b) Operations and Administration
 - c) Finance
 - d) Outreach and Communications
 - e) FSMTB
 - f) Other Updates

8. Treasurer's Report

9. IT Liaison's Report

10. Director of Governmental Affairs and Special Projects' Report

- a) Legislative Status reports
- b) SB 1575/SB122/SB 1238 (Price)
- c) SB 1193 (Steinberg)
- d) SB 1963 (Huber)
- e) AB 1940 (Swanson)
- f) AB 2540 (Gatto)
- g) Interim policy on accepting transfers from closed schools for CMP approval
- h) DCA/ BPPE relationships
- i) Local ordinance updates – major issues, successes, challenges
- j) League of California Cities
- k) Palm Desert code enforcement presentation
- l) Sunset Review
- m) Sacramento county advocacy group campaign - Sacramento Against Sexual Slavery- in Massage Parlors SASS-MP

11. Director of PSD's Report and Recommendations

12. Policy regarding unprofessional conduct

13. Amending CAMTC Board Policy to require posting of suspended and revoked certificates in the publicly accessible "Verify Certification" database

14. Board Discussion Regarding Core Questions Concerning Sunset

15. Update on New In-House Counsel's Hiring

16. Closed Session with CAMTC Legal Counsel Pursuant to California

Government Code Section 11126(e)

17. CEO New Recommendations Regarding Fee Schedule

18. Employee Handbook

19. Employee Benefits Plan

20. Creation of History Section on the Website with Photos.

21. Board Travel Reimbursement Policy Amendment

22. Closed Session Regarding the Appointment, Employment, Evaluation of Performance, or Dismissal of an Employee Pursuant to California Government Code Section 11126(a)

23. Return to open session and announce action taken in Closed Session under item 22

24. Future Agenda Items and Scheduling Next Meeting

25. Adjournment

All agenda items are subject to discussion and possible action.

Requests for more information, submit comments to the Board or to make a request regarding a disability-related modification or accommodations for the meeting, please contact Sheryl LaFlamme at (916) 669-5336 or One Capitol Mall, Suite 320 Sacramento CA 95814 or via email at camtc@amgroup.us.

Requests for disability-related modification or accommodation for the meeting should be made at least 48 hours prior to the meeting time. This notice and agenda is available on the Internet at <http://www.camtc.org>.



Date: September 5, 2012
To: Board of Directors
California Massage Therapy Council
From: Ahmos Netanel, Chief Executive Officer
Subject: Strategic Priorities

The attached document aggregates all the strategic priorities submitted by Board members and staff. You will notice that it is not divided into short and long-term lists. The reason was that some submissions had only one list and others had similar subjects appearing in both long and short terms sections. Since this document consolidates all of the topics I received, the Board will simply have to decide a time frame for achieving any objective the Board selects.

In order to provide authentic depictions of people's ideas, I organized the information into different topics but purposefully refrained from editing, summarizing or combining any verbiage.

In case the Board wishes to alter the order of the 23 topics, the outline on the first page was provided in order to facilitate such a process.

I'm looking forward to a robust and constructive discussion.

Outline- Proposed CAMTC Strategic Priorities (9/5/2012)

1. Relationship with law enforcement
2. Certificate holders in illicit establishments
3. PSD's backlog
4. Fraudulent schools
5. CAMTC's data
6. Sunset review
7. Human trafficking
8. Local government
9. Finance
10. Outreach
11. Employee benefits
12. Mission statement
13. Management team
14. Board composition
15. Employee handbook
16. Applications turned around
17. AMG
18. Number of applications
19. Foreign language
20. Continuing education
21. Board manual
22. Transparency and consistency
23. Public access to disciplinary actions

Proposed CAMTC Strategic Priorities (September 5, 2012)

1. Relationship with law enforcement

a. Create a strong formal alliance with law enforcement.

(Staff/Dixon/Tuck)

While initially CAMTC experienced an unwelcomed reception from the law enforcement community, our proactive pursuit to transform an acrimonious relationship into a cooperative one has been successful. We are constantly looking to find ways to give CAMTC more flexibility to share information with law enforcement. Presently CAMTC has nothing but friends. However, recently staff has noticed a steady increase of frustration expressed by official leaders of local law enforcement agencies, with the proliferation of the number of illicit massage parlors in their local jurisdictions. For example, Staff heard a highly regarded Chief of a major city comment about initiating an effort to let the current massage state law sunset.

Recommendation: Commission the CEO to pursue formal accords made with leading law enforcement organizations.

b. Continue to work on relationship with law enforcement through education (Wall)

c. Continue building strong ties with law enforcement and local governments to earn their support for sunset (Smith).

Help them enforce massage laws by educating as to what is and is not massage, difference between 100% CAMTC establishments and not.

2. Certificate holders in illicit establishments

a. Reduce the number of certified individuals working in illicit parlors.

(Staff/Dixon/Tuck)

Current state massage law provides substantial legal rights to individuals certified by CAMTC and to establishments that only employ CAMTC certified individuals. The law's fundamental premise is that individuals who meet specific requirements or have specific credentials are not "the bad apples". In fact, the law clearly states: "Assure that massage therapy can no longer be used as a subterfuge to violate subdivision a or b of Section 647 of the Penal Code." CAMTC and its Board are currently regarded as a major success story in the Legislature. The sad reality that many of our certificate holders are abusing the privileges granted by the law, can be an opportunity for the Board to demonstrate true leadership and its commitment to public protection.

Recommendation: Instruct staff to develop a comprehensive plan to assure the legitimacy of certificate holders and present it in the November 7, 2012 meeting.

- b. Further improve applicant screening assessment procedures (including legitimacy of presented education credentials) and follow-through on places of employment listed to lessen both initial and continued certification of illegitimate practitioners. (Benson).**
- c. Improve screening processes for education and employment (Smith)**
- d. How do we improve the quality of our certifications? We are simply certifying too many illegitimate practitioners. (Schroeder)**
- e. Protect the Public/ Standards (Wall)**
 - a. Ensure certified are Competent
 - b. New protocols
 - i. Rigorous screening process
 - ii. Employment checks
 - iii. School investigation
 - c. Requirements

- i. Two tiers vs. One tier
- ii. Education Hour requirements
- iii. CEU requirements
- iv. Test requirement- MBLEX or NCTMB

f. Increase CAMTC's regulatory authority to be more effective at public protection (Rolnick).

With mandatory certification, registration, or licensure, CAMTC would be much more effective at public protection. Of course there are numerous other areas for solution-oriented recommendations to increase our authority and effectiveness also, such as requiring an exam and continuing education, etc. Why wait for sunset legislation? CAMTC's strong alliance with law enforcement, current fiscal success, and an operations model for regulating without the use of tax dollars would earn CAMTC broad support for a 2013 bill that could make a positive impact on our ability to collaborate more effectively with law enforcement in order to protect the public.

Recommendation: Instruct CAMTC staff to develop a comprehensive review of options to initiate a 2013 bill directed at increasing CAMTC's effectiveness and regulatory authority. For serious consideration, the board would need to vote at the November 2012 board meeting on whether to initiate a place-holding 2013 bill. Therefore the staff would need to prepare the report for distribution at least a week prior to the November 2012 board meeting.

g. Institute a much more disciplinary process for the individuals who do inappropriate behavior in our profession (Calvert).

Create stronger sanctions for these people. Perhaps short term and may go to long term create a team to work with law enforcement to do research on the laws of previous years in different states to see if some states were

more strict with therapists getting caught for not abiding by the laws by working in illicit parlors.

3. PSD's backlog

a. Eliminate PSD's applicant backlog (Staff/Dixon/Tuck).

In 2012 CAMTC has made major improvements in the applicants' and certificate holders' experience. Knowledgeable and friendly staff answers more than 98% of phone calls, emails are responded to in a timely manner and new applications are processed in less than four weeks. The turnaround time for applications with educational issues was cut in half. Applicants with criminal background issues experience long delays. The difficulty in securing additional adequate legal assistance slowed down PSD's ability to expedite the final disposition of such cases. The CEO believes that with the implementation of current initiatives, it will be possible to completely eliminate PSD's backlog by the end of 2013.

Recommendation: Consider increasing funding level to PSD.

b. PSD abnormal backlog eliminated (Benson).

By July 1, 2013, $\geq 90\%$ of needed hearings held within 40 days from the date when need/request for a hearing is determined. All hearing decision notices sent within 20 days of hearing date.

c. PSD- Catch up on backlog (Wall)

d. Possible new hires (Wall)

e. Lessen backlog of PSD to 45-day turnaround (Smith).

f. The applicants that failed to attain certification because their massage education came from an institution that was not credible, needs to be dealt with at a faster rate. (Calvert) Can we hire more people to help these people get through the system more quickly?

g. Sustained PSD adherence to timeliness standards. (Benson)

Broadly earned trust from local governments regarding PSD knowledge, fairness and responsiveness to local government inquiries and knowledge

exchange.

**h. Protect consumers from incompetent massage professionals.
(Staff/Dixon/Tuck)**

CAMTC receives a considerable number of complaints that we cannot address. For one, we only have jurisdiction over certified individuals. Also, our law has no scope of practice so we have no frame of reference for competence and adherence to a legally defined scope. The Board hopes that the Model State Code being prepared by the Federation of State Massage Therapy Boards (FSMTB) will include a scope of practice that CAMTC can adopt as the basis for addressing complaints of incompetence against certified individuals.

Recommendation: Adopt the scope of practice that the FSMTB approves as a working definition, much as the CAMTC Board has adopted certain definitions of unprofessional behavior. Consider as part of Sunset Review whether changes to the law are needed in order to assure adequate authority over the competence of certificate holders. Develop a plan to utilize CAMTC's authority to approve massage schools and consider not only criminal behavior but also quality of education.

4. Fraudulent schools

**a. Devise a permanent solution to the challenge of fraudulent schools
(Staff/Dixon?Tuck)**

While CAMTC has done an admirable job discovering and aggressively pursuing the problem of massage schools that issue fraudulent transcripts, the problem still persists. The more we investigate, the more it becomes clear how massive and prevalent this problem has become. While we recently witnessed a renewed interest by the BPPE to address this issue, there are no guarantees that such efforts will actually materialize. In addition to diploma mills, we are witnessing a proliferation of sub-standard schools. The bottom line: a diploma from a state approved massage program is hardly an assurance of adequate education.

Recommendation: Evaluate the possibility of CAMTC assuming a more active role in approving massage programs.

- b. Can the students who went to a school that was a “bad” school file a class action suit against the school that they attended? (Calvert)**
- c. Honor the good massage schools and create a page on the CAMTC website and list those good accredited schools. (Calvert)**

These schools could help students that need to finish their schooling, and give them guidance.

5. CAMTC’s Data

- a. Boost data access security, stability, accuracy (Staff/Dixon/Tuck)**

CAMTC is a data-driven operation. Because of the highly sensitive nature of the data, security protocols must be constantly reviewed and improved.

Currently the Board’s IT liaisons are working with the CEO and a consulting firm on reevaluating all aspects of IT functionality, efficiency and stability.

New recommendations are expected by the November Board meeting.

Recommendations: Pending consultants’ report.

6. Sunset review

- a. Prepare the CAMTC for sunset review (Staff/Dixon/Tuck).**

The Sunrise Review that established the need for statewide massage regulation consisted of three components - documentation that 1) the public was being harmed due to the lack of a state regulatory law; 2) a state law could protect the public; and 3) the level of regulation being considered was the minimum necessary to protect the public. Sunset Review should ultimately address whether these or other potential sources of harm still exist; whether the law has protected the public; and whether the level of statewide regulation is sufficient to protect the public. For such an analysis it makes sense to go back to the original Sunrise answers to these questions.

Recommendation: Staff should begin now to consider these questions as

the foundation for the customized questionnaire that we will be provided. We are expected to work with committee staff in December of 2012 to identify relevant questions for the Survey that we will receive in spring of 2013 and submit in November 2013. CAMTC should consider recommendations for changes to the law based on resources needed for the most effective and least burdensome program of public protection.

- b. Well-crafted, thorough, persuasive Sunset application document timely completed (Benson).**

- c. Board decisions need to be made, preferably by the end of 2012, in order to complete the Sunset evaluation. Will CAMTC advocate for continuation of the current state regulation of massage with CAMTC continuing to administer the voluntary certification? (Robinson)**
I believe statewide regulation of massage practitioners should continue and I believe CAMTC should remain the regulatory entity. I do not think an attempt should be made to push for a mandatory practice act, mostly because of political obstacles and CA state budget issues.

- d. Many sections of the Self Evaluation Report can be completed now and added to in 2013 (Robinson).** Complete as much as possible now and begin tracking any statistics or numbers that may be helpful for Sunset documentation not currently tracked.

- e. No new legislation until the Sunset Review is complete (Robinson).**

- f. Identify legislative changes that the Board will want to be included (Proposed Massage Therapy Act) with the Sunset Self Evaluation Report and supporting documents, and start discussing the proposed changes with the associations.(Robinson)**

- g. The type of organization CAMTC should be post sunset and the strategy for convincing the Legislature to approve that structure? (Schroeder)**

- h. Remain diligent about adhering to sunset process. (Smith)**

- i. Prepare for an effective Sunset Review. (Rolnick)**

CAMTC will not exist after December 31, 2014 if we fail to file a Sunset Review Report in a timely manner that is then approved by the Joint Sunset Review Committee. Although I've heard differing perspectives from board members as to whether CAMTC should continue after sunset or be transitioned into a state board under California's DCA, it remains that the Sunset Review Report is required of CAMTC. Because CAMTC has been a positive model of a regulatory entity not using tax dollars, we should consider a strong possibility that CAMTC will remain in the year 2015.

Recommendation: At some point the board should discuss post-sunset options and decide the desired result for public protection and CAMTC. Staff should consider the entire sunset review process and make recommendations to the board as soon as possible. At that point the board decides on the desired result of the review so that the report might be referenced that way. Immediately after that decision, I recommend to hire a professional person or company that has created Sunset Review Reports for other organizations, so that we don't add to the workload of staff and have a best case scenario for the public and CAMTC.

- j. Sunset Plan Requirements- More teeth (Wall)**
- k. Mandatory licensing vs. voluntary certification (Wall)**
- l. Scope of Practice- model practice act (FSMTB) (Wall)**
- m. Massage Establishments License (Wall)**
- n. Approving/ Disapproving Schools (Wall)**
- o. Keep in mind the sunset outcome will determine what the massage profession looks like in California through 2022-2025 (Smith)**
- p. Ensure a successful Sunset review, which authorizes the continuation of voluntary certification with CAMTC as the regulatory body. (Robinson)**
- q. Sunset approval secured for continuing CAMTC operation of a voluntary certification program, including desired tweaks to controlling statutes. (Benson)**

- r. **Become a mandatory license but with an independent board like North Carolina. (Smith)**
- s. **Allow Sunset to end the 250-hour massage practitioner tier so CA can become more consistent with the rest of the country and processing applications becomes even easier with one entry-level standard. (Robinson).**
- t. **Require 1000 hours and a test (MBLEx and/or NCB) (Smith)**
- u. **Considering becoming our own entity based on what happens with the law. (Smith)**
- v. **Effective transition to third and final step in qualification requirements: all new applicants required to meet Massage Therapist education standards. (Benson)**

7. Local government

- a. **Assure adherence to state law by a majority of municipalities. (Staff/Dixon/Tuck)**

Many municipalities and counties have requested sample ordinances from CAMTC staff as they prepare to revise theirs. While each jurisdiction customizes these to address local needs and priorities, four basic approaches are commonly adopted. In service of protecting the integrity of the law, we recommend having a small number of sample ordinances to meet the needs of jurisdictions of various sizes, having the ability to participate at each stage of drafting, being able to actively monitor and engage a great number of the over 500 cities and counties at once and having experienced staff follow-up on all complaints. In some cases negotiation may need to be followed by legal action. Finally, site visits to city halls throughout the state should confirm full compliance.

Recommendation: The CEO recommends maintaining the position of Director of Governmental Affairs until at least Dec 31, 2015.

- b. **Freedom for CAMTC professional to practice without discriminatory regulations (Wall)**

- i. Meeting with cities
 - ii. Requiring of registration/cost recovery
- c. **Continue to work on relationships with cities through education (Wall).**
 - d. **Building confidence of the cities with higher requirements (Wall)**
 - e. **Protect the legitimate massage profession from onerous regulations (Staff/Dixon/Tuck)**

Local officials only pursue draconian laws when problems can no longer be ignored. More and more, especially in the 400 or so municipalities with less than a quarter million in population, the public is demanding that the city leaders do something about the proliferation of illicit businesses. In response, the League of California Cities is currently considering a 2013 bill to restore land use authority to them that was limited by AB 619. The types of land use provisions in local laws have been expensive:

Conditional Use permits, restrictions on where massage businesses can operate, and limitation of massage to “ancillary use” in which massage cannot comprise more than 30 or 50% of a business. City staff feels that a solution is to control the density of massage businesses, but admit that the same density of medical offices would not be a problem. Clearly the problem is not the number of massage businesses but the fact that in illicit businesses everyone providing massage is certified.

Recommendation: In order to protect the legitimate profession from once again being subjected to onerous vice regulations, staff should develop a plan to strengthen the law and reduce the number of illicit businesses with certified staff.

8. Human trafficking

- a. **Tackle human trafficking and prostitution. (Smith)**
License owners and/or establishments?
- b. **Authority to work with law enforcement to break up non-massage**

places (Smith)

c. Reduce the number of illicit massage parlors by 50% or more. (Staff/Dixon/Tuck)

Empirical data suggests that in proportion to population size, California has twice as many illicit massage parlors than such states as Florida, New York and Texas. Staff recognizes that the existence of illicit massage parlors cannot be entirely eliminated and that fighting prostitution and human trafficking is a law enforcement responsibility. However it is our opinion that with a stronger state massage law in place, California can match the prevalence of illegal massage operations in other large states.

Recommendation: Strengthen the state massage law.

9. Finance

a. Maintain a "rainy day" cash surplus equal to six-months' budget. (Staff/Dixon/Tuck)

CAMTC has reached strong fiscal viability in less than three years. We have built a cash surplus equal to six-months' operating budget. With the implementation of numerous new programs designed to enhance customer service and public protection, this surplus is expected to be eroded somewhat. Staff does not recommend raising the initial application or re-certification fees. Since a disproportionate financial burden involves applicants who must go through PSD, a review of hearing fees may be in order. It may also be time for CAMTC to look at other funding sources beyond fees.

Recommendation: Integrate a surplus of six-months' operating expenses into the 2013 budget.

b. Operating expense budget for 2013 ≤ \$2.5 million. (Benson)

c. Maintain applicant fees at levels "reasonably related to the cost of providing services and carrying out its [CAMTC's] ongoing responsibilities and duties." (Benson)

Give significant weight to fee levels in other states serving ≥ 30,000

massage licensees in deciding what is reasonable.

- d. **Keep CAMTC fees the same for certificate holders.** Maintain the same organizational budget. **(Robinson)**
- e. **Maintain balanced budget, continuing to improve cash on hand.** **(Smith)**
- f. **Continued success in 2014 and 2015 at maintaining annual operating expense budget at \leq \$2.5 million.** **(Benson)**

10. Outreach

- a. **Deploy an outreach program for massage businesses and consumers.** **(Staff/Dixon/ Tuck)**

From the start, we recognized that we have to communicate with five distinctively different audiences: consumers massage professionals, schools, business owners, and governmental agencies. Each one of these “markets” has substantially different interests and needs. We have deployed various outreach initiatives but out of sheer need for survival, we effectively focused on massage professionals. Since our main priority in 2012 has been improving applicants’ and certificate holders’ experience, we substantially rolled back our recruiting efforts. We do anticipate a need to stimulate demand for initial applications and recertification in 2013 and we recommend focusing on spas and massage centers. Places where massage professionals work represent a unique strategic opportunity:

Massage Professionals - Owners of massage businesses are in a position to require massage professionals who work on their premises to be certified. Obviously it is essential that we establish a close relationship with them.

Consumers - Thousands of customers pass through spas and massage centers regularly. Educating them through those establishments can be highly efficient. It is important to note that practically all sunset surveys we have seen asked about the Board’s extent of the outreach to consumers.

Recommendation: Earmark sufficient funding for robust outreach

program to employers and businesses in 2013.

**b. Consumer awareness campaign. “Is your therapist certified?”
(Smith)**

c. Inform populations & stakeholders about CAMTC that have not yet been reached. (Rolnick) CAMTC has established a comprehensive website to inform the public, massage profession, and local governments. This website has been the primary resource of which all other digital and print outreach drives it’s target audience to. Now that CAMTC’s two-tier system is simplified with the closure of pathways b, c, and e, and now that we have over 35,000 active certificate holders, it’s time to expand outreach efforts to the consumers. Perhaps radio and/or video promo would be worthwhile. The introduction of the ‘Seal’ for certificate holders currently helps consumers to identify legitimate massage professionals. We could also consider a voluntary application for businesses/establishments to have CAMTC certification, for consumers to identify legitimate establishments. In terms of educating the largest sector of challenging language barriers for massage students and professionals, we critically need to find a way to inform Asian-Americans about the benefits of certification and the application process.

Recommendation: Instruct the CEO to make an outreach proposal with a budgetary impact for distribution one week prior to the November 2012 board meeting. Considerations should include statistics of CAMTC’s Asian-American challenges and how to best address those language barrier issues, as well as a consumer outreach campaign for 2013.

d. Continue to create new ways to communicate with the therapists that have “settled practices” in communities that have little or no incentive to become certified. (Calvert)

Reach out to them to find out why they don’t want to become certified. We must find ways to change their minds.

e. Put information up on the CAMTC’s website to convey to students that we are working as fast as we can and want to help these

applicants. (Calvert) Also translate into Chinese language.

- f. Put information up on the CAMTC website in Chinese or Thai language to help the students to understand the process that they have to go thru if their school was a “bad” school and what they have to do next. (Calvert)**
- g. Website: Besides listing the “bad” schools on CAMTC’s website, could we put an ad in the paper and list them so the public could see them? (Calvert)**
- h. Create an email newsletter monthly to educate and inform therapists about current events going on with CAMTC (Calvert)**
- i. Create a history section on the website and put short articles about the history of massage to educate the public and therapists. (Calvert)**
- j. Create a massage meet up group with massage businesses and spas and learn and discuss how we can become closer to them and what their problems are. (Calvert)**

Perhaps list those businesses that require their therapists to be CAMTC certified on our website. Give them a thank you.

- k. Posters: give out more posters to the massage schools so they can give them to their graduating classes. (Calvert)**

Then encourage the students when they graduate to put the poster up at their new place of business.

11. Employees benefits

- a. Implement a benefit package congruent with values of CAMTC’s staff. (Staff/Dixon/Tuck)**

It is essential to offer attractive employee benefit programs in order to attract and keep highly valuable employees. It is also the right thing to do. The CAMTC employee base consists of a highly diverse group of individuals with unique circumstances, needs and values. A traditional “one size fits all” plan may not produce the results we are looking for.

Recommendation: To take into account employee diversity by surveying

them first prior to settling on a specific benefits plan.

12. Mission statement

- a. **Read the mission statement at the beginning of every board meeting. (Dixon/Calvert)**

13. Management team

- a. **Stabilize CEO/management structure for 2013 (and beyond). (Smith)**
- b. **As part of CAMTC Sunset submission, include a date certain (sometime during September 2014-March 2015) plan to re-align senior staff complement and compensation to reflect mature organization status. (Benson)**

CEO compensation to be brought in line with what Legislature Sunset Committee is used to seeing for comparable positions. Create in-house Controller position with responsibility for finance, accounting, IT and Human Resources. End Govt. Relations/Special Projects position.

- c. **Develop/Update job descriptions for all CAMTC employees, including PSD positions and AMG positions. (Robinson)**

When I requested the job descriptions from the CEO, there were only 2 available (CEO and COO). The CEO description is outdated. The COO position no longer exists, the duties seem to have been taken on by Sheryl/AMG. There was no job description at all for the Government Affairs/Special Projects position. I don't know what "special projects" refers to.

I believe the Board needs this information to make an educated decision about the future structure of CAMTC (continue with AMG or become self-managed) and to determine what positions are needed to fulfill CAMTC's mission.

I also believe this will be information required to complete the Sunset Review.

d. End “temporary positions,” re-evaluate the staff positions needed to fulfill CAMTC’s mission, re-structure staff salaries and benefits to fit job descriptions, and make them more consistent with state regulatory boards. (Robinson)

In my opinion, not having a permanent staff structure in place well before Sunset will be detrimental to the review. CAMTC controls its own destiny and 3+ years in, has no permanent staff or permanent organizational structure. Is the Board satisfied with this? If the organization is still in this temporary state in November, I don’t believe the members of the Sunset Review Committee will be satisfied.

Salaries for permanent staff positions must be in the same ballpark as state boards. The CA State Auditor’s office has been critical of state boards that hire in-house employees or consultants that are not state employees. They recommended the PT board hire a state employee in lieu of an in-house consultant and save \$28,000-35,000. See the fact sheet here <http://www.bsa.ca.gov/pdfs/factsheets/2011-119.pdf>) or the full report here <http://www.bsa.ca.gov/pdfs/reports/2011-119.pdf>

How critical will the Sunset Review Committee be of CAMTC compensating the CEO more than double the salaries of state board executive officers? I believe the Committee will be very critical if this overpayment is not corrected. We have to be accountable to the CAMTC certificate holders and the state legislature.

e. Current in-house positions such as CEO and Governmental Affairs (Schroeder) Do these roles look like after sun settling review?

f. CEO- Carrying out priorities past Sunset. (Wall)

g. Government Relation and Special Projects (Wall)

- i. Keep and establish city relationships
- ii. Legislation
- iii. Assist CEO with Projects
- iv. Possible audit of cities
- v. City presence

vi. Lobbying

h. Retain key staff for consistency in advancement of CAMTC objectives. (Rolnick)

Synergistic teams of Ahmos, Beverly, and Rick have a depth of commitment and accomplishments on behalf of public protection that isn't found on most state regulatory boards. Their unique experience and tremendous influence with our stakeholders is priceless! And a progressive employee handbook with policies that support a positive work culture would help keep staff attrition rates low, no matter whether we decide to restructure operations and/or relocate in the near or distant future.

Recommendation: Realize how the costliness of staff attrition rates would impact CAMTC and what the loss of the 'dynamic trio' of Ahmos, Beverly, and Rick would mean to CAMTC's short term and long term goals. Vote to approve a progressive CAMTC employee handbook. And vote to continue the employment of Ahmos, Beverly, and Rick at least until CAMTC's sunset review.

i. Full implementation of senior staff realignment by December 2015 (Benson)

j. When considering restructuring compensation levels of a mature organization, any comparison must be between CAMTC and other non-profit public benefit corporations serving >30,000 voluntary certificate holders to have meaningful value. (Dixon)

To do otherwise (by comparing our private public benefit corporation with state regulatory boards) would overlook the 'off-budget support services provided by numerous other state-funded agencies.

k. Evaluate the executive function needs of the organization – post sunset. (Staff/Dixon/Tuck)

We would not be surprised if CAMTC post sunset will prove to be an entirely different organization from CAMTC as we know it today. As demands and needs change so too will the level and kind of experience,

skill set and compensation of upper management need to be changed. By September 30, 2014 it will be known what state mass law (if any) will be going into effect in 2015. That would be a logical time for the Board to make an intelligent evaluation of the future needs of CAMTC.

Recommendation: Plan to dedicate ample time and resources in September 2014 to evaluate the needs of post-sunset executive functions.

14. Board Composition

- a. Looking at other state boards (Wall)
- b. Re-aligned board structure, including reduction from unwieldy 20-member size, baked into legislative revisions during Sunset process. (Benson)
- c. Compare the size and make-up of the CAMTC board with other boards of voluntary public benefit corporations serving >30,000 voluntary certificate holders (Dixon)

15. Employee handbook

- a. Develop/Adopt an Employee Handbook (Robinson)

16. Applications turned around

- a. Throughout the year, all complete, qualifying applications for initial certification turned around (measured by actual mailing of certificate) within 10 business days after last needed document received, within 5 business days for re-certification. (Benson)
- b. Continue to improve processing times/customer service. (Robinson)
CAMTC does not have to rely on the Department of Consumer Affairs or any other entity for funding, so CAMTC is solely responsible for any administrative processing backlogs that may occur and possibly delay an applicant's entry to practice (if certification is required by a jurisdiction). It will be very important that CAMTC be able to demonstrate continued improvement in processing times for Sunset.
- c. Maintain current turnaround times of less than 30 days for

applications. (Smith)

Consider having a registered schools list like Washington St.

- d. Increased utilization of on-line re-certification alternative: \geq 75% make this choice. (Benson)**

17. AMG

- a. What will be CAMTC's future organizational structure (continue with AMG or become self-managed)? Does a committee need to be formed to evaluate pro's and con's of each scenario? (Robinson)**

Most regulatory boards have a ED/CEO, an investigative unit and an administrative unit. CAMTC has a CEO, PSD and AMG. The only question seems to be whether CAMTC will continue to contract with AMG or become self-managed. I support CAMTC ending its contract with AMG and becoming self-managed. If this is the case, a transition plan needs to be developed and included in the Sunset evaluation.

Perhaps the Board needs to establish a committee or task force to evaluate and develop a list of pro's and con's to both scenario's

- b. Plan to include transition from hired management firm to in-house staff handling application processing, PSD interface and support, and interaction with applicants, certificate holders and the general public. (Benson)**

- c. Weigh need of Los Angeles/ SoCal office (Smith)**

- d. Continue to outsource to AMG or do we bring functions in-house. (Schroeder)**

If we decide to bring these functions in-house, what would the strategy be for doing so?

- e. Moving in house from AMG (Wall)**

- f. LA office for CEO and PSD (Wall)**

- g. Possible small Sacramento office (Wall)**

- h. Consolidation of staff into a single location by December 2015.**

(Benson)

- i. Develop a plan so the entire CAMTC organization has one permanent office location and the employee structure is much like a state board.**

(Robinson) Ensure administrative processing is a well-oiled machine and is under the direct supervision of an Operations Manager who is a CAMTC employee.

- j. Stellar reputation for responsive customer service (Benson)**

Smoothly functioning in-house staff.

- k. Consolidate a single in-house office in a single location by Dec. 2014 - June 2015 (Dixon)**

- l. Become a highly sophisticated private public benefit corporation and assure adequacy of management infrastructure. (Staff/Dixon/Tuck)**

The Model, under which CAMTC operates, of a non-profit organization authorized by and with legislative oversight, is unique to California. While the structure has challenges, it is a model recognized as holding promise of being more flexible and effective than governmental Boards and agencies. Staff is committed to maximize operational efficiency and to run CAMTC as a lean effective enterprise. It makes sense to eventually centralize all CAMTC's functions in a Los Angeles office between January 2014 at the earliest and December 2017 at the latest. We believe that embarking on such a move in 2013 would be a mistake that could handicap the organization's ability to achieve the Board's highest priority objectives.

Recommendation: Allow the CEO to keep focusing on improving operations working with AMG until such time that the CEO makes a recommendation to take all operations in-house.

18. Number of applications

- a. Continue to have a net gain of certificates (Smith)**

Make sure we're bringing in more new applications to make up for the people who are not renewing

b. Develop strategies to increase re-certification numbers. (Robinson)

Recertification numbers are less than desirable, value of certification needs to better, or better defined and articulated. How? Appoint a CAMTC committee to work on this?

- Continue to improve customer service, including application-processing time.
- Webcast Board meetings to provide better access?
- Keep certification fees low. Do not require CE for renewal.
- Develop a board newsletter to certificate holders 1-2x/year? MD example. This type of thing may serve as a reminder to certificate holders how CAMTC works for them. Include disciplinary info, cities that require CAMTC certification, any administrative news, renewal information, enforcement activity, board-meeting schedule, and reminder to update your contact information. Include information like CAMTC certificate holders do not have to post human trafficking notices

19. Foreign language

a. Hire a part time staff person at AMG that speaks Chinese or Thai to answer questions that the Chinese or Thai students and therapists have. (Calvert)

Perhaps have an appt. scheduled for a one-time chat on the phone with these students or therapists to answer their questions.

b. Hire two 2-day/week Thai and Chinese speakers with fluency in massage and bodywork vernacular and practice to handle pre-scheduled calls with students, therapists and school personnel (Dixon)

20. Continuing Education

a. List the different massage conventions that are going to happen

within the year so therapists will know about them and can take classes. (Calvert)

Also support the “good” California schools that have continued education classes going on and put those up on the website.

b. Develop a resource page for approved providers of continuing education and the events where they are teaching. (Dixon)

This would be merely a listing and bear no resemblance to advertising or endorsement

21. Board Manual

a. Develop a Board Member Administrative Manual (Robinson)

Use the CA PT board manual as a guide

http://www.ptbc.ca.gov/forms_pubs/admin_manual.pdf

This manual is a general reference including laws, regulations and basic Board policies to guide the actions of Board members to ensure Board effectiveness and efficiency. CA State Boards require new board members to attend an overview from executive staff of board operations, policies, and procedures and a training/orientation provided by the Department of Consumer Affairs. As the only new Board members this year, Christian and I received organizational documents from Jill England (all of which were helpful and would be included in this type of manual) but no real training or orientation. This will not be adequate in the future when board members and staff with historical perspective and experience are no longer serving on the board. We cannot expect everyone to remain board members forever – nor should they. CAMTC would benefit from new perspectives in the near future, and we should plan for that.

22. Transparency and consistency

a. Develop policy or model guidelines when appropriate to ensure

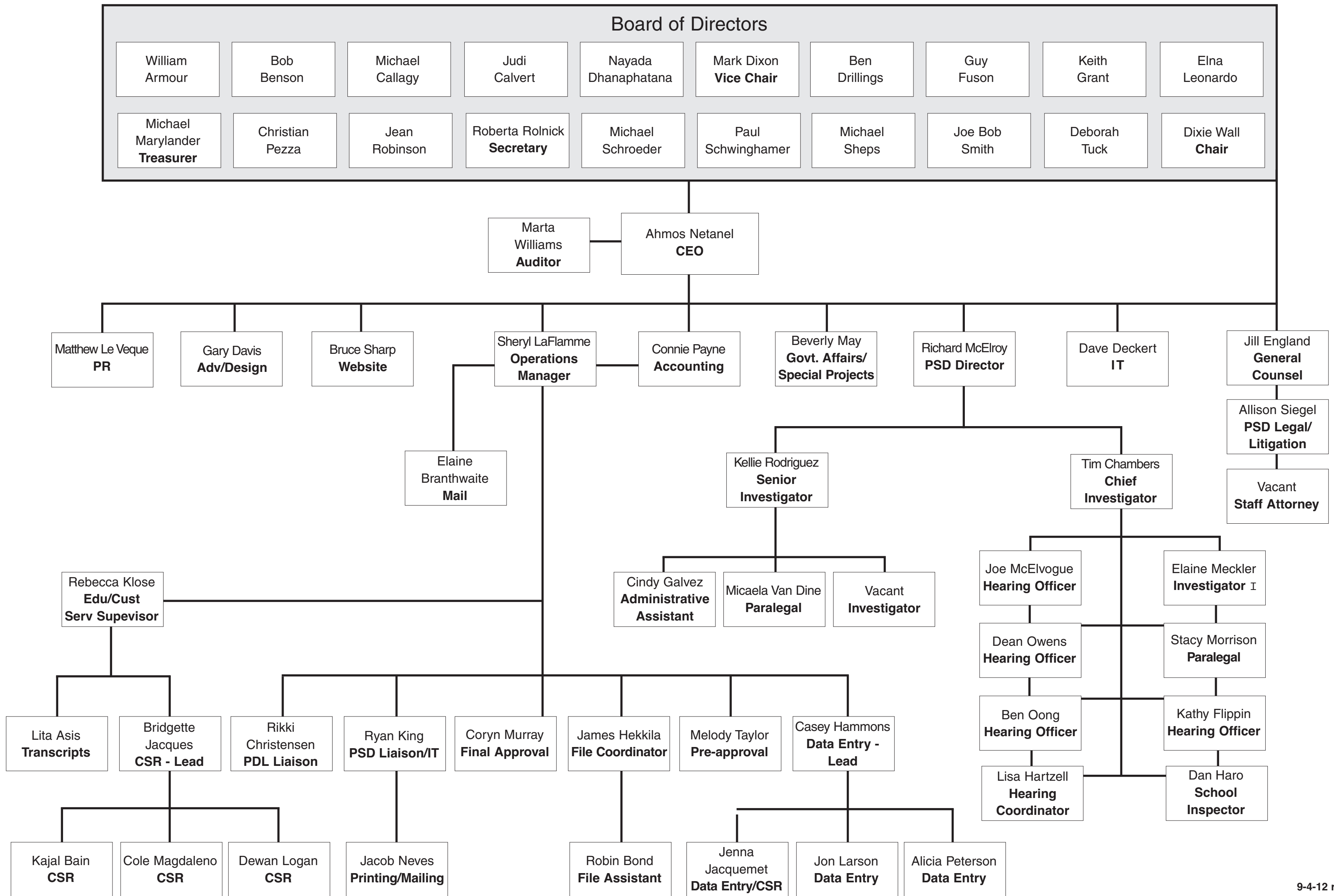
transparency and consistency (Robinson)

In lieu of “rulemaking” authority granted to most boards, CAMTC should develop more policy statements and/or “model guidelines” to ensure consistency and transparency. The public should have easy access to all guidelines. The “Procedures for Denial of Certification or Discipline/Revocation” is a good example.

23. Public access to disciplinary actions

- a. **Ensure the public has access to disciplinary actions that have reached final determinations. (Not for applicants that are denied certification or are under review or for pending disciplinary cases.) (Robinson)**

CAMTC Functional Chart



Proposed CAMTC Schedule of Authority- 9/4/12

	Board of Directors	Executive Committee	Chair	Treasurer	CEO
Organizational Issues					
Bylaw changes	A	B			B
Board agenda	B	D	A		B
Engagement of consultants, attorneys & vendors		C	D		A
Employment of auditing firm	A	B	E	B	C
Employment of strategic planning facilitator	B				A
Serious stakeholders complaints	C	A	E		B
Taking official positions	A				B
Programs, Products & Services					
New programs, products or services	A	C	D	D	B
Change in strategic alliances	A	C	E		B
Meetings sites	C			D	A
Budget and Fiscal Control					
Annual budget	A	C	E	B	B
Overspend budget line items	A	C	E	E	B
Overspend overall budget	A	C	E	E	B
Check signing authority under \$10,000					A
Check signing authority over \$10,000				E	A
Personnel Issues					
Salary ranges of staff, hiring decisions, adding staff within budget		C			A
Changes in staff benefits	C	C			A
Changes in personnel manual	C	C			A
Establishing new employee positions	C	C			A
CEO Compensation and Responsibilities					
Hiring CEO	A	B			
Evaluation of performance	A	B			C
Establishing CEO compensation	A	B		B	C
Approval of vacation schedule	C		A		B
Governmental and Legal Issues					
Commits organization to law suit	A		E		B
Testify at public hearings	C				A
Legislative Policies	A	A			B
Taking urgent official positions	C	A			B
<i>A = Decision maker</i>					
<i>B = Makes recommendations to decision maker</i>					
<i>C = Must be advised</i>					
<i>D = May be consulted</i>					
<i>E = Must be consulted</i>					

	Board of Directors	Executive Committee	Chair	Treasurer	CEO
Organizational Issues					
Bylaw changes	A	B			B
Board agenda	B	D	A		B
Employment of consultants, attorneys, etc		C	E		A
Employment of auditing firm	A	B	E	B	C
Employment of strategic planning facilitator	B				A
Serious unresolved member concerns	C	A	E		B
Taking official positions	A				B
Programs, Products & Services					
New programs, products or services	A	C	D	D	B
Change in strategic alliances	A	C	E		B
Major changes to annual meeting program	A				B
Conference, meeting sites	C			D	A
Budget and Fiscal Control					
Annual budget	A	C	E	B	B
Overspend budget line items	A	C	E	E	B
Overspend overall budget	A	C	E	E	B
Check signing authority under \$10,000					A
Check signing authority over \$10,000				E	A
Personnel Issues					
Salary ranges of staff		C			A
Changes in staff benefits	C	C			A
Changes in personnel manual	C	C			A
Establishing new employee positions	C	C			A
Executive Director Compensation and Responsibilities					
Hiring executive director	A	B			
Evaluation of performance	A	B			C
Establishing executive director compensation	A	B		B	C
Approval of vacation schedule	C		A		B
Legislative and Regulatory Issues					
Commits association to law suit on issue	A		E		B
Testify at public hearings	C				A
<i>A = Decision maker</i>					
<i>B = Makes recommendations to decision maker</i>					
<i>C = Must be advised</i>					
<i>D = May be consulted</i>					
<i>E = Must be consulted</i>					



Original Exec Committee language from original CAMTC bylaws

Section 2. Executive Committee. The Executive Committee shall be a “standing committee of the board” subject to all the rules applicable to “committees of the board” described in this Article.

The Executive Committee shall consist of the elected officers of the corporation – Chairperson, Vice-Chairperson, Secretary, and Treasurer.

The Executive Committee shall have the authority of the Board between Board meetings to make decisions and take actions relative to the operation of the corporation. The Executive Committee shall report any decisions made or actions taken at each meeting of the full Board. The Executive Committee may also develop policies for Board approval, and may review and recommend to the Board changes to the bylaws and to other operating policies.

Without diluting the general authority granted to the Executive Committee by this provision, the Executive Committee shall oversee and have final decision-making authority with respect to personnel matters.



CEO Report

September 5, 2012

State of CAMTC

Overall CAMTC is maintaining its strength and becoming a more stable organization. It is in a unique position at this time to take the initiative to address law enforcement concerns, enhance the integrity of its certification program and secure its future existence. Failing to be proactive at this time may prove to be a costly mistake.

Operations

We are building a smarter CAMTC. Applicants and certificate holders are receiving better service than before. Our helpful staff answers more than 98% of all phone calls. All of the callers who elect to leave a voice mail (less than 2%) receive a call back on the same day. Emails are being responded faster than before. There is still ample room for improvements, which we continue to make.

The average turnaround time for new applications without any background or educational issues are currently 20 calendar days. Out of the 157 certificates, which will be mailed on September 6, 2012, more than half of them took less than 13 calendar days to be mailed from the time we received a completed application.

As for applications with educational and background issues, on the average we are presently certifying these applicants within 102 days, with more than half of those certified or denied in less than 94 days.

The Board's IT liaison, Christian Pezza and our IT consultant are in the middle of performing a complete evaluation of our entire IT system. Recommendations will be available soon. We are also making plans to move the printing and mailing of certificates and cards in-house by year-end. This move will shorten application turnaround time, increase security and reduce cost.

Finance

As of July 31, 2012, Excess Revenue over Expenses was 330% better than budgeted. Cash was \$1,381,457, which was \$300,504 better than the 6/20/12-approved budget (\$549,109 better than the original budget). Equity has been positive two months in a row and almost doubled from June to July.

As of August 31, 2012 cash on hand was \$1,453,324, which equals to six months of the operating budget.

Overall, we are doing quite well

Outreach

Whereas we are continuing to focus on streamlining the application processing protocols and we are continuing to generate a steady level of new applications, which exceeds expectations by 22%, we are still refraining from spending major funds on stimulating demand. Dr. Ben Drillings generously provided CAMTC with a free booth at his A2Z health expo, which will be held in Los Angeles on September 6, 2012.

In response to numerous requests from applicants of Chinese descent who express confusion regarding the challenge of fraudulent schools, we are responding by initiating several low or no cost outreach initiatives such as:

- Conducting a Chinese TV interview about massage schools and the CAMTC.
- Attending the Annual Board installation banquet of the Los Angeles Chinese Chamber of Commerce.
- Initiating a meeting with the President of the Chinese Chamber of Commerce to plan a joint press conference with Chinese media to address the issue of fraudulent schools and the CAMTC.

Treasurer's Report Board Meeting: September 12, 2012

Applications Received Through August 25, 2012

New Applications

For the period July 27, 2009 through August 25, 2012, 45,211 new applications have been received. This is an increase of 3,537 (8.5%) since June 9, the figure in the Treasurer's Report presented at the last Board meeting.

The average number of applications received per week during 2011 was 239, down from an average of 261 in 2010. For the first 34 weeks of 2012 (through August 25), the average is 211. As discussed previously, one might expect a decline in new applications simply because certification has been available since 2009. It is anticipated that renewals will become an increasing share of revenue over time. That new applications have not declined even more is probably a reflection of the substantial "churn" in this market, i.e., a substantial percentage of therapists are constantly entering and leaving the market.

Through July 31, 2012 renewals applied for exceeded budget by 4.5%. The last Treasurer's report indicated that renewals were 9% below budget for the year ending May 31. Thus, renewals have more than made-up the previous below budget performance.

Recertification

The recertification period began on September 1 of 2011. As of August 25, 2012, 12,810 therapists have been billed and 73% of them have paid/complete. Since inception, then, CAMTC has received new applications from 45,211 therapists and billed therapists for 12810 Re-certifications. If, over time, an average of 73% of those billed for re-certification pay, longer term estimates of the relative importance of initial applications and re-certifications can be made in future budgets.

Recertification as of August 25, 2012		
Billed	12,810	100%
Paid/Complete	9,337	73%
Review	92	1%
No Response/Not renewing	3,381	26%

Financial Statements July 31, 2012

Statement of Functional Activities (Income Statement)

The revenue allocation procedure recognizes 27% of the \$150 initial application and renewal fees when the application is received, 38% when the certificate is issued and the balance, 35%, over 24 months.

Revenues through the end of July exceeded budget by 10% and expenses were 8% below the budget amount. The net effect is an excess of revenues over expenses of \$447,871 compared with a budgeted figure of 135,460.

Noteworthy is that no one revenue source accounts for the majority of the increase in revenue. Almost all revenue line items exceeded budget to some extent.

Expenses through July 31 were down 8% from budget. The actual expenses were below budget in every major category. While one might consider whether Budget figures are too conservative in terms of both revenue and expense, that caution appears to be only moderate and not concentrated in any particular line items.

The following table shows expenses and budgeted amounts by category for the year to date:

Expenses Through July 31, 2012, Actual v Budget

	Actual	Budget	Difference (Actual minus Budget	% (Difference Between Actual and Budget
Board and Committee	\$ 12,637	\$ 14,379	\$ (1,742)	-12%
Outreach/ Marketing	\$ 28,593	\$ 35,209	\$ (6,616)	-19%
General Administrative	\$ 184,879	\$ 199,953	\$ (15,074)	-8%
Executive Staff	\$ 227,707	\$ 236,723	\$ (9,016)	-4%
PSD	\$ 505,398	\$ 557,121	\$ (51,723)	-9%
General Staffing	\$ 39,775	\$ 43,434	\$ (3,659)	-8%
Professional Services	\$ 503,703	\$ 509,763	\$ (6,060)	-1%
Other	\$ -	\$ 40,957	\$ (40,957)	-100%
Total	\$1,502,692	\$ 1,637,539	\$ (134,847)	-8%

Statement of Financial Position (Balance Sheet)

The CAMTC balance sheet on July 31, 2012 is considerably stronger than at the end of 2011 and has gained in strength moderately from the last report, which showed the balance sheet for May 31:

- Total assets are \$1,408,126, up from \$1,338,801 on May31 and \$784,734 at year end 2011.
- Liabilities are \$1,312,867, down slightly from \$1,349,060 on May 31 and up from \$1,137,366 on December 31, 2011.
- Net worth on July 31, 2012 is positive, \$95,239, in contrast to negative figures on both May 31, 2012 (\$10,259), and December 31, 2011 (\$352,632).

Conclusions

Conclusions on this report are similar to the previous one:

- CAMTC is in a strong position relative to budget. The organization has been effective in generating revenues and controlling expenses.
- New applicants will continue to be an important part of revenues. Efforts to recruit new therapists should be given the same priorities as renewals.
- The procedures for marketing to both of these groups should be under ongoing review to ensure that the message and methods of communicating those messages are effective.
- Budget forecasts to date appear somewhat cautious, but are generally realistic.

Respectfully submitted by Michael Marylander,
Treasurer
September 3, 2012

Information Technology Liaison, Christian Pezza
 Report to Board Member of CAMTC
 For September 11/12th 2012 Meeting

OBJECTIVES

- 1 **CAMT DATABASE STATUS**
- 2 **TIME OF EXECUTION**
- 3 **STAFF IT FOR PROJECTS**

1 **CAMTC DATABASE STATUS**

We had a successful analysis of the database in place. The results confirm that the architecture we have can be replaced with a better system without compromising the existing data. And the existing data can actually be used in a more efficient and productive environment that takes advantage of technology that most strong businesses are already using today!

In simple words, after meeting with staff and technicians, we observed one of the major weaknesses in our IT services is that there is too much dispersion and too many solutions for the same goals!

This is a typical consequence of a fast growing organization adopting quick-fix solutions to keep services rolling and get things done in the short term. A simple example of this is seen between PSD and documents processed through AMG staff for CAMTC. Here we have two databases with redundancy of data and demands for people to transport information from one system to the other. In other words, they still are not directly connected. There is nothing wrong with what is in place today, it is just more complicated than it needs to be, and it can be fixed in short term if we have support from staff in terms of collaboration and time.

Most likely the system we are going to develop in MSSQL (database language from Microsoft) will make it possible to flexibly interface to a second system ASP.NET (web based interface) where we can "see" what we need to do in order to merge the most important activities and operations in the same place.

First, we are proposing the interface needs to build a **PROFILE SECTION** of CAMTC applicants where all information will be entered. This will allow our organization to manage operations and decisions with high quality information and the ability to cross reference any part with appropriate levels of access based on the user.

LIVE SCAN SECTION This section can describe and help manage background check from DOJ and FBI and local law enforcement feedback and access.

SCHOOL SECTION This is the base station where we can directly access transcripts or other records submitted by schools. This section of the database will allow a simple uniform system for documentation of education. Right now all this process is on paper, making it very difficult to cross reference or run reliable reports. Consequently, we currently utilize more manpower for review of education issues.

PSD INTERFACE SECTION Everything needs to cross reference existing information, from staff operations and requests for additional information from applicants. Systems need to create trails of who entered what data. Clear simple access has the advantage to allow updating work in progress in a semi- blog format. This will facilitate accuracy of records and communication between the different users..

EMPLOYMENT SECTION will facilitate information of background and cross reference employment information by individual applicants, certificate holders and employers

STAFF SECTION will facilitate supervision and management of personnel working for CAMTC. Access to the database and daily operations, is expected to increase productivity.

OUTSIDE ACCESS SECTION This is not well localized but needs to be dedicated to law enforcement access and any public service such as city, county and state that needs access to specific information. This could help to facilitate feedback and strengthen communications and awareness of CAMTC goals of public safety.

RETAIL SECTION will obviously lead to payment processing which will facilitate processing and tracking of receipts. In the future it will be possible to make it accessible to the applicants at the time of first application or renewal.

2 TIMING OF EXECUTION

Implementation of all prospective systems will depend on having personnel available who are able to *transition* in a way that will not compromise existing systems during the transition.

Development Data Base (MSSQL) to initiate a better work flow for security and productivity purposes. This will include developing specific functions to accomplish better interaction and functions not in place yet (eg: macros, filters, contact-log and tickets system, reports, etc.)

- Database workflow for security
- Rewriting current macros, filter to MSSQL

Implementation of MSSQL server to Interface with ASP.NET

- MSSQL and ASP.NET integration

Setup an ASP.NET system to migrate from desktop-interface to web-interface

- Batch payment
- Reports
- Organizing folders/files
- Data Entry Pages for Applicants/School

Finalize a system to be able export PDF Certifications for printing purpose.

- PDF creation of certificate

Identification of best company for remote dedicated server

Study and testing networking setup for intranet operations and internet database publications

Propose technology for online identification of applicant for certification status. This will make for easy law enforcement at the time of investigation on business premises for real time reports as internet access is available

3 STAFF IT FOR PROJECTS

After a thorough process to vet and approve one of two staff/vendor requests for the execution of the database project we have chosen the developer. We are in the process of examining the second person to execute the project which is the IT System manager. Of great importance is choosing the right technology for security of data networking and data strafing.

Please contact cpezza@camtc.org for any specific questions and thank you for your attention.



Governmental Affairs and Special Projects Report September 2012

A. Legislative Status Reports

1. SB 1575/SB 122/SB 1238 (Price). The proposed amendments to the CAMTC law, Business & Professions Code Section 4600 et seq, were first introduced into SB 1575, a clean-up committee bill. Due to concern that they were too substantive for a clean-up bill , they were amended into SB 122, a Nursing bill. Later the Department of Consumer Affairs asked that they be instead put into a separate bill, SB 1238, which had its original language gutted. SB 1238 has been approved by both the Assembly and Senate and is currently enrolled and on the Governor's desk. He has until the end of the month to sign it. We are working with the administration to make sure that the Governor signs the bill. If so, it will become effective in January 2013. CAMTC owes much gratitude to the AMTA-CA and CA. Chief's Association for deploying their lobbyists in support of this bill and especially to the AMTA-CA lobbyist for obtaining agreement from Assembly Member Berryhill to manage the bill on the Assembly floor.
2. SB 1193 (Steinberg) This bill will require posting of notices regarding reporting evidence of human trafficking in specified businesses, including "massage establishments". With a lot of work by the AMTA-CA lobbyist and CAMTC CEO, the language was amended to exempt businesses in which everyone providing massage is certified. As of this writing, the Senate concurred with the Assembly amendments and the bill has been enrolled and sent to the Governor for signing or veto. The previous Governor vetoed a similar bill.
3. AB 1963 (Huber) – (erroneously noted as "SB 1193 on the agenda). This bill would require the Legislative Analyst's Office to assess potential changes to law in order to reduce revenue volatility and report to the Legislature on or

- before July 1, 2013. With Senate amendments concurred by the Assembly, the bill has been sent for enrolling and to the Governor.
4. AB 1940 (Swanson, Ma and Hill) This bill related to the sealing and destruction of arrest records in cases that are documented as human trafficking. It has been held in Assembly Appropriations and is now dead.
 5. AB 2540 (Gatto) would have raised funds for the Veterans Homes in CA. by imposing sales taxes on certain services. The bill died in committee.

B. Interim policy on accepting transfers from closed schools for CMP approval.

At the June 2012 meeting the CAMTC Board approved an amendment to Business & Professions code Section 4601 (b)(1)(B) to delete “single” from the requirement that the applicant for CMP complete 250 hours from a “single approved school”.. The CMT tier does not limit the number of schools that a person attends. Since this is a technical discrepancy, we have been advised that the Board may choose to accept transferred credits. If the Board chooses to do so, a motion may be considered allowing for the transfer of hours/credits in order to qualify for CMP, as long as such transfers are in accordance with BPPE regulations and transcripts from the school(s) being transferred from are approved by CAMTC. This will allow the professionals who missed the grandfathering period to obtain additional education so that they can qualify prior to 2013.

C. DCA and BPPE relations. Ongoing relationships have been created with a Deputy Director in the Dept. of Consumer Affairs who oversees Business and Professions laws. The new Director of BPPE has been requesting and sharing information with CAMTC. Although BPPE previously said that massage schools are not a priority, the new Director has been quite concerned about the issues we have identified. She has been communicating with me regularly to exchange information and explore the most effective means of utilizing each other’s resources. Of course, we hope that they will completely take over the investigations, and they seem to be slowly moving in that direction.

D. Local Ordinance Updates – issues, successes, challenges, League of CA Cities .

As in prior reports, following you will find three spreadsheets. “Claims Status as of 9.5.12 sorted by population” shows the number, type and status of “claims” – reports of city or county failure to fully implement and recognize the state

massage law. "Cities and Counties that Require Certification as of 9.5.12" lists the names of cities and counties that staff is aware of, either through direct involvement or other reports, with ordinances that have been revised to require certification. "City and County Ordinance Status 9.5.12" lists those cities or counties known to have revised or be in process of revising ordinances to comply with the massage law.

Major successes are in the continued acceptance of CAMTC existence and trust in our commitment to addressing the ongoing problems with the illicit industry. Since SB 731 passed, most cities and counties have seen their budgets and staff cut so severely that many of the smaller ones no longer want to deal with permits and hope that we can address the illicit industry more effectively. Of interest is that La Puente postponed drafting of a new ordinance until next year due to budget constraints for their contract attorney. We amended an urgency moratorium in La Puente to exempt businesses in which everyone providing massage is certified and convinced S. El Monte to withdraw their proposal for one. A subsequent meeting with law enforcement in S. El Monte resulted in a cooperative effort to help the city close an illicit business. We have helped many certified massage therapists navigate local regulations and avoid subjection to ones that are prohibited by the state law. Ventura stopped charging an establishment fee that the city attorney was long attached to. We continue to work with an increasing number of cities on new ordinances. The no-fee revocable registration of businesses in which everyone providing massage is certified, while a creative interpretation of the law, has been used by several cities (examples – San Carlos and Gardena) to close down illicit businesses without the use of expensive nuisance abatement.

Challenges include the continued imposition by some cities of high fees, especially for land-use, establishment permits under various other names, prohibitions against out-call massage, and limitation of massage to ancillary use, typically to no more than 30 or 50% of floor space or revenue. Glendora is one example of a city that will not allow massage to be more than 30% of floor space, nor does it allow outcall massage by certified professionals. These land-use issues tend to be the ones that cities are most stubborn about, and legal solutions may need to be considered at some time.

With the exception of San Diego and San Mateo Counties, no other counties and few large cities have drafted new massage ordinances. San Diego city has a final draft that has been in process since the middle of 2011 which will require certification. San Jose's has stalled, San Francisco does not have the initiative yet. LA County is in the early stages as a result of meetings Rick & I had with the Chief Aide for Supervisor Ridley-Thomas, but I don't expect much for a long time.

The county does exempt certified individuals and business in which everyone is certified from the business permitting requirements.

After a local vice officer complained that a contract attorney for a number of local cities will no longer prosecute any violations in massage businesses, we discovered a flaw in many older ordinances. Most of the time, when a city or county has not revised their ordinance to comply with the state law, they just honor exemptions as required by the law – according to each city’s interpretation of what that means. Unfortunately, many older ordinances that prohibit things that do not rise to the level of a criminal offense use language such as “it is a violation of this ordinance for a person holding a massage permit to”... As a result, the jurisdiction no longer has the authority to issue citations or fines to those who do not hold city permits as a result of being certified, for behavior such as the therapist undressing or making intentional genital contact without a full solicitation of sex. To the extent that we are aware of this situation, we encourage these jurisdictions to revise their ordinances. In the meanwhile the Officer Declaration process allows PSD to consider action against certificate holders for unprofessional behavior.

Certainly the greatest challenge is the increase in the number of new massage business opening across the state. The high percentage of establishments either known or strongly suspected of being illicit is causing citizens to complain to their councils and supervisors. Many years ago a Captain in a local Police Department told me that he had murders, rapes and robberies to deal with and not enough resources for vice. Soon after, a groundswell of public outcry over a number of eyesore establishments along the freeway and close to homes and the small downtown made it a political issue, resulting in the city council instructing the police to prioritize closing the businesses. This is happening in cities across the state right now, and cities are looking to their usual solutions of restrictive zoning and high fees. It is clear that the problem is not the density of massage businesses but the nature of too many of them. In the next month or so we will be meeting with the League of CA Cities and our own liaisons to CA Chiefs and CSAC, to discuss solutions. The League very well may introduce legislation next session, with or without CAMTC.

- E. Palm Desert Code Enforcement Training** Rick and I co-presented at a training session for area Code Enforcement and vice officers, for which they received CE’s. Elaine from PSD came to observe so that in the future she can handle N. CA. presentations instead of Rick. Dixie came to observe us in action and meet the attendees. There were perhaps 50 law enforcement personnel in attendance. We covered a range of topics at their request, with me addressing the secure website, ordinances, legislation and Sunset and Rick schools, Declarations,

applicant review and suspensions and revocations. They asked us to attend again next year. We were invited to stay for the next presentation on undercover operations in massage businesses. Rick and Elaine “been there done that” left but Dixie and I stayed and learned such interesting tidbits as how an undressed officer can be wired.

F. Sacramento county advocacy group campaign – (Sacramento Against Sexual Slavery- in Massage Parlors SASS-MP). Opening Doors is a Sacramento based non-profit working on human trafficking. They have been in touch with us for a year or so, and invited me to attend this meeting on their new campaign. I attended along with Guy Fuson (Sacramento County Finance Director) and Bernadette Murray, AMTA-CA Governmental Affairs Chair. I had to leave for meetings with Assembly members but the meeting continued. This group has been in touch with similar organizations in cities like SF and hope to work with the Sacramento County Sheriff’s office. We wish them well, although it is not clear that they have the know-how or resources needed.

G. Sunset Review

The Sunrise Review that established the need for statewide massage regulation consisted of three components - documentation that 1) the public was being harmed due to the lack of a state regulatory law; 2) a state law could protect the public; and 3) the level of regulation being considered was the minimum necessary to protect the public. Sunset Review should ultimately address whether these or other potential sources of harm still exist; whether the law has protected the public; and whether the level of statewide regulation is sufficient to protect the public. For such an analysis it makes sense to go back to the original Sunrise answers to these questions.

Most relevant is to review how well we serve our mission of public protection. Where weaknesses exist, are solutions possible within the existing regulatory scheme under which CAMTC is organized?

To begin, what did the profession identify in the Sunrise Survey as dangers to the public due to a lack of statewide regulation of the massage profession? Do those dangers still exist and are there new ones? Has CAMTC been reducing these dangers? If so, is CAMTC doing it as effectively and efficiently as possible? If not, is CAMTC capable of reducing the dangers? Does CAMTC need greater authority or resources?

I compare the last question to the situation in which you hire a contractor to add a room to your house. During the project, he discovers a cracked foundation, perhaps also finding broken pipes and overloaded electrical that were not part of the original work order. You question him on why the original project is taking so long, only to discover that his crew is using manual tools. Perhaps it's time to give him some power tools and an updated scope of work.

Although the sponsors and some of the other stakeholders in SB 731 were aware of the problems with the sex industry using massage as a cover, problem schools and sexual predators, few expected the scope of challenges, plus new ones that seem to emerge almost daily. We are still transitioning from using hand tools, scrambling to finally have the data and resources that we need, investigation ability, and trained staff.

The Sunset process should help identify where CAMTC needs to ramp up efficiency and effectiveness, and whether changes in the scope of work and available tools are needed.

These questions should be considered as the foundation for the customized questionnaire that we will be provided. We have been invited to work with

committee staff in December of 2012 to identify relevant questions for the CAMTC Survey. Although I have already analyzed the questions in current Surveys and outlined who has the data for responding, we have been told that very few of these questions will be asked of us. In spring of 2013 we will receive the Survey Questionnaire and submit it in November or December 2013. The Joint Committee hearing will occur in March or April of 2014. CAMTC should consider recommendations for changes to the law based on resources needed for the most effective and least burdensome program of public protection.

SB 731 (Oropeza), the bill that authorized creation of CAMTC, listed the following as the Intent of the bill:

1. Enable consumers to easily identify credible certified massage therapists
2. Assure that certified massage therapists have completed sufficient training at approved schools
3. Phase in increased education and training standards consistent with other states
4. Assure that massage therapy can no longer be used as a subterfuge to violate subdivision (a) or (b) of Section 647 of the Penal Code
5. Provide a self-funded nonprofit oversight body to approve certification and education requirements for massage therapists.

Status of Claims of local jurisdiction non-compliance with state law 9.5.12

Jurisdiction	Status	Issue	Date reported
Agoura Hills	resolved	CUP	Aug-11
Agoura Hills	probably resolved	establishment permit,	Aug-11
Alameda city	resolved	requires city permit,	Sep-09
Alameda city	in progress	drafting ordinance	Jan-12
Alameda County	ongoing	drafting ordinance	Jun-11
Alameda County	ongoing	moratorium	Jun-11
Alameda county	probably resolved	livescan and county permit	Jul-12
Albany	in queue	restrictive zoning	Oct-10
Anaheim	in the queue	establishment permit	Jun-11
Arcadia	in queue	limited to 33% of businesss	May-11
Arcadia	in queue	only in med, chiro offices - 2mts max	May-11
Arcadia	in queue	\$10 registration fee W-2 employees	5/1/2011
Arcadia	in queue	\$1200 CUP	8/1/2012
Artesia	resolved	employee business license	Jan-11
Auburn	in queue	no outcalls	Oct-10
Azusa	resolved	moratorium	May-11
Bakersfield	resolved	permit required	Oct-10
Bakersfield	in progress	drafting ordinance	Sep-11
Baldwin Park	approved	drafting zoning ordinance	Apr-12
Baldwin Park	resolved	no new massage businesses	Mar-12
Banning	resolved	moratorium	unknown
Bellflower	in queue	permit required	Oct-10
Bellflower	verifying	possible employee business license	Aug-11
Bellflower	in queue	no outcall, hours restrictions	Mar-12
Bellflower	in queue	zoning restrictions	Mar-12
Belmont	in queue	business license fee \$2000	2000
Belmont	in queue	establishment fee \$3422	2000
Berkeley	resolved	city application	Jan-11
Berkeley	resolved	CUP	Apr-11
Berkeley	resolved	establishment permit	Apr-11
Berkeley	resolved	wants permit of sound healer	Jan-12
Beverly Hills	not being enforced	no cross gender massage	long ago
Beverly Hills	resolved	fees, massage work permit and livescan	8/1/2011
Brentwood	resolved	city permit (registration by employee?)	Nov-11
Buena Park	in progress	accessory use only	Feb-12
Burbank	resolved	registration/permit?	Jun-11
Burbank	resolved	establishment permit for mobile at Warn	Jan-12
Burbank	resolved	shower/tub/	Mar-12
Burbank	resolved	establishment permit and fees	Mar-12
Burbank	resolved	home inspection to make sure no home o	May-12
Calabasas	resolved	permit required	Oct-10
Calabasas	introduced	drafting ordinance	Apr-12
Calimesa	unconfirmed	requires permit	Oct-10
Camarillo	resolved	city permit and medical exam	Sep-11

Status of Claims of local jurisdiction non-compliance with state law 9.5.12

Camarillo	resolved	no home or outcall massage	Jul-11
Camarillo	resolved	2 business license fees - one specific only	Oct-11
Campbell	resolved	registration fee	Jun-11
Campbell	resolved	\$471 establishment fee	Sep-11
Campbell	resolved	additional business license for massage	Nov-11
Carlsbad	resolved	city permit?	Jun-12
Carpinteria	ongoing- stalled	not permitting cmp to do outcall -	May-11
Cathedral City	unconfirmed	permit required	early 2011
Cerritos	ongoing	CUP and Town Center limitation	May-11
Chino	in queue	establishment issues	Oct-10
Chino	in queue	requires permit	Oct-10
Chino	postponed, stalled	plan to draft massage/zoning ord.	Apr-11
Chino Hills	resolved	establishment permit	Oct-10
Chino Hills	resolved	drafting new ordinance	Apr-11
Chino Hills	resolved	no outcalls	Aug-11
Chino Hills	resolved	Conditional use permit	Jan-11
Chula Vista	resolved	requires city permit	Oct-11
Clovis	in progress	requires background check	Feb-12
Concord	resolved	did not recognize certification	Aug-11
Corona	unconfirmed	refuses to renew business license unless l	Dec-10
Coronado	in queue	restrictive zoning	Oct-10
Corte Madera	in queue	background check,	Oct-10
Corte Madera	in queue	restrictive zoning	Oct-10
Costa Mesa	resolved	establishment permit	Jul-11
Costa Mesa	ongoing	amending new ordinance	Jul-11
Costa Mesa	ongoing	no hotel massage	Jul-11
Costa Mesa	resolved	moratorium	Jul-09
Costa Mesa	stalled	zoning restrictions	May-12
Covina	in queue	moratorium	early 2011
covina	in queue	no mobile - needs planning	Jan-12
Culver City	resolved	establishment and technician permit	Aug-11
Culver City	in queue-may	high fee	Aug-11
Cupertino	in queue	outcall permit required	Mar-12
Cupertino	passed	drafting ordinance	Mar-12
Cypress	resolved	CUP	Apr-12
Dana Point	in queue	restrictive zoning	Aug-11
Danville	in queue	background checks	May-11
Danville	in queue	moratorium	May-11
Danville	in queue	sheriff background checks	May-11
Del Mar	in queue	showers for clients and staff	Jul-11
Delano	in progress	drafting ordinance	Nov-11
Delano	resolved	cup	Nov-11
Desert Hot Springs	in queue	permit required	Oct-10
Desert Hot Springs	in progress	"house fee" \$200 + biz license fee	Feb-12
Diamond Bar	resolved	CUP - resolved	May-11
Downey	resolved	restrictive zoning/ cup	Jun-11
Downey	resolved	\$833 establishment permit	Oct-11

Status of Claims of local jurisdiction non-compliance with state law 9.5.12

Downey	in progress	drafting ordinance	Nov-11
Dublin	resolved	background check,	May-11
Dublin	resolved	moratorium	May-11
Dublin	in queue	no outcalls	May-11
Eastvale	in progress	drafting ordinance	Jun-12
El Centro	resolved	city will not recognize certification	May-12
El Centro	in progress	medical and background check	Aug-12
El Centro	in progress	drafting ordinance	Aug-12
El Dorado	resolved	requiring permit	Apr-11
El Monte	resolved	establishment permit fee and zoning	Nov-11
El Monte	in progress	drafting ordinance	July 2012`
El Segundo	in queue	possible permit required	unknown
Elk Grove	unverified	massage permit required	early 2011
Emeryville	resolved	livescan and 500 hours	Sep-11
Emeryville	resolved	requiring permit	Oct-10
Encinitis	in progress	\$6000 for new business planning fee	Jan-12
Escalon	in queue	high fee permit	Oct-10
Escalon	resolved	required permit	Oct 2010`
Escalon	in progress	required CE's	Oct-11
Escondido	resolved	new ordinance	Jun-11
Escondido	resolved	establishment zoning restriction	Apr-12
Eureka	resolved	city permit fee	Dec-11
Folsom	ongoing	drafting ordinance	Oct-11
Folsom	resolved	employee business license reqd	Jun-12
Foster City	in queue	background check	Aug-11
Fountain Valley	in queue	establishment permit, CUP	2010 and oct 2011
Fountain Valley	in queue	permit required/another report contradic	Oct-10
Fountain Valley	in queue	extra restrooms	Aug-11
Fremont	in queue	CUP? \$4100	Aug-11
Fresno city	resolved	background checks	Mar-11
Fresno city	resolved	city permit/background checks again	May-12
Fresno county	unconfirmed	background checks	Dec-10
Gilroy	resolved	background check/police permit	Jan-12
Glendale	resolved	CUP	unknown
Glendora	in progress	no outcall	Mar-12
Glendora	in progress	accessory use only	Apr-12
Glendora	resolved	CUP	April 3 2012
Goleta	in queue	registration fee	Oct-10
Half Moon Bay	in queue	possible permit required	Oct-10
Hawaii Gardens	complete	drafting ordinance	Mar-12
Highland	in queue	difficult to get business license	Aug-11
Huntington Beach	in the queue	no outcalls	early 2010
Huntington Beach	resolved	max 30 massage businesses in city	Amay 2012
Irvine	passed	drafting ordinance	Feb? 2011
Irvine	resolved	no massage in hotel room	Aug-11
La Habra	in progress- g	requires showers	Jan-12
La Habra	resolved	requires city exam	Jan-12

Status of Claims of local jurisdiction non-compliance with state law 9.5.12

La Mesa	resolved	required permit	Feb-12
La Mirada	resolved	CUP, also of holistic health businesses	Oct-11
La Mirada	resolved	new ordinance	Oct-11
La Puente	in queue	ignores law	Jan-12
La Puente	resolved	moratorium	Aug-12
La Verne	resolved	requires city permit - no fee	unknown
Lafayette	passed	first ordinance	Feb-12
Laguna Beach	1st reading 2	new ordinance	Jan-12
Laguna Hills	in queue	permit required	May-11
Lake Elsinore	in progress	certified owner background check	Dec-11
Lake Forest	resolved	technician permit	Nov-11
Lake Forest	resolved	establishment permit	Nov-11
Lakewood	in queue	background check of certified owner	Feb-11
Lancaster	no recent act	compliance certificate and fee	Mar-10
Lancaster	passed 5/10	drafting ordinance	Mar-10
Lancaster	in new ordina	establishment permit	May-10
Lancaster	in new ordina	compliance permit required	May-10
Lincoln	in queue	no outcalls	Jun-11
Lincoln	resolved	no home occupation specific to masaage	Mar-12
Lindsay	support	new ordinance- favorable zoning	Oct-11
Livermore	resolved	does not recognize CMP	Apr-12
Lodi	resolved	massage permit and background check	Sep-12
Lodi	resolved	establishment permit and fee	Sep-12
Lodi	resolved	no massage in shared healthcare office	Sep-12
Lomita	in progress	massage permit	Nov-11
Long Beach	working with	accessory use only	Dec-10
Long Beach	resolved	business license fees	Jun-11
Long Beach	resolved	employee zoning	Jun-11
Long Beach	ongoing	drafting ordinance	Jul-11
Long Beach	resolved	establishment fee for gym based massage	Aug-11
Los Alamitos	in queue	refused business license	Feb-11
Los Alamitos	in queue	seem to have no exemption	Apr-12
Los Altos	resolved	background, permit high fees & medical e	Aug-11
Los Angeles City	unsure	business license/employee outcall	Oct-10
Los Angeles City	mostly resolv	establishment permit and CUP	May-11
Los Angeles City	resolved- unt	permit required- citations issued	May-11
Los Angeles County	resolved	background checks/ permit	May-11
Los Angeles County	resolved	establishment permit and fees	Apr-11
Los Angeles County	awaiting Sup	drafting ordinance	May-11
Los Angeles County	resolved-	still requires medical exam	May-11
Los Banos	in progress	drafting ordinance	Dec-11
Los Gatos	in queue	variance/CUP	Oct-10
Los Gatos	resolved	employee business licenses	May-11
Malibu	ongoing	no home or outcall massage	Aug-11
Marysville	full exemptio	amended ordinance	Feb-12
Merced - city	in progress	no home occ or mobile-massage only	Feb-12
Merced -city	verifying	background check	Feb-12

Status of Claims of local jurisdiction non-compliance with state law 9.5.12

Millbrae	in progress	new ordinance	Jun-11
Milpitas	resolved	background checks	Sep-11
Milpitas	resolved	CUP	Apr-12
Milpitas	in progress	new ordinance	Jun-12
Mission Viejo	in the queue	CUP	Oct-10
Mission Viejo	in the queue	establishment permit	Oct-10
Mission Viejo	in the queue	\$800 establishment fee	Oct-10
Mission Viejo	in the queue	no outcalls	Jun-12
Modesto	in the queue	owner and manager need certification	Apr-10
Monrovia	in queue	restrictive zoning	May-11
Monrovia	in queue	certified owner background check/\$1300	Jul-11
Monrovia	in queue	moratorium	May-11
Montclair	in queue	Cup	May-12
Montebello	in queue	no massage businesses allowed	May-11
Monterey City	final stages	est permit required -non cert owner	Feb-12
Monterey County	resolved	background check	Nov-10
Monterey Park	resolved	restrictive zoning	Mar-11
Monterey Park	resolved	CUP	Mar-11
Monterey Park	resolved	background check of certified owner	Oct 2010
Monterey Park	resolved	certified owner background check	Oct-11
Monterey Park	complete	new ordinance	Oct-11
Morgan Hill	in queue	moratorium	unknown
MountainView	in queue	background check	Feb-11
Mountainview	in queue	establishment permit & fees	Feb-11
MountainView	in progress	police application	Apr-12
MountainView	in progress	medical exam	Aug-12
Murrieta	resolved	permit required	Oct-10
Murrieta	in progress	no couples massage	Apr-12
Newark	in queue	no massage home occupation	Oct-10
Newport Beach	resolved	CUP -	early 2011
Newport Beach	in the queue	drafting ordinance	unknown
Newport Beach	resolved	city exam	Aug-11
Newport Beach	in queue	no outcalls	Jun-12
Norwalk	resolved	CUP	8/11/2011
Novato	resolved	permit required	Oct-10
Novato	in queue	higher business license fee	Aug-11
Novato	in queue	restrictive zoning	Oct-10
Oakland	resolved	special permit	Mar-12
Oceanside	new report-	no home occ (permits only massage)	Aug-11
Oceanside	in queue	background checks	Mar-12
Oceanside	verifying	multiple business licenses	May-12
Orange - city of	resolved	W-2 employee biz license	Aug-11
Orange - city of	needs verifica	establishment permit	Apr-12
Orange - city of	in queue	ancially use only 20%	Apr-12
Orange- county	in queue	cannot prosecute ord against certife hold	Jul-12
Oxnard	approved	drafting ordinance	Dec-11
Pacific Grove	resolved	city permit	Jan-12

Status of Claims of local jurisdiction non-compliance with state law 9.5.12

Pacifica	Resolved	medical exam	Feb-11
Pacifica	resolved	police permits	Mar-11
Pacifica	resolved	cup \$3700	Oct 2011`
Pacifica	in progress	dressing room and laundry facility or serv	Feb-12
Pacifica	in progress	CUP	Feb-12
Palm Desert	resolved	restricted zoning	Mar-12
Palm Desert	resolved	permit required	Dec-10
Palm Desert	resolved	accessory use	May-11
Palm Springs	in progress	zoning	Oct-10
Palm Springs	resolved	establishment permit	Oct-10
Palm Springs	resolved	dual business license fees	Sep-11
Palm Springs	resolved	city permit	Nov-11
Palm Springs	in progress	medical exam	Dec-11
Palm Springs	in progress	accessory use only	Jan-12
Palmdale	resolved	possible establishment, owner must be m	Aug-11
Palmdale	in queue	will amend ordinance	Jun-11
Palmdale	resolved	requiring business certification of ME new	Aug-11
Palo Alto	resolved	permit required	May-11
Palo Alto	complete	drafting ordinance	May-11
Pasa Robles	in progress	drafting first ordinance	May-12
Pasadena	in the queue	drafting ordinance, likely estab permit if r	Jul-11
Pasadena	in the queue	CUP	May-10
Pasadena	in the queue	background check of certified owner	Dec-10
Perris	in the queue	variance	early 2011
Petaluma	in progress	drafting ordinance	Jul-12
Pinole	resolved	no outcalls	unknown
Pinole	resolved	permit required- city interview	Oct-10
Pinole	in queue	owner must be certified	Aug-12
Pinole	confirming	cert owner livescan and background chec	Aug-12
Placentia	ongoing	CUP	Oct-10
Placentia	ongoing	manager must be certified	Jun-11
Placentia	ongoing	accessory or medical only	Augn 2011
Placentia	resolved	no independent contractors	Aug-11
Placentia	resolved	exam	Oct-10
Placerville	in progress	drafting ordinance	Apr-12
Pleasant Hill	resolved	permit required	Oct-10
Pleasant Hill	resolved	establishment permit	Dec-11
Pleasanton	resolved	city livescan and license fees	Aug-11
Pleasanton	confirming	does not recognize CMP	Apr-12
Pomona	in queue	accessory use only	Apr-12
Pomona	confirming	drafting ordinance?	Apr-12
Port Hueneme	in progress	notarized landlord letter	
Rancho Cucamonga	resolved	establishment permit required	Dec-10
Rancho Cucamonga	in process	\$2600 CUP	Dec-10
Rancho Mirage	resolved	business license for hospital volunteer	Aug-11
Rancho Palos Verde	resolved	permit required	May-11
Redlands	in queue	CUP and fee	Oct-09

Status of Claims of local jurisdiction non-compliance with state law 9.5.12

Redlands	in queue	permit required	Oct-09
Redlands	in queue	restrictive zoning	Aug-11
Redlands	in progress	drafting ordinance	Feb-12
Redondo Beach	in progress	drafting ordinance	early 2011
Redondo Beach	in progress	plans to require a CUP	Nov-11
Redwood City	resolved	Cup, high fee	Jan-11
Redwood City	resolved	drafting ordinance	Jul-11
Redwood City	resolved	draft to deny CCMP's ability to work	Oct-11
Redwood City	resolved	no outcalls in draft	Oct 2011`
Rialto	resolved	CUP -	Dec-10
Rialto	resolved	medical certificate	Dec-10
Rialto	resolved	city permit	Apr-12
Rialto	resolved	possibly high business license fee	May-12
Richmond	new report	CUP, establishment permit	Aug-11
Richmond	resolved	background check and massage permit	Sep-11
Ridgecrest	resolved	establishment permit	Feb-12
Rio Vista	in progress	live scan even if certified	Apr-12
Riverside City	not resolved	background check for certified owner (on	Oct-11
Riverside City	resolved	over \$811 for establishment permit	<u>Dec-10</u>
Riverside City	ongoing	showers required/extra bathroom	Dec-11
Riverside City	resolved	high establishment fee	Jun-11
Riverside City	ongoing	chair massage	Dec-11
Riverside City	resolved	same -estab permits req	Jun-12
Rocklin	in queue	establishment permit	Mar-11
Rohnert Park	resolved	did not recognize certification	unknown
Roseville	apply per the	no locked doors	Apr-12
Roseville	not yet	drafting ordinance	Nov-11
Roseville	confirming	background check of certified owner	Aug-12
Roseville	confirming	medical exam	Aug-12
Sacramento	CMTC checki	no home occupation (not confirmed if ma	Oct-11
Sacramento	confirming	wants somatic practitioner permit	Dec-11
Salinas	in progress	drafting ordinance	Aug-12
San Bernardino County	resolved - all	proposed moratorium, new zoning w/CUP	May-11
San Bernardino County	resolved	use permit -	Nov-11
San Carlos	ongoing	new ordinance	Jul-11
San Clemente	resolved	drafting ordinance	early 2011
San Clemente	in queue	restrictive zoning	Aug-11
San Clemente	in queue	no home occupation for massage	Aug-11
San Diego	ongoing-not c	oppressive dress code	Jul-11
San Diego city	resolved	permit required	Apr-11
San Diego city	resolved- pai	background check of certified owner	Apr-11
San Diego city	resolved -pai	establishment permit	Apr-11
San Diego city	resolved - pa	showers required	Apr-11
San Diego city	in queue	restrictive zoning	Sep-11
San Diego City	in progress	drafting ordinance	Oct-11
San Diego County	resolved	Mueller school says needs background ch	Dec-10
San Diego County	resolved	background checks/ permit	<u>Dec-10</u>

Status of Claims of local jurisdiction non-compliance with state law 9.5.12

San Diego County	resolved	establishment permits	Dec-10
San Diego County	in progress	drafting ordinance	Nov-11
San Dimas	in progress	accessory use only	Feb-12
San Fernando city	in progress	certified owner background check/\$1300	Oct-11
San Francisco	resolved	showers required	Dec-10
San Francisco	resolved	estab permit	Dec-10
San Francisco	stalled	estab.fees	Dec-10
San Francisco	stalled-	outcall permit required	Dec-10
San Gabriel	resolved	permit required for certified owner	May-11
San Gabriel	resolved	CUP	May 2011
San Gabriel	resolved	drafting new ordinance	May-11
San Gabriel	resolved	Moratorium	May-11
San Gabriel	resolved	high fee/background check CMT	May-12
San Joaquin	resolved	permit background check, establishment	Jan-12
San Jose	in the queue	no outcalls	Jun-11
San Jose	ongoing	drafting new ordinance	Jun-11
San Juan Capistrano	in queue	restrictive zoning	May-11
San Juan Capistrano	resolved	establishment permit	May-11
San Juan Capistrano	resolved	"business" permit required of employees	May-11
san leandro	in queue	possible permit required	Oct-10
San Luis Obispo	resolved	TB test required	Nov-11
San Luis Obispo	resolved	police permits	Mar-12
san marcos	resolved in n	establishment permit	Oct-10
san marcos	confirmed	employee business licenses	8/6/2011
san marcos	in progress	drafting ordinance	Oct-11
San Mateo County	resolved	drafting ordinance	Apr-10
San Mateo County	ongoing	\$420 annual "medical waste" fee	Nov-11
San Mateo County	in progress	no notice of new requirements	Jul-12
San Ramon	resolved	incidental use; limited zoning	8/6/2011
San Ramon	resolved	police permits	4/1/2012
San Ramon	resolved	employee business license	April 3 2012
San Ramon	resolved	establishment permit	4.3.12
San Ramon	in queue	photo id card	4/1/2012
Santa Ana	resolved	\$300 permit & \$150 med exam	1/1/2012
Santa Ana	resolved	restricted from professional zoning	3/1/2012
Santa Ana	Resolved	establishment fee \$700	4/1/2012
Santa Barbara	in progress	no chair massage	11/1/2011
Santa Barbara	in progress	establishment permit	11/1/2011
Santa Clara City	resolved	background check	Oct-10
Santa Clara City	resolved	establishment permit	Oct-10
Santa Clara County	unknown	county reqd permit	Dec-11
Santa Clara County	unknown	no home occupation for massage	Dec-11
Santa Clara County	in progress	msidemeanor citations for not registering	Sep-11
Santa Clara County	in progress	estab permit \$1200 new, \$980 renew	Oct-11
Santa Clarita/ LA county	resolved	background check	Oct-10
Santa Clarita/ LA county	resolved	showers required	Oct-10
Santa Clarita/ LA county	reesolved	\$2100 establishment permit	Sep-11

Status of Claims of local jurisdiction non-compliance with state law 9.5.12

Santa Fe Springs	in progress	new ordinance	Oct-11
santa monica	new report	restrictive zoning	Aug-11
Santa Monica	new report	owner exam on city code	Aug-11
Santa Rosa	resolved	owner needs to be certified	July 2012`
Saratoga	ongoing	non-cert. owner estab permit	Jun-11
Scotts Valley	in queue	possible permit required	Oct-10
Sierra Madre	in queue	CUP, fee	May-11
Simi Valley	resolved	moratorium	Nov-10
Simi Valley	approved	drafting ordinance	Nov-11
South El Monte	resolved	Proposed moratorium,	Jul-12
South El Monte	in progress	revising regulations	Jul-12
South Pasadena	resolved	proposed moratorium, new zoning w/CUP	Jun-11
South Pasadena	ongoing	Fee for ID badges	Jun-11
South Pasadena	new report	\$300 zoning fee for contractor for each lo	Aug-11
Stanislaus County`	resolved	permits, even of instructors	Jun-11
Stanton	in queue	permit required	Oct-10
Stanton	in queue	inspection fee	Feb-12
Stockton	resolved	city permit required	Jun-12
Sunnyvale	resolved	background check and city permit	Aug-11
Sunnyvale	resolved	establishment permit	Aug-11
Sunnyvale	resolved	fees for establishment	Apr-12
Taft	resolved	city permit required	Sep-11
Taft	in queue	establishment permit	Sep-11
Temecula	in the queue	city permit	Mar-11
Temecula	in the queue	no outcalls	Mar-11
Temecula	in progress	restrictive zoning	May-12
Temple City	in queue	refused information	May-11
Temple City	in queue	citation for not renewing establishment p	Aug-11
Thousand Oaks	resolved	establishment permit-citations	May-11
Thousand Oaks	complete	drafting ordinance	Oct-11
Torrance	ongoing	drafting ordinance	Jun-11
Torrance	resolved	moratorium	Sep-10
Torrance	not priority-i	required class on ordinance	Mar-12
Torrance		\$654 annual establishment permit for owner/each cont	May-12
Turlock	in queue	establishment	Dec-09
Turlock	resolved	background check/ police permit	Nov-11
Tustin	in progress	establishment permit	Jun-12
Tustin	in progress	\$100 establishment fee	Jul-12
Twentynine Palms	resolved	city therapist permit	Aug-11
Union City	in queue	restrictive zoning	Aug-11
Upland	in progress	forbids full massage in reflexology busine	Nov-11
Upland	resolved	accessory use only	Feb-12
upland	resolved	establishment permit	Mar-12
Vacaville	in queue	establishment "supplemental" license	Aug-11
Vallejo	resolved	police permits	Jan-12
Vallejo	confirming	CUP	Jan-12
Ventura	resolved	taking permit fees	Dec-10

Status of Claims of local jurisdiction non-compliance with state law 9.5.12

Ventura	resolved	high "inspection" fee	Jun-12
Victorville	in progress	CUP	Oct-11
Victorville	resolved	city permit required	Mar-12
Visalia	complete	drafting ordinance	Jan-12
Vista	in the queue	compliance fees	Feb-11
Vista	resolved	employee business license	Feb-11
Walnut	in queue	moratorium	Jul-11
Walnut Creek	resolved	city permit required`	Aug-11
Walnut Creek	resolved	police permits	Jun-12
Walnut Creek	in progress	establishment regulation	Aug-12
Wasco	confirming	CUP if not in spa	Jan-12
West Covina	in the queue	permit required	Nov-10
Westminster	resolved	permit required	May-10
Westminster	resolved	police approval for business license as I.C.	May-10
Westminster	resolved	must work under a chiropractor	Apr-12
Wildomar	in progress	drafting ordinance	Apr-12
Yorba Linda	in progress	showers required	Nov-11
Yorba Linda	in progress	establishment permit	Dec-11
Yorba Linda	in progress	massage permits	May-12
Yucaipa	resolved	permit required	May-11
Yucca Valley	confirming	establishment license	Jul-12

Cities and Counties Requiring Certification

Jurisdiction	Population	Require certification?
Agoura Hills	23,387	yes
Alameda County	1,521,157	plans to
American Canyon	16,836	yes, in policy
Antioch	102,330	yes
Banning	28,751	yes
Camarillo	66,690	yes
Campbell	40,860	yes
Chino Hills	78,971	yes
Clovis	96,868	plans to
Contra Costa County	1,056,064	yes -plan to
Costa Mesa	117,178	yes
Cotati	7,476	yes
Daly City	108,383	no-but recommend
Del Mar	4,660	yes
Delano	54,447	yes
Dublin	48,821	no - likely will
Encinitas	65,171	yes
Escondido	147,514	yes
Folsom	71,453	no -in current draft
Fontana	190,356	yes
Fresno City	502,303	will
Gardena	61,927	yes
Glendale	207,902	yes
Huntington Beach	203,484	yes
Irvine	217,686	yes
King City	12,140	yes
La Mirada	50,015	yes
La Verne	34,051	yes
Laguna Beach	25,354	yes
Marysville	12,867	no - full exemption
Menifee	68,905	yes
Modesto	211,536	yes
Monrovia	39,984	yes
Monterey City	29,455	yes

Moorpark	37,576	yes
Morgan Hill	40,246	yes
Oxnard	200,004	no- planning to
Palm Springs	48,040	no - unknown if plan to
Placentia	52,305	yes
Pleasant Hill	33,844	yes
Port Hueneme	21,887	yes
Redwood City	78,568	yes
Reedley	26,227	yes
Rosemead	57,756	yes
San Carlos	29,155	yes
San Clemente	68,763	yes

City and County Ordinance Status

Jurisdiction	Population	Drafting ordinance?
Los Angeles County	9,858,989	(soon)
San Diego County	3,118,876	revising again
Alameda County	1,521,157	yes
San Diego City	1,257,000	yes
Contra Costa County	1,056,064	plan to
San Jose	1,023,083	yes
San Mateo County	724,702	yes
Fresno City	502,303	in process
Long Beach	494,709	yes
Bakersfield	338,952	yes
Irvine	217,686	new
San Bernadino city	204,800	yes
Oxnard	200,004	new
Santa Clarita	177,641	new
Pomona	163,683	yes
Salinas	153,948	drafting
Palmdale	152,622	(soon)
Pasadena	151,576	yes
Torrance	149,717	zoning
Escondido	147,514	new
Lancaster	145,875	new
Sunnyvale	140,450	yes
Thousand Oaks	130,209	yes
El Monte	126,464	no
Visalia	125,971	new
Costa Mesa	117,178	yes-amending new ord.
Roseville	115,781	yes
Downey	113,715	in process
Burbank	108,469	in progress
Berkeley	108,119	2009
Murrieta	101,487	in progress
Clovis	96,868	in process
Hesperia	88,479	new
Newport Beach	86,738	possibly
Chino	84,742	yes (soon)

San Marcos	84,391	yes
Baldwin Park	81,604	new zoning
Chino Hills	78,971	yes
Lake Forest	78,720	no (keeping dual)
Redwood City	78,568	yes
Mountain View	75,787	yes
Alameda city	75,409	yes
Redlands	71,926	in process
Milpitas	71,552	yes
Folsom	71,453	yes
Menifee	68,905	new
San Clemente	68,763	yes
Redondo Beach	68,105	yes
Palo Alto	65,408	in process
Encinitas	65,171	new
Monterey Park	65,027	yes
Gardena	61,927	new
Petaluma	58,401	in progress
Cupertino	56,431	new
Delano	54,447	yes
Brentwood	52,492	new 2011
La Mirada	50,015	yes
Azusa	49,207	new
Dublin	48,821	soon
Palm Springs	48,040	in progress
El Centro	45,365	in progress
San Gabriel	42,984	new
Los Banos	36,421	yes
Oakley	35,646	plan to
Pleasant Hill	33,844	yes
Wildomar	31,907	in process
Los Gatos	30,802	yes
Foster City	30,719	new
Paso Robles	30,072	yes
Monterey City	29,455	new
San Carlos	29,155	yes
Banning	28,751	new
Ridgecrest	28,726	in process
Norco	27,370	possibly

South Pasadena	25,881	zoning
Laguna Beach	25,354	new
Lafayette	24,342	yes
Calabasas	23,788	in process
Agoura Hills	23,387	new
Millbrae	21,968	in progress
Santa Fe Springs	17,929	yes
American Canyon	16,836	no ordinance
Hawaiian Gardens	15,884	new
Marysville	12,867	new
Los Alamitas	12,270	new
Placerville	10,429	in progress
Del Mar	4,660	new
Eastvale		planning
Milpitas		yes



Memo

Date: September 5, 2012
To: Board of Directors
California Massage Therapy Council
From: Ahmos Netanel, Chief Executive Officer
Subject: New CEO Recommendations Relating to Fees

I recommend maintaining the existing fee structure for the initial application and recertification. This memo outlines the alteration of fees for two existing protocols and the creation of a new one:

1. **Late Fee** - The Board adopted a policy to charge a \$75 late fee for recertification that must be paid by an applicant who submits payment after expiration. If current patterns continue, CAMTC is projected to collect \$70,000 in late fees in 2012. Late payments do increase operating expenses and this fee helps mitigate those expenses.

In my opinion, the current fee structure is too punitive since it requires a 50% penalty for an individual who is one day late. This has put staff under tremendous pressure from certificate holders and in many instances put them in an unfair position of being asked to make judgment calls and exceptions. Once I discovered this, I instructed staff to stop that practice but at the same time I investigated the conditions that led to this reality. Even though we have received few complaints about the late fee, the vast majority of applicants pay it.

What I'm recommending is the following gradation for the late fee.

Received or postmarked:

1-10 days after expiration- \$25

11-29 days after expiration- \$40

30-180 days after expiration- \$90

The policy requiring the completion of a new application after 180 days will stay the same. I recommend instituting the above schedule as soon as the proper notices are posted to the applicants. Even though this policy is not as simple as the current one, I believe that in the long run, CAMTC will benefit from its implementation. I believe such policy will reduce ill will and may have minimal impact on CAMTC's budget.

2. **PSD Hearing Fees** – Currently CAMTC collects an average of \$3,852 per month in hearing fees for people with either a criminal background or questionable educational credentials who request either written consideration (\$60) or an actual hearing (\$90). Since fees collected hardly offset the cost associated with those hearings, it is recommended to increase both fees by 50%.
3. **Optional Expediting Service Fee** – Even though we are processing applications faster than ever, we get repeated requests from applicants and employers to accept a fee in order to expedite applications. To some, the ability to start practicing even a week earlier is worth way more than the current fee charged. The concept of an Optional Expediting Service is common among governmental agencies. As an example, the US Department of State offers such services for passports. Since there are numerous unknowns about how such a program will actually be implemented, I recommend a six months pilot program after which we can decide whether to continue or stop such a service. I recommend the following fee schedule:

Routine Service: 4-6 weeks - No additional fee

Expedited Service: 2-3 weeks, door to door with additional paid overnight delivery fee - \$80.

Since our current routine turnaround time is around 2-3 weeks, one may wonder, why offer a faster service? It is important to keep in mind that this current 2-3 weeks is an average, which means that many applications take longer. With the expedited service many applicants may actually receive their certificates in 7-10 days.