



CALIFORNIA
MASSAGE THERAPY
COUNCIL

Board of Directors
Meeting

AGENDA

June 8, 2017

Hyatt Regency Los Angeles
International Airport

Los Angeles



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MISSION STATEMENT

California Massage Therapy Council's mission is to protect the public by certifying massage professionals in California that meet the requirements in the law and approving massage programs that meet the minimum standards for training and curriculum.

California Massage Therapy Council

Board Members

Mark Dixon, Chairman, Appointed by American Massage Therapy Association, California Chapter

Jeff Forman, Vice Chair, Appointed by the Office of the Chancellor of the California Community Colleges

Michael Marylander, Treasurer, Appointed by Board

Allison Budlong, Secretary, Appointed by California Association of Private Postsecondary Schools

Ronald Bates, Appointed by League of California Cities

Michael Callagy, Appointed by Board

Shana Faber, Appointed by Board

Heather Forshey, Appointed by San Mateo County Department of Health

Minouche Kandel, Appointed by Department of Consumer Affairs

Stephany Powell, Appointed by Journey Out, Anti-Human Trafficking Organization

Raul Quezada, Appointed by California Police Chiefs Association

Dixie Wall, Appointed by American Massage Council

FUTURE BOARD MEETINGS*

September 6-7, 2017 - Southern California
November 2, 2017 - Northern California

Dates and locations are subject to change. Official meeting agendas are posted 10-days in advance of the meeting. Minutes are posted after approval at the following regular meeting.



RULES OF DEBATE AND DISCUSSION

1. Only one item, the item on the floor, is discussed at a time.
2. Only one person speaks at a time:
 - The person introducing the item;
 - The person speaking for or against the item;
 - Or the person asking or answering a question or raising a point of order.
3. Side conversations will be ruled out of order.
4. Directors debating a motion will have two minutes to speak, once on each motion, with three each from supporting and opposing sides, at which time the motion will go to a vote. The board may vote to extend time for debate.
5. When you want to speak, raise your hand and wait to be called on by the Chair.
6. A question is not an occasion to make an argument.

See accompanying Parliamentary Procedures At-A-Glance

Parliamentary Procedures At-A-Glance

To Do This (1)	You Say This	May You Interrupt Speaker?	Must You Be Seconded?	Is the Motion Debatable?	Is the Motion Amendable?	What Vote is Required?
Adjourn the meeting (before all business is complete)	“I move that we adjourn.”	May not interrupt speaker	Must be seconded	Not debatable	Not amendable	Majority vote
Recess the meeting	“I move that we recess until...”	May not interrupt speaker	Must be seconded	Not debatable	Amendable	Majority vote
Complain about noise, room temperature, etc.	“Point of privilege”	May interrupt speaker	No second needed	Not debatable (2)	Not amendable	None (3)
End debate	“I move the previous question”	May not interrupt speaker	Must be seconded	Not debatable	Not amendable	Majority vote
Amend a motion	“I move that this motion be amended by..”	May not interrupt speaker	Must be seconded	Debatable	Amendable	Majority vote
Object to a procedure or to a personal affront	“Point of Order”	May interrupt the speaker	No second needed	Not debatable	Not amendable	None (3)
Request information	“Point of information”	If urgent, may interrupt speaker	No second needed	Not debatable	Not amendable	None

Notes:

1. These motions or points are listed in established order of precedence. When any one of them is pending, you may not introduce another that’s listed below it. But you may introduce another that’s listed above it.
2. In this case, any resulting motion is debatable.
3. Moderator decides.



CALIFORNIA MASSAGE THERAPY COUNCIL

One Capitol Mall, Suite 800 | Sacramento, CA 95814
tel 916.669.5336 fax 916.669.5337 www.camtc.org

Sent and Posted: May 26, 2017

NOTICE OF PUBLIC MEETING

Thursday, June 8, 2017 – 9:30 a.m.

Hyatt Regency Los Angeles International Airport

6225 West Century Blvd.

Los Angeles, CA 90045

Meeting Room: Core 2-3

AGENDA

1. Call to order, roll call, and establish quorum
2. Chair's comments
 - Welcome/Introductions
 - Rules of Debate
3. Approval of minutes from March 9, 2017
4. Closed session with CAMTC legal counsel pursuant to California Government Code section 11126(e) – lawsuits
5. Chief Executive Officer's report
 - Update on strategic priorities
 - Operations
 - Financials
 - Outreach
6. Schools Advisory Committee update and recommendations
7. Director of ESD's report
 - ESD database - approved schools officially launches
 - School statuses
 - CAMS database implementation

8. Director of Governmental Affairs and Special Projects report

- Local government
- Massage Related Legislation of Interest in Other states
- Human trafficking

9. Treasurer's report

- Applications received
- Financial statements
- Conclusions
- Comments/discussion on financial reports

10. Director of PSD's report

- Interaction with law enforcement agencies
- Training
- Media

11. Minor clarification/consistency revisions to Employee Handbook

12. Federation of State Massage Therapy Boards (FSMTB) presentation

13. Public comments regarding issues not in this agenda/suggested agenda items for future meetings

14. Closed Session regarding the appointment, employment, evaluation of performance, or dismissal of an employee pursuant to California Government Code Section 11126(a)

15. Return to open session and announce action taken in closed session, if any, under item 14

16. Items/suggestions from Board members for future meeting agendas

17. Adjourn

All agenda items are subject to discussion and possible action. All interested parties are invited to attend the meeting. Time will be allowed for members of the public to make comments on each agenda item (up to 2 minutes). To make a request for more information, to 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 800 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>



CEO Report

May 31, 2017

Strategic Priorities - Update

Legislation

The Board's first strategic priority for 2017 is to "Ensure that legislation and related rules are in line with CAMTC's goal of protecting the public". Staff has been regularly monitoring legislative initiatives. Senator Janet Nguyen introduced two bills, impacting the Massage Therapy Act. SB 314 and SB 315.

SB 314 (certification, credit hours) - This bill was first introduced on February 13, 2017 as "*An act to amend Section 7403 of the Business and Professions Code, relating to barbering and cosmetology*". On March 17, 2017 a "gut and amend" was performed and the bill was relabeled as "*An act to amend Section 4604 of the Business and Professions Code, relating to-massage therapy*" and required CAMTC to: "...accept any and all hours earned by an applicant for certification as a massage therapist if those hours were earned from a school that was not approved by the council prior to July 1, 2016". The bill also required "*an applicant to apply for certification as a massage therapist within 5 years of completing those educational requirements*" (from Legislative Counsel's Digest).

The proposed language relating to acceptance of education was in direct conflict with Business and Profession Code section 4603 and had the potential consequence of demolishing CAMTC's school approval program. The requirement to impose a 5-year deadline on applicants was detrimental to massage students.

On April 11, 2017 CAMTC issued an "Oppose unless amended" letter (copy attached) and on April 17, 2017, we addressed the Senate Committee on Business, Professions and Economic Development. Senator Jerry Hill, the committee's Chairman, postponed the vote to April 24, 2017 to allow for further improvements to the language.

On April 19, 2017 the bill was amended. The five-year deadline for students was removed. The new amendments stated that: "*... the council shall accept hours earned by an applicant for certification as a massage therapist if those hours were earned from a school that was unapproved by the council after July 1, 2016, if the school had never been unapproved by the council or had never had its approval to operate revoked by the Bureau for Private Postsecondary Education prior to July 1, 2016, or had never been deemed ineligible by the council for purposes of applicants providing proof of education to meet the requirements of subparagraph (A)*".

This language provided to schools, which were unapproved by CAMTC after July 1, 2016, a special privilege: a de facto CAMTC approval in perpetuity without the need to apply or be vetted first. CAMTC had numerous concerns with this language and staff communicated those concerns to the Legislature and other stakeholders. On April 20, 2017 CAMTC produced another "Oppose unless amended" letter (copy attached). There were numerous follow-up discussions and CAMTC proposed amendments, which the author accepted. I testified in front of the Committee on April 24, 2017 and the bill was passed to be sent to the Senate floor.

On April 26, 2017 CAMTC's proposed amendments were incorporated into the bill to read: *(B) All of the 500 hours shall be from approved schools.*

Notwithstanding any other law, pursuant to its policies and procedures for approval of schools, the council shall accept hours earned by an applicant for certification as a massage therapist if those hours were completed before July 1, 2016, and were earned from a school that was unapproved by the council after July 1, 2016, based on the fact that the National Certification Board for Therapeutic Massage and Bodywork took denial or disciplinary action against the school. For purposes of this section, "unapproved" means that the council determined that it will not accept hours from a school toward certification.

On April 28, 2017 CAMTC issued a letter of support (copy attached) and on May 1, 2017 the bill passed (35-0) the senate floor. SB 314 is expected to be heard by Assembly Business and Professions Committee in June 2017.

SB 315 (material for non-English speakers) - This bill was first introduced on February 13, 2017 as "*An act to amend Section 4050 of the Business and Professions Code, relating to pharmacy*". On March 16, 2017 a "gut and amend" was performed and the bill was relabeled as "*An act to amend Section-4602 of the Business and Professions Code, relating to-healing arts.*" and stated that: "*The council shall assess its contact with non-English speakers. Based on this assessment, the council shall offer and make available all written and electronic materials provided to certificate holders and applicants in languages other than English that the council determines will be used by a substantial number of non-English speakers who are in contact with the council. This subdivision shall not apply to examinations. The council shall provide a report to the Legislature on the findings of its assessment of contact with non-English speakers on or before January 1, 2019.*"

CAMTC is a non-English speaker friendly organization. As of February 2017 CAMTC has been making the information on CAMTC's website available in 103 foreign languages. We believe that this new feature has been making it easier for massage professionals and the public to interact with CAMTC.

The original language of SB 315, if enacted, would have put CAMTC out of existence. The cost associated with a mandate to make available "***all***" written and electronic materials provided to certificate holders and applicants in languages other than English is so astronomical that the Board would have had to raise the fees to a level that no massage professional could afford to pay. We are not aware of any governmental entity that makes available "***all***" materials in languages other than English.

On April 11, 2017 CAMTC issued an "Oppose unless amended" letter (attached). CAMTC proposed, and the author accepted, the following amendments (in bold): "*The council shall assess its contact with non-English speakers. Based on this assessment the council shall offer and make available all **publicly available** written and electronic materials provided to certificate holders and applicants in languages other than English that the council determines will be used by a substantial number of non-English speakers who are in contact with the council. This subdivision shall not apply to **examinations, denial and disciplinary legal documents, and email communications.***"

On April 17, 2017, we addressed the Senate Committee on Business, Professions and Economic Development. The bill passed out of Committee (6-3). On April 28, 2017 CAMTC issued a Support letter and on May 1, 2017 (attached) and the bill was voted out of the Senate (36-0). SB 315 is expected to be heard by Assembly Business and Professions Committee in June 2017.

Throughout the past three months, staff was fully engaged in ensuring that legislative changes are consistent with Business and Professions Code 4603 and CAMTC's mission. SB 314 and SB 315 will become law on January 1, 2018 unless vetoed by the Governor.

Changes at the Legislature

On April 17, 2017, Assembly Speaker Anthony Rendon announced that he had removed Assemblyman Rudy Salas, from his position as Chairman of Assembly Business and Professions Committee. Salas is the recipient of CAMTC's 2016 Legislature of the Year Award. The announcement came on the first day the Assembly convened since approving a transportation funding plan to provide more than \$5 billion a year to repair California roads. Salas was the only Democrat in the Assembly to vote against the plan that raised the gasoline tax and vehicle fees and he was replaced by Assembly Member Evan Low (past Mayor of Campbell).

On May 24, 2017, the Senate Committee on Business, Professions and Economic Development's Chief Consultant, Mr. Bill Gage informed me that Ms. Elissa Silva from the Assembly B&P Committee is moving over to his Senate Committee on June 5th. Gage and Silva will both work together on CAMTC issues. Ms. Silva has been assigned to CAMTC matters at the Assembly for more than five years.

Exam Eligibility

The Board's second strategic priority for 2017 is to "Take appropriate action to ensure that CAMTC's approved exams eligibility requirements do not weaken

CAMTC's ability to protect the public". On March 30, 2017, I attended the inaugural Executive Directors' Summit of the Federation of State Massage Therapy Boards (FSMTB) in Kansas City Missouri (all travel expenses were covered by FSMTB). The main focus of the summit was exam fraud prevention and security (Agenda Attached).

FSMTB announced that effective July 1, 2017, candidates seeking access to the MBLEx will be required to substantiate either:

- a. Enrollment in and having received education and training in all subject areas of the MBLEx Content Outline from an approved massage therapy education program; or
- b. Graduation from an approved massage therapy education program. Substantiation documentation must be submitted to FSMTB directly from the education program. An approved massage therapy education program is one that is approved or recognized by the state board or agency authorized to regulate massage therapy in the state in which the school is located.

In the event the massage therapy board/agency does not approve or recognize education programs, approval or recognition from the relevant state department of education or like agency, in the state in which the school is located, shall apply. In the event of a conflict between the state board/agency and department of education, the approval or recognition of the massage therapy board/agency shall prevail.

The new FSMTB rules mean that education from a BPPE approved school will not be accepted for the MBLEx eligibly unless the school is also approved by CAMTC. This clarification received an enthusiastic reception from all the delegates in attendance since many states are grappling with the problem fraudulent massage schools from California. Mr. Kevin Snedden, FSMTB's

Director of Professional Standards will present this new policy to CAMTC Board on June 8, 2017.

Schools

Under the leadership of Dr. Jeff Forman, the School Advisory Committee is fully functioning (Agenda attached). In addition to addressing numerous schools related issues, the committee is evaluating CAMTC's schools related policies and is expected to submit its recommendations to the Board by September 1, 2017.

In the March 2017 meeting the Board instructed staff to bring language back to the Board at the June 2017 Board meeting in regard to the recommendation to extend the reapplication period for school approval from two years to four years. Below is language staff would propose - new additions in RED:

Amendment to School Procedures section 3.D.:

*Schools approved or provisionally approved after July 1, 2016, will have an effective date of approval starting on the date of approval or provisional approval. Approval (including the time period of provisional approval) shall be for a two year time period **for the first approval period**, unless the school is otherwise acted against in accordance with these Procedures. **Thereafter re-approval time periods shall be for four years, unless the school is otherwise acted against in accordance with these Procedures.***

If the Board would also like to change the fee so that it is higher for the 4 year time period , staff proposes DRAFT language for changes to section 2.B:

*Pay the **initial** application fee of \$1,500 and any required background check fees. All fees are non-refundable. If approved, the **initial** application fee provides*

for 2 full years of CAMTC approval, so long as the school maintains the requirements for approval set forth herein and is not in violation of these Procedures. The fee for re-approval is \$_____. If re-approved, the re-approval fee provides for four full years of CAMTC approval, so long as the school maintains the requirements for approval set forth herein and is not in violation of these Procedures.

The language above and actual fee may be incorporated into proposed amendments to CAMTC's schools policies that the Board may vote on at its September 2017 meeting.

Accountability - Disciplinary Performance measures

Attached are CAMTC's 2017 first quarter Disciplinary Performance Metrics. In order to ensure that all stakeholders can review CAMTC's progress in meeting its public protection mission, we will regularly track these measures and make them easily available by prominently posting them on the website. The performance measures targets were established in 2015. For 2017 we slashed these targets across the board by 50%.

Local Government

As I reported on March 9, 2017, we developed a proposal for an educational program specifically designed for city attorneys covering CAMTC's certification, school approval and use of revocable registration. The League of Cities informed us that they will not be able to include this presentation in their September 2017 conference in Sacramento. CAMTC senior staff is planning on attending the conference to meet individually with city officials. Instead of a live educational program, we are planning on developing a specialized webinar for city attorneys.

No April, 3, 2017, as part of our continuing outreach to law enforcement, Rick McElroy, Beverly May and I had a constructive meeting with the outgoing and new presidents of Cal Chiefs (the meeting was hosted by Simi Valley's Chief). We discussed multiple issues of mutual interest and laid the foundation for specific protocols by which we can build real collaboration between our respective organizations including the development of proactive protocols to discipline certificate holders who engage in sexually suggestive advertising.

Operations

Application Processing and Customer Service

Staff has been making significant gains in shortening the approval turnaround time for new applications and rectifications (staff recertified more than 8,900 individuals Jan- May) . We are constantly implementing new protocols to make processing more efficient. On May 1, 2017 we launched a major upgrade to our call center's phone system to better serve callers. The total cost of the upgrade was \$12,275. In addition to providing highly detailed analytics, the new system gives the callers the option not to wait on the line by opting to request call back without losing callers place in the queue.

In order to improve the quality of our customer service, we retained the services of a professional communications consultant to evaluate the performance of our call center representatives. As part of her evaluation, the consultant remotely monitored calls and provided me with preliminary input. We are currently working on a customized training program.

The quality of people's experience when interacting with CAMTC is extremely important to us and we will continue to introduce additional initiatives to improve that experience.

New Database System

The new database system is in the later stage of development.

This project began with a total of 584 requirements that CAMTC Subject Matter Experts (SME's) identified. Of the 584 total requirements identified, only 102 remain. That translates to 82% of the total system being completed. Once the remaining components of the system are provided to CAMTC for User Acceptance Testing (UAT), the SMEs will test, and once no bugs remain, the vendor will put them into production, with final testing.

This system is what is called "commercial-off-the shelf" (COTS). This means that the system is already designed and is adapted within the limitations of the existing system for the client. However, if the COTS system was not built with certain specific functions, such as uploading of documents, then it cannot be added. Since CAMTC handles investigatory and legal functions that many state boards do not, we have some unique needs.

One of the reasons that we chose the vendor we did is that their system is fairly new and offers much more customization than any other system we looked at. That is the good news. However, it has added to the time for development and the frustrations with implementation, as many of the functions have needed to be programmed. Nevertheless, we are progressing with the development of a system that should meet our needs in a way that competing systems would not. It is always expected that a certain number of items will be identified later once the system is in use. The vendor has provided a significant number of these enhancements, large and small.

We expect to be adding 15 -20 additional enhancements which will be completed along with the identified bugs.

CAMTC is requiring that for all remaining requirements and enhancements, the vendor provide firm dates to submit for UAT testing, to which we will add time for resolving bugs, so that there is agreement on the expected date that each goes into production.

The database modernization project continues as follow:

1. The CAMS (Certification and Management) system is capable of allowing Applicants and Certificate Holders to apply for certification or recertification online and AMG is able to process those applications in a timely fashion, including printing certificates and ID cards.
2. CAMTC is conducting training sessions in PSD on how to better use CAMS to assist with internal collaboration and communications on processing and reviewing applications.
3. At the present time, the vendor is working on a list of 'fixes' that will help the system perform faster and easier in the processing of applications—these are all fixes based on initial requirements.
4. CAMTC has also identified a number of 'enhancements' that will assist applicants or certificate holders, local government officials, law enforcement and CAMTC in the use of, or displaying information from, the new system.
5. The vendor is working on both 'fixes' and 'enhancements' based on a prioritized list provided by CAMTC.
6. CAMTC will soon begin training for, as well as actual testing by, the Professional Standards Division (PSD) and legal staff, on User Acceptance Testing (UAT) for complete system use by PSD and legal.

7. Once UAT is complete, the vendor will make required modifications to meet identified requirements and make UAT testing available for PSD and legal staff again for approval.
8. Once UAT is approved, and CAMS is approved for use by PSD and legal, a lengthy parallel testing period will follow, and continue until PSD and legal are satisfied the system can be moved into production.
9. In order to expedite the completion of the remaining 18% of the system's requirements we are currently in discussions with the vendor on restructuring several terms in our contract.

Staff Changes

Sheryl LaFlamme, operations manager, will be leaving on June 30, 2017. After that, she may be engaged by CAMTC on a part time basis as a consultant.

Robert Diaz, MBA, accounting manager will assume the operations manager position by the end of June 2017. Interviews of candidates for a new accounting manager position are ongoing.

On May 23, 2017 we retained the services of Jennifer K. Schwartzel, CPA who will provide accounting and financial services to CAMTC on a contract basis.

During May 2017, we widely advertised the new position of Outreach Director. We received a total of 51 résumés. We invited three candidates for in-person interviews on June 1, 2017 and we are planning on hiring an Outreach Director by the end of June 2017.

Finance

The total number of active certificate holders increased from 46,801 on January 1, 2017 to 51,398 on May 31, 2017.

As of April 30, 2017 cash position was \$3,521,057, exceeding the projected \$2,975,469. A CAMTC bank account summary is attached. The Treasurers' Report in this packet provides additional data and analysis for January 2017.

The fieldwork for the 2016 audit is scheduled for June 6 and 7, 2017. The audit committee chairman, Mike Callagy, populated the second seat on the committee with Ms. Elna Leonardo. Ms. Leonardo was Chair of CAMTC's audit committee, CPA, auditor and manager at PricewaterhouseCooper.

Outreach

On March 18, 2017 CAMTC participated in the A2Z Health Expo. More than 350 attendees included massage professionals, massage instructors, school owners, and massage business owners and spa directors. Joe Bob Smith gave a presentation about CAMTC's schools approval process, Mark Dixon presented on ways to make the most out of CAMTC certification and Beverly May moderated a panel discussion. CAMTC was staffed and equipped to help attendees deal with any certification processing issues they may have had. It was a dynamic day and the organizers asked us to participate in their future events.

On March 24, 2017, CAMTC sponsored Journey Out's Inaugural Visionary for Freedom Awards Ceremony and Summit. Beverly May, Rick McElroy and I

attended. We were given the opportunity to present to the attendees on how CAMTC helps fight human trafficking.

CAMTC's application processing staff had a booth at the American Massage Therapy Association - California Chapter's Annual Massage & Bodywork Educational Conference. The conference was held in San Jose, March 24-27, 2017 and CAMTC's leadership was in attendance.

On April 11, 2017 I presented to a meeting of Massage Envy franchisees. I discussed application processing issues, schools matters and certificate holder vetting and disciplinary protocols. Clearly, this group is grappling with a significant shortage of qualified massage professionals.

On May 18, 2017 Mark Dixon and I represented CAMTC at the Coalition to Abolish Slavery and Trafficking' 19th Annual "From Slavery to Freedom Gala". This moving event which was held at the Skirball Cultural Center in Los Angeles brought together survivors, celebrities, civic leaders and socially-conscious entrepreneurs for the cause of ending modern slavery.

Media – We tracked the following news stories over the past 3 months:

CAMTC generated earned media coverage for several law enforcement trainings that produced positive cooperation between CAMTC and host cities. There were 21 stories written on massage related issues, although prostitution and city ordinances dominated the news coverage. Here is a breakdown for several categories:

There were eight stories related to prostitution, five stories associated with crime related to massage businesses, two stories on ordinances and regulations, and one story on a school closing. Three stories were CAMTC driven with one paper publishing our press release verbatim.



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April 11, 2017

The Honorable Janet Nguyen
State Capitol, Room 3048
Sacramento, CA 95814

SB 314 (Nguyen) - Oppose unless amended

Dear Senator Nguyen:

The California Massage Therapy Council opposes Senate Bill 314 as it currently exists. However, we understand that new amendments have been proposed and may be incorporated into the bill. We are hopeful that after viewing those amendments we can be supportive. If not, we look forward to working with you collaboratively to find common ground so that educated and qualified massage therapists can provide much needed services to consumers in California.

Please feel free to call me at anytime (310-821-7776). I'm willing to meet with you at your convenience.

Sincerely,

A handwritten signature in black ink that reads "Ahmos Netanel". The signature is written in a cursive, flowing style.

Ahmos Netanel, CEO

cc: Senator Jerry Hill, Chairman, Senate Business and Professions Committee
Sarah Mason, Consultant, Senate Business and Professions Committee



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tel 916.669.5336 fax 916.669.5337 www.camtc.org

VIA FIRST CLASS MAIL AND EMAIL

April 20, 2017

The Honorable Jerry Hill
State Capitol, Room 5035
Sacramento, CA 95814

SB 314 (Nguyen) – Oppose Unless Amended

Dear Senator Hill:

The California Massage Therapy Council (“CAMTC”) has had several constructive discussions with staff regarding amendments to the bill. CAMTC would like to clarify why it is recommending that the special exemption provided in the bill end on April 1, 2018. CAMTC supports the author’s intent to protect students. However, CAMTC is concerned that an indefinite grace period for schools unapproved after July 1, 2016 is detrimental to students that have transcripts from these schools, because these schools do not meet minimum standards for training and curriculum. Students who attended these schools have not received adequate education. The longer this exemption remains in place, the more opportunity there is for the students, the public, and local communities to be harmed.

Senator Nguyen’s bill as currently drafted would require that CAMTC indefinitely accept education from schools that it has un-approved on or after July 1 of 2016. CAMTC un-approved all of these schools for a reason. Each one failed to meet minimum standards for training and curriculum as required by Business and Professions Code section 4601(a). Schools are un-approved for various reasons including, but not limited to, selling transcripts to individuals who never attended one minute of massage education.

When CAMTC un-approved a school, its standard policy before July 1, 2016, was to provide a 90-day grace period during which students who have transcripts from the school could submit applications for certification. Due to the transition from the old system of un-approving schools to the new system of actively approving schools,

students whose schools were un-approved after July 1, 2016 were not initially provided with this 90-day grace period. However, CAMTC rectified this situation at its March 9, 2016 Board meeting. At that meeting the Board voted to institute a 90-day grace period (from the date of the board meeting) for students who have transcripts from schools that were un-approved on or after July 1, 2016. By instituting this new policy, CAMTC gave this group of students an approximately nine to ten month grace period, instead of the normal 90-days.

Senator Nguyen's bill seeks to extend this grace period indefinitely, resulting in a kind of "most favored nation" status, which would require CAMTC to accept education from these schools, which have been un-approved for a reason, and fail to meet the requirements in the law. The bill as drafted operates as a de facto "approval" for a certain set of schools, without ever requiring these schools that don't meet minimum standards for training and curriculum to go through the approval process like every other school that CAMTC accepts education from. The bill treats these schools that don't meet the requirements in the law better than schools that have paid an application fee, gone through the approval process, and who do actually meet minimum standards for training and curriculum.

By policy CAMTC has already provided a very extensive grace period to these students (approximately 9-10 months) who were caught in the transition from the old system to the new system. This is well beyond the grace period that CAMTC has provided to other students that have attended un-approved schools. In an effort to be fair to all, CAMTC recommends that the additional grace period that the bill provides be only for approximately 90 days from the date SB 314 would become law. By extending the grace period indefinitely, as the bill currently states, it only encourages unscrupulous schools to defraud students indefinitely by failing to provide them with adequate education.

CAMTC is concerned that an indefinite grace period for those unapproved schools harms students that have transcripts from these schools because these schools do not meet minimum standards for training and curriculum. Failing to place an end date on this exemption encourages schools that provide transcripts to students without meeting minimum standards for training and curriculum to continue to take money from students. However, CAMTC also understands the author's intent to protect the students that attended these unapproved schools. CAMTC therefore is happy to discuss alternative timeframes for the acceptance of education from schools that it has unapproved after July 1, 2016. CAMTC would like the committee to bear in mind that the longer the timeframe for the acceptance of this inadequate education, the more students that will be harmed. A longer timeframe also results in more harm to consumers and local communities. CAMTC looks forward to working with the author and committee on amendments to this bill.

April 20, 2017

Page 3

Please feel free to call me at anytime (310-821-7776). I'm happy to meet with you at your convenience.

Sincerely,

A handwritten signature in black ink that reads "Ahmos Netanel". The signature is written in a cursive, flowing style.

Ahmos Netanel, CEO
California Massage Therapy Council

cc: Members, Senate Business and Professions Committee
Senator Janet Nguyen
Bill Gage, Chief Consultant, Senate Business and Professions Committee
Sarah Mason, Consultant, Senate Business and Professions Committee



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VIA FIRST CLASS MAIL AND EMAIL

April 28, 2017

The Honorable Janet Nguyen
State Capitol, Room 3048
Sacramento, CA 95814

SB 314 (Nguyen) – Support

Dear Senator Nguyen:

The California Massage Therapy Council (“CAMTC”) appreciates staff’s hard work on this important issue and your willingness to accept suggested amendments to the bill. Based on the current version of the bill CAMTC removes its opposition and changes its position to support. CAMTC shares your intent to protect students and believes that the narrowing of the language of the bill accomplishes that task without being unduly burdensome.

Sincerely,

A handwritten signature in black ink that reads "Ahmos Netanel".

Ahmos Netanel, CEO
California Massage Therapy Council

cc: Members, Senate Business and Professions Committee
Bill Gage, Chief Consultant, Senate Business and Professions Committee
Sarah Mason, Consultant, Senate Business and Professions Committee



One Capitol Mall, Suite 800 | Sacramento, CA 95814
tel 916.669.5336 fax 916.669.5337 www.camtc.org

April 11, 2017

The Honorable Janet Nguyen
State Capitol, Room 3048
Sacramento, CA 95814

SB 315 (Nguyen) - Oppose unless amended

Dear Senator Nguyen:

The California Massage Therapy Council opposes Senate Bill 315 unless it is amended.

The Council appreciates the meeting it had with your staff where concerns were discussed. We hope amendments can be proposed that meet your intentions while not placing undue burdens on the organization and those it serves. We look forward to working with you collaboratively to find common ground so that educated and qualified massage therapists can provide much needed services to consumers in California.

Please feel free to call me at anytime (310-821-7776). I'm willing to meet with you at your convenience.

Sincerely,

Ahmos Netanel, CEO

cc: Senator Jerry Hill, Chairman, Senate Business and Professions Committee
Sarah Mason, Consultant, Senate Business and Professions Committee



**CALIFORNIA
MASSAGE THERAPY
COUNCIL**

One Capitol Mall, Suite 800 | Sacramento, CA 95814
tel 916.669.5336 fax 916.669.5337 www.camtc.org

VIA FIRST CLASS MAIL AND EMAIL

April 28, 2017

The Honorable Janet Nguyen
State Capitol, Room 3048
Sacramento, CA 95814

SB 315 (Nguyen) – Support

Dear Senator Nguyen:

The California Massage Therapy Council (“CAMTC”) appreciates staff’s hard work on this important issue and your willingness to accept suggested amendments to the bill. Based on the current version of the bill CAMTC removes its opposition and changes its position to support. CAMTC appreciates your intent to make publicly available documents accessible to non-English speakers and believes that the narrowing of the language of the bill accomplishes that task without being unduly burdensome.

Sincerely,

Ahmos Netanel, CEO
California Massage Therapy Council

cc: Members, Senate Business and Professions Committee
Bill Gage, Chief Consultant, Senate Business and Professions Committee
Sarah Mason, Consultant, Senate Business and Professions Committee



2017 Executive Directors' Summit Agenda

Thursday, March 30, 2017

- 9:30 AM Registration Opens
- 10:00 AM – 10:30 AM Welcome & Introduction – Debra Persinger
- 10:30 AM – 12:00 PM Overview of the Massage Therapy Licensing Database (MTLD) and CE Registry – Laura Simmons, Brenna Hawley-Craig, and Lorena Haynes
- 12:00 PM – 1:00 PM Lunch
- 1:00 PM – 1:45 PM Massage Education Policy & Approved Schools Discussion– Kevin Snedden
- 1:45 PM – 2:15 PM Responding to Deregulation Efforts – Sonja Way
- 2:15 PM – 3:30 PM Executive Director Campfire Session – Sonja Way
- Background Checks, requirements
 - Online Applications, successes & challenges
 - Acupressure, scope questions
- 3:30 PM – 4:00 PM Break
- 4:00 PM – 5:00 PM Human Trafficking Task Force -- Tom Ryan, Chair of Human Trafficking Task Force
- 5:00 PM Adjourn
- 5:30 PM – 7:30 PM Group Networking Dinner

Friday, March 31, 2017

- 7:30 AM – 8:30 AM Breakfast
- 8:30 AM – 9:00 AM FSMTB Policies that Impact Licensees
- Licensing Examination Policies – Mary O'Reilly
- 9:00 AM – 9:30 AM FSMTB Procedures that Assist Executive Directors – Lorena Haynes and Mary O'Reilly
- REACH Course Development
 - Jurisdictional Reports
 - MBLEx Candidate File Audit
 - School Investigation Support
- 9:30 AM – 9:45 AM Break
- 9:45 AM – 10:45 AM Detecting Fraud in the Licensure Process– Linda Lyter, Board Liaison to FAIR Task Force, Kimberly Hodge and Latasha Austin, FAIR Task Force members
- 10:45 AM – 11:00 AM Closing Comments & Feedback
- 11:00 AM Adjourn

PERFORMANCE METRICS – 1st Quarter, 2017

PM1 – VOLUME

TOTAL NUMBER OF COMPLAINTS RECEIVED – ALL (actionable and non-actionable)

FIRST QUARTER 2017: 46 complaints received on average per month.

PM1.1 – VOLUME – CERTIFICATE HOLDERS

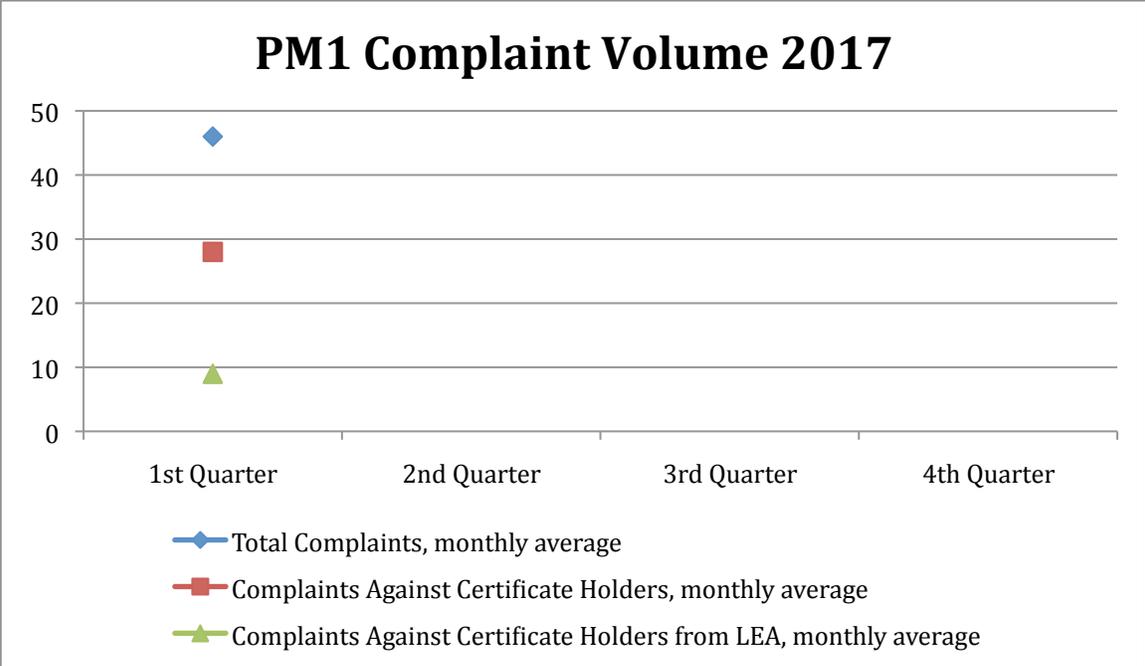
TOTAL NUMBER OF COMPLAINTS RECEIVED AGAINST CERTIFICATE HOLDERS

FIRST QUARTER 2017: 28 complaints against certificate holders received on average per month.

PM 1.2 – VOLUME – CERTIFICATE HOLDERS – COMPLAINTS FROM LAW ENFORCEMENT

Total number of complaints received against certificate holders from law enforcement agencies or government agencies with the responsibility to regulate massage. Does not include complaints against those who are not certified.

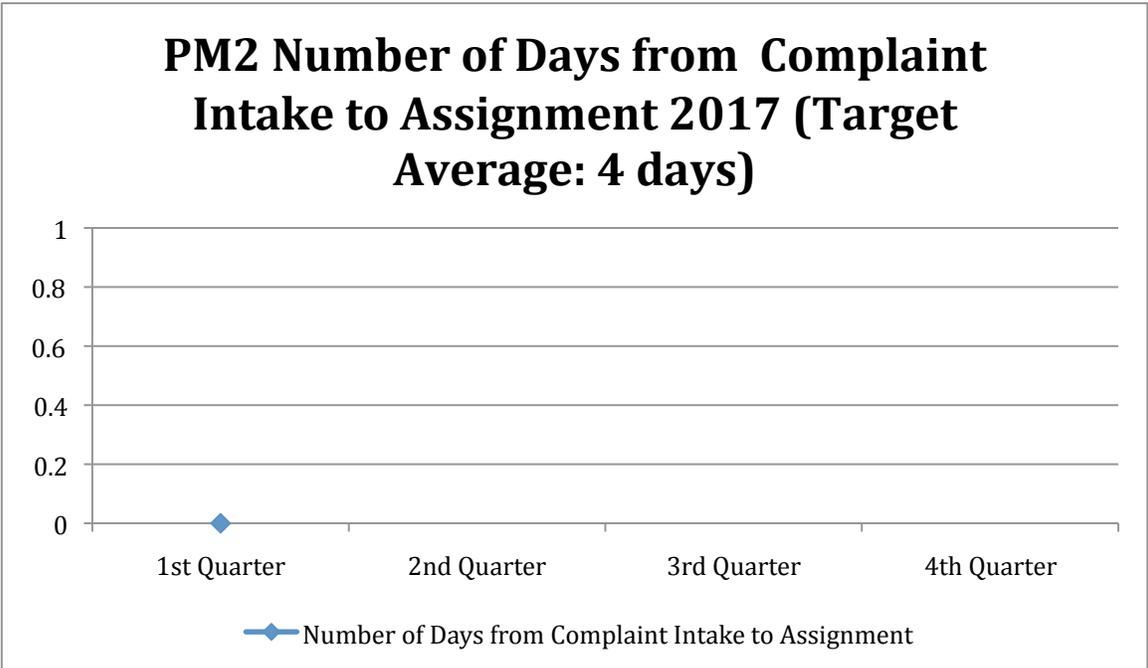
FIRST QUARTER 2017: 9 complaints from LEA received against certificate holders on average per month.



PM2 – INTAKE – ALL COMPLAINTS

Number of days from when a complaint is received to when it is sent to an investigator. All complaints received are immediately forwarded to an investigator.

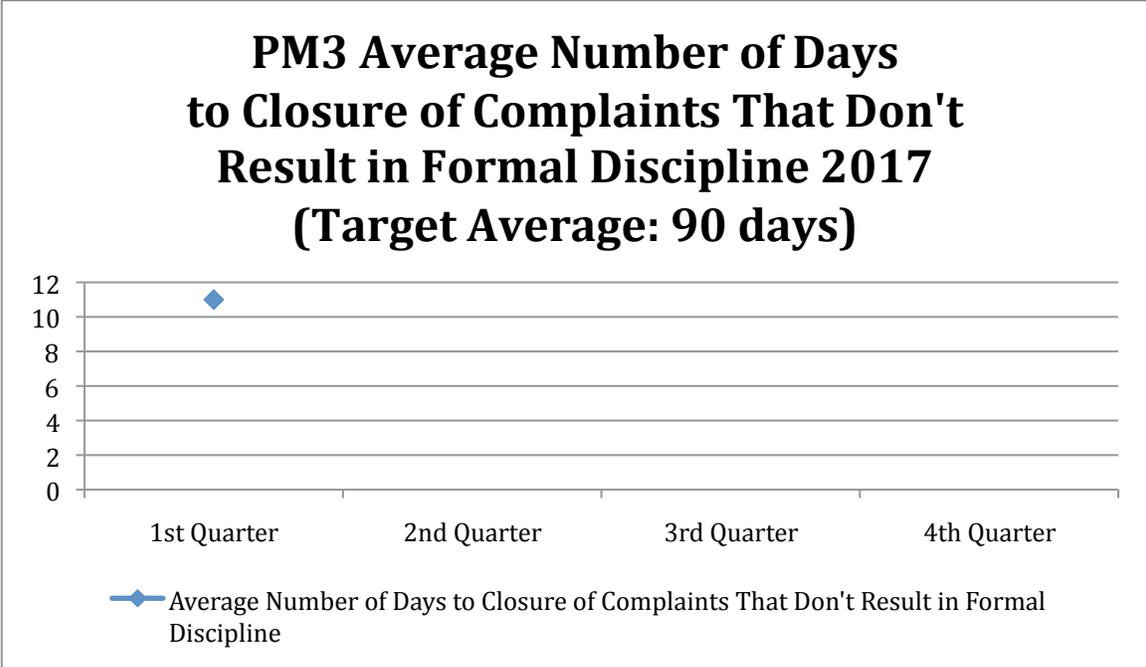
FIRST QUARTER 2017: 0 days to assignment



PM3 – INTAKE AND INVESTIGATION

Average time in days from date complaint was received to date complaint was resolved/closure of the investigation process. This number includes ALL complaints, not just those against Certificate Holders, which are resolved prior to being referred to Legal for formal discipline. It does NOT include cases against certificate holders sent to Legal for formal discipline (proposed revocation, suspension, or imposition of probationary conditions).

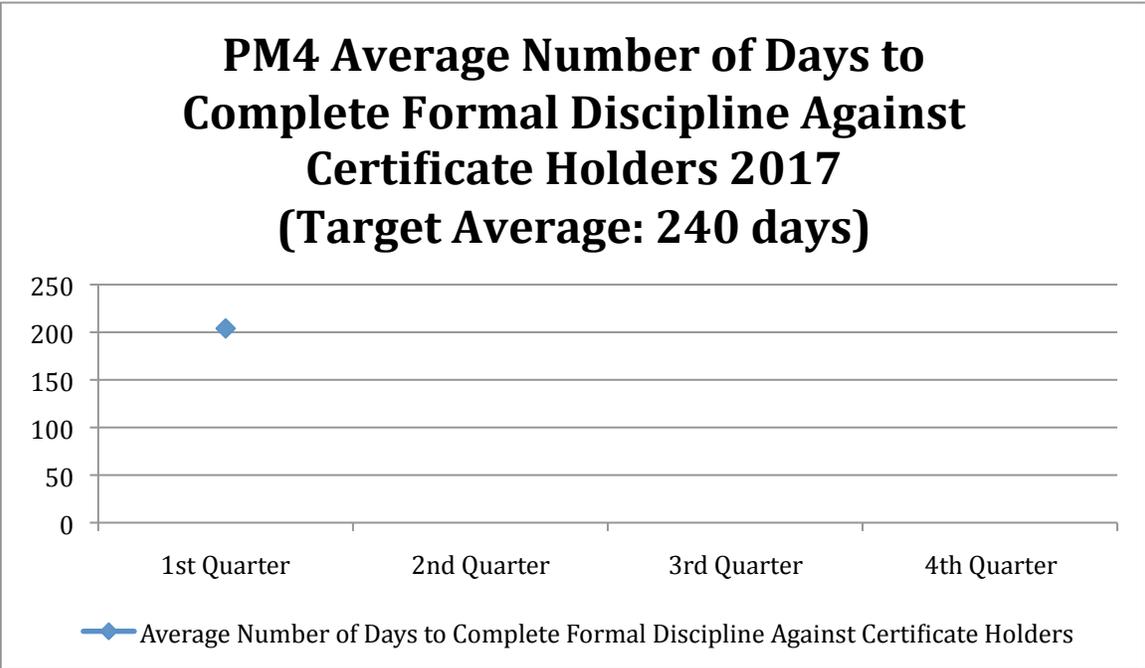
FIRST QUARTER 2017: 11 days is the average number of days to closure.



PM4 – FORMAL DISCIPLINE AGAINST CERTIFICATE HOLDERS

Average number of days to complete the entire disciplinary process against certificate holders for cases resulting in formal discipline by CAMTC. Formal discipline includes permanent revocation, revocation, suspension, and imposition of probationary conditions. Average number of days is calculated from date of intake to final date of disciplinary action.

FIRST QUARTER 2017: 204 days is the average number of days from intake to final date of formal discipline.





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- . LIPO MELT
- . HMI COLLEGE OF HYPNOTHERAPY
- . INBODY
- . HEALTHYCELL
- . RODAN + FIELDS
- . doTERRA ESSENTIAL OILS
- . CANCER CONTROL SOCIETY
- . MASTER PRODUCTS
- . CAMSA- California Massage Schools Assoc.
- . BEN DRILLINGS, D.C.
- . Ben GRIFFES, D.C.
- . DENNIS BUCKLEY
- . ROBERT RICHARDS - A2Z Health Marketing

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Collaboration with CAMTC

- › CAMTC and BPPE work together to help ensure quality massage therapy programs
- › CAMTC requires BPPE approval of the institution before its approval
- › Compliance Inspections focus on equipment, facilities, faculty qualifications, student satisfaction, records maintenance, financial stability, and other areas



CAMTC
California Massage Therapy Council

1.888.888.8888
info@camtc.org



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Massage Professionals



Schools



Massage Businesses



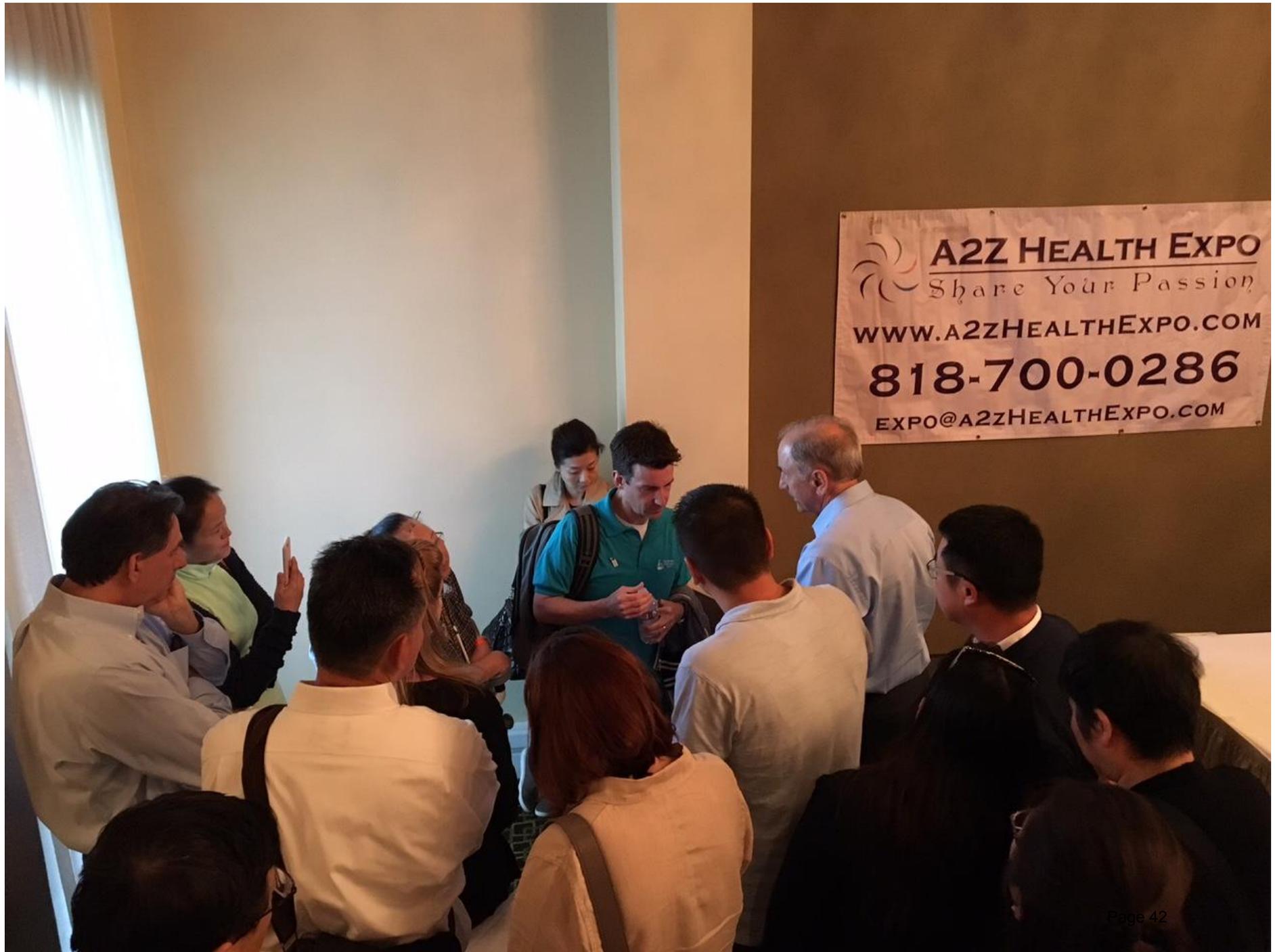
Governmental Affairs



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W**





CAMTC Bank Account
Summary
4/30/2017

DOCUMENT 5.9.1

	Bank	Type	Term	Maturity Date	Rate	Interest Deposits to:	Value	% of Portfolio	Valuation Date
1	Umpqua Bank	Checking	NA	NA	0.000%	NA	\$ 744,978	21.2%	4/30/2017
2	Preferred Bank	MM	NA	NA	0.400%	Self	252,025	7.2%	4/30/2017
3	California Bank & Trust	MM	NA	NA	0.070%	Self	250,218	7.1%	4/30/2017
4	Synchrony	CD	12 Mos	11/10/2017	1.242%	Self	257,228	7.3%	4/30/2017
5	CalFirst	CD	12 Mos	10/2/2017	1.230%	Umpqua-Chk	250,000	7.1%	4/30/2017
6	State Farm Bank	CD	36 Mos	11/26/2017	1.490%	Self	259,165	7.4%	4/30/2017
7	Centennial Bank	CD	36 Mos	11/26/2017	1.250%	Umpqua-Chk	250,000	7.1%	4/30/2017
8	EH National Bank	CD	24 Mos	12/5/2018	1.120%	323-602-2000	255,320	7.3%	12/5/2016
9	First Internet Bank of Indiana	CD	24 Mos	12/8/2018	1.350%	Umpqua-Chk	250,060	7.1%	4/30/2017
10	Presidential Bank	CD	12 Mos	9/9/2017	0.950%	800-383-6266	250,000	7.1%	9/9/2016
11	Tab Bank	CD	12 Mos	11/12/2017	0.950%	Umpqua-ACH	250,000	7.1%	4/30/2017
12	Golden State Bank	CD	36 Mos	6/21/2019	1.000%	Self	252,063	7.2%	4/14/2017

\$ 3,521,057





CALIFORNIA MASSAGE THERAPY COUNCIL

One Capitol Mall, Suite 800 | Sacramento, CA 95814
tel 916.669.5336 fax 916.669.5337 www.camtc.org

To: CAMTC Board of Directors
From: Joe Bob Smith, Director of Educational Standards Division
For: Board Meeting – June 8, 2017

School Approval Statuses

There are now 85 schools with CAMTC approved programs. Two applications have been received since the last Board meeting bringing the total number of applications to 163. ESD currently has 11 applications that it is actively processing. The remaining applications are incomplete, waiting for corrective actions, proposed denials, closed, previously un-approved, or on hold until further notice from the school.

ESD Database

ESD has begun testing the inputting of school information into the CAMS database. Unlike the certificate applicant database, there is no migration process. All school information must be input manually as it has been stored previously in a separate system. As schools are input and the user interface completed, schools will be contacted to verify their information. We anticipate this process to take several months.

CAMS Implementation/School Approval Renewal

ESD looks to have the information in the database complete in time for schools to renew their CAMTC school program approval online starting towards the end of 2017. The first school renewals are scheduled for July 1, 2018, with applications due six months in advance.

Outreach

As CAMTC's school approval is becoming more well-known and recognized, more and more cities and counties within California, as well as other states and organizations like FSMTB are reaching out for both guidance and support. One notable trend is an uptick of fraudulent transcripts across state lines. ESD continues to monitor these issues to prevent fraudulent transcripts from California being used in other states or fraudulent transcripts from other states making their way to CAMTC.

The ESD Director presented at the California Massage School Association (CAMSA) meeting on March 18 along with Mark Dixon, Ahmos Netanel, and Beverly May. Several hundred people were in attendance with ESD interfacing one-on-one with approximately 25 schools. ESD continues to work with the School Advisory Committee, individual schools, and others to educate about CAMTC school approval and CAMTC certification in general.



One Capitol Mall, Suite 320 | Sacramento, CA 95814
 tel 916.669.5336 fax 916.444.7462 www.camtc.org

Memo: To CAMTC Board of Directors

From: Beverly May, Director of Governmental Affairs and Special Projects

RE: Report for Board Meeting June 8, 2017

Local government:

There are approximately 190 cities and counties that require certification at this point. At least 13 others that I am aware of are in some stage of preparing a new ordinance, and the intent of each at this point is to require certification. However, that does not mean that all will eventually see a new ordinance, and that those that do will require certification. Some cities, like Oakland and Lodi, have been planning a new ordinance for several years. It will take some political push to move the process, and without community pressure, other issues often take priority. Others, like Pittsburg, have a new ordinance “about to go to council”, as I was told by the police several months ago. If and when it will be up to the city. Still others, like Solvang, almost immediately reversed the new requirement for certification since much of the county is unregulated or lightly regulated (requires less than 500 hours of education) and many of the local schools did not teach a 500 hour entry level program until recently. Rather than provide for grandfathering of the existing massage therapists they just reversed the requirement.

CAMTC fully supports local jurisdictions accommodating the needs of their local communities. In some cases it makes sense to not require certification, or to allow existing massage therapists to work without being certified. Local officials often contact me with questions as to how other cities have found ways to recognize their local community of massage professionals, without leaving loopholes for abuse.

As to how cities are implementing the law, I keep thinking of the Charles Dickens book “A Tale of Two Cities” – “It was the best of times, and the worst of times...”

Implementation falls on the interpretation of the language in the Intent of AB 1147 (the 2014 Sunset bill) that was moved this year to within the body of the law, making it directive. California Business and Professions Code Section 4603.1 now states: “Local governments shall impose and enforce only **reasonable and necessary fees and**

regulations on massage businesses and massage establishments, in keeping with the requirements of existing law and **being mindful of the need to protect legitimate business owners and massage professionals**, particularly sole providers.”

Some jurisdictions are implementing this in a way that seems fair and reasonable while allowing them tools to prevent and address criminal behavior. Others don't seem to have found a way that is not a burden, at time insurmountable, on the legitimate profession. I encourage affected massage therapists and business owners who contact me with problems to work with their council members, Chambers of Commerce, and legislators as well as to contact the Business and Professions Committee. CAMTC will be making a full report to the committees on local government compliance later this year.

The U.S. Department of Defense has contracted for a study of regulatory state boards and other entities to see how military spouses can transfer their credentials. I was pleased to share the new policy adopted by the CAMTC Board in March that applies to military personnel and spouses.

Massage Related Legislation of Interest in other states

There are well over 50 bills still active in other states that may affect the massage profession in some way. Most notable are:

Arkansas is proposing to increase hours to 625, regulate establishments, and add certain exemptions, include cupping.

Connecticut will add certain exemptions, including reflexology, Reiki and other systems considered to primarily affect energy systems of the body

Delaware is proposing to add regulation of massage establishments to the Massage Therapy Act.

Hawaii is proposing to prohibit advertisements for massage, relaxation, spa, escort, or body rubs from including images depicting any person being advertised as a massage therapist, relaxation therapist, or escort in a nude condition.

Idaho will provide the state Massage Board authority to review and approve educational curricula.

Illinois would prohibit a requirement that applicants for state regulated professions disclose sealed and expunged records.

Indiana continues their over twenty year quest to change a voluntary certification act (title), which has minimal protection for certificate holders from redundant local regulation, to a mandatory practice act (license).

Louisiana would add full exemption from the massage law to several levels of nurses.

North Carolina would require proof of English proficiency before issuing a license.

Nebraska would exempt reflexology from the massage act, and exempt equine massage from the veterinary act.

Nevada will add authority to the state Massage Therapy Board to regulate establishments and will create a board for reflexology and structural integration. This bill just passed the legislature and is headed to the Governors desk.

New York will require landlords to verify that massage therapist tenants are licensed, allow cancellation of a lease for prostitution or unlicensed practice, enhances enforcement and authorizes the DA to intervene on the landlords behalf. As many California cities and counties now do, it will require that the lobby be visible to the street and requires the licensee to be on the premises at all times. In my opinion, NY has some of the strongest enforcement provisions in the country, as well as the highest educational standards.

Oklahoma will add certain exemptions for professionals with degrees in a health related field who have at least 50 hours of CEU in massage.

Oregon is proposing some changes to coverage of massage in health plans.

South Carolina and Texas are proposing to require background checks for licensed professionals. In addition, Texas would prohibit those convicted of domestic violence from obtaining a massage license, and allow for emergency suspension of licenses for certain arrests for sexual crimes.

Vermont, one of the few unregulated states, is considering a bill to establish state regulation of massage.

Washington's Governor has signed a bill adding an exemption for somatic educators.

West Virginia is considering a bill to terminate the Massage Therapy Board and cease regulation by the state as of July 2018.

Human Trafficking

I have missed a few meetings in San Francisco and Alameda County in the past couple of months, but there continues to be a shift towards the labor aspect. Alameda is also working to address demand. I commend both counties in their attempts to educate professionals, consumers and business owners.

I am participating in the Human Trafficking Taskforce of the American Massage Therapy Association, and continue to interact with the Polaris Project.

On a slightly different note, H.R. 1023 is a bill that has slowly been working its way through Congress. It is a sexual assault bill specifically focusing on massage environments. The Duty to Report Sexual Assault Act, introduced in 2016 by U.S. Representative Pat Meehan, is now being considered in the House Committee on Homeland Security.

Under the bipartisan legislation, owners and employees of massage establishments and therapeutic practices would be responsible for reporting allegations of sexual assault of clients to police, or face possible fines and prison time.

The bill is the result of a woman who was sexually assaulted during a massage. She reported the incident to police soon after, only to find that the massage therapist had been serially abusing women clients at the business, and had been only superficially disciplined by the management. No report was ever filed of the complaints against him until she stepped forward. He has since been sentenced to prison.

Employers do not always report complaints of sexual assault, and if the victim doesn't make a police report that results in an arrest, CAMTC, Massage Boards in other states and local officials may not learn of the event. The bill will also require massage establishment owners to display their policies and procedures relating to sexual assault prevention and response, including the policy or procedure relating to reporting sexual assaults to the appropriate law enforcement agency.

Treasurer's Report through January 31, 2017 Board Meeting: (June 8, 2017)

Applications Received and Re-Certifications Billed

New Applications and Re-Certifications

Two hundred and ninety one (291) New Paid Applications were received during January 2017 compared with 430 during January, 2016. This is an average of 67 per week in January 2017 the lowest level to date.

The recertification process began in July, 2011. While it is too early in the year to observe clear patterns, the number of Re-Certifications Billed per week in January 2017 was similar to the average for the year for 2016.

If we assume that:

- Recertifications Billed in 2017 will be similar to 2016
- New Applications Received will fall below the levels of previous years as suggested by the January performance

It suggests that Active Certificate Holders will decline or stay at close to current levels even though the number of actual massage therapists is thought to be increasing.

Re-Certifications in 2016 accounted for 83% of the total about the same as the 84% in 2015 and compared to only 65% for 2014.

In January 2017, it was 88%, not because Re-Certifications increased, but because New Applications Received declined. While the Re-Certification figure appears stable, it should be recognized that the long run health of CAMTV depends on obtaining New Applications to offset the normal churn in the industry.

Year	New Applications Received Per Week	Re-Certifications Billed Per Week	Total
2017 *	67	507	574
2016*	86	537	623
2016	103	512	615
2015	80	409	489
2014	244	451	696
2013	219	248	467
2012	207	296	503
2011	264	54	318
2010	259	0	259
*Through Jan. 31			

Figures for January, 2017 relative to **budget** are also available:

- Revenue from Applications Received was below the budgeted level by 11.9% while Certificates Issued exceeded the budgeted amount by 230.8%. That apparent inconsistency is explained by the fact that it takes about 75 days from the time an application is received until the certificate is issued. Thus, revenue which is being recognized in Certificates Issued is for applications received in November of last year.
- Renewals exceeded budget levels. Renewals Applied surpassed the budgeted amount by 14.7% and Renewals Approved were higher than the budget amount by 6.6.

Through 2015 there had been a fairly consistent pattern of Renewals Billed that were paid. About three-quarters of those who were billed renewed their certification. It was hypothesized that this figure may be a reasonable approximation of the churn in the industry; roughly 25% of therapists who have been certified are no longer active or no longer practice in California every 24 months.

However, in 2016, there was a change. The percent of Paid Re-Certifications increased to 82% of Billed Re-Certifications. This higher level was thought to be the result of a change in Board policy which extended the 250 hour grandfather clause.

In January, 2017, however, the level fell to 61%. Whether this lower level was because of the surge in Re-Certifications in 2016 or for other reasons will be better understood when more data for 2017 are available.

	Renewals Billed	Renewals Paid	% Billed That Are Paid
2017*	2199	1338	61%
2016*	2327	1737	75%
2016	26632	21844	82%
2015	21309	16136	76%
2014	23484	18618	79%
2013	12913	9871	76%
2012	15368	11687	76%

*Through January 31

The “Bottom Line”: The Number of Certificate Holders

Perhaps, the most important measure is the total number of certificate holders and whether growth in that number is keeping pace with industry development.

The number of Active Certificate Holders has remained fairly constant. As of January 31, 2017 there were 46,985, similar to December 31, 2016; down from the 51,499 at the end of 2015; and almost identical to the 49,997 at the end of 2014. As suggested above, if – as generally thought – the number of actual working therapists is increasing, CAMTC’s share of those therapists is declining.

The following table shows the number of certificate holders at various points in time beginning in 2012:

DATE	NUMBER OF CERTIFICATE HOLDERS
January 31, 2017	46,985
December 31, 2016	46,801
December 31, 2015	51,499
September 30, 2015	51,732
December 31, 2014	49,997
March 28, 2014	45,228
April 27, 2013	38,825
December 31, 2012	35,214
June 9, 2012	31,595

Financial Statements

Statement of Functional Activities (Income Statement)

Overview

The revenue allocation procedure recognizes 37% of the \$150 initial application when the application is received, 39% when the certificate is issued and the balance, 24%, over 24 months. Renewals recognize 46% when received, 42% when approved and the balance over 24 months.

For January, 2017, the budget anticipated that Expenses would exceed Revenues by \$144,863. However, Revenues for the month surpassed the budgeted amount by 26%, while expenses were 8% below budget. The result was a smaller loss, \$25,010. That performance exceeded budget can be viewed as a positive; however, a “real world” loss, regardless of budgeted expectations, warrants concern.

Compared to the comparable period last year, Revenue was down and Expenses was up. The result is that there was a loss in January of this year compared to a strong gain last January.

- For the month of January, 2017, revenues were 7.5% below the comparable period last year.

- Expenses were up by 23.2%, with a large increase in General Administration and substantial increase in Educational Standards/Schools.
- The excess of Expenses over Revenues in January, 2017, at \$25,009, was in marked contrast to the gain of \$86,721 for January, 2016.

SUMMARY OF FUNCTIONAL ACTIVITIES

Month Ended January 31

	2017	2016	% Change from 2016
Total Revenue	\$397,686	\$429,924	-7.5%
Total Expenses	\$422,695	\$343,203	23.2%
Net Revenue	(\$25,009)	\$86,721	-128.8%

The following sections discuss the figures relative to budget, since the budget figures are the standards set by CAMTC. However, it might be kept in mind that those figures are judgments and the *actual* dollars and their trends over time also meaningfully reflect performance.

Revenue Overview Relative to Budget

Revenues exceeded Budget by 26%. Most of the revenue sources exceeded the budgeted amount; two exceptions were Applications Received and School Fees. Renewals Applied and Approved accounted for just over half (51%) of revenues. Recertification Late Fees, a revenue source that is unlikely to continue at such a high level, accounted for 10% of revenues. Certificates Issued, which contributed 13% to revenues, was well above budget level and is unlikely to continue at that level.

While Renewals, Applied and Approved, accounted for 51%, of revenues. Applications Received and Certificates Issued, together, accounted for just 17%. These figures continue to indicate that Renewals will be of growing importance; however, the apparent weak performance (previously discussed) in obtaining New Applications should be addressed.

Revenue Month Ending January 31, 2017

Source	Revenue	% of Total Revenue	Actual as a % of Budget
Renewals - Applied	\$112,578	28%	115%
Renewals - Approved	\$90,783	23%	107%
Prior Year Deferrals	\$66,155	17%	100%
Certificates Issued	\$51,145	13%	331%
Recertification Late Fees	\$41,705	10%	324%
Applications Received	\$16,156	4%	88%
Misc. Fees	\$11,350	3%	193%
Hearing fees - Individuls	\$2,925	1%	234%
All School Fees	\$2,366	1%	49%
Interest	\$1,862	0%	158%
Denied Applications	\$567	0%	34%
Purge/Revoke/Suspend. Apps	\$95	0%	2%
Other	\$0	0%	0%
TOTAL	\$397,686	100%	126%

Performance Relative to Budget by Major Expense Categories.

Expenses were 8%% below budget

Listed below are the major expense categories, in the order shown on the Statement of Functional Activities compared to the budgeted amount.. In most categories, Actual was at or below the Budgeted amounts.

Two categories, Professional Standards and Professional Services, together account for 62% of all expenses:

Expenses Month Ending January 31, 2017

Actual and Budget

Item	Actual	Budget	% of Actual Expenses
Board & Committee	\$2,886	\$4,952	1%
Outreach marketing	\$4,027	\$6,587	1%
General Administrative	\$94,785	\$102,067	22%
Executive Staff	\$40,150	\$44,466	9%
Professional Standards	\$136,411	\$136,818	32%
Educational Standards/Schools	\$32,476	\$31,696	8%
General Staffing	\$24,147	\$14,941	6%
Professional Services	\$87,813	\$107,527	21%
Miscellaneous	\$0	\$12,074	0%
TOTAL	\$422,695	\$461,128	100%

Statement of Financial Position (Balance Sheet)

Overview

As of January 31, 2017, CAMTC continues to be in a healthy financial position. Total equity was slightly below the year-ago position. At \$2,444,104 equity was down 3% from January 31, 2016.

The other components of the balance sheet are performing as follows:

- The asset position remains strong. Assets, at \$3,643,187 are up by 3% from a year ago. Almost all the assets are in cash or cash equivalents. .
- Liabilities are also up, by 18% from last year. However, since most of the liabilities are composed of Application Fees, which are deferred income, an important measure is how that deferred income compares with the comparable year-ago period. Deferred Application Fees, at \$1,008,270, are up 15%.
- One point might be noted in comparing current figures with those in the past. More of CAMTC's revenue is coming from Re-Certifications and less from New Applications. Revenue from Re-Certifications is recognized more quickly than revenue from Applications. This means that CAMTC will, on the Balance Sheet, get a quicker recognition of revenue as a current asset at the expense of longer term deferred benefits.

Conclusions

The primary issue raised by the data continues to be the leveling in the number of Active Certificate Holders.

Respectfully submitted by
Michael Marylander,
Treasurer
DATE, 2017



CALIFORNIA MASSAGE THERAPY COUNCIL

One Capitol Mall, Suite 320 | Sacramento, CA 95814

tel 916.669.5336 fax 916.444.7462 www.camtc.org

To: CAMTC Board of Directors
 From: Rick McElroy, Director of Professional Standards Division
 Re: Board Meeting – June 8, 2017

PSD Training for Law Enforcement

PSD continues to expand its outreach to law enforcement by completing its 89th agency training to over 289 officers year to date. The cumulative total since we first started in 2014 has totaled 400 agencies and 1,246 officers. There are two trends developing this year. First, I am returning to agencies for a second and third time, as their vice personnel change often and they want to stay abreast of the new laws. Secondly, requests for code enforcement training have risen sharply. At least one-quarter of all attendees are now code enforcement officers. I just finished a training session with San Diego Code Enforcement Officers (SANCEO) and was then asked to additionally provide training to the California Code Enforcement Officers (CASEO), which is the statewide organization for every agency within the state. They have over 1,000 code enforcement officers and represent over 400 agencies. I've been invited to provide training in Palm Springs this October where over 450 attendees are expected at their annual conference.

PSD Partnering with Law Enforcement

Our outreach efforts continue to expand as we join law enforcement organizations. I joined the California Peace Officers Association (CPOA) and will be at their conference in late October in Palm Springs. It is my hope that the networking that will occur will greatly enhance our ability to reach even more officers for CAMTC training. Membership in this organization and attending conferences contributes to our support of CAMTC's mission to protect the public.

PSD Media Coverage

PSD continues to generate media coverage for our PSD training sessions. Attached is the SANCEO press release and photo of the CASEO regional director, Jamie Zeller, SANCEO chair-code enforcement officer Eric Fields, and myself.

June 8, 2017

Proposed minor/clarifying amendments to the CAMTC Employee Handbook

HOURS OF WORK, OVERTIME, AND PAY DAY

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V. Expense reimbursements/Travel and Other Expenses

Reasonable authorized expenses incurred at CAMTC's specific request will be reimbursed by CAMTC. Examples of such expenses are: meals, lodging, and transportation costs associated with business trips undertaken at our request; automobile expenses undertaken at our specific request; and incidental purchases of supplies, tools, and equipment undertaken at CAMTC's request. Only reasonable, previously authorized expenses will be reimbursed. Employees using personal automobiles for travel will be reimbursed at the current IRS approved rate. All requests for travel reimbursement will be documented on the approved mileage/travel reimbursement form and in accordance with any then-adopted CAMTC policy regarding such reimbursements. Original receipts will be required for most travel-related expenses, excluding meals and incidentals which are on a per diem basis. Copies of receipts are required to be submitted for all travel and other expenses reimbursements. If you have any questions about what expenses are authorized and what expenses will be reimbursed, please direct them to your supervisor before you incur the expense.

HOLIDAYS

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In addition to the holidays listed above, non-temporary full-time employees shall be entitled to take two additional paid days off of their choice as floating holidays (subject to his/her supervisor's approval regarding scheduling). The two floating holidays (16 hours of paid time off) will be accrued initially on March 9, 2017 for those employed as of that date, and for those employed after that date, on their date of hire. Thereafter, employees will receive the two floating holidays (16 hours of paid time off) each January 1. Floating holiday time is treated like vacation hours for purposes of payment upon resignation or termination.

Employees may only accrue a maximum of two floating holidays. Thus, on January 1 of each year, an employee with zero floating holidays will accrue two floating holidays, an employee with one accrued but unused floating holiday will accrue one additional floating holiday, and an employee with two accrued but unused floating holidays will not accrue any additional floating holidays until the next January 1, and then only if one or both floating holidays have been used.