Adam Proffitt, Director



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Laura Kelly, Governor

February 3, 2023

The Honorable Beverly Gossage, Chairperson Senate Committee on Public Health and Welfare 300 SW 10th Avenue, Room 142-S Topeka, Kansas 66612

Dear Senator Gossage:

SUBJECT: Fiscal Note for SB 111 by Senate Committee on Public Health and Welfare

In accordance with KSA 75-3715a, the following fiscal note concerning SB 111 is respectfully submitted to your committee.

SB 111 would create the Massage Therapist Licensure Act. The bill would require the State Board of Healing Arts to regulate and license massage therapists practicing in Kansas. The bill would include requirements for licensure and the maximum fees that could be charged for application and licensing. The bill would outline the powers, duties, and functions of the Board regarding the regulation and licensure of massage therapists. The bill would establish a Massage Therapy Advisory Committee that would consist of six members. The Committee would advise and assist the Board in implementing the Act. The bill also would require a licensed massage therapist to maintain professional liability insurance coverage.

On and after September 1, 2024, any person who practices massage therapy without a license would be subject to a class B person misdemeanor under the Kansas Consumer Protection Act. The bill would also allow the Board to assess a civil fine for unprofessional conduct, which would be deposited to the State General Fund.

All applicants would be fingerprinted, and those fingerprints would be submitted to the Kansas Bureau of Investigation and the Federal Bureau of Investigation. Local and state law enforcement would assist in taking and processing the fingerprints of applicants. The Board would set a fee for fingerprinting to reimburse any related expenditures. For any other fees, charges, or penalties received under the Act, the State General Fund would receive 10.0 percent and the Board would receive the remaining 90.0 percent.

The State Board of Healing Arts states that it would require 3.00 FTE positions and \$248,056 from the Healing Arts Fee Fund in FY 2024 to support the provisions of SB 111. Of this amount, \$64,741 would be for a 1.00 Legal Assistant FTE position, \$53,980 would be for 1.00 Licensing Analyst FTE position, \$103,475 would be for an Assistant General Counsel FTE position, \$1,260 would be for publication costs, and \$24,600 would be for office equipment,

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internet, software and phone lines. There are approximately 2,500 massage therapists in Kansas and if 75.0 percent obtain a license with a licensure fee of \$80, the agency estimates it would generate \$150,000 into its Healing Arts Fee Fund in FY 2024. The licenses would be renewed every two years. According to the Board, the estimated revenues would not likely cover the ongoing costs to implement the requirements of the bill.

The Insurance Department states that the bill would create a new mandatory purchase of insurance but the estimated impact on additional premium taxes would be minimal. The Office of Judicial Administration states that SB 111 could increase the number of cases filed in district court because the bill creates a new crime which would increase the time spent by district court judicial and nonjudicial personnel in processing, researching, and hearing cases. Since the crime carries a misdemeanor penalty, there could also be more supervision of offenders required to be performed by court services officers. The bill could also result in the collection of additional docket fees, supervision fees, and fines assessed. However, a fiscal effect cannot be determined because the number of additional cases cannot be estimated.

The Office of the Attorney General states that enactment of the bill could require it to perform enforcement functions under the Kansas Consumer Protection Act, which could result in civil penalties. However, the agency cannot estimate the number of cases it would assist with or the amount of civil penalties that would be assessed. The Kansas Bureau of Investigation states the any additional revenue it would receive from processing record checks would be offset by expenditures related to staffing and maintaining required systems. Any fiscal effect associated with SB 111 is not reflected in *The FY 2024 Governor's Budget Report*.

The League of Kansas Municipalities indicates the bill could affect cities as law enforcement could assist in implementation and enforcement of the Act. However, the fiscal effect is unknown. The Kansas Association of Counties states that the bill would not have a fiscal effect on counties.

Sincerely,

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Adam Proffitt Director of the Budget

cc: Susan Gile, Board of Healing Arts Vicki Jacobsen, Judiciary Wendi Stark, League of Kansas Municipalities Jay Hall, Kansas Association of Counties John Milburn, Office of the Attorney General Paul Weisgerber, Kansas Bureau of Investigation Bobbi Mariani, Insurance Department