



Sent and Posted: Friday October 26, 2012

NOTICE OF PUBLIC MEETING

November 5, 2012, 9:30 a.m.
Radisson Hotel at Los Angeles Airport
Laguna Room
6225 W. Century Blvd., Los Angeles, CA 90045

AGENDA

1. OPEN SESSION- Call to Order and Establish Quorum
2. Approval of Minutes- September 12 &13, 2012 Board Meeting
3. Chair's Comments
4. Chief Executive Officer's Report
 - a. State of CAMTC
 - b. Operations and Administration
 - c. Finance
 - d. Outreach
5. Treasurer's Report
6. IT Liaison's Report
7. Director of Governmental Affairs and Special Projects' Report
 - a. Ramifications of two new laws, SB 1238 and SB 1193
 - b. Local Government Compliance Updates
 - c. Problems needing greater authority or resources
 - d. Potential legislation in 2013 sponsored by local government
8. Recommendation to present Senator Price with CAMTC Legislator of the Year Award
9. Approval of MBLEx and NESL exams for applicants with 250 hours
10. Director of PSD's Report and Recommendations regarding internal affairs

11. Discussion and Adoption of Schedule of Authority
12. Reestablishment of Executive Committee's Function- Bylaws Change
13. Update on new Staff Attorney
14. Staff's preliminary plan to ensure the legitimacy of certificate holders
15. Closed Session with CAMTC Legal Counsel Pursuant to California Government Code Section 11126(e)
16. Policies regarding schools, including protocols, cost, and possible establishment of a "schools" committee
17. Preliminary approval of 2013 budget
18. Preliminary long-range plan to reduce PSD backlog
19. Extension of waiting period for reapplication of denied applicants
20. Employee Handbook – proposed vacation and sick schedule
21. Employee Benefits Plan
22. Plan for reducing processing time of applications to five days after the application is deemed complete
23. Long range plan to contact every law enforcement agency in California
24. Introduction of non-fees revenue alternatives
25. Voluntary certification program for establishments-clarification and review
26. Investigation relating to illicit behavior in massage establishments
27. Researching communication protocols using foreign languages
28. Closed Session Regarding the Appointment, Employment, Evaluation of Performance, or Dismissal of an Employee Pursuant to California Government Code Section 11126(a)
29. Return to open session and announce action taken in Closed Session, if any, under item 28
30. Future Agenda Items and Scheduling Next Meeting
31. Adjourn

All agenda items are subject to discussion and possible action. 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 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>.

FSMTB Annual Meeting
2012

September 27-29,

Maintenance of Core Competency (MOCC) Proposal

Task Force was created after last years meeting when it was discovered that 87% of licensed Massage Therapists were in non-compliance with their continuing education requirements. Several other industries discovered that their licensees and certified were lacking in their core competence despite their completion of continuing education.

Interesting Statistics-

Average Massage Therapist (MT) makes 21,063 dollars per year.

Average Continuing Education (CE) is 12 hours and costs about \$21.38 per hour

Average therapist spends \$256.56 a year of continuing education (1.2% of annual income)

Compared to other industries MT's make far less and spend far more that other professions on CE.

Physical Therapists spend .7% of annual income and Physicians .6%.

Proposal includes the following:

1. 16 hours annually, 3 in ethics recommended, anything more would be voluntary
2. A transition phase from current CEU model to maintenance of core competency
3. License renewal requirements to focus on public protection and core competency
4. Motion carried to continue research and form committee

Job Task Analysis

1. 80% female and 77% Caucasian population
2. 42% have had 3 or more previous occupations
3. 37% have at least a Bachelors Degree
4. 15 % work for themselves
5. 500-749 hours is what 54.9% of practitioners believe you should have taken to be licensed

6. 82% said that there should be a licensure minimum of 500 hours

Member Board Forum Discussion topics:

1. Online renewal
2. Human trafficking
3. Unlicensed practitioners

CAMTC- Ahmos Netanel gave a dynamic update on CAMTC. Reported that in our three years since creation we have supported and opposed 5 bills all which have successfully gone our way. He talked about California's diversity and the challenges of our law and the reasons our Board prefers to stay with voluntary certification at this point.

Model Practice Act- Debra Persinger gave an update on recent committee actions

Massage Therapist Licensing Database- Debra Persinger gave a power point discussing progress and showing how the new section of the website would work for member boards. The project is not ready for beta testing and the January roll-out but is moving along. There is another Committee meeting anticipated coming up soon to fine tune it.

Government Relations Report given by Sally Hacking

Board of Directors Elections results were as follows:

Dixie Wall, California, Lance Gilliland, Alabama, Marcella Collins, Tennessee

Dale Atkinson, FSMTB's General Counsel gave a presentation reminding the attendees that that message Board's must remember that they should not look for the interests of the profession but rather act as regulators and look out for the interest of the public by legally discriminating between competent and incompetent massage therapists.

Next years meeting set for Baltimore Maryland October 10-12th, 2013



CEO Report

October 29, 2012

State of CAMTC

CAMTC is consistently getting stronger. Last month, the Governor signed into law all of the provisions that CAMTC initiated. As a relatively young entity, we continue to face multiple, significant challenges. During the rest of this year, staff will further intensify its focus on responsiveness and additional enhancements to applicants' and certificate holders' experience as well as begin essential preparations for the sunset review.

Operations

We are continuing to build a smarter and more efficient organization. At this time all preparation for transition certificates and card printing and mailing in house are progressing as planned. The quality of our customer service is improving. The quality of service that applicants and certificate holders is receiving is consistently improving. On an average only three callers a day leave a voice message (in comparison to 200 in the past), all of which receive a response on the same day.

The average turnaround time for new applications without any background or educational issues are currently 12 calendar days (was 20 in September). Out of the 218 certificates, which were mailed on October 24, 2012, more than half of them took less than 8 calendar days (was 13 in September) to be mailed (from the time we received a completed application). The Board's goal is average 45 days by December 31 2012.

As for applications with educational and background issues, 20 certificates were mailed on October 24, 2012. The average turnaround time we are presently certifying these applicants is 161 days (was 102 in September), with more than half of those certified in less than 151 days (was 94 in September). The Board goal is average 150 days by December 31, 2012.

Finance

For the current year, the first three quarters of operations of CAMTC resulted in:

Excess revenue over/ (under) expenses

Budgeted - \$53,504

Actual - \$525,482

Cash

Budgeted - \$1,089,280

Actual - \$1,535,785

Equity - Positive (increasing three months in a row).

Outreach

Since our top priority is to streamline the application process and be more responsive to applicants and certificate holders and we are continuing to generate a steady level of new applications, which exceeds year to date expectations by 44%, we are still holding back on spending that may increase number of new applications.

On October 10, 2012, I presented to a group of more than 100 Chinese-speaking applicants and certificate holders. The meeting took place in San Gabriel and was organized by the Chinese American Massage Business Association (co-founded by Christian Pezza). After a 30-minute presentation I took questions for additional three hours. The overall mood at the beginning of the meeting could be described at times as intense and highly emotional. It was clear that the majority of attendees were highly confused and frustrated. Contrary to traditional Chinese cultural decorum, understandable outbursts of heightened emotion was on display several times. By the end of the meeting much of the confusion was cleared and the majority of attendees expressed appreciation for our genuine desire to help. This meeting, and the robust communication regarding application status that followed, underscored the reality there is no substitute for in-person outreach initiatives.

Nayada Dhanaphatana is in the process of organizing a similar event in Los Angeles, possibly in November, to address the Thai massage community. We are currently evaluating the possibility of CAMTC's participation in the World Massage Festival to be held on August 4, 2013 on the Queen Mary in Long Beach.

California Massage Therapy Council
Statement of Financial Position
October 31, 2012

ASSETS

Current Assets

Cash in Bank - Operating	\$	903,839	
Cash in Bank - Money Market		248,814	
Cash in Bank - CDs		500,125	
Total Current Assets		1,652,778	\$ 1,652,778

Other Assets

Prepaid Expenses	\$	29,842	
Other Receivables		-	\$ 29,842

Fixed Assets

Software		16,016	
Accumulated Amortization		(13,347)	
Total Other Assets		2,669	\$ 2,669

TOTAL ASSETS **\$ 1,685,289**

LIABILITIES

Current Liabilities

Accounts Payable	\$	58,269	
Vacation Payable		9,821	
Total Current Liabilities		68,090	\$ 68,090

Other Liabilities

Deferred Application Fees

Deferred Fees - 2012	\$	880,009	
Deferred Fees - 2011		334,722	
Deferred Fees - 2010		136,444	\$ 1,351,175

Total Other Liabilities

TOTAL LIABILITIES **\$ 1,419,265**

EQUITY

Undesignated Funds	\$	(352,631)	
Year-To-Date Excess Revenue		618,655	
TOTAL EQUITY		266,024	\$ 266,024

TOTAL LIABILITIES & EQUITY **\$ 1,685,289**

California Massage Therapy Council
Statement of Functional Activities
October 31, 2012

	YTD Actual 10/31/2012	YTD Budget 10/31/2012	Variance	Annual Budget	Remaining Budget	Actual % Budget
REVENUE						
1 Applications Received (27% \$150)	\$ 434,200	\$ 389,894	\$ 44,306	\$ 450,644	\$ (16,444)	96.4%
2 Certificates Issued (38% \$150)	589,095	480,567	108,528	553,299	35,796	106.5%
3 Renewals - Applied (27% of \$150)	383,089	347,973	35,116	430,500	(47,411)	89.0%
3 Renewals - Approved (38% of \$150)	526,397	488,483	37,914	604,634	(78,237)	87.1%
4 Deferred Current Yr (35% of \$150/24)	203,247	63,278	139,969	69,236	134,011	293.6%
5 Deferred Prior Yrs (35% of \$150/24)	486,386	468,501	17,885	534,446	(48,060)	91.0%
9 Denied Applications (73% \$150)	115,741	69,646	46,095	77,961	37,780	148.5%
7 Purged/Revoked Suspended Applications (73% \$150)	21,243	24,968	(3,725)	28,909	(7,666)	73.5%
8 Hearing Fees	39,340	35,165	4,175	41,165	(1,825)	95.6%
9 Miscellaneous Fees	37,103	26,081	11,022	30,081	7,022	123.3%
10 Recertification Late Fees	73,195	26,850	46,345	26,850	46,345	100.0%
11 Interest	476	178	298	178	298	0.0%
12 Total Revenue	\$ 2,909,512	\$ 2,421,584	\$ 487,928	\$ 2,847,903	\$ 61,609	102.2%
OPERATING EXPENSES						
Board & Committee						
13 Board Travel	\$ 8,853	\$ 12,071	\$ (3,218)	\$ 18,501	\$ 9,648	47.9%
14 Facility/Banquet	12,583	10,149	2,434	15,149	2,566	83.1%
15 Conference Calls	650	1,392	(742)	1,612	962	100.0%
16 Miscellaneous	629	417	212	592	(37)	106.3%
17 Total Board & Committee	\$ 22,715	\$ 24,029	\$ (1,314)	\$ 35,854	\$ 13,139	63.4%
Outreach/Marketing						
18 Communications & Promotions	\$ 26,657	\$ 47,149	\$ (20,492)	\$ 57,649	\$ 30,992	46.2%
19 Public Relations	3,569	6,060	(2,491)	7,560	3,991	47.2%
	-	-	-	-	-	-
20 Total Outreach/Marketing	\$ 30,226	\$ 53,209	\$ (22,983)	\$ 65,209	\$ 34,983	46.4%
General Administrative						
21 Office Supplies	\$ 9,673	\$ 11,059	\$ (1,386)	\$ 13,141	\$ 3,468	73.6%
22 Office Equipment/Furniture	14,900	12,049	2,851	12,049	(2,851)	123.7%
23 Office Rental	42,412	38,199	4,213	46,038	3,626	92.1%
24 Printing/Copying	11,327	11,462	(135)	14,462	3,135	78.3%
25 Records Scanning	28,411	31,493	(3,082)	41,093	12,682	69.1%
26 Telephone/Fax	748	883	(135)	1,083	335	69.1%
27 Postage/Mailing	7,633	6,150	1,483	7,450	(183)	102.5%
28 Dues & Subscriptions	10,820	13,495	(2,675)	14,605	3,785	74.1%
29 Insurance	13,377	13,380	(3)	16,056	2,679	83.3%
30 Banking/credit card fees	37,256	46,127	(8,871)	56,627	19,371	65.8%
31 Staff Travel	3,035	2,343	692	2,943	(92)	103.1%
32 Certification/Mat's/Print/Mail	81,382	70,374	11,008	81,974	592	99.3%
33 Database Development	21,658	33,226	(11,568)	40,226	18,568	53.8%
34 Database Maintenance	6,278	5,551	727	6,475	197	97.0%
35 Amortization Expense	-	-	-	2,669	2,669	0.0%
36 Miscellaneous	2,870	1,754	1,116	1,954	(916)	146.9%
37 Total General Administrative	\$ 291,780	\$ 297,545	\$ (5,765)	\$ 358,845	\$ 67,065	81.3%

**California Massage Therapy Council
Statement of Functional Activities
October 31, 2012**

	YTD Actual 10/31/2012	YTD Budget 10/31/2012	Variance	Annual Budget	Remaining Budget	Actual %
Executive Staff						
38 Executive Salaries	\$ 221,308	\$ 225,000	\$ (3,692)	\$ 270,000	\$ 48,692	82.0%
39 Senior Staff-Contingency	-	23,000	(23,000)	32,200	32,200	0.0%
40 Vacation Expense	8,654	3,004	5,650	4,466	(4,188)	193.8%
41 Benefit Allowance	55,000	55,000	-	66,000	11,000	83.3%
42 Office-Site Office Rental	13,333	13,330	3	15,996	2,663	83.4%
43 Executive Travel	26,675	24,143	2,532	29,143	2,468	91.5%
44 Cell Phones	2,985	4,119	(1,134)	4,959	1,974	60.2%
45 Supplies	748	1,066	(318)	1,266	518	59.1%
46 Furniture	-	-	-	-	-	0.0%
47 Equipment	1,250	2,500	(1,250)	3,500	2,250	35.7%
48 Phone (land line-DSL)	1,934	1,513	421	1,913	(21)	101.1%
49 Miscellaneous	22	500	(478)	700	678	0.0%
50 Total Executive Staff	\$ 331,909	\$ 353,175	\$ (21,266)	\$ 430,143	\$ 98,234	77.2%
Professional Standards Divison						
51 Management	\$ 59,379	\$ 57,603	\$ 1,776	\$ 69,603	\$ 10,224	85.3%
52 Application Review Staff	43,976	43,976	-	145,909	101,933	30.1%
53 Clerical	128,683	127,585	1,098	152,785	24,102	84.2%
54 Field Investigations	80,106	91,178	(11,072)	23,665	(56,441)	338.5%
55 Employee Benefits	17,750	10,000	7,750	15,000	(2,750)	118.3%
56 Supplies	895	80	815	1,006	111	89.0%
57 Cell Phones	2,825	2,486	339	2,936	111	96.2%
58 Travel	7,795	4,920	2,875	6,370	(1,425)	122.4%
59 Conference Calls	5,852	7,020	(1,168)	8,720	2,868	67.1%
60 Dept Meetings	303	1,203	(900)	1,653	1,350	18.3%
61 Equipment	5,608	7,817	(2,209)	8,067	2,459	69.5%
62 Legal Service - Denials	404,294	385,498	18,796	423,797	19,503	95.4%
63 Legal Service - Contingency	900	5,067	(4,167)	6,735	5,835	13.4%
64 Legal In-House	21,565	38,630	(17,065)	50,162	28,597	43.0%
65 Legal In-House Insurance	2,167	-	2,167	-	(2,167)	0.0%
66 Investigations (SSA)	14,787	11,700	3,087	15,000	213	98.6%
67 Court Record fees	1,044	1,722	(678)	2,532	1,488	41.2%
68 Proposed Denial Mailing/Supplies	5,728	6,370	(642)	8,320	2,592	68.8%
69 Miscellaneous	811	3,109	(2,298)	7,609	6,798	10.7%
70 Total Professional Standards Division	\$ 804,468	\$ 805,964	(1,496)	\$ 949,869	\$ 145,401	84.7%
General Staffing Expenses						
71 Payroll Services	\$ 1,018	\$ 1,142	\$ (124)	\$ 1,392	\$ 374	73.1%
72 Payroll Taxes	48,597	55,326	(6,729)	66,873	18,276	72.7%
73 Workers' Compensation	7,155	6,922	233	7,995	840	89.5%
74 Total General Staffing Expenses	\$ 56,770	\$ 63,390	\$ (6,620)	\$ 76,260	\$ 19,490	235%
Professional Services						
75 Application Processing	\$ 680,238	\$ 680,240	\$ (2)	\$ 830,240	\$ 150,002	81.9%
76 Legal - General	64,012	70,283	(6,271)	87,283	23,271	73.3%
77 Accounting/Audit	8,240	9,240	(1,000)	9,740	1,500	84.6%
78 Consulting	499	-	499	-	(499)	0.0%
79 Total Professional Services	\$ 752,989	\$ 759,763	\$ (6,774)	\$ 927,263	\$ 174,274	81.2%
Other Expenses						
Miscellaneous-Contingency	-	64,822	(64,822)	129,644	(194,466)	0.0%
80 Total Other Expenses	\$ -	\$ 64,822	\$ (64,822)	\$ 129,644	\$ (194,466)	0.0%
81 TOTAL EXPENSES	\$ 2,290,857	\$ 2,421,897	\$ (131,040)	\$ 2,973,087	\$ 358,120	77.1%
82 EXCESS REVENUE OVER EXPENSES	\$ 618,655	\$ (313)	\$ 618,968	\$ (125,184)	\$ 419,729	-494.2%
Contingency Detail						
	\$ -					
	\$ -					
	\$ -					

CAMTC OUTREACH TO THE ASIAN MASSAGE COMMUNITY

Meeting Hosted by CAMBA - Chinese American Massage Business Association

www.626camba.com

Organized by Christian Pezza, CAMBA President
CAMTC Invited Speaker – Ahmos Netanel, CAMTC CEO

OCTOBER 10, 2012



Treasurer's Report Board Meeting: November, 2012

Applications Received Through October 20, 2012

New Applications

For the period July 27, 2009 through October 20, 2012, 46,875 new applications have been received. This is an increase of 1,664 since August 25, 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 42 weeks of 2012 (through October 20th), the average is 211 unchanged from the last report, eight weeks prior. As discussed previously, one might expect a decline in new applications simply because certification has been available since 2009. 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.

This continuing pattern of only modest declines in new applications indicates that CAMTC has two important markets – new applications and renewals – that have to be addressed in an ongoing manner. Although directly comparable data have not been provided, there were 1664 new applications in the eight weeks ending October 20 and roughly 1,950 paid renewals during the months of August and September.

Recertification

Through September 30, 2012 Renewals Applied exceeded budget by 3.7%.

The recertification period began on September 1 of 2011. As of October 20, 2012, 18,159 therapists have been billed and 65% of them have paid, down from 73% through August 25, the date of the last report. It is important to monitor the renewal rate to ensure that adequate efforts are being made to reach and motivate renewals among this segment.

Recertification as of October 20, 2012		
Billed	18,159	100%
Paid/Complete	11,842	65%
Review	137	1%
No Response/Not renewing	6,180	34%

Financial Statements September 30, 2012

Statement of Functional Activities (Income Statement)

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

Revenues through September 30 exceeded budget by 14.6% and expenses were 6.7%% below the budget amount. The net effect is an excess of revenues over expenses of \$471,978 compared with a much lower budgeted figure, \$53,504. This continues the trend of higher than anticipated revenues and lower expenses that was noted in the report of July 31. The net effect is a very favorable excess of revenues over expenses.

As on the previous report, most revenue sources were up. However, in terms of absolute numbers, revenues from Deferred Current Year and Certificates issued accounted for most (58%) of the favorable variance. There continues to be a large backlog of Deferred Fees on the Balance Sheet, supporting a steady revenue stream for the balance of the year as they are recognized.

As noted, expenses through September 30 were down almost 7% from budget. The actual expenses continue to be below budget, at least somewhat, 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 September 30, 2012, Actual v Budget

	Actual	Budget	Difference (Actual minus Budget	% (Difference Between Actual and Budget
Board and Committee	\$20,645	\$23,204	(\$2,559)	-11%
Outreach/ Marketing	\$30,136	\$47,209	(\$17,073)	-36%
General Administrative	\$245,433	\$268,648	(\$23,215)	-9%
Executive Staff	\$296,627	\$314,691	(\$18,064)	-6%
PSD	\$717,207	\$733,726	(\$16,519)	-2%
General Staffing	\$49,043	\$56,797	(\$7,754)	-14%
Professional Services	\$670,568	\$677,263	(\$6,695)	-1%
Other	0	\$52,663	(\$52,663)	-100%
Total	\$2,029,659	\$2,174,201	(\$144,542)	-7%

Statement of Financial Position (Balance Sheet)

The CAMTC balance sheet on September 30, 2012 is considerably stronger than at the end of 2011 and is more favorable than on July 31 of this year, the position at the time of the last report.

Total assets are \$1,557,279, up from \$1,408,126 on July 31 and \$784,734 at year end 2011. It is this increase in assets, rather than any meaningful change in liabilities, which results in the gain in equity.

Liabilities are \$1,384,428, up slightly from \$1,312,867 on July 31 and up from \$1,137,366 on December 31, 2011. While, typically, liabilities are viewed as a possible concern on a balance sheet, that is not the case here. Most of the liabilities (96%) are deferred application fees. Since these liabilities will be converted to revenue over time (rather than a depletion of assets as would be the case with non-prepayment liabilities), that they have not declined over time reflects the achievements in getting new applications and renewals

Net worth on September 30, 2012 is \$172,851. This is the second consecutive report showing positive equity. On July 31, it was \$95,239 in contrast to the end of last year, December 31, 2011; it was (\$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 renewal rate should be monitored closely. If it continues to decline, efforts to understand the reasons are warranted.
- 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
October 23, 2012



Governmental Affairs and Special Projects Report – October 29, 2012

A. Legislative Status Reports:

1. SB 1238 (Price) – signed and chaptered. This is the bill that CAMTC sponsored. A summary of the final amendments included in the bill follows this report.
2. SB 1193 (Steinberg) – signed and chaptered. Exempts businesses in which everyone providing massage is certified from posting notices pertaining to human trafficking.
3. AB 1963 (Huber) – The initial version of this bill would have, amongst other provisions, imposed sales tax on services, including massage that is not part of a “necessary medical service”. The final bill called only for a study and report to the Legislature. This bill was vetoed by the Governor. The Governor’s reason not for signing was that the legislature can ask the Legislative Analyst to prepare a report on tax revenue volatility at any time.

B. Local Ordinance Updates:

1. Highlights of city issues:

Example of Success: As I have mentioned previously, some issues are relatively easily solved. In Westlake Village, after hearing from a certified massage therapist who had lost a lease opportunity due to the city claiming that no independent massage is allowed, I contacted the city attorney and asked him to review the city’s policy and Business and Professions Code Section 4612 (b)(4). The result is that the city will comply with the law immediately, and the attorney asked me for sample ordinances to revise the ordinance.

Example of frustrations: As many issues get resolved, others remain stubbornly stalled. Our legal team is reviewing a couple of these, but it may be that CAMTC has to decide how much of a priority it is to uphold the integrity of our law when we believe that serious issues of non-compliance occur. Long Beach and Glendora, amongst others, are firm in limiting massage to ancillary use, thereby prohibiting businesses in which massage is the only or main service offered. While this is the exact issue that was so easily resolved in Westlake Village, most of the other cities with such restrictions have dug in their heels. Pasadena, Arcadia, Los Alamitos and others require an establishment permit. All are dragging their feet on change. Although I typically get immediate responses from attorneys it

took over three months and many calls and emails to get a response from the city attorney in Encinitas regarding the conditional use permit and \$6,000 fee that they require. I am waiting for his review of the state law and zoning ordinance to be completed, currently a week beyond his promised date to respond. San Diego County, which requires certification, charges a \$400 annual Sheriff's fee to review the business's compliance with the county and state law, which the county counsel believes is not prohibited by the law. If they cannot recover costs the Sheriff has stated that he will have nothing to do with enforcement. He is not the only department making this choice. To do so would likely hurt both the county and CAMTC – as illicit businesses proliferate, it will look bad for CAMTC if everyone or even those offering illicit services are certified. It may be expected that, as has been occurring in other areas, the public will begin putting political pressure on the Board of Supervisors to take action. As we have seen, this often results in knee-jerk proposals that do little good and often harm the legitimate therapists and community most.

Other cities and counties are noticing that health inspection fees are not addressed in the law. A new trend is towards renaming establishment fees as health inspection fees. Typically these fees are in excess of \$300 - \$400 annually – although the fees cannot be for more than cost recovery, the scope of a “reasonable” health inspection can be inflated to justify higher fees. For this reason I'm not currently challenging the San Diego fee, lest it just transfer to a health inspection.

Priority of City Needs: The number one problem that cities have is how to close illicit businesses. As has been noted in prior reports, nuisance abatement is too costly and slow. Those cities or counties with no business license don't know who is opening a massage business where, and when problems occur, have no means to close them. Most city attorneys want either the state to take full control, or give it back to the cities and counties. The problem with the latter would be the lack of uniform standards and enforcement. I hear every day from city and county staff who recognize that we are doing a reasonable job with reviewing applications and investigating schools. I believe that most would prefer that CAMTC regulate establishments.

League of CA Cities: Earlier this year I was contacted by the Legislative Policy Analyst for the city of Thousand Oaks. She is also a member of the Leagues' Public Safety Committee. Rick and I met with her several months ago. At her request, I have organized another meeting, with the Public Safety and Land Use consultant for the League of Cities, CA Chiefs and County representatives (Mike Callagy and Guy Fuson) and several city attorneys. The meeting is currently scheduled for mid- December. Ahmos and Rick will be attending.

From preliminary conversations, I expect there to be serious discussion of a 2013 bill to address the void left in the regulation of establishments where everyone providing massage is, or the business claims, are certified. There is a growing momentum of interest in granting either CAMTC or local jurisdictions full authority over establishments.

Ahmos and I will be meeting with the new Director of the Department of Consumer Affairs and the Director of BPPE prior to this meeting.

Communications from legislators: An increasing number of emails are being received from legislative district office staff on behalf of constituents. Most of these are inquiring about why their applications are taking so long to process – all are applications needing further review for background issues, or with recertification, subsequent arrests. As we know, there has been a lengthy backlog with files at PSD, and once a decision is made, delays before the person receives their proposed denial letter. A certain number of such inquiries are to be expected, and in some cases, the delay is not unreasonable, nor the fault of our staff. Since CAMTC is a creation of the legislator, we should be careful so that we maintain respect in Sacramento.

Attached Charts:

1. Claims of Local Jurisdiction non-compliance with state law 10.29.12

Key to “Status”:

- a. “In progress” - refers to ongoing communication with a city or county; city ordinances being drafted or waiting for first reading by council
- b. “Passed” refers to ordinances that have been approved by the city or county council
- c. “Stalled” refers to ordinances or issues that are not moving at this time
- d. “In queue” refers to issues that are either waiting to be addressed or are in some preliminary stage of being addressed
- e. “Resolved” - problem solved. Sometimes issues resurrect in the same city again, although they are typically easier to resolve on subsequent reports.

The new column for dates resolved are only from late Sept. 2012 going forwards. Further details on individual jurisdictions are available upon request.

2. Cities and Counties Requiring Certification as of 10.29.12

I have not attached an additional chart with City and County Ordinance Status. Previously this chart was included, providing status of jurisdictions in some stage of revising their message ordinance. In some, this is a second revision, the first to comply with SB 731, second to reflect the changes in AB 619. Changes due to SB 1238 are unlikely to warrant ordinance amendments at this time. Ordinances known to be undergoing revision (or preparation of a first ordinance) are reflected on the “Claims” chart.

SB 1238 – Summary of Chaptered Bill:

1. Defines an “operator” of a massage business as “a person, whether owner or non-owner, who manages or operates a massage business”.
2. Allows an applicant who has 250 hours from an approved school and has passed an exam approved by CAMTC to qualify for the CMT tier.
3. Allows applicants for the CMP tier to submit transcripts from more than one approved school.
4. Recognizes 250 hours “or the credit unit equivalent” at an approved school to qualify for CMP; recognizes 500 hours or “the credit unit equivalent” to qualify for CMT.
5. Requires that the certificate and identification card be surrendered to CAMTC upon suspension or revocation.
6. States that any law enforcement agency or other local government entity that regulates or administers ordinances relating to massage or massage businesses may provide specified information to CAMTC upon request.
7. Allows for immediate suspension of a certificate holder upon receipt of clear and convincing evidence of a sexually related crime or a felony that is substantially related to the qualifications, functions, or duties of a certificate holder.
8. Adds to the grounds for denial or discipline infractions, municipal code violations, and administrative or civil citations that are substantially related to the qualifications, functions, or duties of a certificate holder.
9. The certificate holder shall include the name under which he or she is certified and his or her certificate number in any and all advertising, and shall display the original certificate at his or her place of business. A certificate holder shall have his or her ID card in his or her possession while providing massages.
10. A certificate holder shall provide his or her full name and certificate number to a member of the public, council, law enforcement or local government agency upon request at the place of business.
11. A city, county or city and county may charge a business license fee as long as it is no higher than any fee applied to individuals and businesses providing professional services as defined in the Corporation Code.
12. Permits a city, county or city and county to require an applicant for a business license (for a business in which everyone providing massage is certified) to fill out an application as long as the information requested is the same as that required of other professions.
13. Removes a loophole whereby a certified owner was not held responsible for the conduct of employees or contractors working on the premises.
14. Specifies that the background check of the non-certified owner by a city, county or city and county, may be for ten years and include a criminal background check, including fingerprints. If relevant background issues are found, permits the local jurisdiction to regulate the business as it sees fit without extending the exemptions for businesses in which everyone providing massage is certified.
15. Clarifies that the law does not prohibit a local jurisdiction from restricting the opening of a new massage establishment in a location in which a massage establishment has been closed for criminal activity.

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

CLAIMS OF LOCAL JURISDICTION NON-COMPLIANCE

Jurisdiction	Code	Status	Issue	Date reported	Date resolved
Agoura Hills	328-000	resolved	CUP	Aug-11	
Agoura Hills	328-000	resolved-	establishment permit,	Aug-11	
Alameda city	146-000	in progress	drafting ordinance	Jan-12	
Alameda city	146-000	resolved	requires city permit,	Sep-09	
Alameda County	008-000	in progress	drafting ordinance	Jun-11	
Alameda county	008-000	resolved	livescan and county permit	July 2012`	
Alameda County	008-000	resolved	moratorium	Jun-11	
Albany	362-000	in queue	restrictive zoning	Oct-10	
Anaheim	030-000	in queue	establishment permit	Jun-11	
Arcadia	192-000	resolved	\$10 registration fee W-2 employees	5/1/2011	Oct-12
Arcadia	192-000	in queue	\$1200 CUP	8/1/2012	
Arcadia	192-000	in progress	limited to 33% of businesss	May-11	
Arcadia	192-000	in progress	only in med, chiro offices - 2mts max	May-11	
Artesia	357-000	resolved	employee business license	Jan-11	
Auburn	393-000	in queue	no outcalls	Oct-10	
Azusa	219-000	resolved	moratorium	May-11	
Bakersfield	032-000	in progress	drafting ordinance	Sep-11	
Bakersfield	032-000	resolved	permit required	Oct-10	
Baldwin Park	135-000	passed	drafting zoning ordinance	Apr-12	
Baldwin Park	135-000	resolved	no new massage businesses	Mar-12	
Banning	291-000	resolved	moratorium	unknown	
Bellflower	141-000	in queue	no outcall, hours restrictions	Mar-12	
Bellflower	141-000	in queue	permit required	Oct-10	
Bellflower	141-000	in queue	possible employee business license	Aug-11	
Bellflower	141-000	in queue	zoning restrictions	Mar-12	
Belmont	305-000	in queue	business license fee \$2000	2000	
Belmont	305-000	in queue	establishment fee \$3422	2000	
Berkeley	094-000	resolved	city application	Jan-11	
Berkeley	094-000	resolved	CUP	Apr-11	
Berkeley	094-000	resolved	establishment permit	Apr-11	

Berkeley	094-000	resolved	wants permit of sound healer	Jan-12	
Beverly Hills	263-000	resolved	fees, massage work permit and livescan	8/1/2011	
Beverly Hills	263-000	not enforced	no cross gender massage	long ago	
Brentwood	207-000	resolved	city permit (registration by employee?)	Nov-11	
Buena Park	130-000	in queue	accessory use only	Feb-12	
Buena Park	130-000	in progress	establishment permit \$300	Sep-12	
Burbank	092-000	resolved	establishment permit and fees	Mar-12	
Burbank	092-000	resolved	establishment permit for mobile at Warner Br	Jan-12	
Burbank	092-000	resolved	home inspection to make sure no home occ	May-12	
Burbank	092-000	resolved	registration/permit?	Jun-11	
Burbank	092-000	resolved	shower/tub/	Mar-12	
Calabasas	325-000	passed	drafting ordinance	Apr-12	
Calabasas	325-000	resolved	permit required	Oct-10	
Calimesa	449-000	in queue	requires permit	Oct-10	
Camarillo	163-000	resolved	2 business license fees - one specific only to m	Oct-11	
Camarillo	163-000	resolved	city permit and medical exam	Sep-11	
Camarillo	163-000	resolved	no home or outcall massage	Jul-11	
Campbell	241-000	resolved	\$471 establishment fee	Sep-11	
Campbell	241-000	resolved	additional business license for massage	Nov-11	
Campbell	241-000	resolved	registration fee	Jun-11	
Carlsbad	095-000	resolved	city permit?	Jun-12	
Carpinteria	378-000	stalled	not permitting cmp to do outcall -	May-11	
Cathedral City	203-000	in queue	permit required	2011	
Cerritos	198-000	in queue	CUP and Town Center limitation	May-11	
Chino	128-000	in queue	establishment issues	Oct-10	
Chino	128-000	postponed, s	plan to draft massage/zoning ord.	Apr-11	
Chino	128-000	in queue	requires permit	Oct-10	
Chino Hills	137-000	resolved	Conditional use permit	Jan-11	
Chino Hills	137-000	passed	drafting new ordinance	Apr-11	
Chino Hills	137-000	resolved	establishment permit	Oct-10	
Chino Hills	137-000	resolved	no outcalls	Aug-11	
Chula Vista	039-000	resolved	requires city permit	Oct-11	
Cloverdale	438-000	resolved	\$250 livescan/background	Sep-12	Oct-12
Clovis	111-000	resolved	requires background check	Feb-12	Oct-12

Commerce	392-000	1st reading	drafting ordinance	Oct-12
Commerce	392-000	in progress	establishment permits	Oct-12
Compton	105-000	in queue	medical exam	Sep-12
Compton	105-000	in queue	required NCTMB	Sep-12
Concord	082-000	resolved	did not recognize certification	Aug-11
Corona	068-000	in queue	refuses to renew business license unless large	Dec-10
Coronado	324-000	in queue	restrictive zoning	Oct-10
Corte Madera	428-000	in queue	background check,	Oct-10
Corte Madera	428-000	in queue	restrictive zoning	Oct-10
Costa Mesa	086-000	ongoing	amending new ordinance	Jul-11
Costa Mesa	086-000	resolved	establishment permit	Jul-11
Costa Mesa	086-000	resolved	moratorium	Jul-09
Costa Mesa	086-000	ongoing	no hotel massage	Jul-11
Costa Mesa	086-000	stalled	zoning restrictions	May-12
Covina	218-000	in queue	moratorium	early 2011
covina	218-000	in queue	no mobile - needs planning	Jan-12
Culver City	242-000	resolved	establishment and technician permit	Aug-11
Culver City	242-000	in queue-	high fee	Aug-11
Cupertino	193-000	passed	drafting ordinance	Mar-12
Cupertino	193-000	in queue	outcall permit required	Mar-12
Cypress	216-000	resolved	CUP	Apr-12
Dana Point	255-000	in queue	restrictive zoning	Aug-11
Danville	232-000	in queue	background checks	May-11
Danville	232-000	in queue	moratorium	May-11
Danville	232-000	in queue	sheriff background checks	May-11
Del Mar	486-000	in queue	showers for clients and staff	Jul-11
Delano	199-000	resolved	cup	Nov-11
Delano	199-000	in progress	drafting ordinance	Nov-11
Desert Hot Springs	304-000	in progress	"house fee" \$200 + biz license fee	Feb-12
Desert Hot Springs	304-000	in queue	permit required	Oct-10
Diamond Bar	180-000	resolved	CUP - resolved	May-11
Downey	088-000	resolved	\$833 establishment permit	Oct-11
Downey	088-000	in progress	drafting ordinance	Nov-11
Downey	088-000	resolved	restrictive zoning/ cup	Jun-11

Dublin	220-000	resolved	background check,	May-11	
Dublin	220-000	resolved	moratorium	May-11	
Dublin	220-000	in queue	no outcalls	May-11	
Eastvale	537-000	in progress	drafting ordinance	Jun-12	
El Centro	226-000	resolved	city will not recognize certification	May-12	
El Centro	226-000	in progress	drafting ordinance	Aug-12	
El Centro	226-000	in progress	medical and background check	Aug-12	
El Dorado	052-000	resolved	requiring permit	Apr-11	
El Monte	080-000	in progress	drafting ordinance	Jul-12	
El Monte	080-000	resolved	establishment permit fee and zoning	Nov-11	
El Segundo	361-000	resolved	possible permit required	unknown	9/17/2012
Elk Grove	072-000	unverified	massage permit required	early 2011	
Emeryville	424-000	resolved	livescan and 500 hours	Sep-11	
Emeryville	424-000	resolved	requiring permit	Oct-10	
Encinitis	170-000	in progress	\$6000 for new business planning fee	Jan-12	
Escalon	457-000	in queue	high fee permit	Oct-10	
Escalon	457-000	in progress	required CE's	Oct-11	
Escalon	457-000	resolved	required permit	Oct 2010`	
Escondido	070-000	resolved	establishment zoning restriction	Apr-12	
Escondido	070-000	resolved	new ordinance	Jun-11	
Escondido	070-000	in progress	will not approve any zoning for massage	Sep-12	
Eureka	309-000	resolved	city permit fee	Dec-11	
Farmerville	416-000	in progress	drafting ordinance	Oct-12	
Folsom	152-000	in progress	drafting ordinance	Oct-11	
Folsom	152-000	resolved	employee business license reqd	Jun-12	
Foster City	281-000	in queue	background check	Aug-11	
Fountain Valley	183-000	in queue	establishment permit, CUP	10/1/2010 and oct 2011	
Fountain Valley	183-000	in queue	extra restrooms	Aug-11	
Fountain Valley	183-000	in queue	permit required/another report contradicts	Oct-10	
Fremont	041-000	in queue	CUP? \$4100	Aug-11	
Fresno city	020-000	resolved	background checks	Mar-11	
Fresno city	020-000	resolved	city permit/background checks again	May-12	
Fresno county	013-000	unconfirmed	background checks	Dec-10	
Gilroy	211-000	resolved	background check/police permit	Jan-12	

Glendale	045-000	resolved	CUP	unknown	
Glendora	204-000	in progress	accessory use only		Apr-12
Glendora	204-000	resolved	CUP	April 3 2012	
Glendora	204-000	in progress	no outcall		Mar-12
Goleta	279-000	in queue	registration fee		Oct-10
Half Moon Bay	396-000	in queue	possible permit required		Oct-10
Hawaiin Gardens	370-000	passed	drafting ordinance		Mar-12
Highland	206-000	in queue	difficult to get business license		Aug-11
Huntington Beach	046-000	resolved	max 30 massage businesses in city		May-12
Huntington Beach	046-000	in queue	no outcalls	early 2010	
Irvine	042-000	passed	drafting ordinance	Feb? 2011	
Irvine	042-000	resolved	no massage in hotel room		Aug-11
La Habra	177-000	resolved	requires city exam		Jan-12
La Habra	177-000	in progress-p	requires showers		Jan-12
La Mesa	186-000	resolved	required permit		Feb-12
La Mirada	215-000	resolved	CUP, also of holistic health businesses		Oct-11
La Mirada	215-000	resolved	new ordinance		Oct-11
La Puente	234-000	in queue	ignores law		Jan-12
La Puente	234-000	resolved	proposed moratorium		Aug-12
La Verne	269-000	resolved	requires city permit - no fee	unknown	
Lafayette	320-000	passed	first ordinance		Feb-12
Laguna Beach	318-000	passed	new ordinance		Jan-12
Laguna Hills	272-000	in queue	permit required		May-11
Lake Elsinore	214-000	in queue	certified owner background check		Dec-11
Lake Forest	139-000	resolved	establishment permit		Nov-11
Lake Forest	139-000	resolved	technician permit		Nov-11
Lakewood	132-000	in queue	background check of certified owner		Feb-11
Lancaster	071-000	in queue	compliance certificate and fee		Mar-10
Lancaster	071-000	resolved	compliance permit required		May-10
Lancaster	071-000	passed	drafting ordinance		Mar-10
Lancaster	071-000	in queue	establishment permit		May-10
Lancaster	071-000	in queue	higher biz lic fee if certified		Oct-12
Lawndale	271-000	in queue	\$500 special permit fee		Oct-12
Lincoln	240-000	resolved	no home occupation specific to masaage		Mar-12

Lincoln	240-000	in queue	no outcalls	Jun-11	
Lindsay	407-000	passed	new ordinance- favorable zoning	Oct-11	
Livermore	127-000	resolved	does not recognize CMP	Apr-12	
Lodi	176-000	resolved	establishment permit and fee	Sep-12	Sep-12
Lodi	176-000	resolved	massage permit and background check	Sep-12	Sep-12
Lodi	176-000	resolved	no massage in shared healthcare office	Sep-12	Sep-12
Lomita	341-000	in progress	massage permit	Nov-11	
Long Beach	021-000	in queue	accessory use only	Dec-10	
Long Beach	021-000	resolved	business license fees	Jun-11	
Long Beach	021-000	stalled	drafting ordinance	Jul-11	
Long Beach	021-000	resolved	employee zoning	Jun-11	
Long Beach	021-000	resolved	establishment fee for gym based massage	Aug-11	
Long Beach	021-000	in queue	no mobile massage	Oct-12	
Los Alamitos	403-000	in progress	establishment permit	Sep-12	
Los Alamitos	403-000	in progress	permit fee	Sep-12	
Los Alamitos	403-000	in progress	refused business license	Feb-11	
Los Alamitos	403-000	resolved	seem to have no exemption	Apr-12	
Los Altos	290-000	resolved	background, permit high fees & medical exam	Aug-11	
Los Angeles City	002-000	resolved	business license/employee outcall	Oct-10	
Los Angeles City	002-000	resolved	establishment permit and CUP	May-11	
Los Angeles City	002-000	resolved- unt	permit required- citations issued	May-11	
Los Angeles County	001-000	resolved	background checks/ permit	May-11	
Los Angeles County	001-000	stalled	drafting ordinance	May-11	
Los Angeles County	001-000	resolved	establishment permit and fees	Apr-11	
Los Angeles County	001-000	resolved-	still requires medical exam	May-11	
Los Banos	262-000	in progress	drafting ordinance	Dec-11	
Los Gatos	280-000	resolved	employee business licenses	May-11	
Los Gatos	280-000	in queue	variance/CUP	Oct-10	
Malibu	390-000	ongoing	no home or outcall massage	Aug-11	
Marysville	398-000	passed	amended ordinance	Feb-12	
Merced - city	136-000	in queue	no home occ or mobile-massage only	Feb-12	
Merced -city	136-000	in queue	background check	Feb-12	
Millbrae	333-000	in progress	new ordinance	Jun-11	
Milpitas	151-000	resolved	background checks	Sep-11	

Milpitas	151-000	resolved	CUP		Apr-12	
Milpitas	151-000	in progress	new ordinance		Jun-12	
Mission Viejo	103-000	in queue	\$800 establishment fee		Oct-10	
Mission Viejo	103-000	in the queue	CUP		Oct-10	
Mission Viejo	103-000	in queue	establishment permit		Oct-10	
Mission Viejo	103-000	in queue	no outcalls		Jun-12	
Modesto	043-000	in queue	owner and manager need certification		Apr-10	
Monrovia	247-000	in queue	certified owner background check/\$1300		Jul-11	
Monrovia	247-000	in queue	moratorium		May-11	
Monrovia	247-000	in queue	restrictive zoning		May-11	
Montclair	254-000	in queue	Cup		May-12	
Montebello	167-000	in queue	no massage businesses allowed		May-11	
Monterey City	286-000	final stages	est permit required -non cert owner		Feb-12	
Monterey County	027-000	resolved	background check		Nov-10	
Monterey Park	171-000	resolved	background check of certified owner	Oct 20101		
Monterey Park	171-000	resolved	certified owner background check		Oct-11	
Monterey Park	171-000	resolved	CUP		Mar-11	
Monterey Park	171-000	passed	new ordinance		Oct-11	
Monterey Park	171-000	resolved	restrictive zoning		Mar-11	
Morgan Hill	245-000	resolved	moratorium	unknown		
MountainView	144-000	resolved	background check		Feb-11	Aug-12
Mountainview	144-000	resolved	establishment permit & fees		Feb-11	Aug-12
MountainView	144-000	resolved	medical exam		Aug-12	Sep-12
MountainView	144-000	resolved	no outcall to homes		Aug-12	Sep-12
MountainView	144-000	resolved	police application		Apr-12	Sep-12
Murietta	102-000	in progress	drafting ordinance		Oct-12	
Murrieta	102-000	in queue	no couples massage		Apr-12	
Murrieta	102-000	resolved	permit required		Oct-10	
Murrietta	102-000	resolved	medical exam		Oct-12	Oct-12
Newark	230-000	in queue	no massage home occupation		Oct-10	
Newport Beach	126-000	resolved	city exam		Aug-11	
Newport Beach	126-000	resolved	CUP -	early 2011		
Newport Beach	126-000	in queue	drafting ordinance	unknown		
Newport Beach	126-000	in queue	no outcalls		Jun-12	

Norwalk	091-000	resolved	CUP	8/1/2011	
Novato	200-000	in queue	higher business license fee	Aug-11	
Novato	200-000	resolved	permit required	Oct-10	
Novato	200-000	in queue	restrictive zoning	Oct-10	
Oakland	025-000	resolved	special permit	Mar-12	
Oceanside	051-000	in queue	background checks	Mar-12	
Oceanside	051-000	in queue	multiple business licenses	May-12	
Oceanside	051-000	in queue	no home occ (permits only massage)	Aug-11	
Orange - city of	073-000	in queue	ancially use only 20%	Apr-12	
Orange - city of	073-000	in queue	establishment permit	Apr-12	
Orange - city of	073-000	resolved	W-2 employee biz license	Aug-11	
Orange- county	004-000	in queue	cannot prosecute ord against certife holder	Jul-12	
Oxnard	048-000	approved	drafting ordinance	Dec-11	
Pacific Grove	373-000	resolved	city permit	Jan-12	
Pacifica	243-000	resolved	CUP	Feb-12	
Pacifica	243-000	resolved	cup \$3700	Oct 2011`	
Pacifica	243-000	resolved	dressing room and laundry facility or service	Feb-12	
Pacifica	243-000	Resolved	medical exam	Feb-11	
Pacifica	243-000	resolved	police permits	Mar-11	
Palm Desert	209-000	resolved	accessory use	May-11	
Palm Desert	209-000	resolved	CMT's not getting business licenses	Sep-12	Sep-12
Palm Desert	209-000	in progress	drafting ordinance	Aug-12	
Palm Desert	209-000	resolved	permit required	Dec-10	
Palm Desert	209-000	resolved	restricted zoning	Mar-12	
Palm Springs	222-000	in progress	accessory use only	Jan-12	
Palm Springs	222-000	resolved	city permit	Nov-11	
Palm Springs	222-000	in progress	drafting ordinance	Sep-12	
Palm Springs	222-000	resolved	dual business license fees	Sep-11	
Palm Springs	222-000	resolved	establishment permit	Oct-10	
Palm Springs	222-000	resolved	medical exam	Dec-11	
Palm Springs	222-000	in progress	zoning	Oct-10	
Palmdale	065-000	resolved	possible establishment, owner must be memt	Aug-11	
Palmdale	065-000	resolved	requiring business certification of ME new loc	Aug-11	
Palmdale	065-000	in queue	will amend ordinance	Jun-11	

Palo Alto	168-000	passed	drafting ordinance	May-11	Aug-12
Palo Alto	168-000	resolved	permit required	May-11	
Pasadena	067-000	in progress	\$407 zoning determination ltr/massage only	Aug-12	
Pasadena	067-000	resolved	background check of certified owner	Dec-10	Oct-12
Pasadena	067-000	resolved	CUP	May-10	Oct-12
Pasadena	067-000	stalled	drafting ordinance,	Jul-11	
Paso Robles	283-000	in progress	drafting first ordinance	May-12	Sep-12
Paso Robles	283-000	resolved	higher business license fee	Sep-12	Oct-12
Perris	197-000	in queue	variance	early 2011	
Petaluma	187-000	in progress	drafting ordinance	Jul-12	
Pinole	345-000	in queue	cert owner livescan and background check	Aug-12	
Pinole	345-000	resolved	no outcalls	unknown	
Pinole	345-000	in queue	owner must be certified	Aug-12	
Pinole	345-000	resolved	permit required- city interview	Oct-10	
Placentia	208-000	ongoing	accessory or medical only	Augn 2011	
Placentia	208-000	ongoing	CUP	Oct-10	
Placentia	208-000	resolved	exam	Oct-10	
Placentia	208-000	ongoing	manager must be certified	Jun-11	
Placentia	208-000	resolved	no independent contractors	Aug-11	
Placerville	422-000	in progress	drafting ordinance	Apr-12	
Pleasant Hill	270-000	resolved	establishment permit	Dec-11	
Pleasant Hill	270-000	resolved	permit required	Oct-10	
Pleasanton	154-000	resolved	city livescan and license fees	Aug-11	
Pleasanton	154-000	resolved	does not recognize CMP	Apr-12	
Pomona	059-000	in queue	accessory use only	Apr-12	
Pomona	059-000	in progress	drafting ordinance?	Apr-12	
Port Hueneme	334-000	in progress	notarized landlord letter		
Rancho Cucamonga	053-000	in queue	\$2600 CUP	Dec-10	
Rancho Cucamonga	053-000	resolved	establishment permit required	Dec-10	
Rancho Cucamonga	053-000	resolved	health inspection & fee	Sep-12	Sep-12
Rancho Mirage	363-000	resolved	business license for hospital volunteer	Aug-11	
Rancho Palos Verde	238-000	resolved	permit required	May-11	
Redlands	150-000	resolved	CUP and fee	Oct-09	Oct-12
Redlands	150-000	passed	drafting ordinance	Feb-12	Oct-12

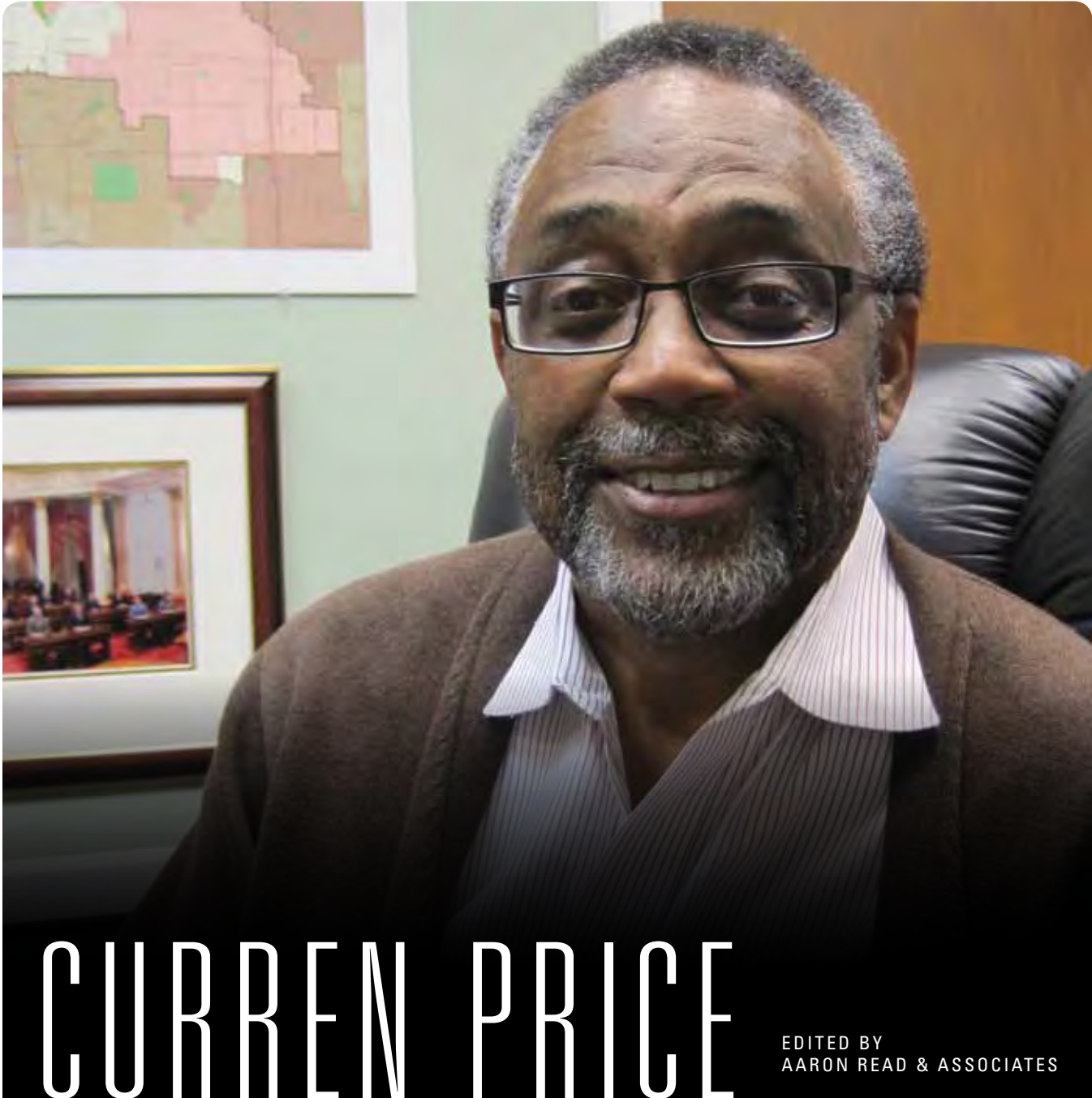
Redlands	150-000	resolved	permit required	Oct-09	Oct-12
Redlands	150-000	resolved	restrictive zoning	Aug-11	Oct-12
Redondo Beach	160-000	stalled	drafting ordinance	early 2011	
Redondo Beach	160-000	in progress	plans to require a CUP	Nov-11	
Redwood City	140-000	resolved	Cup, high fee	Jan-11	
Redwood City	140-000	resolved	draft to deny CCMP's ability to work	Oct-11	
Redwood City	140-000	passed	drafting ordinance	Jul-11	
Redwood City	140000	resolved	no outcalls in draft	Oct 2011`	
Rialto	104-000	resolved	city permit	Apr-12	
Rialto	104-000	resolved	CUP -	Dec-10	
Rialto	104-000	resolved	medical certificate	Dec-10	
Rialto	104-000	resolved	possibly high business license fee	May-12	
Richmond	098-000	resolved	background check and massage permit	Sep-11	
Richmond	098-000	in queue	CUP, establishment permit	Aug-11	
Ridgecrest	292-000	resolved	establishment permit	Feb-12	
Rio Vista	439-000	in queue	live scan even if certified	Apr-12	
Riverside City	033-000	in queue	background check for certified owner (only if	Oct-11	
Riverside City	033-000	in queue	chair massage	Dec-11	
Riverside City	033-000	resolved	high establishment fee	Jun-11	
Riverside City	033-000	resolved	over \$811 for establishment permit	<u>Dec-10</u>	
Riverside City	033-000	resolved	same -estab permits req	Jun-12	
Riverside City	033-000	in queue	showers required/extra bathroom	Dec-11	
Rocklin	194-000	in queue	establishment permit	Mar-11	
Rohnert Park	233-000	resolved	did not recognize certification	unknown	
Roseville	087-000	in queue	background check of certified owner	Aug-12	
Roseville	087-000	in progress	drafting ordinance	Nov-11	
Roseville	087-000	in queue	medical exam	Aug-12	
Roseville	087-000	resolved	no locked doors	Apr-12	
Sacramento city	023-000	in queue	no home occupation (not confirmed if massag	Oct-11	
Sacramento city	023-000	in queue	wants somatic practitioner permit	Dec-11	
Salinas	061-000	in progress	drafting ordinance	Aug-12	
Salinas	061-000	resolved	proposed estblishment/therapist permits	Oct-12	Oct-12
San Bernardino County	006-000	resolved	health inspection & fee	Sep-12	
San Bernardino County	006-000	resolved - all	proposed moratorium, new zoning w/CUP	May-11	

San Bernardino County	006-000	resolved	use permit -	Nov-11	
San Carlos	288-000	passed	new ordinance	Jul-11	May-12
San Clemente	159-000	passed	drafting ordinance	early 2011	
San Clemente	159-000	in queue	no home occupation for massage	Aug-11	
San Clemente	159-000	in queue	restrictive zoning	Aug-11	
San Diego	003-000	in queue	oppressive dress code	Jul-11	
San Diego city	010-000	resolved-	background check of certified owner	Apr-11	
San Diego City	010-000	in process	drafting ordinance	Oct-11	
San Diego city	010-000	resolved	establishment permit	Apr-11	
San Diego city	010-000	resolved	permit required	Apr-11	
San Diego city	010-000	resolved	restrictive zoning	Sep-11	
San Diego city	010-000	resolved -	showers required	Apr-11	
San Diego County	003-000	stalled	\$398 "compliance review and fee"	Oct-12	
San Diego County	003-000	resolved	background checks/ permit	Dec-10	
San Diego County	003-000	stalled	drafting ordinance	Nov-11	
San Diego County	003-000	resolved -	establishment permits	Dec-10	
San Diego County	003-000	resolved	Mueller school says needs background check	Dec-10	
San Dimas	258-000	resolved -	accessory use only	Feb-12	
San Fernando city	317-000	resolved	certified owner background check/\$1300	Oct-11	
San Francisco	016-000	resolved -	estab permit	Dec-10	
San Francisco	016-000	resolved	estab.fees	Dec-10	
San Francisco	016-000	resolved	outcall permit required	Dec-10	
San Francisco	016-000	resolved	showers required	Dec-10	
San Gabriel	237-000	resolved	CUP	May 2011	
San Gabriel	237-000	passed	drafting new ordinance	May-11	completed
San Gabriel	237-000	resolved -	high fee/background check CMT	May-12	
San Gabriel	237-000	resolved -	Moratorium	May-11	
San Gabriel	237-000	resolved	permit required for certified owner	May-11	
San Joaquin	018-000	resolved	permit background check, establishment	Jan-12	
San Jose	012-000	stalled	drafting new ordinance	Jun-11	
San Jose	012-000	resolved	no outcalls	Jun-11	
San Juan Capistrano	257-000	resolved	establishment permit	May-11	
San Juan Capistrano	257-000	resolved -	"business" permit required of employees	May-11	
San Juan Capistrano	257-000	resolved -	restrictive zoning	May-11	

san leandro	133-000	resolved	possible permit required	Oct-10	
San Luis Obispo	228-000	resolved	police permits	Mar-12	
San Luis Obispo	228-000	resolved -	TB test required	Nov-11	
san marcos	129-000	passed	drafting ordinance	Oct-11	
san marcos	129-000	resolved	employee business licenses	8/1/2011	3/1/2012
san marcos	129-000	resolved	establishment permit	Oct-10	
San Mateo County	017-000	within law	\$420 annual "medical waste" fee	Nov-11	
San Mateo County	017-000	passed	drafting ordinance	Apr-10	
San Mateo County	017-000	resolved	no notice of new requirements	Jul-12	
San Ramon	173-000	resolved -	employee business license	April 3 2012	
San Ramon	173-00	resolved	establishment permit	4.3.12	
San Ramon	173-000	resolved	incidental use; limited zoning	8/6/2011	
San Ramon	173-000	resolved	photo id card	4/1/2012	
San Ramon	173-000	resolved -	police permits	4/1/2012	
Santa Ana	029-000	resolved -	\$300 permit & \$150 med exam	1/1/2012	
Santa Ana	029-000	resolved -	establishment fee \$700	4/1/2012	
Santa Ana	029-000	resolved	restricted from professional zoning	3/1/2012	
Santa Barbara	117-000	resolved -	establishment permit	11/1/2011	
Santa Barbara	117-000	resolved -	no chair massage	11/1/2011	
Santa Barbara	117-000	resolved	employee business license	10.2.12	10.2.12
Santa Clara City	081-000	resolved	background check	Oct-10	
Santa Clara City	081-000	resolved	establishment permit	Oct-10	
Santa Clara County	007-000	resolved	county reqd permit	Dec-11	
Santa Clara County	007-000	resolved -	estab permit \$1200 new, \$980 renew	Oct-11	
Santa Clara County	007-000	resolved -	msidemeanor citations for not registering cer	Sep-11	
Santa Clara County	007-000	resolved -pai	no home occupation for massage	Dec-11	
Santa Clarita/ LA county	055-000	resolved -	\$2100 establishment permit	Sep-11	
Santa Clarita/ LA county	055-000	resolved -	background check	Oct-10	
Santa Clarita/ LA county	055-000	resolved	showers required	Oct-10	
Santa Fe Springs	353-000	resolved -	new ordinance	Oct-11	
Santa Monica	115-000	resolved -	owner exam on city code	Aug-11	
santa monica	115-000	resolved	restrictive zoning	Aug-11	
Santa Rosa	060-000	resolved -	owner needs to be certified	July 2012`	
Saratoga	277-000	resolved -	non-cert. owner estab permit	Jun-11	

Scotts Valley	406-000	resolved -	possible permit required	Oct-10
Sierra Madre	414-000	resolved	CUP, fee	May-11
Simi Valley	079-000	passed	drafting ordinance	Nov-11
Simi Valley	079-000	resolved -	moratorium	Nov-10
Solvang	475-000	in queue	limits # of employees in a business - 10	Oct-12
South El Monte	331-000	resolved -	Proposed moratorium,	Jul-12
South El Monte	331-000	resolved -	revising regulations	Jul-12
South Pasadena	312-000	resolved	\$300 zoning fee for contractor for each location	Aug-11
South Pasadena	312-000	resolved -	Fee for ID badges	Jun-11
South Pasadena	312-000	resolved	proposed moratorium, new zoning w/CUP	Jun-11
Stanislaus County`	019-000	resolved	permits, even of instructors	Jun-11
Stanton	248-000	resolved	inspection fee	Feb-12
Stanton	248-000	resolved	permit required	Oct-10
Stockton	034-000	resolved	city permit required	Jun-12
Sunnyvale	074-000	resolved	background check and city permit	Aug-11
Sunnyvale	074-000	resolved	establishment permit	Aug-11
Sunnyvale	074-000	resolved	fees for establishment	Apr-12
Taft	430-000	resolved -	city permit required	Sep-11
Taft	430-000	resolved -	establishment permit	Sep-11
Temecula	099-000	resolved -	city permit	Mar-11
Temecula	099-000	resolved -	no outcalls	Mar-11
Temecula	099-000	resolved	restrictive zoning	May-12
Temple City	264-000	resolved -	citation for not renewing establishment pemr	Aug-11
Temple City	264-000	resolved -	refused information	May-11
Thousand Oaks	078-000	passed	drafting ordinance	Oct-11
Thousand Oaks	078-000	resolved -	establishment permit-citations	May-11
Torrance	069-000	stalled	drafting ordinance	Jun-11
Torrance	069-000	resolved -	moratorium	Sep-10
Torrance	069-000	resolved -	required class on ordinance	Mar-12
Torrance	069-000	resolved -		May-12
Turlock	153-000	resolved	background check/ police permit	Nov-11
Turlock	153-000	resolved -	establishment	Dec-09
Tustin	145-000	resolved	\$100 establishment fee	Jul-12
Tustin	145-000	resolved	establishment permit	Jun-12

Twentynine Palms	282-000	resolved	city therapist permit	Aug-11	
Union City	147-000	resolved -	restrictive zoning	Aug-11	
Upland	142-000	resolved -	accessory use only	Feb-12	
upland	142-000	resolved	establishment permit	Mar-12	
Upland	142-000	resolved -	forbids full massage in reflexology business	Nov-11	
Vacaville	110-000	resolved	establishment "supplemental" license	Aug-11	
Vallejo	083-000	resolved	CUP	Jan-12	
Vallejo	083-000	resolved	police permits	Jan-12	
Ventura	096-000	resolved	high "inspection" fee	Jun-12	
Ventura	096-000	resolved	taking permit fees	Dec-10	
Victorville	090-000	resolved	city permit required	Mar-12	
Victorville	090-000	resolved -	CUP	Oct-11	
Visalia	081-000	passed	drafting ordinance	Jan-12	
Vista	109-000	resolved -	compliance fees	Feb-11	
Vista	109-000	resolved	employee business license	Feb-11	
Walnut	274-000	resolved -	moratorium	Jul-11	
Walnut Creek	164-000	resolved	city permit required`	Aug-11	
Walnut Creek	164-000	resolved -	establishment regulation	Aug-12	
Walnut Creek	164-000	resolved	police permits	Jun-12	
Wasco	315-000	resolved -	CUP if not in spa	Jan-12	
West Covina	089-000	resolved	permit required	Nov-10	
Westlake Village	434-000	in progress	drafting ordinance	Oct-12	
Westlake Village	434-000	resolved	restricted to within medical office	Oct-12	Oct-12
Westminster	113-000	resolved -	must work under a chiropractor	Apr-12	
Westminster	113-000	resolved	permit required	May-10	
Westminster	113-000	resolved -	police approval for business license as I.C.	May-10	
Wildomar	278-000	resolved -	drafting ordinance	Apr-12	
Windsor	303-000	in progress	requires CUP - \$1200	Oct-12	
Yorba Linda	156-000	resolved	establishment permit	Dec-11	
Yorba Linda	156-000	resolved	massage permits	May-12	
Yorba Linda	156-000	resolved	showers required	Nov-11	
Yucaipa	213-000	resolved -	permit required	May-11	
Yucca Valley	338-000	resolved -	establishment license	Jul-12	



You can read the books about California history or you can make it fun and spend some time with Curren Price and listen to stories first-hand.

The erudite leader of the California Legislative Black Caucus has advantages. He’s a senator – not a bad way to be introduced and the kind of job that gets most people calling you back. He’s been both a witness and a participant to a generation of change. He is tall, loosely handsome, still curious at sixty, with a smile that is clever and turns teasing and lets you know he realized a long time ago that he is smart enough not to bother proving it. His eyes hold a rich color and don’t have any sign of burnout or cynicism. A lifetime of travel has taught him to be direct.



CURREN THROUGH THE YEARS.

Curren's disposition in private seems more fitting for a college professor than a politician. He appears younger in person than on television or in newspapers because the white in his beard becomes less noticeable the more animated he becomes. He commands through detail rather than volume, and it is not unusual for him to get caught up in laughter. One of his friends in the Legislature said if the Black Caucus was Motown, Curren would be Marvin Gaye.

Curren circles the rim of a glass with his fingers when he drinks. You get the sense he is no stranger to the pleasures of a long night. Curren has an unforced quality that is appreciated in people more often than it is seen, and it is a comfort with himself that allows others to relax in his company.

His stories have a freshness. They are told without urgency.

Inglewood 1960s

Inglewood's early history can be traced to the beginning of the 20th century when it became the place where Los Angeles buried their dead and the Klu Klux Klan roamed after sunset with impunity. It grew into a working community catering to the aircraft industry and soldiers returning from World War II. Citation became the first million dollar horse at Inglewood's Hollywood Park racetrack in 1951. At the time of the 1960 census there were 29 blacks living in Inglewood and none attended the local

schools. It was ultimately made famous by the discarded Fabulous Forum and the fast break Los Angeles Lakers of Kareem and Magic. Inglewood is resilient. Through tough times it remains a vibrant place and was named an All-American City in 2009.

I am a product of the 1960s. I was in 8th grade during the Watts riots, and I remember seeing the Jeeps coming down the street. It wasn't too long afterward that black student unions were being formed in our schools. They became the grassroots precursor to the Black Panther Party.

This whole thing with black consciousness, black awareness began filtering at every level. At colleges we had new graduate programs created in Black Studies that fundamentally changed the way curriculum was viewed. It was the beginning of ethnic studies. In the community, you had the Panthers organizing to bring about self-sufficiency and self-reliance. At that time, looking back, we can see that the Panthers were progressive in their promotion of lunch programs, health programs, and transportation programs that reach a totally unserved population.

I was influenced by it all. You had to be.

Curren entered Inglewood's Morningside High School in the middle of the 1960s. He was popular, a vice-president and president a couple of years and then student body president of the predominantly Anglo-Caucasian school. It



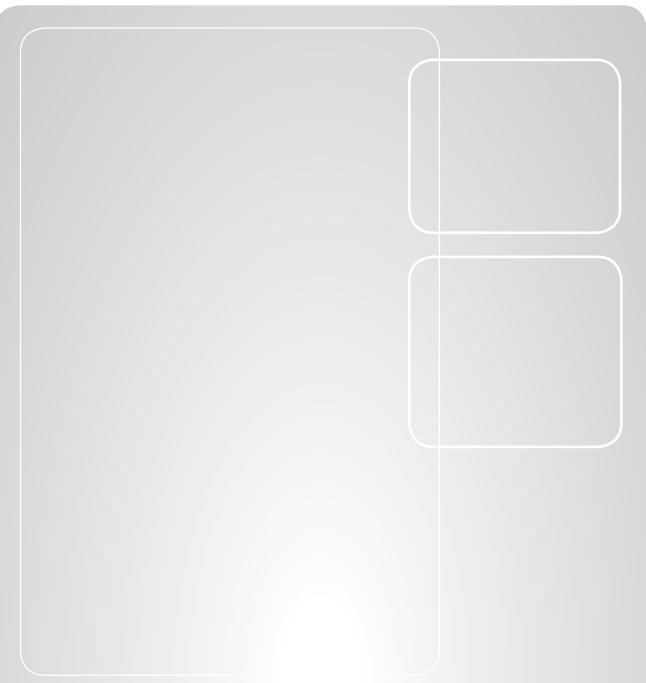
was 1968, a bloody year when the world was watching the explosive ugliness of the Tet Offensive, one of the turning points of the Vietnam War; the country was enduring the killings of Martin Luther King and Robert Kennedy; and Curren's own city was being changed utterly by the fear-mongering associated with block busting and white flight.

Realtors would come through our area trying to get people to sell. They were scaring people that property values were going to bottom-out and if you didn't leave you might get caught up in the rioting we'd seen in Watts. Block busting was telling the neighbors you better run while you can because the blacks are coming.

And it worked. The demographic did change dramatically.

Over the next ten years my neighborhood went from predominantly white to probably predominantly African-American in the '80s. By the mid-'90s there was another shift and it became predominantly Latino. The world literally began changing colors before our eyes.

We were one of the first black families in Inglewood. My dad was a merchant marine, a postal worker who also worked as an insurance agent, a salesman, he ran a small business and he made his mark in real estate. He believed in work. He was tall and charming, and dark-complected, and he got in trouble with alcohol. He beat it after a difficult struggle and was moved enough by the experience to become a drug and alcohol counselor.



STOKELY CARMICHAEL

Stokely Carmichael had graduated from Howard University several years before Curren was accepted. However, he was, by 1968, one of the seminal figures of the civil rights movement in the United States. Carmichael began as an organizer for the Student Non-Violent Coordinating Committee (SNCC) and after more than thirty arrests for registering voters in the South, he turned increasingly toward more of a militant view. A powerful speaker and a charismatic personality, he is credited with coining the phrase "Black Power." He changed his name in the late seventies to Kwame Ture, and spent most of the last thirty years of his life in Africa, dying from cancer in Conakry, Guinea, at the age of 57.

My parents were divorced when my brother and I were rather young, but my dad was always in my life. There was a lot of personality there, and throughout his life he always remained a very positive figure in my life.

My mother will soon celebrate her 84th birthday. She retired as an LA County Clerk in the tax assessor's office more than thirty years ago. She's been retired almost as long as she worked.

You know, she was just a working class mom, a single mother, who worked hard, and always had us in activities. She believed it was important to keep me busy and from a very young age I had an after-school job. I was in the church choir. I was in Little League baseball. She was not going to let me run wild.

Black Awareness

Morningside High School was opened in 1951. Curren is listed as one of the distinguished graduates, and they make mention that before he was elected to the State Assembly and the State Senate, Curren failed in his effort to become the Mayor of Inglewood.

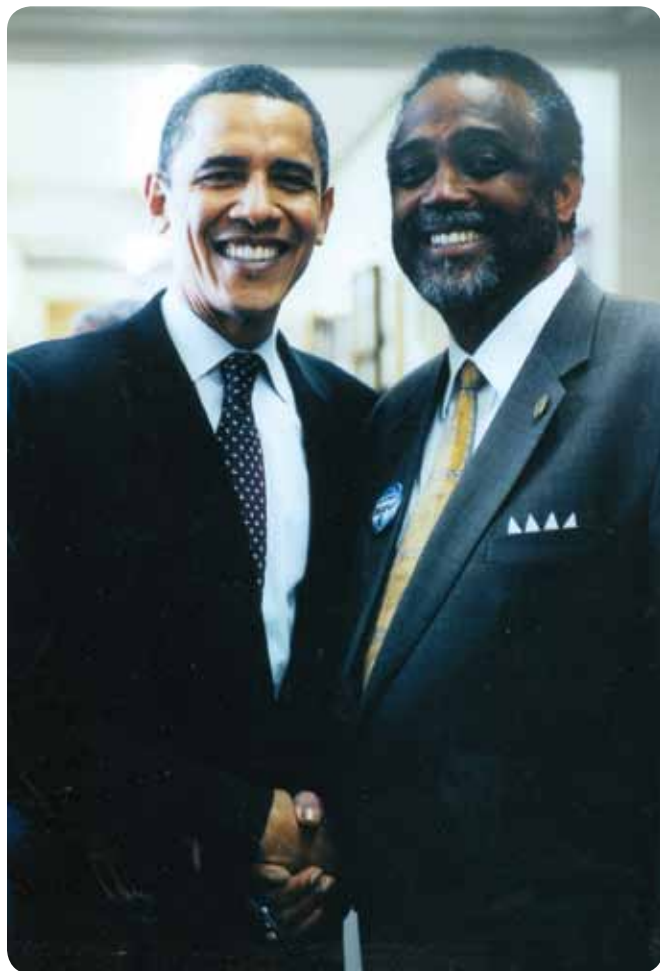
In my high school environment of fifty black students out of a thousand, we had a little area where all the blacks congregated. Certainly, we may have put some restrictions

on ourselves, you know. I hung out with them. I also hung out with everybody else. So, I didn't allow myself to feel consigned to a certain area or to a certain fate.

My parents emphasized education. It was a foregone conclusion that my brother and I would go to college.

My high school counselor said, "You know, Curren, your grades are just so-so. Maybe you should go to a community college for a couple of years." I said, "Harvard, Yale...I'm shooting for the stars, right?" (*Laughs*) I got accepted at San Francisco State and Howard University, a black university in DC.

My dad, not really embracing this black power, black revolution stuff, said, "You're not going to Howard. That's where Stokely Carmichael and the other black radicals go to school?"



CURREN WITH HIS MOTHER; PRESIDENT BARACK OBAMA; LATE SENATOR EDWARD KENNEDY.

This is 1968. Stokely got everyone's attention by being militant before anyone else. Martin Luther King was talking peaceful resistance while Stokely was demanding black separatism and confronting racism with the same force racists perpetuated their hatred. I think now that my dad and people of his generation had not heard the kind of talk from black men that was coming from Stokely. It was not easy for them.

San Francisco State

I went to San Francisco State and, of course, I got involved with the student movement on campus. There were demonstrations for one reason or another everyday. It was a very charged environment. Everything was changing so fast in America and the college campus was in the center of it. There were sit-ins against the war and kids were trying to hold the faculty and the administration more accountable on social issues. And, sometimes things turned violent.

The President of San Francisco State was S. I. Hayakawa. He was an old guy who was known for being a linguist and an intellectual of some note. Not unlike most of the faculty, his world view was a view of a different time. There was no compromise in his manner and he confronted the students during the riots. He personally pulled the plug on their microphones to silence them. I saw him wearing his trademark tam-o'-shanter and climbing on tables and yelling at folks. It worked for him. He shut down the campus completely in the second semester of my freshman year. (*Laughs*) I'm at a college where there are no classes.

I learned a great deal about California politics by watching Hayakawa. The electorate in our state will consider voting for completely different types of candidates if they believe the person can do the job. Before the rioting, no one would have looked at Hayakawa as a national figure. After he shut down the college, the voters saw him as a person of action and elected him to the U.S. Senate.

My dad was concerned that I wasn't focusing on the education. In his view, I was not in school to demonstrate or change the world. I was there to stick to my books and graduate. There was a bit of a generation gap. And it wasn't made easier when I had the big natural, sunglasses, the goatee; you know all the accoutrements of revolution and being anti-establishment.



S.I. HAYAKAWA

Hayakawa was a Canadian-born scholar who finished his education in the American mid-west and eventually settled in San Francisco. His bookish demeanor was highlighted by large horn-rimmed glasses, meticulous suits and a linguist's care when speaking in public. His reputation for candor and courage was a deserved one. He brooked very little nonsense from agitated students during his tenure as president of San Francisco State University and became one of Ronald Reagan's favorite examples of how leaders must act decisively. In a very clever campaign that mocked the playboy lifestyle of his opponent and focused on his own workmanlike approach to government, Hayakawa defeated John Tunney in the 1976 U.S. Senate race. He served one term.

It was the beginning of colleges becoming more experimental and less dogmatic. The pressure applied by students resulted in classes that just a few years earlier would have been inconceivable.

I eventually got accepted into a program called "The Freshman Program of Integrated Studies." I was in a group with about 40 other kids and the classes were pass/fail. We were in this kind of cocoon, so when I left at the end

of that semester, all I had were passes. I had no A, B, C grades and the other colleges were not sure how to handle transferring the units. I also still had to figure out how to finish my freshman year.

I ended up going to Dominguez Hills during the day and El Camino at night. I heard Stanford was recruiting, all the usual stuff, looking for minorities, looking for diversity, blah, blah, blah, in 1969. I got in as a sophomore.

Of course, I got active again in the Black Student Union and community stuff. I did a home improvement project in East Palo Alto. It was a black enclave we called Nairobi, back in the day.

I also learned about a Stanford overseas program. I had not been many places and now I'm hearing about the possibility of getting college credits for studying in Europe. I apply. I get accepted. I go to Italy with the promise that I'm going to learn Italian. I'm almost 21 years old.

I spent six months in Italy and travelling through Europe. Then I proposed to the administration that I be given a travel grant to go to Africa and compare the attitudes of African students with African-American students on issues of integration, separation, liberation, all the buzz words at the time. Two days before we were supposed to return to the States the proposal for \$7,000 was approved.

The overseas programs in the American colleges were popularized by the successes of the Peace Corps. It was an intensely optimistic idea that an exchange system of our best and brightest young people would result in the next generation of world leaders finding common goals. Also, similar to the early years of the Peace Corps, the students were given a great deal of freedom as they charted their course.

I went to a travel agency and they had this map of Africa on the desk. I got a ticket that took me from Rome to Kenya, Tanzania, Zambia, Zaire, Congo, Sierra Leone, Liberia, Nigeria, and Cameroon.

It was a poignant moment when I actually touched down in Africa. I was back home. It was amazing looking around, seeing all the people who looked like me. There



ELDRIDGE CLEAVER

Eldridge Cleaver proved, for more than a decade, to be one of the more riveting figures from the tempestuous 1960s. A collection of essays that he wrote while in prison first got noted in Ramparts Magazine and then were published in a best-selling collection titled 'Soul on Ice.' He was, for a short time, the editor of the Black Panther Party newspaper. After a shootout with the Oakland police in 1968 in which teenager Bobby Hutton was killed and two officers injured, Cleaver was forced to flee the United States.

was a lot of interest, a lot of curiosity, you know, a lot of camaraderie.

I hitchhiked from the East Coast to the West Coast by myself with nothing but a backpack and a suitcase. I would go to a university, meet some people on campus, and stay in a dorm for a couple of days. The longest I stayed was about a week when some girls took me in. I felt safe everywhere I went. I travelled freely.

American students at that time had greater access to information. I'd say the learning was just as intense in

Africa. The social part was the same. I mean, the kids knew the western songs, the styles, so it's not really culture shock. They were smoking weed and drinking beer like kids were doing every place else in the world.

In Africa at the beginning of the '70s there were remnants of colonialism. You'd go into shops and you'd see dark-skinned Africans doing menial work and the light skinned blacks, Asians or whites in control. It was very evident in housing. The governments were not totally free. The topic of discussion was how things were going to change. They were going to take a page from our black brothers in the United States - black power, you know.

I had an opportunity to retrace those steps years later when I went as a businessman for a trading company. I was changed by what I saw and where I went. In law school I majored in international law.

There were not many American students before Curren who spent time travelling in Africa. He did not have a lot of reference points. He talks of having an initial vision of Africa as the Wild Kingdom. He did not get out into the bush, however, and the college campuses were in cities not unlike the United States and Europe.

Curren took off for Algeria with two other men and a woman. In Algeria, he learned that perhaps the most famous of the American Black Panthers, Eldridge Cleaver, was living there in exile.

Algiers is at the very top of Algeria. You knew immediately it was a developing country, dusty roads and lots of people. There is a heavy Islamic influence and French speaking so there was a language barrier and culturally it was quite different. I remember a great combination of faces and colors. At the time we were there the weather was very pleasant. It was easy to get around in the city - hop in a taxi and you get to the place you wanted to be.

It was an adventure being in North Africa after travelling in Europe.

Eldridge Cleaver was in exile after a shootout between the Black Panthers and the Oakland police. A young Panther was killed and Cleaver was charged with murder. It

certainly wasn't a secret that he'd been given sanctuary in Algeria. We were able to find out where he was, and we went to the compound filled with that youthful confidence that they would just let us in. You know, we were African-American students checking in with Eldridge.

The compound was a walled-in space. They probably had guards out front. I don't remember, and I know we moved around inside and outside without interference. There were several residences on the compound. There was a whole cadre of Cleaver's associates who were there at that time.

Cleaver is largely lost to history now, but at this point he was a major American figure worldwide. He'd written the best seller 'Soul on Ice' during his time in prison. It was mandatory reading. He was the face of the new black culture, the Minister of Information for the Black Panther Party, the strong-arm storyteller of the real black experience, and he was the darling of all the revolutionaries.

We go to the compound, and it went like we thought it would. We knock on the door, and they let us in, you know, students from the US, black students are here. Oh, come on in, what's going on, where have you guys been, what's new, what are you doing? What's going on at home, what are Americans thinking about black power - and Cleaver himself was accessible. It wasn't like we had to wait to have an audience with him.

Cleaver was about six feet tall and in good shape. We were travelling with a young woman and he liked her very much. He was always dressed very casually. Very sharp. Inquisitive mind. He was calm. He didn't raise his voice. Very controlled. He engaged us in conversations about separation issues, liberation, Pan-Africanism, and what was happening in the States. We ate together everyday... we were star struck with him asking us what was going on, asking us what our opinions are about the movement, the revolution.

I don't think he was losing touch with America. He probably had a steady flow of folks coming to him. I think he was homesick. He couldn't go home, and I think he knew that for the revolution he thought possible to take place, it was going to take a great deal more work.

He never left the compound. *(Pause)* I have certainly reflected on my time in Algeria and appreciated it even more as I got older. Cleaver encouraged us to stay in school and get our degrees in whatever we were doing. It was very empowering. *(Laughs)* He turned out to be more conservative at that time, more like my dad giving paternal advice.

He went through lots of changes in his later years *(patient smile and lifting of his hands)*. I was very impressionable at the time. He was very...well, he was never a hero, but he was certainly important in my own little world. He got lost himself and when he eventually got back to the United States the issues had passed him by. By the time he died no one even noticed him anymore.

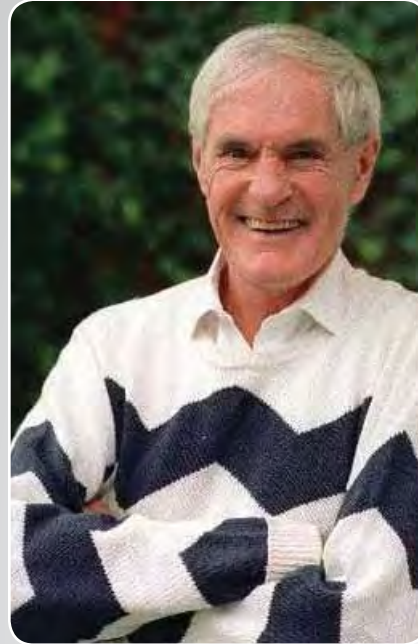
I saw Timothy Leary moving in and out of the rooms on the compound. He was in exile from America for drug charges, and he was always smiling. He was an old hippie to me then, although he wasn't that old now that I'm older myself. I remember him being on cloud 9, literally. Peace, love and soul. Peace, love and soul. There were never any in-depth discussions with him. I'm not sure what the drug laws were in the rest of Algeria, but it was not Islamic on the compound.

Leary and Cleaver were in the same place regularly, as I remember. I don't really recall any interaction. There could have been. The impression I recall was Leary and Cleaver were cordial. I do know the relationship between the two of them did not end well.

I don't remember Leary trying to get us stoned. I'll say if he did he probably succeeded.

It was a remarkable time politically and socially. There were new voices. There were points of view that had been ignored and were now being heard. It was exciting. I do know for me personally the world seemed smaller after travelling. I had a point of reference.

Cleaver died young, but long after he ceased being an important figure. He never found his way or voice after returning to America and he dabbled in Mormonism, peculiar fashion designs, being Republican and battling addiction. Timothy Leary suffered a similar fate. His moment in the sun was brief and he ended up being a



TIMOTHY LEARY

Timothy Leary could only have come true in the 1960s. The Harvard professor who complained that he was once just a nameless, faceless man in a gray flannel suit, who drove numbly to work and numbly home, would emerge as the most famous proponent of psychedelic drugs and the advocate for society to "Turn on, tune in, drop out." He proved to be an accomplished writer and a masterful, playful muckraker before getting sentenced to a ten-year prison term for possession of a very small amount of marijuana. He escaped prison and left the United States for Africa. He would initially ask for help from Eldridge Cleaver and then claim that Cleaver attempted to hold him prisoner in Algeria.

noisemaker without an audience. After he died, his ashes were shot into space.

Black power was a significant influence on everybody who was growing up during that period. A lot of self-awareness was going on, a lot of self-understanding. It transformed from a situation where blacks were not getting a higher education in real numbers, to a period where anyone could achieve anything they believed in. There were lots of firsts during that period. It was an empowering time,

one that gave us a level of self-confidence, understanding, a better appreciation of history and how to make history, and a desire to go forward.

A feeling of black pride and black power resulted in us not just being relegated to second-class citizenship, but having a chance to step up to the plate. Blacks of my generation, because of our education, have made achievements far beyond anything our parents or white people of that generation could have imagined. The result of the sixties is a new African-American influence in the mainstream of political thought.

The challenges now, however, are terribly different, especially in the inner cities, where the drugs and guns and gangs are a presence. There is a crisis of education and health. Look, there's no magic wand that was waved during the sixties and a new guarantee that everything was going to be peachy keen now. In fact, some of those situations now are worse. I'd say there's not been a progress sustained. You know, you don't have as many black kids, certainly black boys, in college now.

We've seen a transition where gang activity has wiped out a whole generation. I'm hoping that increasing awareness will make it clear that gangs are not the way to go. Mentoring programs, pipeline programs, educational programs, tutoring programs, are the way to go in 2011.

We have important work ahead of us. I don't want my generation to be the one that had greater opportunities than the ones preceding us and, terrible if it happens, the one following us.

Politics

Curren's first run for office was 1993. He was 43. He'd come back home, local boy makes good, Stanford, having lived in DC about ten years with an exciting job working for a communications company that was cutting edge. It was during the open spy policy for the FCC. Curren's company was sought out to do engineering for companies who ordered large satellites. He got involved with marketing and forecasting. He was talking with the NFL because they wanted to do national games. He was in Sweden with Volvo. He got involved with cellular technology.



CURREN AND HIS WIFE, DELBRA.

I became an effective advocate for small businesses wanting to succeed, and I'm proud that I was an asset to citizen involvement. Now, I'm happy to be in the Legislature at this time in my life, at this time in the life of the state. It's a critical period to be involved, and I've got a voice to lift in the debate.

Curren was elected by his peers to chair the Black Caucus in the California Legislature. He is known for attracting talent and has a highly disciplined and respected personal staff. He was also recently named the chair of the key Business and Professions Committee and takes charge of their veteran team that is considered one of the best in the Capitol. He is in a position to help shape California.



Memo

Date: October 29, 2012

To: Board of Directors

California Massage Therapy Council

From: Ahmos Netanel, Chief Executive Officer

Subject: Approval of MBLEx and NESL exams

Effective January 1, 2013 Section 4601 of the Business and Professions Code will make it possible for an individual who is 18 years or older to obtain certification as a massage therapist (CMT) if he or she submits a written application that provides the Council with satisfactory evidence that he or she has done both of the following:

(i) Successfully completed, at an approved school, curricula in massage and related subjects totaling a minimum of 250 hours that incorporates appropriate school assessment of student knowledge and skills. Included in the hours shall be instruction addressing anatomy and physiology, contraindications, health and hygiene, and business and ethics, with at least 100 hours of the required minimum 250 hours devoted to these curriculum areas.

(ii) Passed a massage and bodywork competency assessment examination that meets generally recognized psychometric principles and standards, and that is approved by the board. The successful completion of this examination may have been accomplished before the date the council is authorized by this chapter to begin issuing certificates.

In light of the above, the CEO is recommending to the Board that effective January 1, 2013 the Board will approve the MBLEx and the NESL exams as acceptable for the second part of the above requirements.

Item 9: Approve MBLEX and NESL exams for applicants qualifying for CMT

Motion: Move to approve the Massage & Bodywork Licensing Exam (MBLEx) offered by the Federation of State Massage Therapy Boards (FSMTB) and the National Exam for State Licensing (NESL) application process offered by the National Certification Board for Therapeutic Massage and Bodywork (NCBTMB) beginning January 1, 2013. An applicant who has passed an approved exam and completed at least 250 hours of qualifying massage education, will be considered for the Certified Massage Therapist qualification. Passage of either of these examinations on a date prior to January 1, 2013 will also be deemed to satisfy the examination requirement. Staff is instructed to update the website and relevant forms by December 15, 2012 and to inform potential applicants of the upcoming change on January 1, 2013.

SB 1238, signed into law this fall and to become effective January 1, 2013, amended Sec. 2. 4601 of the Business and Professions Code. In one part of SB 1238, the Board was successful in changing the requirements for what had previously been an “exam only” route to CMT status. Going forward, the alternative to presenting a minimum of 500 qualifying massage education hours (or the credit unit equivalent) will be a combination of a minimum of 250 massage education hours (*qualifying hours* tailored to the same curricula and assessment constraints that apply to attaining CMP status) plus passage of “a massage and bodywork competency assessment examination that meets generally recognized psychometric principles and standards, and that is approved by the board.”

Currently, only two examinations, both offered by the NCBTMB, have been approved by the CAMTC board:

- The National Certification Exam for Therapeutic Massage and Bodywork (NCETMB)
- The National Certification Exam for Therapeutic Massage (NCETM)

The problem: in order to sit for one of those exams, an individual must meet NCBTMB eligibility requirements, including completion of at least 500 hours of massage education at an approved school.

Proposed solution: add the NESL¹ and MBLEx as examinations approved by the CAMTC board. While passing one of these examinations (historically only approximately 70% of all exam takers successfully pass either exam) will be challenging for individuals with fewer than 500 hours of massage education, by opening up these additional exam routes we would at least provide such individuals with an opportunity to qualify for CAMTC CMT status. Providing this opportunity was the purpose of this section of SB 1238.

Background

From June 2009 until February 15, 2012 both the NESL and the MBLEx had been CAMTC approved examinations and thus had been deemed to meet the criteria of examinations that met “generally recognized psychometric principles and standards.” As of February 7, 2012, 54 individuals who had passed the MBLEx and 34 who had passed the NESL had been CAMTC certified for CMT status through Portal G (exam only). These individuals did not have to present documentation of their massage education. At the February 15 meeting, there was no evidence presented, documented or anecdotal, that allowing the MBLEx or NESL exams compromised the integrity of the CAMTC certification process.

¹ The NESL is not a unique, different exam, but rather constitutes a streamlined application process (eliminating educational prerequisites) to taking either the NCETMB or the NCETM.

The quality of those exams and the security of the professional testing environment (both exams are currently administered by Pearson Vue) were not an issue. Neither was there any indication at that time or subsequently that the individuals who had qualified for CAMTC certification under the “exam only” pathway were a danger to the public or were not in fact qualified practitioners. Instead, the sentiment behind the February vote was that CAMTC should not risk approving certification for individuals who *may* have had no (or little) formal massage education.

The board did **not** conclude that the NESL or MBLEx were inadequate examinations. However, because neither the MBLEx nor the NESL applications impose a minimum education requirement or verification of education, the board set aside approval of these examinations until such time that CAMTC could legally attach education requirements to them. That time is now upon us.

We should also recall why an “exam only” route to certification was included in the original massage law. The rationale was to allow applicants who were unable to secure transcripts or proof of schooling a pathway to certification by passing an exam measuring entry-level competence. The board has changed the qualifications for certification and this new approach will not fully meet the needs of that category of potential applicants, but it will lessen the barrier: 250 education hours, even with specific criteria attached, seems a less imposing barrier for a veteran massage therapist lacking school records than 500 hours. Further, individuals who lacked pertinent copies of school records had 2 ½ years starting in July 2009 to qualify under the original criteria adopted by the board in June 2009.

Since in February there did not seem to be any reason for disallowing the NESL and MBLEx exams other than the desire to impose both exam **and** education requirements, I encourage the Board to vote now to approve both the Massage & Bodywork Licensing Exam (MBLEx), and the NESL application process.

Aggregated Proposed CAMTC Schedule of Authority- 10/24/12

	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,E B		A
Employment of auditing firm	A	B	E-B	B	C B
Employment of strategic planning facilitator	B				A
Serious stakeholders complaints	C	A	E		B A
Taking official positions	A		A		B
Programs, Products & Services					
New programs, products or services	A	C	D	D	B
Change in strategic alliances	A	C	E-B		-B E
Meetings sites	A C		B	D	-A B
Budget and Fiscal Control					
Annual budget	A	C	E-F	B-F	B-F
Overspend budget line items	A	C	EB	E-F	B-F
Overspend (IN A CATEGORY)overall budget	A	C	EB	E-F	B-F
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	A	C	E		A-B A
Changes in staff benefits	C-A	C	B		A-B
Changes in personnel manual	C-A	C	B		-A-B
Establishing new employee positions	C-A	C	B		AB
CEO Compensation and Responsibilities					
Hiring CEO	A	B			
Evaluation of performance	A-C	B-A			C
Establishing CEO compensation	A	B		B	C
Approval of vacation schedule (FOR STAFF)	C		A-C		B-A
Governmental and Legal Issues					
Commits organization to law suit	A		E		B
Testify at public hearings	C		A		A
Legislative Policies	A	A	A		B
Taking urgent official positions	C	A	A		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>					
F= MAKES RECOMMENDATIONS TO BOARD					
G= MUST CO-SIGN					



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.



Memo

Date: October 29, 2012
To: Board of Directors
California Massage Therapy Council
From: Ahmos Netanel, Chief Executive Officer
Subject: New staff attorney

On September 29, 2012, after interviewing five finalists and testing three, I decided to offer Ms. Kendall LaFontaine the job as our new staff attorney. She will be working from home, which is located 30 minutes from Sacramento. Ms. LaFontaine commenced training at our office on October 15, 2015. Her salary is \$6,666.66 per month for the first 90 days. If her performance is satisfactory after the first 90 days her salary will be increased to \$7,500 per month. She will also be provided with \$500 benefits allowance per month, 10 days paid vacation per year and 12 days paid sick leave per year.

It is my expectation that Ms. LaFontaine will achieve the necessary professional proficiency to start assuming multiple legal responsibilities on her own by February 2013.



Memo

Date: October 29, 2012

To: Board of Directors

California Massage Therapy Council

From: Ahmos Netanel, Chief Executive Officer

Subject: Staff's preliminary plan to ensure the legitimacy of certificate holders

Background

During the month of August 2012, I instructed staff to upload all the addresses of massage establishments listed on the California section of the website EroticMP.com and run a comparison with the addresses that certificate holders disclosed to CAMTC as their place of work. EroticMP.com is one of many websites that explicitly promotes sexual services in massage parlors. The results of this effort revealed that significant numbers of certified individuals disclosed work addresses that matched the addresses on EroticMP.com.

I also sent staff to visit 56 establishments in the city of Los Angeles that are listed on that website with addresses that did not match any certified individuals' disclosed place of work. These visits revealed that a significant portion of those establishments also engaged certified individuals in the capacity of massage providers.

On September 13, 2012, the Board unanimously adopted a motion (Dixon/Grant) to instruct staff to develop a comprehensive plan to ensure the legitimacy of certificate holders and to present at the November 2012 Board meeting.

Additional Data Analysis

Prior to making any policy recommendations, staff embarked on further examination of the data. First, we wanted to check if the individuals obtained their certification as a result of some systemic flaw in our screening protocols and/or staff mistakes. A thorough audit of a random sample of approximately 2% of all certificate holders in question was conducted. The conclusion of the review was that 100% of the individuals in the sample met all the legal requirements for certification set by California law.

Certification Pathways

Next, we wanted to see if there was a particular path to certification that was unusually “popular” for this group in comparison to the rest of the certificate holders. The juxtaposition of data from both groups show that the portals and titles of the EroticMP group generally mirror that of the general population of certificate holders (which means that most of them submitted transcripts from approved massage programs with 500 hours):

	CH w Listing on Erotic			
PORTALS	MP	%	All CH	%
A	187	6.78	3917	10.13
B	64	2.32	338	0.87
C	49	1.77	440	1.13
D	2	0.07	20	0.05
E	421	15.26	3667	9.49
F	1847	66.96	28050	72.59
G	143	5.18	1050	2.71
H	45	1.63	1156	2.99
	2758		38638	
CCMP	421		3667	
CMP	302		4715	
CMT	2035		30256	

A diagram detailing the previous paths to certification is attached.

It is interesting to note that that the percentage of CMP's is smaller in the EroticMP group than in the general group.

Schools

From here we examined all schools. Of the 354 schools we examined, all of them had at least one certified individual that listed EroticMP as their place of work. We divided the number of certificate holders from the EroticMP group (from each school) by all the certificate holders who applied with a transcript from that school. This time a drastic deviation was revealed among the schools. The specific names of the schools are not provided in the attached document but it is clear that some schools have a significantly higher percentage of graduates working at EroticMP locations than others. It ranges from 0.5% to 23%. Staff will further investigate the correlation between schools and illicit massage parlors.

Illicit massage parlors prevalence by state

While there is no definitive source of the actual number of illicit massage parlors in each state, the data from EroticMP.com may be relevant to this discussion. We divided the number of listings in each state with a massage law by the size of the population (full comparison attached). Here is how California compares to the rest of the country (excluding states without a state law):

USA - one establishment per 54,113 residents

CA - one establishment per 21,522 residents

In comparison to population size, massage establishments listed on EroticMP are 250% more prevalent in California than the rest of the US.

Preliminary conclusion

We believe that CAMTC is doing a good job implementing the law. We could not find examples of people who got certified who did not meet the certification requirements established by the law and by the Board based on information provided on their applications. Much more can be done to reduce the cases of certified individuals working in illicit massage parlors through additional protocols, expanded enforcement and tighter cooperation with local government. However, the fact is, California massage law is one of the weakest in the nation and the problem we are facing is hardly a surprise. It is staff's opinion that without substantial overhaul of our law, all procedural initiatives will come up short in their ability to seriously curtail the phenomena of certified individuals engaging in prostitution and human trafficking.

Preliminary Recommendations

Staff is recommending a two-pronged approach:

1. Policy and implementation
2. Substantially overhauling the law

Policy and implementation

There are basically three areas on which CAMTC can focus in order to start combating this problem:

1. Allocating resources when available to deny recertification to individuals engaging in advertising or working at establishments that advertise in adult media.
2. Educate local government on the advantages of closely cooperating with CAMTC.
3. Cracking down on fraudulent schools, establishing a formal approval process and inspecting protocols that deal with substandard schools.

While we believe implementing the above may slow down the rate by which this problem has been growing, such an approach tends to be symptomatic and does not deal within the root of the problem, which is the weakness of the law itself.

Substantially overhauling the law

Staff examined 45 state massage laws (44 plus D.C.) as well as statutes for several other professions in California. We focused on massage laws from Florida, Texas and New York as well as California Cosmetology law. We identified the following five legislative elements for the Board to consider:

1. *Educational hours*- While the average number of hours required in other states is currently 690, it should be noted that we were unable to find any data that substantiates a correlation between length of education and engagement in illicit activity.
2. *Exam* - California is one of the only states that do not require an exam in its massage law. There are several states that require a practical exam in addition to the written one.
3. *Continuing competence* - The vast majority of states have continuing education requirements averaging 20 hours per two year period.
4. *Establishments* - Most of the states that seem to manage the challenge of illicit establishments have state provisions for establishment regulation. The Board can consider a statewide voluntary certification program for establishments if it does not wish to pursue mandatory regulation. It is clear that establishments are integral component of the profession and a real solution will elude us if we are not involved in shaping and maintaining professional standards for establishments.

5. *Schools*- Like establishments, most states that have an effective massage law regulate massage schools. The ineffectiveness of the BPPE contributed to the “perfect storm” of illicit massage we are now experiencing. Furthermore, the current priority given to BPPE is to focus on degree granting schools which excludes most private massage schools. Schools are an integral part of the massage profession and a more robust involvement of CAMTC with schools will be essential for a successful law.

We recommend incorporating all of the above five elements into our law. It will not only will raise the professional bar in California and bring it up to par with the rest of the country, it will also strengthen the Board’s ability to protect the rights of legitimate massage professionals and at the same time make it possible to go after the “bad apples”.

Timing

In case the Board would like any of the above elements incorporated into law, the obvious question is when. Under normal circumstances such substantive changes are better handled as part of the sunset review process. But as local government concerns are mounting an earlier intervention maybe necessary. We are not recommending pursuing specific legislation in 2013 but we do recommend keeping our options by seeking a potential author and introducing placeholder language in a bill. The board will have the option to either expand the language to include provisions it wishes to include or pull the bill altogether. Regardless of the actual outcome, demonstrating serious vigilance and a proactive stance by the Board will greatly magnify our chances to meet the Board objective come sunset review.

CALIFORNIA MASSAGE THERAPY COUNCIL
(10/24/12)
PROPOSED BUDGET 2013

CAMTC proposed budget for 2013 anticipates total revenue of \$3,490,520 with total expenses of \$3,133,366 for excess revenue over expenses of \$357,153.

Revenue recognition formulas for 2013 have been revised in consultation with the Treasurer and Auditor to better reflect the actual time allocation of resources:

New applications- 37% when received (previously 27%), 39% when issued (previously 38%) and 24% over 24 months (previously 35%).

Recertification- 46% when received (previously 27%), 42% when approved, and 12% over 24 months (previously 35%).

REVENUE: Lines 1-12

Lines 1 – *New Applications Received* – Based on an estimate of applications received of 850 per month (2012 averaged 1,081 so far) at 37% of the \$150 per application received.

Line 2 – *Certificates Issued* – Based on 96% of all applications received being certified. Recognizing the revenue at 39% of the \$150 received.

Line 3 – *Renewals Applied* – Based on the actual database number of persons eligible for recertification by month. Recognizing the revenue at 46% of the \$150 received.

Line 4 – *Renewals Approved* – Based on 92% of all renewals being approved. Historically this used to be 99% but implementation of the Board's policy regarding adult advertising will lower the approval number percentage. Recognizing the revenue at 42% of the \$150 received.

Line 5 & 6 – *Deferred Prior Years and Current Year* - Based on a chart of the applications received over 24 months. A new deferral was adopted for 2013 of 12 % for renewals over 24 months and 24% of new applications received over 24 months.

Lines 7 & 8 - *Denied Applications and Purged Revoked etc* – Based on prior year history

Lines 9-10-11- *Miscellaneous and other Fees* – Based on anticipated fees or prior year history.

OPERATING EXPENSES: Lines 13-80

BOARD EXPENSES: Lines 13-17 – Expenses are based on four board meetings, with one meeting for two days for planning.

OUTREACH/MARKETING EXPENSES: Lines 18-20 - Includes all expenses related to the promotion of the organization and public relation as well as maintenance of the website. The budget allows for conservative spending for maintenance of the web and minor promotional projects.

GENERAL & ADMINISTRATIVE EXPENSES: Lines 21-37 - Includes all expenses related to the general operation of the organization. The budget is based on known expenditures for equipment or supplies along with historical data from the prior year. The **Certifications/Materials - line 34** is being brought in-house and the estimate provided on the budget is based on what we believe will be the costs including materials but we do not have any history on providing the service by the staff.

EXECUTIVE STAFF: Lines 38-50 - Includes all expenses related to executive staff (CEO & Government Relations Director). No significant changes were made to these budget lines except for an increase in Executive travel (to accommodate additional travel related to sunset, possible new legislation and outreach to law enforcement agencies) and additional contingency of \$5,000/mo to address increase in executive staff workload (Since April 2012 this contingency was set at \$4,600/mo but was never used).

PROFESSIONAL STANDARDS DIVISION: Lines 51-69 - Includes all expenses related to the staff and operations of PSD. The proposed budget allows for the current staff including the in-house attorney for the full year. Staff costs are based on the 2012 YTD hours for each employee. The budget does allow for a 4% wage increases and current benefit allowances. In addition, it does not allow for the addition of other personnel for increased hearings and reviews.

GENERAL STAFFING EXPENSES: Lines 70-73 - Includes Payroll services, payroll taxes and workers' compensation insurance. Expenses are based on known salaries and prior year history.

PROFESSIONAL SERVICES EXPENSES: Lines 74-78 – Includes Application processing expenses, legal-general, accounting/audit and consulting. Expenses are based on current agreed fees.

OTHER EXPENSES: Line 79 - Includes miscellaneous contingency.

CAMTC PROPOSED BUDGET																
2013																
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL	2012	Variance	
	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	Estimated		
	REVENUE														Year-End	
	Number of new applications deposited	850	850	850	850	850	850	850	850	850	850	850	850	10,200	11,984	
1	New Application Fees Recognized (37% of \$150)	\$ 47,175	\$ 47,175	\$ 47,175	\$ 47,175	\$ 47,175	\$ 47,175	\$ 47,175	\$ 47,175	\$ 47,175	\$ 47,175	\$ 47,175	\$ 47,175	\$ 566,100	\$485,352	\$ 80,748
	Certificates Issued	816	816	816	816	816	816	816	816	816	816	816	816	9,792	11,249	
2	Certificates Recognized (39% of \$150)	\$ 47,736	\$ 47,736	\$ 47,736	\$ 47,736	\$ 47,736	\$ 47,736	\$ 47,736	\$ 47,736	\$ 47,736	\$ 47,736	\$ 47,736	\$ 47,736	\$ 572,832	\$641,193	\$ (68,361)
	Renewals-Applied	930	557	590	496	417	526	565	683	684	1281	997	1281	9,007	10,245	
3	Renewals Recognized (46% of \$150)	\$ 64,170	\$ 38,433	\$ 40,710	\$ 34,224	\$ 28,773	\$ 36,294	\$ 38,985	\$ 47,127	\$ 47,196	\$ 88,389	\$ 68,793	\$ 88,389	\$ 621,483	\$414,923	\$ 206,560
	Renewals-Approved	856	512	543	456	384	484	520	628	629	1179	917	1179	8,286	10,162	
4	Renewals Recognized (42% of \$150)	\$ 53,903	\$ 32,284	\$ 34,196	\$ 28,748	\$ 24,169	\$ 30,487	\$ 32,747	\$ 39,587	\$ 39,645	\$ 74,247	\$ 57,786	\$ 74,247	\$ 522,046	\$579,234	\$ (57,188)
	Deferred Current / Prior Years															
5	Deferred Current Year (24% of \$150 /24)/(12% of \$150/24)	\$ -	\$ 1,972	\$ 3,665	\$ 5,383	\$ 7,030	\$ 8,617	\$ 10,287	\$ 11,986	\$ 13,773	\$15,561	\$17,797	\$19,820	\$ 115,891	\$290,926	\$ (175,035)
6	Deferred Prior Yrs	\$ 81,093	\$ 79,142	\$ 77,643	\$ 75,237	\$ 72,874	\$ 70,313	\$ 67,681	\$ 66,045	\$ 62,632	\$58,947	\$55,265	\$52,671	\$ 819,543	\$559,480	\$ 260,063
	Denied Applications	50	50	50	50	50	50	50	50	50	50	50	50	600	949	
7	Denied Applications Recognized (73% of \$150)	\$ 5,475	\$ 5,475	\$ 5,475	\$ 5,475	\$ 5,475	\$ 5,475	\$ 5,475	\$ 5,475	\$ 5,475	\$ 5,475	\$ 5,475	\$ 5,475	\$ 65,700	\$103,916	\$ (38,216)
	Purged/Revoked/Sus/Cancelled/Nullified	20	20	20	20	20	20	20	20	20	20	20	20	240	252	
8	Purged Applications Recognized (73% of \$150)	\$ 2,190	\$ 2,190	\$ 2,190	\$ 2,190	\$ 2,190	\$ 2,190	\$ 2,190	\$ 2,190	\$ 2,190	\$ 2,190	\$ 2,190	\$ 2,190	\$ 26,280	\$27,594	\$ (1,314)
9	Hearing Fees	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 72,000	\$45,215	\$ 26,785
10	Re-certification Late Fees	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 72,000	\$64,270	\$ 7,730
11	Miscellaneous Fees	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 36,000	\$38,154	\$ (2,154)
	Total Fee Revenue	\$ 316,742	\$ 269,407	\$ 273,790	\$ 261,168	\$ 250,422	\$ 263,287	\$ 267,276	\$ 282,321	\$ 280,822	\$ 354,720	\$ 317,217	\$ 352,703	\$ 3,489,875	\$3,250,256	\$ 239,619
	Interest	\$ 33	\$ 33	\$ 33	\$ 33	\$ 155	\$ 33	\$ 33	\$ 33	\$ 160	\$ 33	\$ 33	\$ 33	\$ 645	\$530	\$ 115
12	Total Other Revenue	\$ 33	\$ 33	\$ 33	\$ 33	\$ 155	\$ 33	\$ 33	\$ 33	\$ 160	\$ 33	\$ 33	\$ 33	\$ 645	\$530	\$ 115
13	TOTAL REVENUE	\$ 316,775	\$ 269,440	\$ 273,823	\$ 261,201	\$ 250,577	\$ 263,320	\$ 267,309	\$ 282,354	\$ 280,982	\$ 354,753	\$ 317,250	\$ 352,736	\$ 3,490,520	\$3,250,786	\$ 239,734
	OPERATING EXPENSES															
	Board & Committee Expenses															
14	Board Travel /Committee	\$ -	\$ 2,500	\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ 3,500	\$ -	\$2,500	\$ -	\$ 11,000	\$15,172	\$ (4,172)
15	Facility/Banquet	-	3,000	-	3,000	-	-	-	-	6,000	-	3,000	-	15,000	16,339	(1,339)
16	Printing /Supplies/Postage	-	200	-	200	-	-	-	-	200	-	200	-	800	804	(4)
17	Conference Calls	100	-	100	-	100	100	100	100	-	100	-	100	800	980	(180)
18	Total Board & Committee Expenses	\$ 100	\$ 5,700	\$ 100	\$ 5,700	\$ 100	\$ 100	\$ 100	\$ 100	\$ 9,700	\$ 100	\$ 5,700	\$ 100	\$ 27,600	\$33,295	\$ (5,695)

CAMTC PROPOSED BUDGET																
2013																
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL	2012	Variance	
	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	Estimated		
	Outreach/Marketing															
19	Communications & Promotion	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 42,000	\$42,316	\$ (316)
20	Public Relations	400	400	400	400	400	400	400	400	400	400	400	400	4,800	5,820	(1,020)
21		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Total Outreach/Marketing	\$ 3,900	\$ 3,900	\$ 3,900	\$ 3,900	\$ 3,900	\$ 3,900	\$ 3,900	\$ 3,900	\$ 3,900	\$ 3,900	\$ 3,900	\$ 3,900	\$ 46,800	\$48,136	\$ (1,336)
	General Administrative															
23	Office Supplies	\$ 2,500	\$ 375	\$ 375	\$ 375	\$ 375	\$ 375	\$ 2,500	\$ 375	\$ 375	\$375	\$375	\$375	\$ 8,750	12,001	\$ (3,251)
24	Office Rental - Sacramento	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000	46,353	1,647
25	Office Furniture/Equipment		-	-	-	-	-	-	-	-	-	-	-	-	17,486	(17,486)
26	Printing/Copying	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	13,743	(1,743)
27	Records Scanning	4,306	4,306	4,306	4,306	4,306	4,306	4,306	-	-	-	-	-	30,142	38,505	(8,363)
28	Postage/Mailing	750	750	750	750	750	750	750	750	750	750	750	750	9,000	7,896	1,104
29	Telephone/Fax	100	100	100	100	100	100	100	100	100	100	100	100	1,200	978	222
30	Dues/Subscriptions-Software/Licenses	-	-	-	-	-	-	-	-	-	-	-	-	-	12,485	(12,485)
31	Insurance-D&O/E&O/GL	1,338	1,338	1,338	1,338	1,338	1,338	1,337	1,338	1,337	1,338	1,338	1,338	16,054	16,054	-
32	Banking/credit card fees	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	50,400	48,548	1,852
33	Staff Travel	-	600	-	600	-	-	-	2,920	2,200	-	600	-	6,920	3,635	3,285
34	Certification/Materials/Printing/Mailing	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	69,600	88,934	(19,334)
35	Database Maintenance	750	750	750	750	750	750	750	750	750	750	750	750	9,000	6,309	2,691
36	Database Development	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000	30,964	5,036
37	Amortization Expense													-	2,669	(2,669)
38	Miscellaneous	300	300	300	300	300	300	300	300	300	300	300	300	3,600	3,171	429
39	Total General Administrative	\$ 28,044	\$ 26,519	\$ 25,919	\$ 26,519	\$ 25,919	\$ 25,919	\$ 28,043	\$ 24,533	\$ 23,812	\$ 21,613	\$ 22,213	\$ 21,613	\$ 300,666	\$349,731	\$ (49,065)

CAMTC PROPOSED BUDGET																	
2013																	
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL	2012	Variance		
	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	Estimated			
Executive Staff																	
40	Senior Management Team	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 270,000	\$266,308	\$ 3,692	
41	Senior Staff-Contingency-Requires BOD Approval	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000	13,800	46,200	
42	Benefit Allowance	5,500	5,500	5,500	5,500	5,500	5,750	5,750	5,500	5,500	5,500	5,500	5,500	66,500	66,500	-	
43	Off Site - Office Rental	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	15,996	15,996	-	
44	Vacation Expense	865	865	865	865	865	865	865	865	865	865	865	865	10,380	9,979	401	
45	Travel & Meetings	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	39,000	29,048	9,952	
46	Communications	375	375	375	375	375	375	375	375	375	375	375	375	4,500	4,154	346	
47	Supplies	100	100	100	100	100	100	100	100	100	100	100	100	1,200	1,047	153	
48	Equipment	150	150	150	150	150	150	150	150	150	150	150	150	1,800	2,750	(950)	
49	Phone - cell phone -land Line-DSL	200	200	200	200	200	200	200	200	200	200	200	200	2,400	2,173	227	
50	Miscellaneous	50	50	50	50	50	50	50	50	50	50	50	50	600	324	276	
51	Total Executive Staff	\$ 39,323	\$ 39,323	\$ 39,323	\$ 39,323	\$ 39,323	\$ 39,573	\$ 39,573	\$ 39,323	\$ 39,323	\$ 39,323	\$ 39,323	\$ 39,323	\$ 472,376	\$412,079	\$ 60,297	
Professional Standards Division																	
52	Management	\$6,000	\$6,000	\$6,000	\$6,240	\$6,240	\$6,240	\$6,240	\$6,240	\$6,240	\$6,240	\$6,240	\$6,240	\$ 74,160	\$71,301	\$ 2,859	
53	Application Review	-	-	-	-	-	-	-	-	-	-	-	-	-	83,576	(83,576)	
54	Clerical	13,500	13,500	13,500	14,040	14,040	14,040	14,040	14,040	14,040	14,040	14,040	14,040	166,860	152,094	14,766	
55	Field Investigators	20,306	20,306	20,306	21,118	21,118	21,118	21,118	21,118	21,118	21,118	21,118	21,118	250,980	77,999	172,981	
56	Employee Benefits Allowance(5@400)	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000	23,250	750	
57	Supplies	100	100	100	100	100	100	100	100	100	100	100	100	1,200	1,076	124	
58	Cell Phones	400	400	400	400	400	400	400	400	400	400	400	400	4,800	5,146	(346)	
59	Travel	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	9,352	2,648	
60	Conference Calls	700	700	700	700	700	700	700	700	700	700	700	700	8,400	7,771	629	
61	Dept Meetings	50	50	50	50	50	50	50	50	50	50	50	50	600	753	(153)	
62	Equipment	-	2,500	-	-	-	2,500	-	-	-	-	-	-	5,000	5,024	(24)	
63	Legal Attorneys - Denials/Litigation	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	432,000	421,301	10,699	
64	Legal - In - House	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,416	8,416	8,416	8,416	97,248	37,279	59,969	
65	Legal Assistance-Staff	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	40,320	3,403	36,917	
66	Investigations (SSA)	750	750	750	750	750	750	750	750	750	750	750	750	9,000	18,086	(9,086)	
67	Court Record Fees	200	200	200	200	200	200	200	200	200	200	200	200	2,400	1,873	527	
68	Appeals+ Denials Printing/Supplies/Mailing	350	350	350	350	350	350	350	350	350	350	350	350	4,200	7,681	(3,481)	
69	Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-	4,991	(4,991)	
70	Total Professional Standards Division	\$ 92,716	\$ 95,216	\$ 92,716	\$ 94,308	\$ 94,308	\$ 96,808	\$ 94,308	\$ 94,308	\$ 94,308	\$ 94,308	\$ 94,724	\$ 94,724	\$ 94,724	\$ 1,133,168	\$931,956	\$ 201,212
Staff General Expenses																	
71	Insurance (Workers' Comp)	\$ 820	\$ 820	\$ 820	\$ 820	\$ 820	\$ 820	\$ 820	\$ 820	\$ 820	\$ 820	\$ 820	\$ 820	\$ 9,840	\$5,766	\$ 4,074	
72	Payroll Taxes (Exec Staff and PSD)	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	66,996	61,465	5,531	
73	Payroll Services (all staff)	125	125	125	125	125	125	125	125	125	125	125	125	1,500	1,275	225	
74	Total Staff General Expenses	\$ 6,528	\$ 6,528	\$ 6,528	\$ 6,528	\$ 6,528	\$ 6,528	\$ 6,528	\$ 6,528	\$ 6,528	\$ 6,528	\$ 6,528	\$ 6,528	\$ 78,336	\$68,506	\$ 9,830	

CAMTC PROPOSED BUDGET																
2013																
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL	2012	Variance	
	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	Estimated		
Professional Services																
75	Accounting/Audit	-	-	7,000	1,240	-	-	-	-	-	-	500	\$ 8,740	\$8,740	\$ -	
76	Application Processing	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	900,000	830,238	69,762	
77	Consulting	50	50	50	50	50	50	50	50	50	50	50	600	499	101	
78	Legal general counsel & routine	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	84,000	81,091	2,909	
79	Total Professional Services	\$ 82,050	\$ 82,050	\$ 89,050	\$ 83,290	\$ 82,050	\$ 82,050	\$ 82,050	\$ 82,050	\$ 82,050	\$ 82,050	\$ 82,550	\$ 993,340	\$920,568	\$ 72,772	
80	Sub-total Operating Expenses	\$ 252,661	\$ 259,236	\$ 257,536	\$ 259,568	\$ 252,128	\$ 254,878	\$ 254,502	\$ 250,742	\$ 259,621	\$ 248,238	\$ 254,438	\$ 248,738	\$ 3,052,286	\$2,828,541	\$ 223,745
81	Miscellaneous Contingency	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 84,000	\$24,096	\$ 59,904	
82	TOTAL OPERATING EXPENSES	\$ 259,661	\$ 266,236	\$ 264,536	\$ 266,568	\$ 259,128	\$ 261,878	\$ 261,502	\$ 257,742	\$ 266,621	\$ 255,238	\$ 261,438	\$ 255,738	\$ 3,136,286	\$2,852,637	\$ 283,649
83	OPERATING SURPLUS / (DEFICIT)	\$ 57,114	\$ 3,204	\$ 9,287	\$ (5,367)	\$ (8,551)	\$ 1,442	\$ 5,807	\$ 24,612	\$ 14,361	\$ 99,515	\$ 55,812	\$ 96,998	\$ 354,233	\$322,890	\$ 31,343
	<i>OPERATING SURPLUS / (DEFICIT) YTD</i>	<i>\$ 57,114</i>	<i>\$ 60,318</i>	<i>\$ 69,605</i>	<i>\$ 64,238</i>	<i>\$ 55,687</i>	<i>\$ 57,129</i>	<i>\$ 62,937</i>	<i>\$ 87,548</i>	<i>\$ 101,909</i>	<i>\$ 201,424</i>	<i>\$ 257,236</i>	<i>\$ 354,233</i>			
CASH FLOW PROJECTIONS - 2013																
Cash Flow from Operations																
	Cash Received	\$ 276,000	\$ 220,050	\$ 225,000	\$ 210,900	\$ 199,050	\$ 215,400	\$ 221,250	\$ 238,950	\$ 239,100	\$ 328,650	\$ 286,050	\$ 328,650	\$ 2,989,050		
	Cash Expenses	\$ (259,661)	\$ (266,236)	\$ (264,536)	\$ (266,568)	\$ (259,128)	\$ (261,878)	\$ (261,502)	\$ (257,742)	\$ (266,621)	\$ (255,238)	\$ (261,438)	\$ (255,738)	\$ (3,136,286)		
	Total Cash Flow from Operations	\$ 16,339	\$ (46,186)	\$ (39,536)	\$ (55,668)	\$ (60,078)	\$ (46,478)	\$ (40,252)	\$ (18,792)	\$ (27,521)	\$ 73,412	\$ 24,612	\$ 72,912	\$ (147,236)		
Cash Flow from Financing																
	Other												\$ -	\$ -		
	Total Cash Flow from Financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
	Starting Cash	\$ 1,271,751	\$ 1,288,090	\$ 1,241,904	\$ 1,202,368	\$ 1,146,700	\$ 1,086,622	\$ 1,040,144	\$ 999,892	\$ 981,100	\$ 953,579	\$ 1,026,991	\$ 1,051,603	\$ 1,271,751		
	Ending Cash	\$ 1,288,090	\$ 1,241,904	\$ 1,202,368	\$ 1,146,700	\$ 1,086,622	\$ 1,040,144	\$ 999,892	\$ 981,100	\$ 953,579	\$ 1,026,991	\$ 1,051,603	\$ 1,124,515	\$ 1,124,515		



Memo

Date: October 29, 2012

To: Board of Directors

California Massage Therapy Council

From: Ahmos Netanel, Chief Executive Officer

Subject: Preliminary long- plan to reduce PSD backlog

On September 12, 2013 the Board passed a motion (Schroeder/Robinson) to adopt a long-range goal to reduce the backlog of disciplinary hearings, revocations and denials, to within 30 days of statutory minimums by the end of 2013. Staff was instructed to come back with a plan of what resources are needed to accomplish goals.

I requested a clarification from the maker of the motion, who asked me to estimate the additional resources it would take to get PSD to a situation where every person gets a hearing within 30 days of getting a proposed denial/revocation letter, and every person gets a final decision letter within 30 days of their hearing/written consideration date. Right now people are already getting a proposed denial/revocation letter approximately 30 days before their scheduled hearing date. For education proposed denials this is not happening

because we intentionally give them 90 days to provide additional proof of education. Therefore, they are getting a proposed denial letter approximately four months before their hearing date.

As I previously reported to the Board, right now we have a considerable backlog. We have about 170 general denials and revocations that need proposed denial/revocation letters. So what we are talking about are two different backlogs: one is getting the final decision letters out to people who already have had hearings, and the second is getting letters to people to get them on calendar for hearings (which is what is creating the 170 person general denial/revocation backlog). In order to solve the two different backlogs, we need two different remedies: 1) to get the final decision letter backlog addressed, Allison Siegel needs to have time to write those letters by not being on hearings every Thursday and she needs Kendall LaFontaine to help her with those letters; and 2) to get more people to hearing quicker, we need more than one hearing day a week and we need the staff to handle those additional hearing days.

In addition to addressing the two backlogs, I'd like to start enforcing the Board's new interpretation of unprofessional conduct, which defines unprofessional conduct as working at an establishment that engages in adult advertising. By my estimate, this new definition of unprofessional conduct would result in an additional 66 people being proposed for denial a month, which I have estimated will result in an additional approximately 40 hearings a month. Since we can only have 9 oral hearings a day, this would result in needing an additional hearing day a week just to address this workload.

The maker of the motion stated that he'd like an estimate of what it would take to handle the current workload, address the backlog, enforce the new definition of unprofessional conduct in those meetings, and meet the 30 day goals noted above by the end of 2013. I am providing here my best assessment of what I think it would take. I am not guaranteeing that even if we start implementation

tomorrow at the level of resources proposed, we would meet our goal by the end of 2013. This is an educated guess. Having never denied people based on the new definition of unprofessional conduct, it is hard to estimate how many resources it will take to address those cases. I also don't know how quickly new people can be hired and trained so that they can be fully processing the workload. As we saw from our efforts to hire a staff attorney, some of this is just out of our control.

Ms. LaFontaine first has to get fully trained, then she has to be handling ALL of the Thursday hearings by herself - including revocations and general denials, and she and Ms. Siegel have to be caught up on the backlog. I think it will take 6 months to get there. It doesn't make sense in my opinion to start having hearings two days a week (with Ms. LaFontaine handling one day and Ms. Siegel handling the other) until the backlog of final decision letters is dealt with. If we start before that, then we are just adding to the backlog instead of knocking it down. Six months before the second track is up and running and Ms. LaFontaine is handling it completely by herself and Ms. Siegel is handling the first track by herself.

By my calculations we currently need to send out about 270 final decision letters. The problem is – that number is fluid. Every week that number grows because we have another day of hearings and another batch of letters that needs to go out. We can't go to a second day of hearings each week until two of our attorneys have a good handle on the backlog. Once Ms. LaFontaine has her own hearing day to handle, she will have to handle her hearing day each week and the final decision letters that come out of that day herself, and Ms. Siegel will also have to handle a separate hearing day each week and the final decision letters that come out of that herself, along with all of the other things that she does. We don't want to create a situation where we just create more backlog.

In order to reach the goals you have set out above, my best guess is that we would eventually need THREE separate tracks for handling hearings. Each track would need the following staff:

- One staff attorney
- Two paralegals
- Five part time hearing officers (for a total of about 2,100 hours a year – 3 hearing officers x 14 hours for prep and a hearing day x 50 weeks a year)
- One person at AMG to upload documents and address issues related to the hearings on that day
- One clerical person to finalize and send out letters (what Jill's assistant currently does)
- One scheduler (this is a person that will interact with the applicants, make sure they are eligible for a hearing, respond to attorney requests, interact with AMG, as well as schedule hearings)

We already have the first track mostly staffed, although we need another paralegal to handle the existing workload. If we are going to add 66 more proposed denials a month based on the new definition of unprofessional conduct, then I project PSD will probably need at least one more person (maybe two) to investigate those cases, gather the evidence, and draft all of those additional memos to counsel. If we truly go to three full tracks, I would also recommend that we get an assistant for Sheryl to handle all of the additional work this would create, as well as one more general administrative person for AMG to handle the increase in customer service calls, processing of payments, review of mail, and other administrative issues related to the additional hearings. Also, if we go to three full tracks a week, Ms. Siegel will need to be involved in training staff, overseeing the new staff attorneys, and just basically keeping the three tracks running and dealing with issues as they arise, therefore under this scenario I don't see her hours for CAMTC going down in 2013.

By my count then, in order to implement three full tracks we are talking about hiring a total of:

- two more staff attorneys
- five more paralegals (we need one right now and then two more for each new track)
- ten more part time hearing officers
- two more AMG people dedicated to PSD and hearings
- two more schedulers/coordinators point of contact people
- one or two more clerical people to do what Jill England's assistant does (the two new tracks could probably share a person if he/she is good)
- one to two more PSD people to investigate, write memos to counsel for unprofessional conduct, handle administration
- one assistant to Sheryl
- one general administrative person at AMG

This is all in addition to the staff that we currently have. Should people leave or not work out, they will need to be replaced.

Critical to this entire analysis is the training aspect. We have a good team for our current Thursday hearings (Track 1), but it has taken two years to get to this point. The most difficult positions to fill and train will be the new attorneys; a New Chief Investigator (like Tim Chambers) for each of the two new tracks, and a Hearing Coordinator (like Lisa Hartzell) position for each new track. We are examining the practicality of consolidating a few of the positions however it is important to recognize the complexity of staff's responsibilities. As an example here are a few details relating to the scheduler/ coordinator:

For starters, "hearing scheduler" is a great misnomer. The position should be called something like "Paralegal in charge of hearings." As the following list shows, scheduling the hearings is just a fraction of what that person does:

- Respond to all email inquires at 3 email addresses: camtcreview@camtc.org, camtcreview3@camtc.org and camtcreviewgeneral@camtc.org. This consists of back and forth communications with applicants and attorneys regarding their hearings, procedures for hearings, reminding applicants of their filing fees, providing call-in information for their hearings, responding to education extension requests, responding to questions regarding schools, qualifications for certification, responding to applicants' attorneys on other issues as needed, responding to schools regarding applicants, responding to applicants' regarding their MBLEx results, etc.
- Liaison between AMG, applicants, applicants' attorneys, PSD and attorneys for CAMTC for any applicant who has ever received a PDL. (This includes those reapplying after having received a denial, etc.) Basically, responding to everyone who has a question regarding anyone who has ever received a PDL for any reason, i.e., general denials, revocations, suspensions, and educations.
- Gathering documents for counsel in response to litigation for creation of the administrative record.
- Tracking all PDL applications' status on spreadsheets. This includes tracking of hearing and consideration dates, filing fee payments, extensions, certification and denial dates and keeping AMG apprised of PDL applicants' status for their database. In addition, keeping Jill England's secretary apprised of the status of all general denials, revocations, etc, on general tracking chart.
- Schedule all PDL applicants' hearing/consideration dates. This includes general denials, revocations, education PDLs. Submit Proposed

Schedules to AMG and Final Schedules to PSD. Provide call-in information to applicants for their hearings and respond to any questions they might have regarding the procedures for their hearing, provide document deadline to applicant for hearing, etc. Respond to any questions from PSD and/or AMG regarding schedule.

- Send emails to applicants who submit insufficient documents but who still need to request a hearing/consideration.
- Send weekly, emailed evidence received from applicants for all hearings to AMG to be uploaded for PSD's review.
- Maintain applicant files at all three email addresses. Set up a file for each applicant, put all evidence and correspondence in that file and move the files around, based on that applicant's current status. For example, placing the files under the hearing date, then moving the file to category of "certified" or "denial", etc. for efficient retrieval at a future date.
- Prepare and Mail 2nd PDLs to those applicants who have submitted new transcripts from a school recently added to our website. This involves keeping track of those schools under investigation, etc.
- Review and edit form letters AMG sends to applicants prior to receiving their PDLs.
- Mail out letters to those applicants who do not have email addresses but must be contacted in order to respond to a letter they have sent in, for submitting filing fees, insufficient documents, late documents, etc.

The "hearing scheduler/coordinator" makes sure that the person is actually entitled to a hearing, catches all of the issues with AMG's review of the person

(and they are legion) and makes sure the person meets all of the procedural requirements for a hearing such as: having paid the fee, having gone to an approved school, as well as verifying that applicants should be certified based on the date of application, etc.

Attached is a budget for adding two more tracks of hearings.

2013 BUDGET ADDITION FOR 2 ADDITIONAL TRACKS OF HEARINGS								
	PART-TIME	FTES	ANNUAL SALARY (EACH)	BENEFIT ALLOWANCE	TOTAL SALARY & ALLOWANCE	WORKERS' COMP	EMPLOYMENT TAXES	TOTAL EXPENSE
CAMTC Staff Additions								
In-House Attorney		2	\$ 90,000	\$ 12,000	\$ 192,000	\$ 2,803	\$ 16,934	\$ 211,738
Paralegals		5	\$ 56,160	\$ 24,000	\$ 304,800	\$ 3,018	\$ 26,883	\$ 334,701
Hearing Officers Part-Time	10	2	\$ 52,000	\$ -	\$ 104,000	\$ 1,030	\$ 9,173	\$ 114,202
Schedulers(30 hrs)	2	1.5	\$ 42,120	\$ 800	\$ 85,040	\$ 842	\$ 7,501	\$ 93,382
Admin assistant to counsel		1	\$ 41,600	\$ 4,800	\$ 46,400	\$ 459	\$ 4,092	\$ 50,952
Investigators		1	\$ 52,000	\$ 4,800	\$ 56,800	\$ 829	\$ 5,010	\$ 62,639
								\$ 867,614
*AMG Staff Additions								
Administrative Assistant-Sheryl		1	\$ 49,500					\$ 49,500
PSD - hearing file prep		2	\$ 99,000					\$ 99,000
								\$ 148,500
								\$ 1,016,114
TOTAL COST FOR ADDITIONAL TRACKS								\$ 1,016,114
*AMG staff additions include the cost for all benefits that AMG provides to their employees/and considers the cost of additional equipment								



Memo

Date: October 29, 2012

To: Board of Directors
California Massage Therapy Council

From: Ahmos Netanel, Chief Executive Officer

Subject: Proposal to extend waiting period for denied applicants to re-apply

Staff recommends that the waiting period for re-applying after denial be changed from one year to two years. The PSD backlog continues to grow and part of that is the fact that people who were denied for poor or no education are re-applying with the same unacceptable transcripts and wasting valuable PSD resources. Similarly, people with serious criminal offenses are re-applying as soon as the one year is up with virtually no chance of being approved. Every case has to receive due process and every case adds to the backlog.

If the board chooses to implement this change, it would be effective for all applications received after November 5, 2012. The Denial Procedures, the website, the Notices of Decision, and any other documents mentioning the waiting period will need to be modified to reflect the change.

Proposed PAID TIME OFF (PTO) section to be inserted into the Employee Handbook that was approved 9/13/12:

PAID TIME OFF

CAMTC grants Paid Time Off ("PTO") to eligible employees to provide them with the flexibility to meet both their work and personal needs. CAMTC believes that this time is valuable for employees not only to make their work experience with CAMTC personally satisfying, but also to enhance their productivity. Eligible employees can use PTO for any reason (e.g., vacation, illness, medical appointments, personal business).

I. Eligibility

Except as noted in the next sentence, all full-time non-temporary CAMTC employees are eligible to participate in the PTO program. Employees who received vacation and sick leave benefits in their original offer letter will maintain the benefits provided in their offer letters (and will not be eligible for PTO) unless both the employee and CAMTC agree otherwise in writing. Part-time and temporary employees are ineligible to participate in CAMTC's PTO program.

II. Accrual

Eligible employees shall accrue twelve (12) days¹ of PTO per year, at the rate of one (1) day per month, starting on their date of hire or as of April 1, 2012, whichever date is later.

Eligible full-time employees may carry over accrued PTO from one year to the next. However, the PTO maximum balance is fifteen (15) days. An employee who reaches his or her PTO maximum balance will not accrue additional PTO until the employee's PTO balance drops below the 15-day maximum. PTO accrual will recommence after the employee has used some of his or her PTO and the accrued PTO hours have dropped below the 15-day maximum balance.

¹ For purposes of PTO leave, bereavement leave, etc., a "day" for both accrual and use of leave is defined as 8 hours for full-time employees.

III. Use

Employees may use PTO as soon as it is accrued. Employees may take PTO for any reason, including but not necessarily limited to the following: vacation, personal illness, medical and dental appointments, emergencies, family care and medical leave, disability leave, and personal commitments. Nonetheless, employees should make every effort to schedule time off for personal appointments (medical appointments, teacher conferences, auto repairs, etc.) before and after working hours.

Non-exempt employees must record all absences (whether paid or unpaid) on their weekly time cards. Exempt employees must record all PTO used and report it to the CAMTC payroll person as soon as the time off occurs. PTO is recorded by the payroll person in increments of not less than ¼ hour and charged against an employee's accrued PTO.

IV. PTO Accrual During Leaves of Absence

Employees do not accrue PTO during any unpaid leave of absence. PTO accruals recommence when the employee returns to work.

V. Compensation For PTO

No employee will receive pay in lieu of PTO, except on the resignation or termination of his or her employment.

VI. Approvals For PTO

A. Scheduled PTO

PTO that is requested and approved in advance of the date of absence is considered "Scheduled PTO." Employees are not required to provide a reason for requesting Scheduled PTO. Employees must, however, coordinate their Scheduled PTO with their immediate supervisors in advance.

B. Unscheduled PTO

PTO that is taken for an unscheduled absence, such as an unexpected illness or emergency, and is not approved in advance by the employee's immediate supervisor is considered "Unscheduled PTO." Employees taking Unscheduled PTO must notify their immediate supervisor as soon as practicable and, in no event, later than 2 hours after their scheduled starting time. Moreover, employees taking Unscheduled PTO must advise their immediate supervisor of their anticipated return date and the need for work coverage. CAMTC may require employees taking Unscheduled PTO for a personal or family illness to provide certification from a physician.

Regular attendance is essential to CAMTC as absences can cause a disservice to applicants and certificate holders and to other employees. More than seven unscheduled days off in a 6-month period (including unscheduled leave without pay) is considered excessive. Excessive absenteeism, including Unscheduled PTO, may result in disciplinary action, up to and including termination of employment.

VII. No PTO Advances

An employee is not permitted under any circumstances to borrow on future accrual of PTO.

VIII. Payment of Accrued PTO Upon Leaving CAMTC

Upon separation of employment, whether voluntary or involuntary, the employee will be paid for all accrued but unused PTO at the employee's base rate of pay at the time of separation. Although employees ordinarily accrue PTO monthly, separating employees will be deemed to accrue PTO daily through their last day of employment.

IX. Holidays Occurring During Paid Time Off

If an observed holiday (see guideline entitled "Holidays") occurs during an employee's paid time off and the employee is eligible for holiday pay, no deduction from accrued PTO will be made for the holiday period.

X. "Working" while on Paid Time Off

There is no general expectation that employees are to work or "check in" while on away from work on paid time off. Days away from work will not be considered "time worked" just because you voluntarily check your email or voicemail or perform work that was not requested by your supervisor. Time away from work that would normally be deducted from your accrued PTO (or deducted from your pay if no accrued PTO leave is available) will only be considered "time worked" if the activity performed during your PTO period was specifically and expressly requested by your supervisor.



Memo

Date: October 29, 2012

To: Board of Directors

California Massage Therapy Council

From: Ahmos Netanel, Chief Executive Officer

Subject: Reducing processing time of completed applications to five days

On December 7, 2011 the Board accepted the CEO's recommendation to set a goal to reduce the average processing time of applications without background issues from 90 days to 45 days, by December 31, 2012. A recent audit of 218 certificates, which were mailed to new applicants on October 24, 2012 showed an average turnaround time of 12 days.

We project that once all mailing and printing of certificates and cards are done in-house (by year end), five days will be shaved off the issuance process. In order to assure that by 12/31/13 the vast majority of certificates will be in the mail within five days an additional full time staff position of File Coordinator 2 will need to be created. AMG proposed charging \$49,500 annually for such additional service.

The CEO is not recommending paying for such service at this time.



Memo

Date: October 29, 2012

To: Board of Directors

California Massage Therapy Council

From: Ahmos Netanel, Chief Executive Officer

Subject: Staff's preliminary plan to contact every law enforcement agency in California

Background

The following motion was approved by the CAMTC Board on September 13, 2012:

Adopt a long range-planning goal to establish a plan to contact every law enforcement agency in California in order to set up a cooperative relationship with them. Plan would entail law enforcement to report to CAMTC which massage professionals have been either arrested or prosecuted for prostitution, what school they attended and to work together in a cooperative manner with massage establishments. Plan to be in place by the end of 2013.

Needs

Determination of who will be contacted – it is expected that initial focus should be on Police Chiefs, Sheriffs and Deputy Chiefs/Sheriffs in all California jurisdictions.

1. Protocol for communication.
2. What information will be communicated?
3. What follow-up or results are expected?

Challenges

Leveraging law enforcement and CAMTC authority against limited resources.

Examples:

- a. Once a department submits a declaration, there is an expectation that a suspension will be implemented in short order. This should not be a problem under the authority provided in SB 1238 as CAMTC prioritizes timeliness of suspensions once the evidence to suspend is verified.
- b. If a person applies to re-certify and has provided a work address at a business listed on erotic sites, are there resources to verify that the person still works at the same location? How many departments have the resources to verify where a person is working?
- c. Tracking schools attended – if the person is certified or has applied to CAMTC, we would have this information. If the person holds a local permit, local law enforcement “should” have this information (some jurisdictions do not regulate massage; some do not retain information about schools attended). Neither CAMTC nor local jurisdictions may have information regarding those who qualified for city permits or CAMTC certification via a test or out-of-state license.

Initial Plan

Staff will develop a protocol for on-going communication, which will be reviewed by the leadership of CA Chiefs Association (CPCA) and CA State Sheriffs Association (CSSA). Speak at CPCA and CSSA trainings and meetings. See about speaking at the November 30th CPCA Board meeting in Napa. CAMTC will follow-up with periodic in-face meetings/trainings to local or regional departments.

Estimated annual cost - \$7,000 for communications, materials, design/production, and staff travel, which are included already in the proposed 2013 budget.