

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 23, 2007

TO: Honorable Bill Callegari, Chair, House Committee on Government Reform

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2957 by Jackson, Jim (Relating to the licensing and regulation of massage therapy; providing penalties.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2957, As Introduced: a positive impact of \$76,400 through the biennium ending August 31, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The bill would amend Section 455.001 of the Occupations Code, to add additional requirements to the licensing and regulation of massage therapy. Section 455.052, 455.053 and 455.055 specify requirements to be included in rules.

Section 455.057 requires the HHSC Executive Commissioner to license continuing education programs. This would occur by rule.

The bill would take effect on September 1, 2007.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	\$76,400
2009	\$0
2010	\$66,000
2011	\$0
2012	\$66,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain from GENERAL REVENUE FUND 1
2008	\$76,400
2009	\$0
2010	\$66,000
2011	\$0
2012	\$66,000

Fiscal Analysis

In section two of the bill, DSHS estimates that deletion of Section 455.004(2) will result in an increase in licensed massage schools. It is known that there are 13 massage schools in Texas that are currently not licensed by DSHS because they are otherwise approved by the state. They are community and/or trade colleges. Existing resources will be utilized to accomplish the licensing and inspection workload associated with an increase of 13 schools.

In section six of the bill, DSHS estimates that deletion of the authority of DSHS to “recognize” continuing education programs and the new requirement to license continuing education programs/providers will result in an increase in the number of pre-approved massage therapy continuing education providers. Currently, approximately 300 providers are approved by DSHS and are required to submit initial approval applications and fees, as well as renewal approval applications and fees. Colleges, universities, licensed massage schools, and professional associations and organizations are currently recognized by DSHS as approved and are not required to obtain pre-approval provider status. It is estimated that there will be an increase of 200 in the number of pre-approved continuing education providers.

Methodology

The bill will result in an increase in revenue to be deposited into the general revenue fund. It is estimated that in FY 2008, 13 new massage schools will apply for licensure and will receive a two-year massage school license which will expire in FY 2010. The initial fee for massage school license application is \$2,800 and the biennial renewal fee is \$2,000. The FY 2008 revenue is \$36,400 and the FY 2010 and FY 2012 revenue is \$26,000.

It is estimated that in FY 2008, 200 new massage therapy continuing education providers will apply for licensure and will receive a two-year continuing education provider license which will expire in FY 2010. The initial fee for massage therapy continuing education provider license application is \$200 and the biennial renewal fee is \$200. The FY 2008 revenue is \$40,000 and the FY 2010 and 2012 revenue is \$40,000.

The change in terminology from “pre-approved massage therapy continuing education provider” to “licensed massage therapy continuing education provider” will require forms and certificate revisions and will be accomplished using existing resources, as the process is currently established and operational.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission, 537 State Health Services, Department of
LBB Staff: JOB, MN, PP, MB