

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 296 – SB 467

March 6, 2019

SUMMARY OF BILL: Establishes that the office of a medical professional licensed by the Board of Chiropractic Examiners (BCE), the Board of Osteopathic Examination (BOE), or the Board of Medical Examiners (BME) is not required to obtain a massage establishment licensure if a massage for compensation is provided within that office by a licensed massage therapist.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue – \$16,900/Massage Licensure Board

Other Fiscal Impact – Pursuant to Tenn. Code Ann. § 4-29-121, all health related boards are required to be self-supporting over a two-year period. The Massage Licensure Board had an annual deficit of \$118,594 in FY16-17, an annual deficit of \$52,294 in FY17-18, and a cumulative reserve balance of \$912,043 on June 30, 2018.

Assumptions:

- Based on information provided by the Department of Health (DOH), 616 massage establishments renewed their licensure in FY17-18.
- There were an additional 115 applications for a massage establishment licensure in FY17-18.
- It is assumed that 25 percent or 154 (616 x 25.0%) current massage establishment licensures would no longer be required to be licensed in the state in order to legally provide a massage for compensation. Further, it is assumed that applications for massage establishment licensure would decrease by 25 percent or 29 (115 x 25.0%) applications each year.
- A massage establishment license cost \$225 for initial and \$135 for a biennial renewal.
- A recurring decrease in state revenue of \$6,525 ($\225×29) associated with the decrease in new massage establishment licensure applications.
- Annualized, a recurring decrease in state revenue of \$10,395 [$(\$135 \times 154) / 2$ years] associated with the current massage establishments that would no longer be required to renew a license.
- The total recurring decrease in state revenue to the Massage Licensure Board is estimated to be \$16,920 ($\$6,525 + \$10,395$).

- Any decrease in state expenditures to the Board is estimated to be not significant.
- Pursuant to Tenn. Code Ann. § 4-29-121, all health related boards are required to be self-supporting over a two-year period. The Massage Licensure Board had an annual deficit of \$118,594 in FY16-17, an annual deficit of \$52,294 in FY17-18, and a cumulative reserve balance of \$912,043 on June 30, 2018.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/vlh