From: CG Funk [mailto:cgfunk@massageenvy.com]
Sent: Friday, February 10, 2012 9:51 AM
To: Sen Morse; Sen Kruse; Sen Bates; Sen Courtney; Sen Shields; Sen MonnesAnderson
Subject: SB 1509

Dear Honorable Senators:

We are submitting this letter in opposition of Sections 20-22 in SB1509 as it pertains to the oversight and requirements of massage therapy business establishments.

Current business licensing and permitting for massage establishments is typically done on the local level and overseen by cities and/or counties in which the business wishes to operate. The language in Sections 20-22 from SB1509 suggests that the State is attempting to remove this oversight from local government entities and give the jurisdiction to the State Massage Therapy Board with board members that neither have the experience or the manpower to effectively manage such processes, essentially creating another inefficient bureaucracy, without oversight. While we understand the need for more effective oversight for questionable establishments using the word "massage", we cannot support a bill that puts undue restrictions on those respectable establishments offering massage and spa services.

In addition, what concerns us most, Section 20 -22 contains requirements of a massage establishment business permit process that would *severely* affect the hundreds of massage businesses alive and thriving in Oregon today, specifically through:

- 1. 20.(1)(B) Have licensed massage therapists as majority shareholders;
- 2. **22.(2)(b)Use the word** "massage" in the business name unless the person providing the massage is licensed **or holds a temporary facility permit**

As the representative of Massage Envy's Oregon Regional Developer and franchisees, I believe the two above proposed requirements are direct assaults on Massage Envy's businesses operating in Oregon today. Massage Envy, a national chain of massage therapy and skincare clinics, currently has 14 locations in Oregon that employ 400 licensed Oregon massage therapists. Our mission is simple; provide massage and skincare services to our customers in a clean, safe and comfortable environment using only experienced, licensed massage therapists and estheticians. Our franchisees have invested hundreds of thousands of dollars to build these businesses and create these environments.

Massage Envy clinics are owned and operated by local Oregon citizens, typically not massage therapists but rather small business owners. To require that all massage businesses be solely owned by massage therapists is not only unrealistic but would severely affect our franchisees and their businesses. Very few salons, spas and/or massage clinics in Oregon are owned by licensed massage therapists, so this would have a devastating impact across the state, affecting many small business owners, who ultimately would have to lay off their therapists and close their businesses. A significantly large percentage of massage therapists have no interest in owning their own businesses and prefer employment status in a business offering massage services. Lastly, I find it very interesting that these provisions in this bill were quickly being pushed through without any notice to or input from the state' s largest employer of massage therapists. In addition, to restrict the usage of the term "massage" within a business name is discriminatory. Currently, the State of Oregon does not restrict the use of "hair" in a salon name, or "skincare" in an esthetic business. It is unclear why massage establishments would be targeted this way

when such requirements are not uniformly applicable in the State of Oregon to other professional or personal service business.

Nationally, Massage Envy has 750 franchised massage and spa locations. Through our ten year history, we have created 30,000 new jobs across this country. We see this as a very positive contribution to our country's economy. The proposals in this bill would punish job-creators when your great state desperately needs jobs. Over 400 Massage Envy therapists alone, not to mention many other small business salons & spas, could potentially be put out of work without job opportunities available.

Massage Envy Franchising has always been committed to delivering massage services in a manner that elevates the standards of the massage therapy industry. To this end, we have always supported uniform, consistent and high standards for our clinics and massage therapists, enhanced consumer knowledge about the benefits of massage and increased protection for our customers through legislative endeavors. But, we cannot support a bill that restricts our ability to do business in the State of Oregon and that will ultimately contribute to Oregon's unemployment rate by putting over a thousand massage therapists out of work.

Thank you for your consideration.

Sincerely,

CG Funk. Vice President - Industry Relations L Product Development Massage Envy Franchising <u>www.massageenvy.com</u> 480-366-4162 - P 480-366-4262 - F

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