

BUSINESS IMPACT STATEMENT
BILL NO. 2011-42
(Updates provisions of the Municipal Code pertaining to the licensing
and regulation of massage establishments)

This business impact statement was prepared pursuant to NRS 237.090 to address the impact of a proposed ordinance, Bill No. 2011-42, that will update provisions of the Municipal Code pertaining to the licensing and regulation of massage establishments.

1. The following constitutes a description of the manner in which comment was solicited from affected businesses, a summary of their responses and an explanation of the manner in which other interested persons may obtain a copy of the summary.

Notice of the proposed ordinance was mailed to massage-related licensees. A number of responses were received. The responses concerning business impact that were received from representatives of businesses are summarized below, which summary is available to interested persons as part of this statement:

A. It is too costly and burdensome to require a massage establishment to have onsite at all times a manager or other person who has been the subject of a background investigation.

B. The requirement to post rates at a prominent location within an establishment is unwarranted and troublesome in a location where independent therapists each charge their own rates rather than there being only one rate schedule for all therapists.

C. The requirement to carry for each therapist to carry on his or her person the therapist's licenses while performing a massage is burdensome for therapists who work in only one room.

D. The requirement that no room in which massage is performed may have a door equipped with a lock (other than an exterior door) is burdensome for therapists who lease or otherwise occupy rooms and who use the room when not occupied for the storage or safekeeping of therapist or client valuables.

NOTE: Comments were also received: 1) regarding the ordinance's effects on locations from a land use perspective, 2) indicating that it would be burdensome to require establishments and therapists to obtain a health permit, and 3) indicating that it would be burdensome to prohibit the massage of buttocks and breasts, in cases where massage of those areas is appropriate. However, when read correctly, the ordinance does not alter the rules regarding locations, does not require health permits except if and as required by the Health District, and does not permit or prohibit the massage of any particular body part on any different basis than State law and regulations. As to the last item, in circumstances where the massage of buttocks or breasts is permitted by State law and regulations, that massage activity is also permitted under this ordinance. Some clarification of the ordinance language on that point will be undertaken.

2. The estimated economic effect of the proposed rule on businesses, including, without limitation, both adverse and beneficial effects, and both direct and indirect effects:

Adverse effects:

The ordinance would require operational and facility changes for some licensees

Beneficial effects:

The ordinance will provide more consistency with other Southern Nevada area ordinances, as well as with applicable State law

Direct effects:

See adverse and beneficial effects above

Indirect effects:

None identified

3. The following constitutes a description of the methods the local government considered to reduce the impact of the proposed rule on businesses and a statement regarding whether any, and if so which, of these methods were used:

Consideration was given to reducing or clarifying requirements regarding the posting of rates, the display of licenses, the locking capacity of massage room doors, and the draping of client areas being massaged. Modifying language to address those concerns was added. Consideration was also given to relaxing or eliminating the requirement to have on-site at all times a manager or other person who has undergone a background investigation, but it was determined not to make a corresponding change in the ordinance before it is introduced

4. The governing body estimates the annual cost to the local government for enforcement of the proposed rule is:

No additional cost

5. If the proposed rule provides for a new fee or increases an existing fee, the total annual amount expected to be collected is:

Not applicable

6. If the proposed rule provides for a new fee or increases an existing fee, the money generated by the new fee or increase in existing fee will be used by the local government to:

Not applicable

7. If the proposed rule includes provisions that duplicate or are more stringent than federal, state or local standards regulating the same activity, the following explains why such duplicative or more stringent provisions are necessary:

Not applicable

Date: October 18, 2011