



AGENDA NO: 8.c

MEETING DATE: November 12, 2025

# Staff Report

**TO:** Honorable Mayor and City Council      **DATE:** November 6, 2025

**FROM:** Amy Watkins, Chief of Police  
Brian J. Stack, City Attorney

**SUBJECT:** Discussion of Potential Ordinance Framework for Establishing Local Business Regulations for Massage Establishments and Technicians

## **RECOMMENDED ACTION**

Discuss and give direction to staff regarding the potential adoption of an Ordinance establishing local business regulations specific to massage establishments and technicians.

## **ALTERNATIVES**

Do not take action to establish local business regulations specific to massage establishments and technicians.

## **FISCAL IMPACT**

If the Council decides to pursue adoption of local business regulations for massage establishments and technicians, the initial preparation and adoption of an ordinance would be supported by the General Fund and expected to be absorbed under existing budget authority. The future administration and enforcement of any local business regulations may require an update to the City's fee schedule. Given current budget restraints, it is anticipated enforcement would initially be added to existing staff's work plan, which could impact delivery of services depending on resource demands.

## **BACKGROUND**

In recent years the Police Department has received complaints regarding the number of massage establishments in the City and concerns regarding potential illicit activities. Because the City does not currently have local business regulations specific to massage establishments or technicians, any response to potential illicit activities is necessarily reactive in nature which may undermine the public's confidence and ability to distinguish between legitimate business and potential illicit activities. In order to take a proactive approach, Staff proposes the Council consider establishing local regulations for massage establishments to promote legitimate businesses and prevent and discourage the misuse of massage therapy as a front for illicit activities in violation of State law.

The City recognizes that massage is a viable professional field offering the public valuable health and therapeutic services and that operators engaging in illicit activities undermine legitimate businesses. The California legislature and courts have supported imposing reasonable regulations and standards for the operation of massage businesses, including but not limited to minimum educational and

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experience requirements, passage of a practical examination of competence, sanitary conditions, hours of operation, and other operational regulations designed to minimize opportunities for illegal activities and to ensure the protection of the health safety and welfare of citizens.

In 2009, the California Massage Therapy Council (CAMTC) was established by state legislation to provide for a voluntary certification pathway for massage therapists. If a technician has a certificate from CAMTC, there are limitations under Government Code section 51034 regarding what further local regulations can be imposed on technicians. However, these limitations do not apply to establishments or uncertificated technicians.

## **DISCUSSION**

Staff has prepared a proposed framework that attempts to impose reasonable local regulations on massage establishments and technicians that are designed to prevent and discourage the misuse of massage therapy as a front for illicit activities in compliance with state law while imposing a minimal burden on legitimate business activity in the City. As detailed further in the framework below, the ordinance would provide minimum building, sanitation, operation and standards for such businesses, and add minimum qualifications for the operators and employees of such businesses to minimize opportunities for illegal activities and help protect the public health, safety and welfare.

### ***Proposed Framework***

#### **Requirements Applicable to Massage Establishments**

- Local massage establishment license required
  - Owner(s) require Background Check approval by Chief of Police
  - Grounds for denial include material misstatement on application and prior offenses related to the operation of a massage establishment whether as an owner or technician
  - Chief of Police will have 60 days to review and issue clearance for a complete application provided there are no misstatements or disqualifying offenses
  - License will remain in effect so long as they maintain a valid business tax certificate and provide proof to Police Department by August 30<sup>th</sup> of each fiscal year
  - Change in ownership requires notification to Chief of Police and background check clearance for new owners
- Technicians employed must be certified by CAMTC or verified by the Chief of Police as qualifying under the grandfather exception (discussed under requirements for Massage Practitioners below)
  - Other exceptions include duly licensed health care providers, athletic trainers, barbers and beauticians
- Facility and Operational requirements
  - Comply with all building and zoning code requirements
  - Security case provided to patrons for storage of valuables
  - Premises maintained in good and clean repair
  - Clean linens and instruments
  - No exposing or touching areas in violation of CAMTC guidelines
  - Lighting requirements
  - No alcoholic beverages
  - List of all services and prices

- Record keeping and inspection requirements
- Display of technician CAMTC certifications or City exemption determinations
- Home occupation permit required in residential zones
- Hours of operation limited to 7 a.m. to 10 p.m.

Requirements Applicable to Massage Technicians

- Provide proof of CAMTC certification or otherwise obtain local massage technician permit
  - May be subject to background check if not CAMTC certified
  - Grounds for denial include material misstatement on application and prior offenses related to the operation of a massage establishment whether as an owner or technician
  - Chief of Police will have 30 days to review and respond to a complete application
  - Permit will remain in effect so long as they maintain a valid business tax certificate and provide proof to Police Department by August 30<sup>th</sup> of each fiscal year
- Technicians must have CAMTC certificate or verified by the Chief of Police as qualifying under the grandfather exception
  - Technicians working in Morro Bay prior to ordinance adoption may obtain an exemption from the Chief of Police if they provide evidence they have worked as a message therapist or practitioner for at least 5 years and have attempted to obtain CAMTC certification
  - Exemption must be renewed annually

Enforcement

- Subject to site inspections
- Findings will be documented in report and provided to the establishment or technician
- Notices of Violations may be issued and identify corrective action needed to avoid imposition of fines or revocation.
- Denials, revocations, suspensions or imposition of fines may be appealed to the City Council or hearing officer if established

A standard practice for municipalities concerned with the increase in illicit activities associated with massage establishments is to create municipal code ordinances to help identify, regulate, and maintain lawful operation of massage establishments. This includes adopting massage ordinances, creating a review process for business licenses, and creating a process for inspection and review of the massage establishments if a business practice comes into question.

Staff has tentatively scheduled a first reading and public hearing on a draft ordinance for the December 9<sup>th</sup> meeting depending on Council’s direction.

**CONCLUSION/RECOMMENDATION**

It is recommended that Council discuss and give direction to staff regarding the potential adoption of an Ordinance establishing local business regulations specific to massage establishments and technicians.

**ATTACHMENTS**

1. Quick facts about CAMTC
2. CAMTC S.M.A.R.T. Guide