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FISCAL IMPACT REPORT

BILL NUMBER: Senate Bill 246/aSJC

SHORT TITLE: Massage Therapy Practice Changes

SPONSOR: Woods/Berghmans

LAST ORIGINAL
UPDATE: 2/16/2026 **DATE:** 2/6/2026 **ANALYST:** Montano

REVENUE* (dollars in thousands)

Type	FY26	FY27	FY28	FY29	FY30	Recurring or Nonrecurring	Fund Affected
License Fee	No fiscal impact	Indeterminate but positive	Indeterminate but positive	Indeterminate but positive	Indeterminate but positive	Recurring	Massage Therapy Board

Parentheses indicate revenue decreases.

*Amounts reflect most recent analysis of this legislation.

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Regulation and Licensing Department/Boards and Commission	No fiscal impact	\$110.0	No fiscal impact	\$110.0	Nonrecurring	Other state funds
RLD/BCD	No fiscal impact	\$172.0	\$172.0	\$344.0	Recurring	Other State Funds
RLD/BCD	No fiscal impact	\$62.5	No fiscal impact	\$62.5	Nonrecurring	Other State Funds
Total	No fiscal impact	\$344.5	\$172.0	\$516.5		Other State Funds

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis
 Regulation and Licensing Department (Original)

SUMMARY

Synopsis of SJC Amendment for Senate Bill 246

The Senate Judiciary Committee amendment for Senate Bill 246 (SB246/aSJC) amends Section 61-12C-24 NMSA 1978 to clarify that the Massage Therapy Board may revoke, suspend, or deny a license only for massage therapy performed for “compensation”. SB246/aSJC requires

the board to wait until July 1, 2027 to revoke, suspend, or deny a license for a MTE that performed massage therapy while not having a valid license or has at any time managed or operated a MTE not licensed pursuant to the provisions of this act.

Synopsis of Senate Bill 246

Senate Bill 246 (SB246) amends Section 61-12C-3 NMSA 1978 to add a definition for a “massage therapy establishment” (MTE), defined as a facility where massage therapy is offered or performed. The definition specifies that an MTE may not be a health facility; owned, managed, or operated by a federal agency of the United States; or a health care facility or health care office, as these entities are already regulated under state law.

SB246 also amends Section 61-12C-8 NMSA 1978 to allow the Massage Therapy Board to establish minimum standards for massage therapy establishments and to provide for the issuance and revocation of MTE licenses. In addition, SB246 authorizes the board to inspect MTEs at any time, including during hours of operation, and allows a licensee or operator of the MTE being inspected to accompany the inspector.

The bill also amends Section-61-12C-11 NMSA 1978 requiring that an original or a renewal massage therapy license or registration issued by the board after July 1, 2026 must include a current picture of the license holder.

SB246 amends Section 61-12C-18 NMSA 1978 to add an inactive-status provision for massage therapy establishment licenses that are not renewed within a 60-day grace period, for a period of less than two years. If a license is not renewed within two years, it automatically expires. While a license is inactive, the licensee may notify the board in writing and have the license restored upon demonstrating compliance with health and safety standards and paying all required renewal fees. SB246 also amends Section 61-12C-24 NMSA 1978 to allow the Massage Therapy Board to revoke, suspend, or deny an MTE license for establishments that are not properly licensed or that refuse to allow an inspection. In addition, the bill allows the board to suspend or deny licensure to any individual who has performed massage therapy or managed an MTE without proper licensure.

Section 9 of SB246 creates a new section of the Massage Therapy Act called the “Massage Therapy Establishment – Licensee – Requirements” that requires the board to establish rules for the licensure of MTE and must provide licenses to MTE that meet the rules adopted by the board. The board must also establish minimum health and safety standards for MTE.

Section 10 of SB246 creates another new section related to license renewal, suspension, revocation, and applicability of an MTE. This section requires that on or after January 1, 2017, a person is not allowed to manage or operate a MTE unless the establishment is licensed under the provisions of this act. The bill also states that MTE licenses will expire biannually, and licensees must submit a renewal application to a board within a 60 day grace period after the license expires. Section 10 also states that proceedings to determine whether to suspend or revoke the license of a MTE may be instituted by a complaint of any individual and must conform with the provisions of the Uniform Licensing Act.

The effective date of this bill is July 1, 2026.

FISCAL IMPLICATIONS

SB246 creates a new license for MTEs that will increase the revenue generated by the Regulation and Licensing Department (RLD). The exact amount of revenue is dependent on the number of MTE that become licensed if SB246 is enacted. Currently, the massage therapy board fund is projected to generate \$198.6 thousand for FY26, but this number will increase in subsequent years with the enactment of SB246.

RLD provided the following information related to the additional operating budget impact that enactment of SB246 will have:

A direct fiscal impact anticipated for the Regulation and Licensing Department (RLD) if SB246 is enacted would be for the necessary additions and updates that would have to be made to the NM Plus online licensing system that is utilized by the RLD for all licensing under the Act. Contracting fees for information technology development and implementation of the necessary changes to the NM Plus licensing system to implement the new license applications and certification requirements are estimated to be one hundred ten thousand dollars (\$110,000) in FY27.

RLD also explained that to fully satisfy all requirements in SB246, the agency will need to hire an inspector and an investigator to regulate MTE at a recurring cost of \$172 thousand. RLD will also need to purchase equipment and other necessary operational costs, including a vehicle at approximately \$43 thousand, and computers, cellphones, and other field supplies at a cost of \$19,500.

SIGNIFICANT ISSUES

RLD provided the following information:

Requiring licenses for massage establishments ensures that the businesses/locations where massage therapy services are performed will be subject to inspection for critical health, safety and client privacy criteria to be determined by the Board. Inspections of massage therapy establishments can be expected to include items such as: Overall cleanliness of the facility including the rooms/areas where massage is performed, waiting rooms, dressing/changing rooms, and restrooms; verifying required sanitization of massage tables or chairs between client appointments/services is performed; ensuring privacy of clients is maintained while receiving massage therapy services and while dressing/undressing; and appropriate laundry services/practices. Inspectors will have broad access to licensed facilities in order to properly carry out their inspections.

PERFORMANCE IMPLICATIONS

RLD included the following information regarding performance implications:

The Board has indicated strong support for SB246. The Board voted unanimously to support a similar bill, 2025's Senate Bill 203 at a special board meeting on January 30, 2025. The Board believes that establishment licenses and inspections are necessary tools to ensure accountability, public health and safety and to protect the integrity of the profession.