



February 1, 2017

TO: Senate Committee on Federal and State Affairs

FROM: The City of Olathe,
Steve Menke, Police Chief
Tim Danneberg, C&CS Director

SUBJECT: Opposition to SB 76

We write in strong opposition to SB 76, relating to local governments' ability to license and regulate professional services and businesses.

The City of Olathe has very limited licensing requirements, and nearly all licenses specifically address serious public health and safety concerns. Those include:

Massage Therapy: Like nearly every larger city in Kansas, Olathe has seen an enormous increase in illegitimate massage therapy operations. These operations engage in illegal sexual activity as well as human trafficking. In partnership with the massage therapy industry, the City initiated a licensing program to not only protect legitimate businesses and therapists but also address the serious and tragic crime occurring at other illicit operations.

Alcohol Sales: The City established a licensing program to effectively enforce state liquor and CMB laws. The program and commensurate licensing allows local law enforcement to ensure liquor and CMB are not being provided illegally to minors. Currently, the state does not have resources to take this action, and the licensing ensures effective enforcement.

Pawn Broker/Precious Metal Dealers: The City works with the industry to help ensure stolen property is not bought or sold to pawn brokers or precious metal dealers, and the licensing requirement provides a foundation for this critical activity.

Distance Restricted Businesses/Adult Businesses: The City requires licensing and regulation for certain "distance restricted businesses" such as pay day and title loan companies as well as adult businesses. This allows the City to ensure such businesses are not located or have such density to impact surrounding neighborhoods. It also applies to establishments selling liquor or CMB to prevent them from locating next to schools and churches.

Business licensing is an important tool for local governments to address public safety and quality of life issues. Regulating these types of businesses is not only important to safeguard their industries (massage therapy), but also the community, and cities should have the ability to recover costs associated with such regulation.

In the vast majority of these cases, local law enforcement is filling a serious public health and safety need, and licensing provides an essential tool. Should the Legislature choose to enact this legislation, the City believes adequate state resources should be appropriated to allow state agencies to assume these critical public health and safety functions.