Resolution on Occupational Licensing

WHEREAS, the members of the American Legislative Exchange Counsel (ALEC) oppose unnecessary and burdensome government regulations on commerce and individual citizens, and;

WHEREAS, ALEC opposes the implementation of occupational licenses, certifications, and or registrations unless needed to protect immediate health, safety, or welfare of the public, and;

WHEREAS, ALEC believes reducing occupational licensing requirements will increase economic prosperity and employment in the states, and;

WHEREAS, due to restrictive licensure requirements, states own the working “title” of hundreds of simple occupations thereby preventing individuals with on the job training, natural talent, honed skills, and formal education from using a job title without state approval, and;

WHEREAS, licensing requirements are often of little use to consumers and are instead used by private-sector entities to gain a competitive advantage through government intervention, and;

WHEREAS, many current types licensure should be made optional rather than mandatory as this may provide a competitive advantage for businesses who choose licensure while reducing costs for consumers, and;

WHEREAS, by restricting competition, licensing decreases the rate of job growth by an average of 20 percent. The total cost of licensing regulations is estimated at between $34.8 to $41.7 billion per year. In addition, by providing protection from competition, occupational regulation stifles innovation and entrepreneurship, thereby suppressing future economic growth, and;

WHEREAS, licensing requirements often create a burdensome barrier of entry for many individuals and often needlessly prevent individuals with criminal convictions, unrelated to the profession they are seeking to be licensed in and which pose little risk to the public, from working in their chosen field, and;

WHEREAS, ALEC supports the entrepreneurial spirit of Americans and their right to seek economic liberty and improve their standard of living;

NOW THEREFORE BE IT RESOLVED, ALEC calls on state legislatures to review current occupational licensing laws in order to establish if commerce is better served by a less restrictive form of regulation, or no regulation at all, and;

BE IT FURTHER RESOLVED, State legislatures should study the following criteria;

1. If state licensure requirements are overly restrictive and burdensome.
2. If costs to consumers are unnecessarily increased.
3. If licensure test questions and continuing education requirements are logical or relevant, and that they examine the rate of passage or failure.
4. How state employment is impacted by licensure requirements.
5. Consumer complaints and the enforcement activity of the board or commission.
6. If a less restrictive form of regulation, or no regulation would better serve the public.
