

Testimony in Support of LD 612: "An Act To Recognize Occupational Licenses and Certifications from Other States To Attract New Residents and Businesses to Maine"

Senator Curry, Representative Roberts, and the distinguished members of the Committee on Innovation, Development, Economic Advancement and Business, my name is Nick Murray and I serve as policy analyst for Maine Policy Institute, a nonpartisan, non-profit organization that advocates for individual liberty and economic freedom in Maine. Thank you for the opportunity to testify on LD 612.

Maine Policy has been a long-time advocate of wholesale occupational licensing reform, and this bill would make great strides toward that goal. This is such an important issue, because it determines how welcoming we are as a state to skilled professionals. Rules that make working in Maine too expensive, onerous, or confusing compared to other states, have the potential to substantially affect our labor force. These regulations and fees are part of the calculus of where skilled nurses, dental hygienists, cosmetologists and myriad other professionals will choose to settle down and build their careers, before they even file their applications to practice their craft.

A few years back, we highlighted the story of Kim Fichthorn, a middle-aged transplant from Texas, with three children who operates an independent dental hygienist practice in Winthrop. A longtime registered dental hygienist turned entrepreneur, Fichthorn moved to Maine in April 2017 and invested \$40,000 to open her practice in one of the state's many federally designated dental health professional shortage areas.¹

In Texas, she practiced as a registered dental hygienist for 18 years and co-owned and taught at a dental assisting school for 15 years. Due to the lack of licensing reciprocity, she could not simply pack up and move to Maine, although she had been wanting to do so since 2008. Despite her obvious qualifications, she had to spend over \$500 obtaining copies of her Texas license, state board exam scores, college transcripts, and other documents, and then still battle the Maine licensing board to eventually be allowed to practice her profession, after four long months.

No one should have to go through what she went through in order to simply earn a living in her field in our state.

¹ "<u>Maine licensing regimes separate qualified professionals from meaningful employment</u>," *The Maine Wire*, June 7, 2018

Research shows that the lack of licensing reciprocity limits interstate mobility and primarily affects women, like Ms. Fichthorn, who are more likely to hold licensure than men.² There is no reason to maintain these outdated, anti-competitive, anti-entrepreneurial regulations that only serve to slow down access to affordable services for Maine people, and slow down access to a sustainable income for skilled workers.

Licensure is the most restrictive of all regulatory options and should only be required in instances where public health and safety are truly threatened. As shown below, a diagram of "The Inverted Pyramid" from the Institute for Justice highlights the myriad ways that consumers are protected from potentially harmful business practices outside of licensure, whether through certification, tort law, insurance, or market competition.³

LD 612 provides for plenty of safeguards for applicants including ensuring they are in good standing with their state of origin and have passed that state's licensing exam. This should be all that is necessary to empower people, put down roots and build a life here in Maine. Please vote LD 612 "Ought to Pass" and pave the way for many future Mainers like Kim Fichthorn to serve their neighbors.



The Inverted Pyramid: A Hierarchy of Alternatives to Licensing

² Occupational Licensing and Reciprocity in Missouri and the U.S. | The Women's Foundation, 2017

³ <u>The Inverted Pyramid: 10 Less Restrictive Alternatives to Occupational Licensing</u> | Institute for Justice, November 2017