

Testimony in Support of LD 835 "An Act To Allow Citizens To Petition Government Agencies To Repeal or Modify Occupational Regulations"

Senator Baldacci, Representative Matlack, and the distinguished members of the Committee on State and Local Government, 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 835.

Maine's occupational licensing regime is in dire need of review. In 2018, Maine Policy published a report which surveyed all of the state's occupational licensing requirements and found that we license many occupations that a vast majority of states do not. For instance, only two states license log scalers, electrical helpers, funeral attendants, and dieticians; Maine licenses all of them.¹ We should be certain that these rules help, rather than hinder, Maine people in their search to earn a living in our state.

Incredibly, licensed barbers and cosmetologists in Maine must complete more than 13 times the training hours required for Emergency Medical Technicians (EMTs).² How can this be if the purpose of licensing is to protect the health and safety of the general public?

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 workers and professionals will choose to settle down and build their careers, before they even file their applications to practice their craft.

A 2017 study published in the Journal of Regulatory Economics simulating the economic impact of occupational licensing found that Maine lost 29,206 jobs and \$276 million in economic output due to occupational licensing. They also found that, based on state-level averages, that Maine's occupational regulatory regime was the cause of \$2.6 billion of forgone economic growth.³

¹ Let Us Work | Maine Policy Institute | January 2018

² License to Work | Maine | Institute for Justice

³ Kleiner, M.M., Vorotnikov, E. Analyzing occupational licensing among the states. *J Regul Econ* 52, 132–158 (2017). https://doi.org/10.1007/s11149-017-9333-y

We commend Rep. Andrews for bringing forward this common-sense, pro-worker, pro-growth piece of legislation to review and audit Maine's occupational licensing rules.

LD 835 outlines a clear purpose of occupational regulations: to protect consumers from fraud or threats to their health and safety. Any standard beyond that is onerous to skilled workers who would otherwise be able to move to Maine and attempt to make a living in their desired field.

The bill would allow citizens who contend that certain rules violate that standard to petition an agency or the District Court for a repeal or modification of the rule to bring it within the public health and welfare standard. If the agency can demonstrate that a rule is necessary for those ends, the rule will stand.

This guarantees that the rules in question are directly accountable to the people they affect: the workers.

Please ensure state regulatory resources are focused on true threats to public health and safety, instead of erecting more hurdles to financial independence for current and prospective Maine workers, by deeming LD 835 "Ought To Pass." Thank you for your time and consideration.