



PACIFIC LEGAL FOUNDATION

April 19, 2017

Senator John Moorlach
37th State Senate District of California
State Capitol, Room 2048
Sacramento, CA 95814

RE: Sponsorship Letter from Pacific Legal Foundation in support of SB 247

Dear Senator Moorlach:

Pacific Legal Foundation (PLF) is pleased to send this sponsorship letter in support of SB-247, which eliminates burdensome and anticompetitive occupational licensing requirements across an array of professions and prohibits local governments from imposing such licensing requirements and fees in the future.

Occupational licensing, once limited to a few select professions, has expanded in recent decades to become a systemic economic barrier to entry for entrepreneurs, small businesses, and citizens of all walks of life seeking to simply make a living. A White House report from 2015 estimated that the share of workers licensed at the state level had increased five-fold since the 1950s, and that about two-thirds of that increase arose simply from increasing the number of professions that require a license.

Licensing is certainly intuitive for particular professions, such as medical professionals. However, over the years the California state legislature has gradually mandated expensive licenses for scores of innocuous trades, including make-up artists, custom upholsterers, auctioneers, and locksmiths, just to name a few of the occupations SB-247 targets.

In addition to being an unnecessary misallocation of limited state resources, irrational occupational licensing often infringes upon the fundamental constitutional right to ply one's trade. It's no coincidence that the legislative history of licensing statutes often reveals the influence of special interest groups seeking to lobby the state to protect industry insiders from the competition of the free market. Worse, unnecessary licensing requirements disproportionately affect those lower on the socioeconomic ladder, as fees and other compliance costs are more difficult to comply with for individuals with fewer means.

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Would-be litigants who are harmed by licensing requirements face an uphill battle in courts, which have grown increasingly deferential to the state's supposed "expertise" in regulating economic interests; further, any lawsuit challenging a single licensing provision, whether in state or in federal court, could easily take years to resolve at the expense of the parties and the backlogged judicial system. SB-247 is thus a far more inexpensive and expeditious means of eliminating burdensome licensing requirements than through case-by-case litigation. The bill also includes a provision to prohibit cities and counties from enacting anticompetitive licensing laws of their own in the future, thereby streamlining California's licensing regime to prevent a patchwork of protectionist local ordinances from further saddling the livelihoods of residents statewide.

Occupational licensing is a significant roadblock that prevents California's economy from realizing its full potential. SB-247 would eliminate occupational licenses for occupations which present little health or safety concern, and set a legislative precedent for dialing back the rampant economic regulation of recent years that has only helped enrich insiders at the expense of everyone else. For these reasons, PLF proudly sponsors SB-247.

Sincerely,



ANASTASIA P. BODEN
Pacific Legal Foundation