



The Ever-Growing Bureaucracy

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By: Michael Rathbone

St. Louis County intends to make landlords liable for the actions of their tenants. At least, that's what will happen if St. Louis County passes a [new ordinance](#) requiring landlords in unincorporated parts of the county to be licensed.

Under the provisions of this ordinance, property owners seeking to rent to tenants will have to fill out an annual application so that they may receive this license. [Proponents argue](#) that only those who don't keep their property up will have to worry about the contents of this ordinance. Yet, this ordinance creates many negative incentives for landlords as well as another hoop for them to jump through in order to do business.

A major issue is the provision that the license can be revoked if an **occupant** of the property is convicted of one of the following: selling drugs, selling alcohol, gambling, or prostitution. This encourages landlords to discriminate under the auspices of some possible future illegal activity. Even if the landlords didn't discriminate, forcing them to evict people on the basis of committing a misdemeanor in order to keep renting property is excessive.

Even if the final ordinance lacked this provision, creating more paperwork for landlords is no way to encourage more people to enter to market. For example, this ordinance could push out people who don't plan to be full-time landlords, but might want to rent out their house for a few months. Would renters be better off with fewer landlords out there renting out property?

Licensing requirements should be reserved for a few select professions (e.g. doctors). By requiring licensing for more and more professions—like landlords—the government closes out that profession to many new entrants and reduces consumer choice. Licensing landlords will do exactly that.

About the Author



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Michael Rathbone was a policy researcher at the Show-Me Institute. He is a native of Saint Louis and a 2008 graduate of Saint Louis University, where he earned a bachelor of science degree in biomedical engineering.

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[2] <http://mediad.publicbroadcasting.net/p/kwmu/files/201509/DOC092215-09222015142738.pdf>

[3] <http://news.stlpublicradio.org/post/county-council-close-passing-rental-property-licensing-requirement>

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