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PUBLIC POLICY

TESTIMONY

APRIL 15, 2008

TESTIMONY TO THE SENATE FINANCIAL, GOVERNMENT ORGANIZATIONS AND ELECTIONS COMMITTEE

By David Stokes

Honorable members of the committee:

My intention today is to stand athwart history and yell stop. Stop the ceaseless moves toward greater regulation of occupations in Missouri. Stop allowing existing businesses to limit their own competition and call it safety or consumer protection. Realize the harm that is done to our economy by occupational licensing requirements, and the barriers it can place on entry-level workers who are meeting service needs within their community, the essence of the free market.

I have passed out a copy of a report from the Reason Foundation comparing occupational licensing rules in the 50 states. I am pleased to report that Missouri has the least amount of occupational licensing requirements at the state level of all the states, but that should not serve as a reason or excuse for more of it. In recent years, interior decorators, private investigators and African-

style hair braiders have come under licensing requirements in Missouri, either by statute or administrative rule. There is no legitimate reason for any of these licensing requirements, other than a desire by people currently engaged in those professions, or closely related ones, to limit competition from newcomers.

Our larger cities and counties additionally impose licensing requirements to a number of professions at the local level, such as stretcher van drivers and heating and air conditioning installers. I am pleased to report that research for an upcoming Show-Me Institute study has found that in the majority of Missouri's rural counties there are no local occupational licensing requirements except for auctioneers, which, like the above examples, have no legitimate reason to be licensed by the government.

I encourage you all to review the section of the Reason report (Part 4)

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which discusses the economic harm and hardship that occupational licensing causes. Please take these issues into careful consideration each time a group of existing businesses group together to obtain licensing requirements. Even though all the existing members of that group may desire licensure, and even though the issue and request may seem minor, the effects on our economy and our freedoms are not minor at all. Thank you for your time and I would be pleased to answer any questions.

For more of the Show-Me Institute's research about Missouri occupational licensing, visit www.showmeinstitute.org.



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