



## Testimony in Support of SB 135

### Submitted by Bryce Chinault, Director of External Affairs

February 21, 2024

Thank you for the opportunity to testify before the General Law Committee in **support of [SB 135: An Act Establishing a Maximum Charge for Certain Occupational Licenses, Certifications, Permits and Registrations](#)**. My name is Bryce Chinault, and I am the Director of External Affairs at Yankee Institute, a non-profit public policy organization in Hartford dedicated to empowering Connecticut residents to forge a better future for themselves and their families.

Yankee Institute **supports SB 135** because, first and foremost, it is the right of all people to pursue employment, any assumed benefits of occupational licenses are not worth the definitive costs they impose. A competitive free market — not state agencies and boards — is the best [regulator](#) of poor business practices.

SB 135 would cap the fee that can be charged to receive certain occupational licenses. Although this change would not be a full repeal of the fees that Yankee Institute has proposed, this measure reduces economic barriers to obtaining a license, provides clarity for potential workers, and limits the ability for fees to increase in the future — which is a well-documented problem in Connecticut.

As noted in a widely cited report by the White House Council of Economic Advisors in 2015, occupational licensing imposes significant costs to individuals seeking employment in regulated areas, increases costs on goods and services due to a reduction in market competition, and [fails](#) to demonstrate the quality, health, and safety benefits that anti-choice advocates often claim.<sup>1</sup>

The Institute for Justice, a national non-profit public interest law firm, provides a detailed analysis on occupational licensing across the country. In the latest edition of their License to Work report published in November 2022, Connecticut is the 15<sup>th</sup> most [burdensome](#) state for licensing for relatively low-income occupations. Of the 102 occupations this report

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<sup>1</sup> Occupational Licensing: A Framework for Policymakers:  
[https://obamawhitehouse.archives.gov/sites/default/files/docs/licensing\\_report\\_final\\_nonembargo.pdf](https://obamawhitehouse.archives.gov/sites/default/files/docs/licensing_report_final_nonembargo.pdf)

analyzes using federal wage data, Connecticut requires government permission to be employed in 65 of them, well above the national average. Connecticut also has above average fees and days lost due to various requirements to enter these occupations.<sup>2</sup>

To provide a few examples of excessive requirements in Connecticut, we have the highest in the nation fees to become a preschool teacher at \$1,010; the longest time commitment in the nation to become a glazier at 1,825 days (5 years); amongst the highest exam requirements for occupations like bus driver, optician, and HVAC contractor; and we are the only state to require a license to be a forest worker.

Furthermore, the amount of economic activity that is lost due to all the costs associated with occupational licensing in Connecticut is substantial. In 2018 it was estimated that there would have been nearly 50,000 more [people](#) employed in Connecticut if these licenses were repealed, and a conservative estimate of a \$400 million reduction in economic activity. Occupational licensing is clearly increasing costs, decreasing economic opportunity, and reducing the tax base in Connecticut.<sup>3</sup>

The Knee Regulatory Research Center at West Virginia University also provides a thorough analysis of occupational licensing across the country. Their recent report finds that:

“Among the 178 occupations that Connecticut establishes minimum entry requirements to begin working, there are 18 occupations that are licensed in 20 states or fewer nationally. Connecticut is the only state in the country to issue a separate license for a real estate manager of record and a psychological technician. Connecticut is also one of only 2 states to license home inspector associates and one of 3 to license subsurface sewage cleaners.”<sup>4</sup>

Connecticut should look to continue to reduce occupational licensure burdens; **SB 135 is a positive step** towards this goal. Nearly two dozen states including Vermont, New Hampshire, New Jersey, Pennsylvania, and Ohio have recently adopted recognition of occupational licenses from other states and Connecticut could benefit from following their lead.

Respectfully submitted,

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<sup>2</sup> License to Work: A National Study of Burdens from Occupational Licensing: <https://ij.org/report/license-to-work-3/report/executive-summary/>

<sup>3</sup> At What Cost?: State and National Estimates of the Economic Costs of Occupational Licensing: <https://ij.org/report/at-what-cost/results/>

<sup>4</sup> A Snapshot of Occupational Licensing in Connecticut: <https://csorwvu.com/connecticut-snapshot/>