



Texas' Problem with Occupational Licensing Programs

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TPPF Overcriminalization Panel

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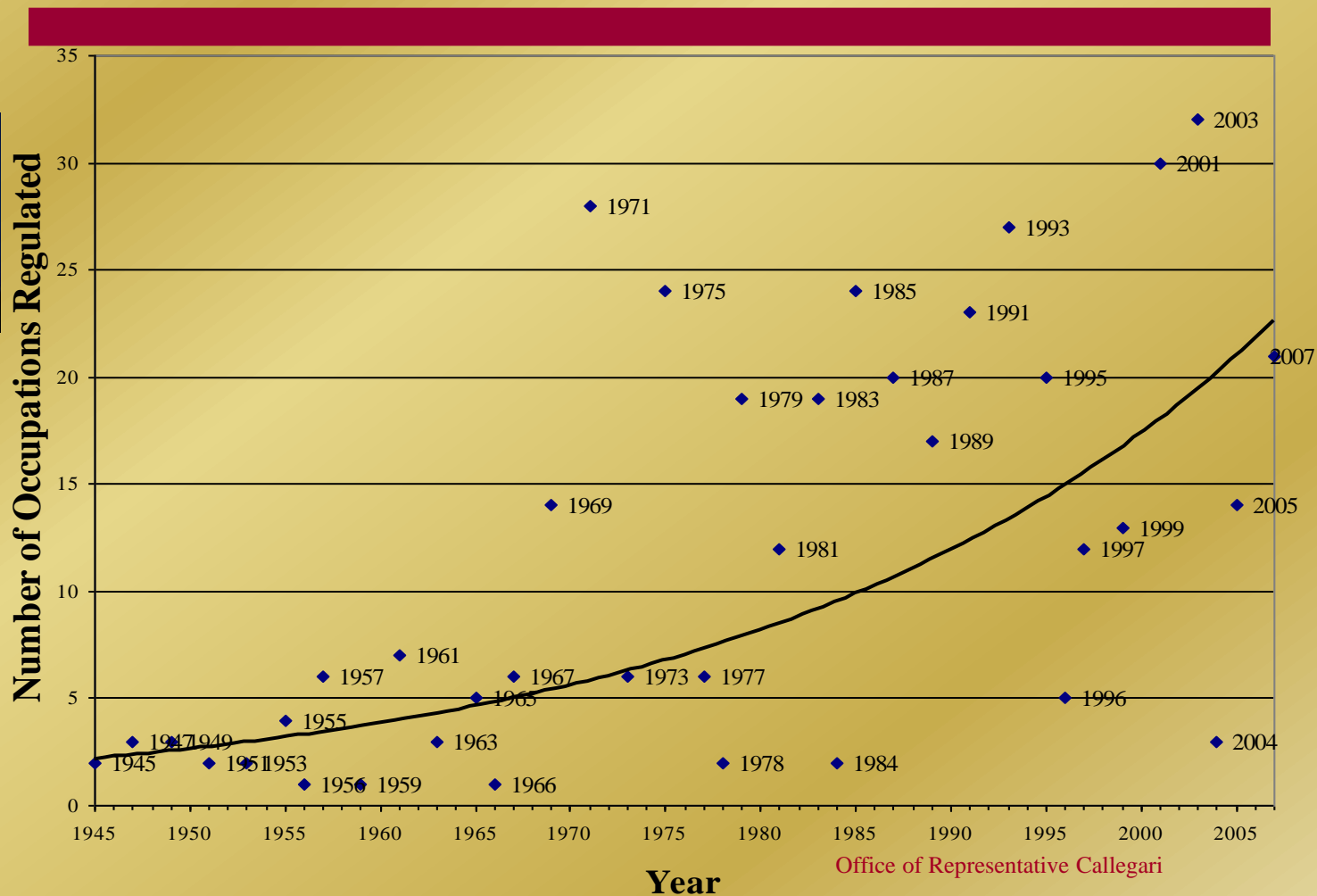
Trending Towards More Occupational Licensing



- 1836 - 1900: Texas regulated only doctors and dentists.
- 1900 - 1944: only 43 non-alcohol-related occupations regulated.
- 1945 - present: over 400 types of businesses and occupations regulated.



Licensing Trends: 1945 - 2007





What Occupational Licensing Does



- Provides qualified practitioners with the exclusive, state-protected right to engage in a certain practice;
- Prohibits individuals from engaging in unlicensed activity;
- Imposes sanctions for unlicensed activity.



Problems with Occupational Licensing Programs



- Protect existing licensees from competition.
- Consumers pay more for regulated services.
- Reduce rate of job growth.
- Sometimes offer little, if any, public benefit.



Occupational Licensing Programs

Expand Government

(the biggest problem of all)



- New licensing programs require more:
 - state imposed fees (taxes);
 - state agencies or programs;
 - state spending;
 - state regulation.
- Licensing programs substitute government control for free markets.



Alternatives to Occupational Licensing Exist



- Enforcement of existing fraud, deceptive trade practices laws.
- Private accreditation services.
- More tools for consumer choice.
- Creation of sunrise review process.



Thank You.



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Presentation on-line at:

www.house.state.tx.us/members/dist132/audio/callegari.htm

