



State of California

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March 13, 2018

The Honorable Mike Morrell
State Capitol, Room 3056
Sacramento, CA 95814

RE: SUPPORT FOR SENATE BILL 1371

Dear Senator Morrell,

The Little Hoover Commission supports Senate Bill 1371, the measure you authored to require the State of California to provide and maintain a list of the occupations it requires to be licensed.

During the Commission's study process for its 2016 report, *Jobs for Californians: Strategies to Reduce Occupational Licensing*, no state entity was able to provide the Commission with a complete list of licensed occupations in California. The Commission found this troubling, because the state is without the ability to understand who is being licensed, the requirements they face and whether the licensure is resulting in the state's desired health and safety outcomes.

Understanding who is being licensed and the regulatory burdens they face is critical for improving upward mobility for Californians, because, as the Commission learned, licensure in California often falls on those with modest means. Data obtained during the Commission's study process indicated that California licenses more lower-income occupations than other states. Particularly hard hit by the state's licensing requirements are former offenders, for whom a job is an important component in preventing recidivism. Veterans and military spouses also are disproportionately affected by licensing requirements, as the experience and education they receive in the military and other states may not be accepted by California licensing authorities. Finally, foreign-trained Californians who are well-positioned to fill language and cultural gaps, particularly in STEM fields, often find they have to completely start over in their education and training once in California, which can lead them to abandon their profession and instead take lower-skilled work.

In its report, the Commission recommends improved data collection to better understand the impact specific occupational licensing requirements have on the economy and the people trying to enter that occupation, and whether those impacts are justified by health and safety outcomes. Developing a complete list of licensed occupations and their requirements is a critical first step. Because Senate Bill 1371 would implement that important step in data collection, the Commission supports this measure. As the bill moves through the legislative process, I will be writing letters on behalf of the Commission to legislators urging aye votes. If I or the Commission can provide any further assistance or expertise, please do not hesitate to ask.

Sincerely,

Terri Hardy
Executive Director (A)