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Governor

SPENCER J. COX
Lieutenant Governor

State of Utah Department of Commerce

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MEDIA ALERT

“Updated report moves Utah 37 spots for cutting licensing red tape to increase employment opportunities, support state’s growing economy”

“Utah drops from #13 for most burdensome licensing laws for lower-income occupations down to #50 thanks to changes in contractor licensing”

(For immediate release...)

SALT LAKE CITY, Utah – Governor Gary R. Herbert stated today that thanks to collaborative efforts by the Utah State Legislature and Executive Branch, Utah’s ranking of occupational licensing burden in the United States saw a massive decrease, down from 13th to 50th nationwide. The rankings reflect a revised 2017 Institute for Justice (IJ) report that included changes to the Utah Division of Occupational and Professional Licensing’s contractor and mobile home installer statutes. Utah’s ranking in a national IJ study measuring licensing burdens for a sample of lower-income occupations improved from 13th most burdensome to 50th (out of 50 States and the District of Columbia) when that study was updated last year.

“For the past decade, I have directed our Executive Branch agencies to reduce unnecessary business regulation by reviewing what is on the books and actively looking for opportunities to cut red tape. At the same time, our Utah State Legislature has taken a proactive role in reducing regulatory burdens that do little to protect the public. I am proud of Utah’s collective efforts to identify changes that address the growing needs of our workforce to support our state’s continued economic success,” stated Governor Gary R. Herbert.

In 2017, the Institute for Justice, a national non-profit, public interest law firm, published the second edition of “License to Work: A National Study of Burdens from Occupational Licensing” (<https://ij.org/report/license-work-2/>). The study documents the licensing requirements for 102 lower-income occupations across 50 states and the District of Columbia, ranking states according to the extent of such licensing laws and the burdens they represent for aspiring workers. Prior to the report’s publication, Utah scaled back licensing requirements for various subcontractors covered in the study,

dropping a two-year experience requirement and eliminating two exams. In early 2018, IJ updated its “License to Work” data and rankings to reflect those reforms, as well as additional updates from other states (<https://ij.org/report/license-work-2/updates/>, see Tables 5 and 6).

“Because contractors represent a large number of occupations in ‘License to Work,’ Utah’s 2017 reforms easing licensing for various subcontractors had a sizable effect on Utah’s rankings in our study,” said Lisa Knepper, a co-author of “License to Work” and an IJ director of strategic research. “Specifically, the reforms took Utah from the 15th ‘most extensively and onerously licensed state for moderate-income occupations’ to the 24th. And Utah’s pre-reform ranking as the state with the 13th ‘most burdensome licensing laws for moderate-income occupations’ improved to 50th, making Utah the second-least burdensome state for the 102 occupations we studied.”

“Utahns are already benefiting from these deeply positive reforms to professional licensing, thanks to the hard work of many government and community partners,” said Lt. Governor Spencer J. Cox. “Our administration is committed to continuing improvements on all fronts to protect and empower Utahns in our workforce.”

Department of Commerce Executive Director Francine Giani echoed Governor Herbert and Lt. Governor Cox’s remarks in praising Utah’s ranking, “It is awesome to see what is possible when you bring together the combined talents and perspective of our Governor and Utah Legislature who recognize the importance of never being satisfied with status quo reform. The Department of Commerce and our Divisions will continue to protect the public and identify undue commerce road blocks.”

In addition to the 2017 reform, the 2019 Utah legislative session passed over 23 bills related to the Utah Division of Occupational and Professional Licensing (DOPL) to change and/or reduce the burden to entry across dozens of professions. The Beehive State is one of 11 states participating in a national licensing review coalition. Utah’s state team includes both legislative and executive branch team members, assisted by the National Governor’s Association, National Conference of State Legislatures, and the

Council of State Governments. The Coalition's work is funded through a US Department of Labor grant. The State Consortium will continue its work through 2019.



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