AN AGENDA FOR OCCUPATIONAL LICENSING REFORM IN NEW JERSEY
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GENERATION OPPORTUNITY SUPPORTS COMPREHENSIVE OCCUPATIONAL LICENSING REFORM IN NEW JERSEY

Occupational licensing laws disproportionately hurt those trying to climb the economic ladder. This includes veterans, minorities, and young people who are often struggling in today’s economy. New Jersey should adopt policies that lessen and remove many of these unnecessary and burdensome occupational licenses to create opportunity for those who need it most.

SOLUTIONS:

1. **BROADEN THE SCOPE** of practice and ease unnecessary educational requirements.

2. **ENACT SUNRISE/SUNSET REVIEW** and allow for alternatives to licenses.

3. **REMOVE BARRIERS TO OPPORTUNITY** for returning citizens.
Today, one in five workers requires an occupational license to work—mostly high-skilled professions like lawyers or doctors.

In the 1950’s, only one in twenty workers required an occupational license to work—mostly high-skilled professions like lawyers or doctors.
NEW JERSEY HAS SOME OF THE MOST RESTRICTIVE OCCUPATIONAL LICENSING LAWS IN THE COUNTRY. THESE LAWS RESTRICT THE ABILITY FOR PEOPLE TO FIND WORK AND RAISES COSTS ON CONSUMERS.

For six occupations, New Jersey has the most burdensome requirements of any state. Additionally, New Jersey licenses 25 occupations the majority of other states have chosen not to license. These include occupations at the margin of practice, such as hair braiders, who are required to get a cosmetology license despite the fact that cosmetology schools don’t teach hair braiding.

16TH MOST BROADLY-LICENSED STATE IN NEW JERSEY, OBTAINING A LICENSE CAN REQUIRE AN AVERAGE OVER 292 DAYS OF EDUCATION.

20.7 PERCENT 20.7 PERCENT OF NEW JERSEY WORKERS REQUIRE A LICENSE TO WORK AND 11.3 PERCENT REQUIRE A CERTIFICATION TO WORK.

$1,179 PER FAMILY THAT’S THE AVERAGE AMOUNT A FAMILY PAYS EXTRA DUE TO OCCUPATIONAL LICENSING IN THE STATE OF NEW JERSEY.

77,560 JOBS LOST 77,560 JOBS MAY BE LOST IN NEW JERSEY BECAUSE OF VACANCIES THAT CAN’T BE FILLED DUE TO OCCUPATIONAL LICENSURE.¹

REFORMS

1 EXPAND
Expand the scope of what those with occupational licenses can do. For example, let dental practitioners offer more services.

2 EXEMPT
Exempt certain practices from occupational licenses. Hair braiders shouldn’t need to get a cosmetology license, teeth whiteners shouldn’t have to be dental practitioners.

3 LOWER
Lower requirements for professions. Locksmiths need 3 years of education while 12 states do not even license this profession.
CODIFIED ALTERNATIVES RATHER THAN JUST OCCUPATIONAL LICENSING, MISSISSIPPI CODIFIED ALTERNATIVES THAT CAN PROTECT CONSUMERS WITHOUT BURDENING THOSE LOOKING TO SUPPORT THEMSELVES OR THEIR FAMILIES.

FUNDAMENTAL REFORMS
The Supreme Court reached an important decision in *North Carolina State Board of Dental Examiners v. FTC*, in which it found that licensing boards controlled by market participants must be actively supervised by the government.

States must meet this requirement or they are open to additional lawsuits from the FTC.

CASE STUDY OF SUCCESS: MISSISSIPPI

“ACTIVE SUPERVISION”
Mississippi met this requirement with H.B. 1425 which provided “active supervision” by giving joint responsibility to the Governor, Attorney General, and Secretary of State.

SUNRISE & SUNSET REQUIREMENT
The majority must approve all new occupational licensing laws and review all previous laws. This is often known as sunrise and sunset requirements.
IN 2015, NEW JERSEY RELEASED OVER 10,000 PRISONERS AT THE COMPLETION OF THEIR SENTENCE. UNFORTUNATELY, MANY LAWS REMAIN ON THE BOOKS THAT HINDER OPPORTUNITY FOR THESE RETURNING CITIZENS.

Even though New Jersey offers some requirements against discrimination in occupational licensing based on criminal records that don’t have anything to do with the licensed profession, the state does not adequately protect former criminals who can show evidence that they have been rehabilitated. Making matters worse, New Jersey allows licensing boards to inquire into many non-criminal aspects of an applicant’s record, such as arrests that did not result in convictions, lesser offenses, and older offenses. This lack of protections for people who have already paid their debt to society and want to get a job and move on with their lives represents a significant barrier to opportunity for workers in New Jersey.

REFORM
New Jersey should reform its occupational licensing laws to expand opportunity for those with—and those without—a criminal record.

PROTECT
New Jersey should ensure that former offenders who have been rehabilitated can get a job and re-join society, and also limit the scope of inquiry that unnecessarily allows licensing boards to deny licensing based on irrelevant aspects of an applicant’s record.

BOOST EFFECTIVENESS
We should be doing everything in our power to make sure that the corrections system works effectively, and that includes focusing on what happens when former offenders return home.2,3
REFERENCES


OTHER RESOURCES:
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