

Testimony in Support of House Bill 2818

Kansas House Committee on Commerce, Labor, and Economic Development

March 12, 2024

Andrew Wiens On behalf of Opportunity Solutions Project Chairman Tarwater and Members of the Kansas House Committee on Commerce, Labor, and Economic Development:

Good afternoon! My name is Andrew Wiens with Dugan Consulting Group, speaking with you today on behalf of Opportunity Solutions Project (OSP). OSP is a non-profit, non-partisan advocacy organization dedicated to advancing policies that reduce barriers to work, protect state benefits for the truly needy, and ensure that the government is accountable to taxpayers and citizens.

I am pleased to speak in support of House Bill 2818 today. According to the <u>Archbridge Institute</u>, Kansas has the lowest licensing burden of any state in the country and is tied for fifth for fewest state licenses. Clearly, we're doing something right. HB 2818 would build on an established Kansas policy. Under current law, when an industry seeks to establish a licensing requirement for a health occupation, the proposal is subject to a sunrise review (KSA 65-5001 through 65-5011). This law has been on the books since 1980, according to the <u>Institute for Justice</u>. This bill would apply the same idea to all other occupations.

Practitioners, rather than consumers, usually push for new licensing requirements. There are a variety of reasons for this. Sometimes professionals push for new licensing requirements to protect their occupation from being encroached upon and regulated by an occupation that's already licensed. Sometimes the goal is to enhance the overall reputation of a profession.

Regardless of the reasons, licensing is a growing problem. In the 1950s, roughly 1 in 20 American workers held a license. Today, that number is around 1 in 4 (FGA). Less regulation means more economic opportunity, and a sunrise review would help lawmakers avoid an arms race of regulations in Kansas.

A sunrise review is a procedural safeguard that can prevent the construction of barriers to opportunity. Sunrise reviews can be structured in different ways, but at the end of the day, the goal is to provide lawmakers with a report. These reports include cost-benefit analysis and indepth fact-finding on an occupation before policymakers vote to impose a licensing requirement on the public. In turn, lawmakers will be better equipped to determine the need to regulate an occupation. At least 15 states have sunrise review laws, including Nebraska and Colorado.

OSP supports HB 2818 because it provides additional information for policymakers before they consider establishing new regulatory burdens. I urge your favorable consideration of HB 2818. Thank you.