



STATE OF INDIANA  
OFFICE OF THE GOVERNOR  
State House, Second Floor  
Indianapolis, Indiana 46204

Michael R. Pence  
Governor

September 15, 2014

Carol Rowan, BLS Clearance Officer  
Division of Management Systems  
Bureau of Labor Statistics  
Room 4080  
2 Massachusetts Avenue NE  
Washington, DC 20212

**RE: USDOL BLS / Proposed Collection; Comment Request  
Occupational Certification/Licensure**

Dear Ms. Rowan:

Pursuant to your agency's Comment Request, the Bureau of Labor Statistics (BLS) is "particularly interested in comments" that, among other things, evaluate whether the proposed questions on certification/licensure are "necessary for the proper performance of [BLS] ... [and] have practical utility."

BLS's mission is to "collect, analyze, and disseminate *essential economic information*." (*emphasis added*) Data regarding occupational licensing are necessary for BLS to achieve this mission, in part, because an increasing number of people need a license to work. In 2004, the Indiana Professional Licensing Agency (IPLA) regulated 340,000 licenses, permits, and certifications. Today, that number stands at more than 470,000. This amounts to a 38% increase in license holders, yet Indiana's population has increased just 7% during the same period. Furthermore, this total excludes more than 160,000 teachers, insurance agents, and other licensees regulated by other state agencies.

This total also excludes licenses issued (discretionally) by municipalities to individuals working in fields such as electrical, refrigeration, high pressure steam (HVACR), wrecking, heating and air conditioning. According to census.gov, the CPS "does not allow reliable estimates to be obtained at the county level." BLS's questions should attempt to address this information gap due to municipalities' authority and discretion to issue licenses outside the scope of state regulators.

BLS also seeks comments to "enhance the quality, utility and clarity of the information to be collected." As such, the new questions should carefully distinguish between licensure, permitting, certification, and registration. For example, according to a recent study by the Institute for Justice (IJ), four (4) states require licensure for interior designers. Indiana does not require licensure, but it does allow individuals to apply for inclusion in a state registry.

Distinguishing between credentials is also important for assessing disparities amongst the states. According to the same IJ study, thirty four (34) states require licensure for fire alarm installers. Collected information's "utility" can be enhanced if it facilitates readers' determination about the uniqueness of states that require licensure for certain professions versus those that do not (or offer some less burdensome credential such as certification or registration).

Indiana is attempting to reduce the negative implications caused by occupational licensing, including artificial barriers to employment and higher prices to consumers. For example, IPLA is currently studying a unique alternative to traditional licensure called "self-certification registration," which relies on the least burdensome elements of licensure, certification and registration.

The bottom line is that BLS is right to replace existing questions with some that will collect information about occupational licensing. Policymakers everywhere will be better equipped to evaluate the pros and especially the cons of occupational regulation.

Sincerely,

A handwritten signature in dark ink, appearing to read "A. H. Berry", with a stylized flourish at the end.

Adam H. Berry  
Regulatory Policy Director & Special Counsel  
Office of Governor Michael R. Pence