# MIKE NICHOLS



# Licensure run amok

Our government is killing jobs and thwarting business creation

Krissy Hudack bought a little business in a small, northern Wisconsin town where most folks don't make a lot of money — a hair salon that is an integral part of the community. The only problem: The manager moved on not long after that, and our state bureaucrats told Krissy she wasn't good enough to run her own salon.

They told her that in addition to her cosmetologist license, she would have to put in 2,000 hours of practical training at another salon — in her case, that was a half-hour away in Ashland — and complete 150 hours of coursework plus pass a manager's exam in Eau Claire if she wanted to manage her own business. She'd already put in over 1,500 training hours

and passed an exam for her cosmetologist license.

Krissy says it's robbery, though not the kind you can call the cops about. Instead, she left Iron River in Bayfield County at 4:30 a.m. one recent day and drove five hours to the state Capitol to ask lawmakers on the Senate Committee on Public Benefits, Licensing & State-Federal Relations to please just leave her alone.

Amen to that. But she's not the only one.

We spend a lot of time in this state wondering how to create opportunity. How about just not destroying it?

Cassie Mrotek of Milwaukee spent \$16,000 and a year of her life getting a certificate from a cosmetology school in Florida, which required 1,200 hours of training, before moving back to her home state of Wisconsin to pursue her dreams — only to be told by our leaders in Madison that she's not good enough for us, either.

She has to jump through all of Wisconsin's licensing hoops before we'll let her contribute to our society, pay taxes and make this a better place.

I kid you not.

ALLEN FREDRICKSON PHOTO

WPRI President Mike Nichols and Iron River salon owner Krissy Hudack testify before the Senate Committee on Public Benefits, Licensing & State-Federal Relations on April 6 at the Capitol in Madison.

Forget Krissy and Cassie for a moment. Let's look at the absurdity of the bigger picture.

We have a skills drain and a brain drain in key parts of Wisconsin. In metro Milwaukee in 2015-'16, net domestic out-migration — that's the number of people moving out of

an area to someplace else in the United States in comparison to the number moving in from elsewhere — was over 11,000 people, according to Brookings Institute statistics. Many of those people go from the Snow Belt — places like Wisconsin — to the Sun Belt — places like Florida.

So here we have just one person dying to come back and be productive and work, and we're essentially saying, "Nah. Not you. We don't want you."

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At WPRI, we're with Cassie and Krissy. We're trying to get lawmakers to scale back on nonsensical licensure requirements that prevent people like them from working and building businesses.

As we pointed out in a recent paper, "Occupational Licensing in Wisconsin: Who are We Really Protecting?" — part of our report, "Government's Love for Licensure" — the mandates

ostensibly exist to protect the public from health hazards. This is entirely appropriate in some instances. Some.

I'm all for requiring my doctor to get a license before she can wield her scalpel. I'm not so worried about being permanently damaged by the person who cuts my hair. If a bad haircut were a danger to a person's health, my dad would have been locked up 45 years ago for the lousy crew cuts he inflicted upon me.

State licensing is out of control. A thorough reading of the Wisconsin Department of Safety and Professional Services database yields 207 different licensed occupations. The Wisconsin Department of Agriculture, Trade and Consumer Protection lists an additional 140 categories for licensed professional

activities.

Want to try your hand at being an auctioneer, landscape architect or interior designer? Want to give manicures to your neighbors and maybe earn some spending money on the side? Want to just grow and sell Christmas trees? Not so fast. Not in this state. The bureaucrats have a job to do first — even if you don't.

They like to say they're working to protect the people. But far too often, the people they're protecting already have jobs and just don't want competition. We know this is true because we went through a bunch of complaints to the Department of Safety and Professional Services (see story at left), and they often come from people who already have a license, who were forced to jump through the state's hoops and who want to make sure others have to do the same.

We don't need all these protections. We need reform. Long term, we need the Occupational Licensing Review

Council suggested by Gov. Scott Walker to take a hard look at every licensing requirement. But first, this spring, we need legislators to get rid of regulations targeting people like Krissy and Cassie

There are lots of reasons — but maybe one is enough. What our government is doing to them is not fair.  $\boxed{\mathbb{W}}$ 

Mike Nichols is the president of WPRI.

# Complaints often have nothing to do with safety concerns

# By Jan Uebelherr

• ften, complaints to state regulators are lodged by licensed professionals who don't take kindly to those who don't play by the rules — even stay-at-home moms who just want to do nails for fun and company and maybe a little extra income.

"Ladies! You deserve a manicure!" wrote the enthusiastic Cumberland mom who posted her pitch, along with photos showing her handiwork, on an "online rummage sale" page offering her services. She noted that she was not licensed or formally trained.

"Want to get your nails all done up but don't have the money for a salon? Let me help. I'm a stay-at-home mom looking for something ->

# **Complaints:** They often are filed by competitors



to do and people to talk to. I'm skilled, but non-professional, nail tech. I can do anything from a basic manicure to full acrylics, including fun paint and/or designs. I do this out of my home for fun and hopefully a little extra cash for the household.

Donations vary depending on what you would like done. Let me know if you're interested, I'll be waiting to hear from you."

She did hear from someone. In February 2016, a complaint was filed by email with the Wisconsin Department of Safety and Professional Services: "I think you need to inform this young lady that she needs to be licensed."

The complainant was not identified, but complainants are frequently competitors. This practice undermines the properly licensed auctioneers of this region and impacts our ability to compete and earn a living.

 Complainant writing to the state about an unlicensed auctioneer



For instance, several auctioneers operating in Wisconsin have been the target of complaints by other auctioneers about licensing.

In one case, two complaints were filed in 2015 against a Sparta man over running an online auction site without a license.

One complaint apparently was filed by a licensed auctioneer, who claimed that the Sparta man violated statutes by auctioning property held for less than one year.

"This practice undermines the properly licensed auctioneers of this region and impacts our ability to compete and earn a living," the complainant wrote, adding that the man in question "is not licensed and those of us who are should seek action from the state to protect our investment in business and our profession."

The second complaint, filed anonymously, claimed that the man "is illegally acting as an auctioneer. ... Please investigate."

In another case, two complaints were filed against a



Green Lake County auction house. In both cases, in 2015 and 2016, the complainants alleged that the operators were not properly licensed.

That was the case as well with a Green Bay barbershop that was the target of a complaint filed in April 2015, apparently by someone who was licensed.

"I feel that everyone should have to go to school like all other professionals as myself and others," the complainant wrote.

Jan Uebelherr is a freelance editor and writer in Milwaukee.

# For more on licensure reform

### **VIDEOS:**

• Scan these codes with your smartphone using a QR code reader app.

Krissy Hudack's story: Cassie Mrotek's story:





 See both videos at wpri.org – click on the Multimedia tab.

## **STORIES:**

To read Krissy Hudack's and Cassie Mrotek's stories, go to wpri.org and click on the Commentary tab.

### **REPORT:**

To read WPRI's "Government's Love for Licensure," go to wpri.org and click on the Reports tab.

