



BY EMAIL

February 26, 2014

The Honorable Elizabeth Steiner Hayward, Co-Chair
The Honorable Greg Smith, Co-Chair
Members, Joint Committee on Ways and Means, Subcommittee on General
Government
900 Court St. NE
Salem, Oregon 97301

Re: **OPPOSITION to SB 1521A** – Establishment of Work Group on Commercial
Interior Design

Dear Chairman Steiner Hayward, Chairman Smith, and Members of the Committee:

On behalf of the National Kitchen & Bath Association (NKBA), an international trade association representing all facets of the Kitchen & Bath Industry and its 678 Members in the State of Oregon who employ designers, fabricators, manufacturers, salespersons, installers, distributors and numerous other related trades, please accept this letter to express to the Committee our concerns about the Work Group that is proposed to be established on commercial interior design:

- SB 1521A stacks the Work Group with members who have already decided to promote licensing of the design profession. 40% of the Work Group is made up of representatives of the two private trade associations which publicly advocate for the licensing of designers and provides training and funding to legislative coalitions to promote their agenda, one representative of the Interior Design Collaborative-Oregon, the lobbying group supporting the bill, and one student or educator in the field of commercial design, both of whom have every incentive to support licensing for students of the supported interior design schools which will become a requirement of any licensing regulation. No member of AIA, or NKBA or the various other trades and professions who opposed SB 1521 have been made part of this Work Group.
- There has been absolutely no guidance given to the Work Group on how they are to go about evaluating the need for additional regulation of the design community. There have already been thirteen state agency studies which have systematically and objectively examined this issue, and every single one found no reason to support the establishment of new laws since the public was already adequately protected from harm by existing state laws, building codes and permitting regulations. The failure to establish specific criteria that the Work Group must evaluate undermines the credibility of the Group and the validity of any recommendation that it may report.

The purpose of occupational regulation is to protect the public from harm, and one of state government's top responsibilities is to safeguard its citizens. Regulation by nature limits entry into a profession, makes it more difficult for those already working in the industry to compete, and should be reserved for professions and occupations that, if unregulated, pose a serious threat to public health, safety, and welfare. In other words, to take the serious step of restricting the marketplace, thereby impacting the ability of persons to compete and earn a living, the State must first examine such factors as whether:

- a. the unregulated practice can clearly harm or endanger the public health, safety or welfare;
- b. the actual or anticipated public benefit of the regulation clearly exceeds the costs imposed on consumers, businesses and individuals;
- c. strengthening existing laws would provide adequate protection of the public;
- d. the public cannot be effectively protected by private certification or other alternatives;
- e. whether the regulation will increase the cost of goods or services;
- f. whether the regulation will increase or decrease the availability of services to the public;
- g. whether the regulation will ensure practitioner competency; and,
- h. whether regulation can be provided by an existing agency or by existing licensed practitioners.

As the Arizona legislature stated in its law regarding the establishment of new occupational regulations,

after evaluating the criteria ..., the legislative committee of reference shall examine data from multiple sources and look for evidence of actual harm to the public related to the industry being considered for regulation. The evidence may include industry association data, federal, state and local government data, business reports, Complaints to the respective state law enforcement or Consumer Affairs Divisions or the Better business Bureau and data from reciprocal agencies In other states with and without similar laws and rules.

If the legislative committee of reference finds that it is necessary to regulate a profession or occupation not previously regulated by law, the regulation shall be in the least restrictive manner and shall not be imposed to protect a discrete interest group from economic competition.

ARS 32-4401.

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The above criteria makes eminent sense, and every single state agency that has looked into the establishment of licensing or titling laws for interior designers have followed similar guidelines in evaluating the need to regulate the profession.

We urge the Committee to reject the creation of this unnecessary Work Group as constituted and not advance SB 1521A.

On behalf of the National Kitchen & Bath Association and its members, we would like to thank you for your consideration of our position and the concerns that have been raised. Of course, if we can provide any additional information or testimony, we would be more than pleased to do so.

Sincerely,

A handwritten signature in cursive script that reads "Edward S. Nagorsky".

Edward S. Nagorsky
General Counsel
National Kitchen & Bath Association

Cc: Mika Timmons