



INSTITUTE FOR JUSTICE

Letter in Support of SB 517
Oregon Senate Committee on Education

February 22, 2023

Dear Chair Dembrow and Members of the Committee:

Thank you for the opportunity to submit written testimony in support of SB 517, which will improve the process and standards licensing boards use to determine whether a criminal record disqualifies a person from securing a license. My name is Meagan Forbes. I am Senior Legislative Counsel at the Institute for Justice. We are a nonprofit law firm that works to protect civil liberties. We have also studied the burdens of occupational licensing, particularly on lower-income workers and people with criminal records.

There is mounting evidence that licensing creates significant barriers to entry and disproportionately affects certain populations, especially people with criminal records.¹ Roughly 30 percent of Americans have criminal records and make up an increasingly large share of the workforce.² Further, approximately 20 percent of Americans need a license to work.³ Together, these percentages show the potential licensing laws have to fence out returning citizens that are rehabilitated and looking for a fresh start.

The Institute for Justice has published *Barred from Working*, a comprehensive study of the collateral consequences of occupational licensing restrictions for people with criminal records.⁴ The study uses 10 criteria to grade all 50 states and the District of Columbia on their legal protections for licensing applicants with criminal records. **In the report, Oregon earned a D-**⁵ The report found that Oregon lacked a transparent process for people with criminal records to apply for a license to work.

SB 517 would greatly improve Oregon's laws. It creates a predetermination process so that people with criminal records can learn whether their criminal record is disqualifying *before* investing time and resources in satisfying state licensing requirements. It also ensures that boards are not considering irrelevant records that do not bear on a person's ability to safely perform the duties of the occupation. It requires boards to give applicants individualized consideration and to consider evidence of rehabilitation in making decisions about whether a person is disqualified. These reforms are important to ensure that people are not being arbitrarily denied licenses and unnecessarily excluded from the workforce.

The reforms in SB 517 are good for returning citizens and good for the state. They help address labor shortages and promote public safety. Research shows a job is one of the best ways to reduce the likelihood a person will re-offend, and states that have lower licensing burdens also have lower rates of recidivism.⁶



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In conclusion, reducing unnecessary licensing barriers is an important way the state can safely create opportunities, support businesses, and advance public safety. I encourage the committee to support these important reforms. Thank you.

Sincerely,

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¹ *Id.*

² Umez, C. & Pirus, R., *Barriers to Work: People With Criminal Records*, National Conference of State Legislatures (July 17, 2018), <https://www.ncsl.org/research/labor-and-employment/barriers-to-work-individuals-with-criminal-records.aspx>.

³ Institute for Justice, *At What Cost? State and National Estimates of the Economic Costs of Occupational Licensing* (Nov. 2018), <https://ij.org/report/at-what-cost>.

⁴ Sibilla, N., *Barred from Working: A Nationwide Study of Occupational Licensing Barriers for Ex-Offenders* (“*Barred from Working*”), Institute for Justice (June 2020), <https://ij.org/report/barred-from-working/>.

⁵ See *Barred from Working*, at “State Grades,” <https://ij.org/report/barred-from-working/state-grades/>.

⁶ Slivinski, S., *Turning Shackles Into Bootstraps: Why Occupational Licensing Reform is the Missing Piece of Criminal Justice Reform*, Center for the Study of Economic Liberty at Arizona State University (Nov. 2016), <https://cseel.asu.edu/sites/default/files/2019-09/csel-policy-report-2016-01-turning-shackles-into-bootstraps.pdf>.