

**SENATE
ENROLLED ACT**

No. 490

*With Amendments
5/2/07*

[Signature]

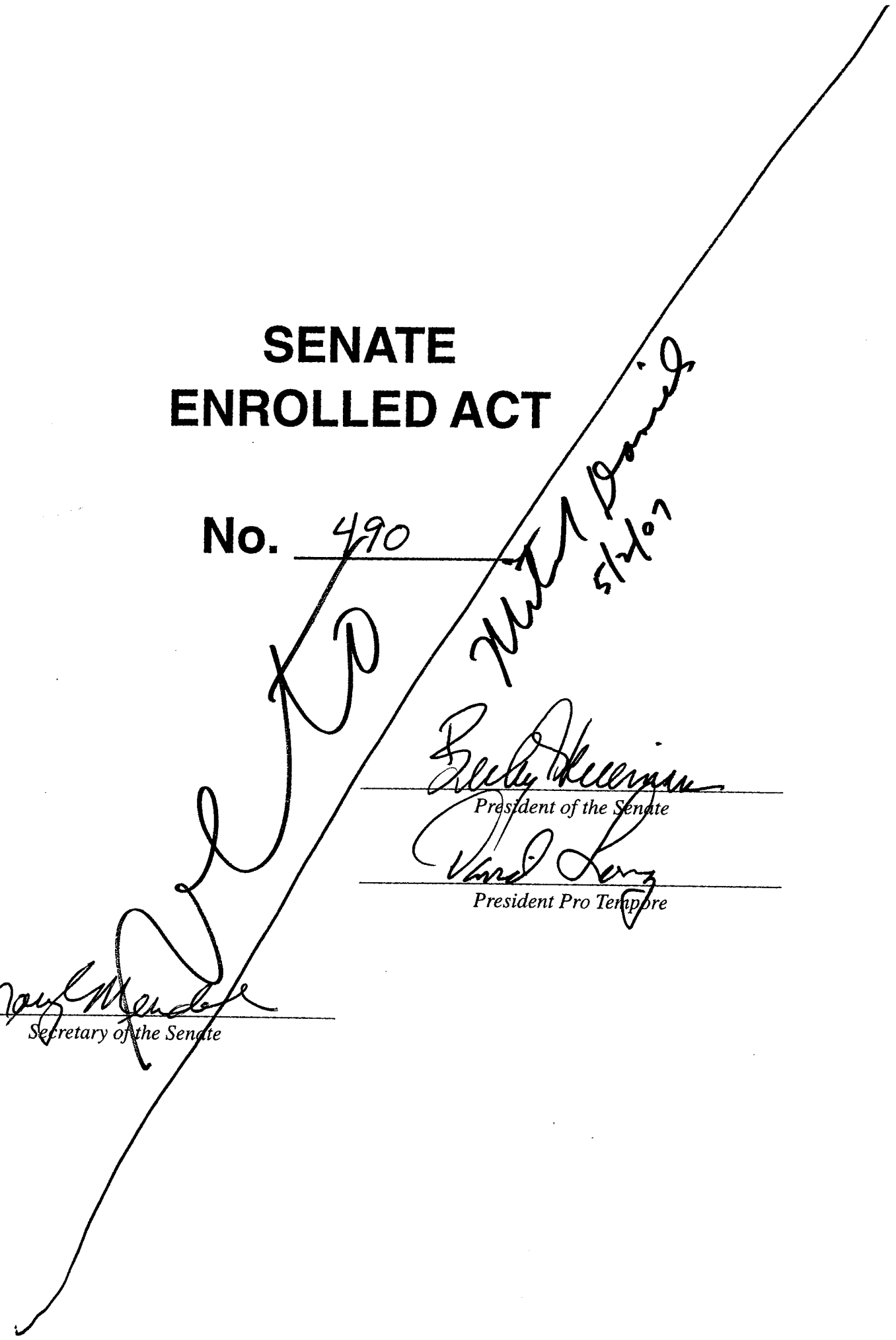
President of the Senate

[Signature]

President Pro Tempore

[Signature]

Secretary of the Senate





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

Mitchell E. Daniels, Jr.
Governor

May 3, 2007

Dear Madam President and Members of the Senate:

By the authority vested in me as Governor of Indiana, under the provisions of Article 5, Section 14, of the Constitution of the State of Indiana, I do hereby veto Senate Enrolled Act. No. 490, enacted during the regular session of the 115th General Assembly and related to the registration of interior designers.

Government has a legitimate role to play in the regulation of certain business occupations and professions. To protect public health and safety, for example, it makes sense for the state to require individuals seeking to practice certain occupations to be certified or licensed, in order to ensure that they meet minimum qualifications or skill levels.

However, government must be careful to exercise such powers in a restrained and limited way, in order to avoid limiting competition in occupations where no significant public health or safety concerns are involved. Licensing, certification, and registration standards necessarily restrict entry to and participation in the occupation or profession being regulated, so the burden of proof must fall on those who seek to create or extend such barriers to entry.

In the case of Senate Enrolled Act 490, I find that this burden of proof has not been met. I can find no compelling public interest that is served by the establishment of new registration requirements for interior designers as contained in SEA 490, nor in the bill's effective "criminalization" of violations of such registration requirements. Indeed, it seems to me that the principal effect of SEA 490 will be to restrain competition and limit new entrants into the occupation by requiring that they meet new educational and experience qualifications previously not necessary to practice their trade.

Coincidentally, renowned national columnist George Will recently devoted an entire column to a similar effort to regulate the interior design profession in Nevada and Utah, which he rightly characterized as "rent seeking," or using government authority to obtain private advantage. He concluded his column as follows:

But government licenses professions to protect the public and ensure quality. It licenses engineers and doctors because if their testable skills are deficient bridges collapse and patients die. The skills of interior designers are neither similarly measurable nor comparably disastrous when deficient.

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SEA 490 is an example of government intrusion into the private marketplace, unnecessarily expanding the power and reach of a professional regulatory board (of which we have far too many already), and protecting the "ins" at the expense of would-be competitors. The marketplace already serves as an effective check on poor performance; designers doing inadequate work are more likely to be penalized by negative customer reaction than by a government agency trying to enforce arbitrary and subjective qualification standards.

Interior designers are hardly the only profession seeking protection from state government. Indiana already regulates some 74 professions, many of them dubiously under the criteria articulated above. I am writing at such length to make plain to the General Assembly my concerns about this trend and my deep skepticism about the merits and value of many of these efforts. Indeed, I would welcome legislative re-examination of existing licensing schemes far more than proposals for more such regulation such as Senate Enrolled Act 490.

Sincerely,

M. E. Daniels, Jr.