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Connecticut's Regulations

- Examples Where the Costs Exceed the Benefits -

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Introduction

When employers are deciding when and where to hire people they look primarily at workforce capability, cost, and convenience of doing business. Red tape, mandates on employers, and a state's regulatory environment affect both employers' costs and convenience. If a state does not have a unique workforce capability or otherwise lower workforce costs, a more burdensome regulatory environment will lead employers who can hire in states with lower regulatory costs to do so. Employers who cannot easily relocate or expand out of state will simply hire fewer employees altogether when regulatory burdens raise the cost and inconvenience of doing business.

So a state should take care to ensure that the benefits of its mandates and regulations are worth the burden they impose on economic activity and job growth. It should also make sure that regulations actually achieve their intended benefits and that these benefits cannot be achieved in less costly ways.

Connecticut has done a poor job of ensuring that the benefits of its mandates and regulations are obtained and worth their costs. Comparisons of state regulatory environments consistently rank Connecticut as having one of the most burdensome regulatory climates in the nation.¹ And conversations with state employers reveal a persistent frustration with a state regulatory bureaucracy filled with ineffective, outdated, costly, and frequently duplicative regulations and mandates. This has contributed to the state's net loss of jobs over the past two decades and continued economic stagnation in the last two years – even as the rest of the country, including neighboring states, has seen steady (if modest) job growth.

Connecticut public officials regularly muster commissions, committees, and task forces to review various aspects of the state's regulatory bureaucracy. But these groups rarely call for the repeal of specific regulations. Instead, the committees and taskforces usually call for yet more cost-benefit analysis. When the reports have recommended repeal of specific regulations, the General Assembly has often failed to act on those recommendations.

At the same time, outside critiques of Connecticut's regulatory environment can themselves fall victim to vagueness – it is much easier to denounce government regulation in general terms than to recommend specific statutory changes. Many critiques that recommend specific changes go overboard, focusing only on regulations' costs while ignoring their benefits. This makes it easier for the General Assembly to dismiss the criticism.

This paper aims to address both problems. It lays out a set of specific Connecticut regulations for which the benefits do not exceed the costs or for which the benefits could

¹ See, for instance, CNBC, "America's Top States for Business 2010," <http://www.cnbc.com/id/37516043/>; Kurt Bandenhausen, "Table: The Best States for Business and Careers," *Forbes* (October 13, 2010), <http://www.forbes.com/2010/10/13/best-states-for-business-business-beltway-best-states-table.html>.

be achieved in less costly ways. But it also acknowledges certain regulations where the cost-benefit analysis is not so clear.

The paper does not attempt to offer a complete list of Connecticut regulations that should be streamlined or repealed. Rather, provides a starting point of specific action steps the General Assembly could take immediately to begin creating a more balanced regulatory climate in Connecticut.

Summary of Recommendations

- 1) Connecticut's General Assembly should eliminate unnecessary occupational licensing requirements, beginning with occupations for which fewer than 25 states require licenses. This includes Connecticut's licensing requirements for crane operators, opticians, conveyor operators, sign language interpreters, tree trimmers, forest workers, home entertainment installers, residential steel contractors, animal control officers, locksmiths, animal trainers, backflow prevention assembly testers, cross-connection survey inspectors, pharmacy technicians, and upholsterers.
- 2) Connecticut's General Assembly should repeal or restructure employment regulations that unambiguously stifle job growth and whose benefits can be achieved in less costly ways. At a minimum, the Assembly should:
 - Undo the Connecticut's common law that restricts employers' ability to dismiss employees even when doing so would not violate an employment contract or statute.
 - Restructure the way unemployment insurance benefits are delivered without reducing total benefit levels. Specifically, payroll taxes should be directed toward individual employee unemployment insurance accounts rather than a pooled statewide account. These accounts would provide the same level of benefits to individuals during periods of unemployment, but if the account was not exhausted the employee would receive the remainder of the funds upon retirement. This would keep workers fully insured during periods of unemployment while eliminating unemployment insurance's current adverse impact on unemployed workers' incentives to look for new jobs.
- 3) Connecticut's General Assembly should address environmental regulatory requirements that the Department of Energy and Environmental Protection (DEEP) has itself declared unnecessary. Specifically, the Assembly should:
 - Repeal the Stream Channel Encroachment Line (SCEL) Program, Conn. Gen. Stat. 22a-342 through 22a-350.
 - Repeal Conn. Gen. Stat. 22a-174e, which requires Connecticut gas stations to install Stage 2 vapor recovery systems, and require phase out of Stage 2 systems in accordance with Section 14 of the Petroleum Equipment Institute's

2009 "Recommended Practices for Installation and Testing of Vapor Recovery Systems at Vehicle Refueling Sites."

- Repeal statutory provisions requiring state review of municipal noise ordinances (Conn. Gen. Stat. 22a-67 through 22a-76.) and modify Conn. Gen. Stat. 22a-174k such that nuisance complaints regarding outdoor wood-burning furnaces and odors are reviewed at the municipal rather than state level.

Rationale and Details of Recommendations

1. Remove unnecessary occupational licensing requirements

Occupational licensing requirements are regulations making it illegal to perform certain jobs without a state license. Obtaining a state license generally involves testing and other certification requirements, as well as an annual fee to fund the "licensing boards" that administer the regulation.

Occupational licensing requirements initially developed in the medical profession as an attempt by states to protect patients from malpractice.² Many people continue to associate occupational licensing with medical fields. But in the last few decades, occupational licensing regulation has ballooned to encompass a host of professions completely unrelated to medical health, including barbers, makeup artists, interior designers, and funeral directors. In 2003 the Council of State Governments estimated that more than 800 occupations were licensed in at least one state. And in a 2008 study economists Morgan Kleiner and Alan Krueger found that 29 percent of the U.S. workforce was required to hold an occupational license from some government agency.³

These regulations are particularly widespread in Connecticut. Connecticut currently licenses 155 professions, the second most in the country after California and nearly twice the national average of 92.⁴ An Institute of Justice Survey on licensing requirements in 102 lower-income professions found Connecticut tied for 7th in the breadth of its licensing requirements, one of only 12 states to regulate more than half of the professions studied. Connecticut is one of 13 states that requires licenses for locksmiths, one of 7 that requires licenses for furniture upholsterers and tree trimmers, and the only state to require licenses of conveyor operators or forest workers.⁵

² ASET, "White Paper on Occupational Regulation," July 2004, http://www.aset.org/files/public/White_Paper_on_Regulation.pdf p. 9.

³ Morris M. Kleiner & Alan B. Krueger, "The Prevalence and Effects of Occupational Licensing," September 2008, http://www.nber.org/papers/w14308.pdf?new_window=1.

⁴ Adam B. Summers, "Occupational Licensing: Ranking the States and Exploring Alternatives," *Reason Institute*, August 2007, <http://reason.org/files/762c8fe96431b6fa5e27ca64eaa1818b.pdf>. A full list of CT licensed services can be found here: <http://www.ct-clic.com/TradeLicenses/categorySearch.asp>.

⁵ Institute for Justice, "License to Work: A National Study of Burdens from Occupational Licensing," <http://www.ij.org/licensetowork>.

These licensing regulations come at a heavy cost to the state's economy. By making it more difficult and expensive to work in a profession, the state raises the cost of the services those professions provide. Higher prices for a particular service reduce demand for that service, which in turn lowers the number of people who can be employed in providing it. Moreover, making consumer goods and services more expensive raises the cost of living in Connecticut, which in turn makes it more expensive to hire Connecticut residents for any business. So occupational licensing requirements stymie job growth in both the particular professions they regulate and in the state's economy more generally.

Economists have estimated that licensing costs the national economy \$100 billion in lost output and 2.85 million foregone jobs, in addition to redistributing \$300 billion from consumers to licensed occupations.⁶ This suggests that Connecticut's licensing regulations, which are more burdensome than most states', have cost the state up to 30,000 jobs.⁷ These adverse consequences are particularly burdensome for the poor. Poorer consumers feel the impact of price increases more acutely. And it is more difficult for less well-off job seekers to exert the time and pay the fees necessary to secure and maintain occupational licenses.⁸

Not only do occupational licensing regulations bring about heavy economic costs; they often do not actually achieve their supposed benefit – increasing quality in licensed professions. Fewer than six percent of regulated occupations are regulated in all fifty states.⁹ And many are regulated in fewer than half. As Harvard Professor Daniel Hogan has written, "The variability of requirements in the same profession over a number of states . . . indicate[s] that unnecessary restrictions are being placed on many fields of practice."¹⁰ Using measures of professional quality like consumer complaints and injuries, empirical studies have compared quality in states that require licenses with those that do not. These studies have found that licensing regulations generally do nothing to improve consumer safety or the quality of services in regulated industries. In many instances, occupational licensing requirements *reduced* professional quality and consumer safety by insulating established providers from new competition and consumer choice.¹¹

The variability of licensing requirements across states – and the absence of adverse outcomes in states that have declined to license many occupations that Connecticut has –

⁶ See Lee McGrath, "A Primer on Occupational Licensing with Professor Morris Kleiner," April 2008, http://blog.lib.umn.edu/hhhevent/news/4.1.12_IJ_Kliner_occupational.pdf; Morris M. Kleiner, "Occupational Licensing Protecting the Public Interest or Protectionism," UpJohn Institute for Employment Research, 2011, http://research.upjohn.org/cgi/viewcontent.cgi?article=1008&context=up_policypapers, p. 3.

⁷ Connecticut's population is about 1.1% of the United States population. Connecticut's GDP is about 1.5% of the United States GDP.

⁸ See Daniel Hogan, "The Effectiveness of Licensing: History, Evidence, and Recommendations," *Law and Human Behavior*, Vol. 7, 1983, p. 121.

⁹ ASET White Paper, *supra* note 2, at p. 11.

¹⁰ Hogan, "The Effectiveness of Licensing," *supra* note 8, p. 126.

¹¹ For an overview of many of these studies, see Stanley J. Gross, "Professional Licensure and Quality: The Evidence," 1986, <http://www.cato.org/pubs/pas/pa079.html>. See also Summers, *supra* note 4, at p. 9 for citation of additional studies. And see Kleiner, *supra* note 6.

can serve as a model for Connecticut as it looks to eliminate unnecessary licensing requirements. The General Assembly should remove licensing requirements for occupations for which fewer than 25 states require licenses. Table 1, below, provides a partial list of these occupations.

It is important to remember that removing state licensing requirements would not preclude voluntary certification through professional associations, a practice that is already widespread in many occupations. For instance, the National Institute for Automotive Service Excellence provides a certification to auto mechanics. About 350,000 mechanics hold ASE certifications nationally, and many employers will not hire mechanics without it. But unlike state license requirements, the certification has no legal standing and does not restrict entry into the auto-mechanic profession. Consumers are free to choose for themselves how much value to place on it and whether to use providers who require mechanics to have ASE certification.¹²

Voluntary certification programs like ASE do not have the adverse economic impacts of government licensing regimes and are more likely to actually correlate with professional quality since they are driven by consumer demand, not government mandate.

Table 1: Occupations that Connecticut is One of a Minority of States to License¹³	
Occupation	Number of States that Require Licenses
Crane Operator	18
Optician	22
Conveyor Operator	1
Coach	24
Sign Language Interpreter	16
Tree Trimmer	7
Weigher	24
Forest Worker	1
Home Entertainment Installer	3
Iron / Steel Contractor (Residential)	11
Animal Control Officer	17
Locksmith	13
Animal Trainer	20
Backflow Prevention Assembly Tester	18
Cross-connection Survey Inspector	4
Pharmacy Technician	12
Upholsterer	7

¹² “License to Work,” *supra* note 5, pages 30, 33.

¹³ This is a non-exhaustive list based on the occupations studied in the “License to Work” study. Data from p. 53-54.

2. Repeal or restructure employment regulations that unambiguously stifle job growth and whose benefits can be achieved in less costly ways

Connecticut's employers face a multitude of state regulations circumscribing hiring and dismissal policies, wages, workplace conditions, and unemployment insurance, among other employment policies. These regulations tend to be very controversial, generating passionate reactions from defenders and critics alike. Defenders of the laws argue that they are necessary to protect workers from mistreatment, while critics argue that the laws increase joblessness by making it more difficult and costly to employ workers in Connecticut.

Weighing these considerations through rigorous cost-benefit analysis can be difficult, since empirical evidence on the efficacy of many regulations is ambiguous.¹⁴ However, several of Connecticut's regulations that are more restrictive and overbearing than those of most states do unambiguously stifle job growth. And the supposed benefits of these regulations are illusory or can be achieved in less costly ways.

For instance, employers in the United States are generally allowed to terminate an employee for any reason that is not explicitly prohibited by a statute or an employment contract. However, Connecticut's Supreme Court has placed a number of additional restrictions on employers' dismissal rights, prohibiting dismissals that violate "good faith," "public policy," or "an implied employment contract." These court-imposed restrictions are not grounded in Connecticut's statutes or Constitution. Rather, they are so-called common law decisions that attempt to fill in regulatory gaps on issues the legislature has yet to address. As such, they are subject to modification or reversal by the legislature. Courts in other states have developed similar restrictions, but Connecticut's are among the most restrictive in the country.¹⁵

These restrictions are intended to protect employees. But in practice they instead lead employers hire fewer workers in the first place out of fear that their employment needs will shift in the future (due to market fluctuations in demand or evolving technology and competitive environments) and they will be unable to adjust their workforce accordingly. MIT economist David Autor has rigorously studied the impact of these restrictions on employment and has found that they lead to a 0.8-1.6% reduction in employment levels.¹⁶

¹⁴ For example, while most rigorous empirical studies support the view that higher minimum wages reduce employment levels, a few studies have not found this result. See David Neumark & Olena Nizalova, "Minimum Wage Effects in the Longer Run," July 2004, <http://www.nber.org/papers/w10656>; David Card & Alan B. Krueger, *Myth and Measurement: The New Economics of the Minimum Wage* (Princeton University Press, 1997); Mark Wilson, "Negative Effects of Minimum Wage Laws," *Cato Institute*, June 21, 2012, <http://www.cato.org/doc-download/sites/cato.org/files/pubs/pdf/PA701.pdf>.

¹⁵ See David H. Autor et al, "The Cost of Wrongful Discharge Laws," *The Review of Economics and Statistics*, May 2006, <http://economics.mit.edu/files/594>, appendix 1 (CT one of only ten states to recognize all three kinds).

¹⁶ See *id.* and David H. Autor et al., "The Employment Consequences of Wrongful Discharge Laws: Large, Small, or None at all?," *State Legal Variation and Economic Outcomes*, May 2004, <http://economics.mit.edu/files/591>.

This suggests that over a 5-10 year time horizon Connecticut could gain up to 15,000 new jobs by repealing them.

Not only do these restrictions stifle job growth; they also are unnecessary for protecting workers from unfair treatment. Other Connecticut laws already ban employers from dismissing employees for a host of specific wrongful reasons, including racial, gender, or sexual orientation discrimination; retaliation for safety complaints; and retaliation for whistle-blowing and other free speech rights.¹⁷ Once specific wrongful termination practices are banned, it unnecessary to impose additional restrictions on employer flexibility whose main impact will be a chilling effect on hiring new workers.

Another area where Connecticut has employment regulations that exceed those of other states and whose benefits can be otherwise achieved more efficiently is unemployment insurance. All states require that employers pay a “payroll tax” that funds weekly benefits to unemployed workers. However, each state has its own policies regarding eligibility, benefit levels, and the duration of the benefits.¹⁸ Unsurprisingly, Connecticut is an outlier in the levels of benefits it supplies. While the median state caps unemployment insurance benefits at just under \$300 per week, Connecticut caps its insurance at over \$500 per week. Connecticut ranks third highest nationwide in terms of unemployment insurance compensation, surpassed only by Massachusetts and Rhode Island.¹⁹

Unemployment insurance plays an important role in recessions by keeping newly unemployed workers out of poverty while they look for new jobs. But it can also prolong the very recessions whose impacts it seeks to alleviate by reducing workers’ incentives to find new employment in the first place. Empirical studies by economists across the political spectrum have consistently found that greater unemployment benefits lead workers to spend more time unemployed.²⁰ Economists’ estimates of the impact of unemployment insurance on unemployment in the current downturn range from a .4% to 2.5% increase in unemployment nationally.²¹ In Connecticut, this would equate to 7,500 jobs lost on the low-end.

¹⁷ See, e.g., Conn Gen. Stat. sections 31-40t (protections for employee who complains of hazardous conditions), 31-51m (protections for employee who discloses employer’s illegal activities or unethical practices), 31-51q (no termination of employee on account of employee’s exercise of certain constitutional rights), 31-290a & 46a-60 (no termination for discriminatory reasons or other discriminatory behavior), 51-247a (no termination due to jury services), 54-85b (employment protection for witnesses and victims of crimes), 28-17 (no termination for civil preparedness activity or eligibility for induction), 4-61dd (no termination for whistle-blowing).

¹⁸ See Alan Krueger & Bruce Meyer, “Labor Supply Effects of Social Insurance,” June 2002, http://www.nber.org/papers/w9014.pdf?new_window=1, p. 7.

¹⁹ See, *Unemployment Benefits Comparison by State*, <http://fileunemployment.org/unemployment-benefits-comparison-by-state>.

²⁰ See, for instance, Krueger & Meyer, *supra* note 18. Professor Krueger is currently President Obama’s Chairman of the White House Council of Economic Advisors.

²¹ See Jesse Rothstein, “Unemployment Insurance and Job Search in the Great Recession” and other studies cited within, September 9, 2011, http://www.brookings.edu/~media/Files/Programs/ES/BPEA/2011_fall_bpea_papers/2011_fall_bpea_conf_ence_rothstein.pdf.

One way for Connecticut to reap the benefits of unemployment insurance without these costs is to restructure the way unemployment insurance benefits are delivered without reducing total benefit levels. Specifically, instead of having a single, statewide unemployment insurance account, Connecticut could instead direct payroll taxes towards individual employee unemployment insurance accounts. These accounts would provide the same level of benefits to individuals during periods of unemployment, but if the account was not exhausted the employee would receive the remainder of the funds upon retirement.²² Thus, employees would be fully insured during periods of unemployment but would not have reduced incentives to find new jobs.

Although Connecticut would be among the first states to restructure unemployment insurance in this way, a number of prominent economists affiliated with both parties, including Harvard's Martin Feldstein and the Brookings Institution's Jeffrey Kling (now at the Congressional Budget Office), have developed detail proposals for how states could implement individual unemployment insurance accounts. Feldstein, in fact, has put forward five alternative ways to structure individual unemployment insurance accounts, all of which could fund current benefit levels through existing payroll taxes.²³ Kling's proposal offers a sixth alternative.²⁴ Either of these economists' proposals could serve as a model for a more effective unemployment insurance program in Connecticut.

3. Repeal environmental regulations that the Department of Energy and Environmental Protection (DEEP) has itself declared unnecessary

Like employment regulations, environmental regulations can be highly controversial, generating both impassioned critiques and defenses.²⁵ But when the very agency charged with implementing environmental regulations deems certain mandates out-of-date and counterproductive, it's a good bet that those regulations' benefits – if any exist at all – are not worth the regulations' costs.

Connecticut currently faces exactly this situation with a number of state environmental regulations: The Department of Energy and Environmental Protection (DEEP) has urged the regulations' repeal, but the General Assembly has yet to act on those recommendations.

²² See Martin Feldstein & Daniel Altman, "Unemployment Insurance Savings Accounts," December 1998, <http://www.nber.org/papers/w6860>.

²³ See Martin Feldstein & Daniel Altman, "Unemployment Insurance Savings Accounts," *Tax Policy and the Economy* Volume 21, May 2007, available at <http://www.nber.org/chapters/c0046.pdf>.

²⁴ Jeffrey R. Kling, "Fundamental Restructuring of Unemployment Insurance: Wage-Loss Insurance and Temporary Earnings Replacement Accounts," The Brookings Institution, September 2006, <http://www.brookings.edu/~media/research/files/papers/2006/9/unemployment%20kling/200609kling.pdf>.

²⁵ For instance, Connecticut's renewable portfolio standards (requirements that a certain percentage of energy consumed come from low-emissions sources) are among the highest in the country. Critics have pointed out that these regulations are one driver of the state's high electricity prices. See http://www.manhattan-institute.org/html/eper_10.htm. But many environmental scientists have argued that current renewable portfolio standards need to be even higher than Connecticut's in order to effectively stabilize climate change and avoid its adverse consequences. <http://newscenter.berkeley.edu/2012/02/09/advanced-power-grid-model-finds-low-cost-low-carbon-future-in-west/>.

One such regulation is the Connecticut's Stream Channel Encroachment Line Program (SCEL).²⁶ The SCEL program mandates that any activity involving placement of an obstruction, encroachment, or hindrance within set boundaries on select Connecticut streams receive a permit from DEEP. In deciding whether to grant a permit, DEEP is required to evaluate the impact of proposed activities on the floodplain environment, including on wildlife and fisheries habitats and on flood hazards.²⁷ Since the SCEL program was adopted in 1955, the Federal Emergency Management Agency's National Flood Insurance Program has studied and mapped flood ways and floodplains throughout Connecticut and developed its own limits on economic activities in flood-prone areas. Every municipality in Connecticut has adopted these guidelines into local planning and zoning ordinances, rendering the SCEL program duplicative and unnecessary.²⁸

This unnecessary layer of regulation carries heavy costs for regulated businesses and municipalities. The permit review process generally takes three or four months and in some instances extends to eight or nine.²⁹ Application fees and modeling requirements necessitating engineering consultant services can add thousands of dollars to project costs. And the SCEL boundaries and FEMA flood boundaries do not perfectly overlap, generating confusion among the regulated community.³⁰ The projects that have absorbed these costs in the last three years include the construction of a commercial pharmacy in Wallingford, the development of a 100-home residential community in Wilton, and the construction or repair of nearly a dozen bridges throughout Connecticut.³¹ All told, SCEL impacts about 50 projects per year.³²

In addition to its direct costs on permit applicants, SCEL adds wasteful bureaucracy to DEEP itself. The Department's Inland Water Resources Division (IWRD) estimates that SCEL permit reviews take up about ten percent of the division's resources.³³ If SCEL were repealed, these resources would be freed up to provide faster service to the regulated community on other regulatory programs. Indeed, DEEP itself has urged the SCEL program's repeal since 2010, but the Connecticut General Assembly has yet to act on their recommendation.

Another regulation that DEEP had deemed out of date and counterproductive is the state's "Stage 2 vapor recovery program."³⁴ This program requires gas stations to install and maintain certain pieces of equipment that reduce gasoline vapor emissions during automobile refueling. However, this equipment has been rendered obsolete by increasing

²⁶ Conn. Gen. Stat. 22a-342 through 22a-350.

²⁷ DEEP Permitting Assessment Report, September 30, 2010, Inland Water Section page 3, http://www.ct.gov/deep/lib/deep/permits_and_licenses/assessment/permit_assessment_report.pdf.

²⁸ *Id.*, page V-6.

²⁹ Information provided to the CPI by DEEP.

³⁰ Connecticut Business & Industry Association, "Proposed Repeal of Stream Channel Encroachment Line Program," <http://www.cbia.com/epc/documents/SCELRepealJuly2011.pdf>.

³¹ Information provided to the CPI by DEEP.

³² CBIA report, *supra* note 30.

³³ *Id.*

³⁴ Conn Gen. Stat. 22a-174e.

number of modern automobiles, which include onboard refueling vapor recovery systems. These onboard recovery systems have become more effective at reducing emissions than the mandated “Stage 2” systems at gasoline stations. In fact, the Stage 2 equipment interferes with the effective operation of the onboard systems, acting on the margins to *increase* rather than decrease emissions. Meanwhile, the Stage 2 mandates cost each Connecticut gas station close to \$6,000 per year – a cost passed on to consumers through higher gas prices.³⁵

As a result of these considerations, DEEP has recommended eliminating the Stage 2 requirements and phasing the equipment out in accordance with Section 14 of the Petroleum Equipment Institute’s 2009 “Recommended Practices for Installation and Testing of Vapor Recovery Systems at Vehicle Refueling Sites.”³⁶ However, as with SCEL, the General Assembly has yet to repeal the statutory provisions mandating that gas stations install Stage 2 systems.

Finally, the Connecticut General Assembly should repeal requirements that DEEP review municipal noise ordinances³⁷ and address nuisance complaints regarding the installation and operation of outdoor wood-burning furnaces.³⁸ Towns that want to address noise issues should be able to do so without state oversight, and municipal governments’ knowledge of local conditions and responsibility for issuing building permits makes them better positioned to ensure furnaces are installed and operated properly. DEEP involvement in each of these areas adds unnecessary layers of government bureaucracy and diverts DEEP resources away from more productive and important activities.³⁹

Conclusion – A Connecticut Plan of Action

Here are seven specific actions the Connecticut General Assembly can take to begin improving the regulatory climate in Connecticut.

- Repeal all the state’s occupational licensing requirements for occupations that are not subject to such requirements in a majority of states.
- Undo the Connecticut Supreme Court’s decisions that restrict employers’ ability to dismiss employees even when doing so would not violate an employment contract or statute.
- Pass a law restructuring unemployment insurance such that payroll taxes are directed towards individual employee unemployment insurance accounts rather than a pooled statewide account. These accounts program can modeled

³⁵ All this information can be found in DEEP’s stage two analysis from June 2012, available at [http://www.ct.gov/deep/lib/deep/air/stageii/final-report_future_options_gdf_vapor-control-program_\(dkc-finalreport\).pdf](http://www.ct.gov/deep/lib/deep/air/stageii/final-report_future_options_gdf_vapor-control-program_(dkc-finalreport).pdf).

³⁶ See *id.*.

³⁷ CGS 22a-67 through 22a-76.

³⁸ CGS 22a-174k.

³⁹ See 2010 DEEP Permitting Assessment Report, *supra* note 27, Air section page 13.

around one of the five alternative structures Harvard's Martin Feldstein has proposed (<http://www.nber.org/chapters/c0046.pdf>) or a sixth alternative the Brookings Institute's Jeffrey Kling has proposed (<http://www.brookings.edu/~media/research/files/papers/2006/9/unemployment%20kling/200609kling.pdf>).

- Repeal Conn. Gen. Stat. 22a-342 through 22a-350, the Stream Channel Encroachment Line (SCEL) Program.
- Repeal Conn. Gen. Stat. 22a-174e, which requires Connecticut gas stations to install Stage 2 vapor recovery systems, and require phase out of Stage 2 systems in accordance with Section 14 of the Petroleum Equipment Institute's 2009 "Recommended Practices for Installation and Testing of Vapor Recovery Systems at Vehicle Refueling Sites."
- Repeal Conn. Gen. Stat. 22a-67 through 22a-76, which requires state review of municipal noise ordinances.
- Modify Conn. Gen. Stat. 22a-174k such that nuisance complaints regarding outdoor wood-burning furnaces and odors are reviewed at the municipal rather than state level.