August 25, 2017

To the Honorable Members of The Illinois Senate, 100th General Assembly:

Today, I return Senate Bill 326, an amendment to the Interior Design Title Act, the Regulatory Sunset Act, the Unified Code of Corrections and the Mechanics Lien Act, with specific recommendations for change that will improve the Illinois Department of Financial and Professional Regulation's regulatory reach as it applies to the title of registered interior designers in the State of Illinois.

The Interior Design Title Act seeks to ensure that only qualified people be permitted to use the title of registered interior designer in the State of Illinois. Interior Design is a Title Protection profession. In other words, anyone in Illinois may work as an interior designer, but unless they voluntarily register with the department, they cannot use the title of "Registered Interior Designer." Some changes in Senate Bill 326 update and modernize the current interior design statute and facilitate working in Illinois as an interior designer. However, I am concerned that other parts of this bill add regulations and costs that make it harder for applicants to obtain and maintain registration while also increasing the department's regulatory costs.

Specifically, the bill adds continuing education requirements for renewal and restoration of Registered Interior Designer registration (24 hours from one or more department-approved continuing education providers during the term of registration). Given that the Interior Design Title Act is title protection only, the benefit of adding continuing education requirements that make it harder for interior designers to maintain their title protection is suspect at best. Most title protected professions regulated by the department do not provide for continuing education. Continuing education means the department will have to approve providers and courses and audit compliance. These costs are not covered within the current fee for interior design registration.

This bill further strips away the ability of applicants outside of Illinois and new Illinois residents to readily obtain an Illinois registration. Currently, outside applicants and new residents may show they are licensed by another jurisdiction based on substantially similar qualifications as

those of Illinois. The bill proposes to remove that reciprocity and instead require an outside applicant to retake the national interior decorator exam. This not only makes it more burdensome for those applicants, but it also adds costs and barriers to entry. We instead should be working to encourage professionals who wish to do business in Illinois.

Additionally, this legislation eliminates the ability of the department to prescribe the education and experience requirements for title protection registration and instead vests this authority with the National Council for Interior Design. Eliminating the department's ability to assess whether an applicant has met education and experience requirements makes it potentially harder to obtain title protection for those interior designers who choose to seek it through registration with the department. Currently, these different avenues for registration provide the department with discretion in how it interprets whether applicants have met those requirements, as opposed to vesting this authority with another entity.

Finally, the bill encourages the department to have membership in and participate in the activities of the National Council for Interior Design Accreditation. While this change is discretionary, any participation in the National Council by the department will result in increased costs to the department. Adding these costs to the department's existing fee structure is challenging to justify.

Illinois continues to have an overly burdensome regulatory environment. Our policies should make it easier, not harder, for professionals to work in Illinois and should seek to reduce, not create, barriers to economic growth. We must continue to scrutinize the circumstances in which a license or registration should be required and the costs and requirements for obtaining a license in order to promote economic growth and reduce professional barriers.

I encourage the General Assembly to continue to work with the Department of Financial and Professional Regulation on comprehensive licensing reform, including the requirement that interior designers register with the department simply to say they are a "registered" professional. The Interior Design Title Act only protects a title; this Act calls into question the public benefit of registering interior designers. The regulation of interior designers currently does not protect the public against bad actors because the regulations that a registered interior designer must follow do not apply to individuals who practice the profession, but do not use the title. The only difference is that those who are not registered may not label themselves as such.

Additionally, the number of complaints and disciplines regarding interior designers is small. Repealing this Act will not cause public harm, but will promote economic growth and enable the department to reallocate resources to regulating those professions that require it. Until then, implementing new registration requirements on those who wish to obtain interior designer title protection is unwarranted.

Therefore, pursuant to Section 9(e) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 326, entitled "AN ACT concerning regulation," with the following recommendations for change:

On page 5, by replacing lines 23 through 24, with: "(c) To adopt as its own rules relating to education requirements, those guidelines published from"; and

On page 6, by deleting lines 7 through 18; and

On page 6, by replacing line 25, with: "Except as otherwise provided in this Act, each applicant shall"; and

On page 7, by replacing lines 1 through 26, with the following:

"take and pass the examination approved by the Department. Prior to registration, the applicant shall provide substantial evidence to the Board that the applicant:

- (1) is a graduate of a 5 year interior design program from an accredited institution and has completed at least 2 years of full time diversified interior design experience;
- (2) is a graduate of a 4 year interior design program from an accredited institution and has completed at least 2 years of full time diversified interior design experience;
- (3) has completed at least 3 years of interior design curriculum from an accredited institution and has completed 3 years of full time diversified interior design experience;
- (4) is a graduate of a 2 year interior design program from an accredited institution and has completed 4 years of full time diversified interior design experience; or
 - (5) (blank).
- (b) In addition to providing evidence of meeting the requirements of subsection (a):
 - (1) Each applicant for registration as a registered interior designer shall provide substantial evidence that he or she has successfully completed the examination administered by the National Council for Interior Design Qualifications.

On page 8, by replacing lines 1 through 6, with:

"(2) (Blank).

Examinations for applicants under this Act may be held at the direction of the Department from time to time but not less than once each year. The scope and form of the examination shall conform to the National Council for Interior Design Qualification examination for interior designers."; and

On page 8, by replacing lines 12 and 13, with: "registration <u>prior to passing the examination. He or she</u> shall have <u>2 years</u>"; and

On page 8, by replacing lines 20 and 21, with: "reapply <u>at any time</u>, but shall meet the requirements in effect at the time of application." and

By replacing page 8, line 26 through page 9, line 1, with: "under the laws of this State, may, without examination, be"; and

On page 12, by replacing line 5, with: "the Department"; and

On page 12, by deleting lines 6 through 10; and

On page 12, by replacing line 11, with: "(a) whenever the"; and

On page 13, by deleting lines 1 through 25; and

On page 14, by deleting lines 1 through 26; and

On page 15, by deleting lines 1 through 10.

With these changes, Senate Bill 326 will have my approval. I respectfully request your concurrence.

Sincerely,

Bruce Rauner GOVERNOR