



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2402

Introduced 2/7/2025, by Sen. Willie Preston

SYNOPSIS AS INTRODUCED:

New Act

Creates the PRIOR Act. Defines terms. Provides that a Pre-Regulatory Impact Assessment shall be completed and presented to the General Assembly before legislation creating a new occupational regulation, expanding the scope of practice of a licensed occupation, or increasing the personal qualification for an occupational regulation can be voted on by a committee or the General Assembly. Provides that, on or before the first day of the General Assembly's legislative session, the Speaker of the House of Representatives, the President of the Senate, and the Chair of each relevant committee shall assign to the relevant committee or legislative staff the responsibility to analyze legislation creating a new occupational regulation, expanding the scope of practice of a licensed occupation, or increasing the personal qualifications for an occupational regulation and the accompanying Pre-Regulatory Impact Application submitted by proponents of the legislation. Provides that the designated staff are responsible for (i) reviewing legislation that requires a Pre-Regulatory Impact Assessment to ensure the least restrictive regulation is being proposed and (ii) preparing a Pre-Regulatory Impact Assessment that shall be considered with the legislation by the General Assembly. Provides that a proponent of a piece of legislation shall submit a Pre-Regulation Impact Application to the designated staff. Sets forth requirements for an application. Sets forth actions that designated staff may take. Sets forth a temporary moratorium on the creation of new occupational regulations. Effective immediately.

LRB104 10371 AAS 20446 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the PRIOR
5 Act.

6 Section 5. Declaration of public policy.

7 (a) The General Assembly finds the following:

8 (1) requiring individuals to qualify for, apply for,
9 and receive a license before he or she works in an
10 occupation imposes a significant burden on individuals,
11 the State, and the economy;

12 (2) the creation of new occupational licenses without
13 sufficient empirical evidence or legislative oversight may
14 compel the Department of Financial and Professional
15 Regulation to expend finite resources administering
16 regulations that are not necessary to protect public
17 health or safety;

18 (3) occupational licenses should only be required or
19 expanded if it is necessary to protect public health and
20 safety from significant and discernible harm

21 (4) the people of the State have a fundamental right
22 to pursue a lawful occupation; and

23 (5) it is necessary to require comprehensive reviews

1 of any proposed legislation that would create an
2 occupational license, expand the scope of practice for a
3 license, or increase personal qualifications for a license
4 so that the General Assembly can analyze whether the
5 legislation is both necessary to protect public health,
6 safety, or welfare from significant and discernible harm
7 and appropriate in light of the burdens it creates.

8 Section 10. Definitions. As used in this Act:

9 (a) "Department" means the Department of Financial and
10 Professional Regulation.

11 (b) "Least restrictive regulation" means the following,
12 from least to most restrictive:

13 (1) market competition;

14 (2) third-party or consumer-created ratings and
15 reviews;

16 (3) private certification;

17 (4) voluntary bonding or insurance;

18 (5) specific private civil cause of action to remedy
19 consumer harm;

20 (6) deceptive trade practice act;

21 (7) mandatory disclosure of attributes of the specific
22 good or service;

23 (8) regulation of the process of providing the
24 specific good or service;

25 (9) regulation of the facility where the specific good

1 or service is sold;
2 (10) inspection;
3 (11) bonding;
4 (12) insurance;
5 (13) government registration;
6 (14) government certification;
7 (15) specialty occupational certification solely for
8 medical reimbursement; and
9 (16) an occupational license.

10 (d) "License" means the privilege conferred by the
11 Department to a person that has fulfilled all the requirements
12 for any type of licensure under this Act.

13 (e) "Licensure" means a process by which the Department
14 grants to a person who has met certain prerequisite
15 qualifications the right to perform prescribed professional or
16 occupational tasks and to use the title of the profession or
17 occupation.

18 (f) "Occupational regulation" means a statute, rule,
19 practice, policy, or other state law that allows an individual
20 to an occupational title or work in an occupation.
21 "Occupational regulation" includes a government registration,
22 government certification, and occupational license.

23 (g) "Personal qualifications" means criteria related to an
24 individual's personal background and characteristics.
25 "Personal qualifications" may include one or more of the
26 following: (i) completion of an approved educational program,

1 (ii) satisfactory performance on an examination, (iii) work
2 experience, (iv) apprenticeship, (v) other evidence of
3 attainment of requisite knowledge and skills, (vi) passing a
4 review of the individual's criminal record, or (vii)
5 completion of continuing education.

6 (h) "Pre-Regulatory Impact Application" means the
7 application for review of legislation to regulate an
8 unregulated profession or occupation or modify the respective
9 scope thereof.

10 (i) "Pre-Regulatory Impact Assessment and Report" means
11 the process as provided in this Act by which designated staff
12 shall assess the Pre-Regulatory Impact Application.

13 (j) "Scope of practice" means the procedures, actions,
14 processes, and work that an individual may perform under an
15 occupational regulation.

16 Section 15. Establishment of a Pre-Regulatory Impact
17 Assessment.

18 (a) A Pre-Regulatory Impact Assessment shall be completed
19 and presented to the General Assembly before legislation
20 creating a new occupational regulation, expanding the scope of
21 practice of a licensed occupation, or increasing the personal
22 qualification for an occupational regulation can be voted on
23 by a committee or the General Assembly.

24 (b) On or before the first day of the General Assembly's
25 legislative session, the Speaker of the House of

1 Representatives, the President of the Senate, and the Chair of
2 each relevant committee shall assign to the relevant committee
3 or legislative staff the responsibility to analyze legislation
4 creating a new occupational regulation, expanding the scope of
5 practice of a licensed occupation, or increasing the personal
6 qualifications for an occupational regulation and the
7 accompanying Pre-Regulatory Impact Application submitted by
8 proponents of the legislation.

9 Section 20. Pre-Regulatory Impact Application and
10 Assessment process.

11 (a) The designated staff are responsible for (i) reviewing
12 legislation that requires a Pre-Regulatory Impact Assessment
13 pursuant to Section 15 to ensure the least restrictive
14 regulation is being proposed and (ii) preparing a
15 Pre-Regulatory Impact Assessment that shall be considered with
16 the legislation by the General Assembly.

17 (b) A proponent of a piece of legislation shall submit a
18 Pre-Regulation Impact Application to the designated staff. The
19 application shall include:

20 (1) the name or type of occupation that is proposed to
21 be licensed, proposed changes to an existing license's
22 scope of practice or required personal qualifications, and
23 the full range and variety of practices and activities,
24 modes of practice, or subspecialties included in the
25 scope of practice covered by the legislation;

1 (2) demonstrable evidence of significant and
2 discernible harm arising from the full range and variety
3 of practices and activities included in the scope of
4 practice and how the legislation will remedy this harm;

5 (3) the substance, content, and relevance of the
6 personal qualifications required for entry into the
7 occupation that the legislation seeks to regulate,
8 including, but not limited to, required hours, knowledge
9 areas tested in examinations, the development process for
10 creating examinations, and any updates that have been made
11 to address changes in technology or modes of practice;

12 (4) the extent to which the personal qualifications
13 that the legislation requires for individuals to enter the
14 occupation being regulated are necessary to protect the
15 public from significant and discernible harm for all
16 activities covered by the scope of practice;

17 (5) equity concerns arising from the personal
18 qualifications and costs, including:

19 (A) the financial impact on aspiring licensees,
20 including, but not limited to:

21 (i) itemization of average costs of achieving
22 personal qualifications;

23 (ii) an assessment of average incomes of
24 licensees;

25 (iii) numbers, monetary loss, and demographics
26 of individuals who start but do not achieve

1 personal qualifications or complete the
2 application process; and

3 (iv) the educational or training programs that
4 exist and the cost of such educational or training
5 programs;

6 (B) the challenges for individuals from
7 historically disadvantaged backgrounds in acquiring
8 required personal qualifications;

9 (C) the barriers for individuals with records of
10 interactions with the criminal justice system;

11 (D) any evidence of challenges for individuals who
12 do not speak English as their primary language;

13 (E) the geographic distribution of educational
14 programs, training sites, and test sites;

15 (F) how the proposed regulation will affect the
16 costs of goods and services; and

17 (G) whether licensure renewal will be based only
18 upon payment of a fee or whether renewal will involve
19 continuing education, reexamination, or other
20 methodologies;

21 (6) whether any current protections exist for
22 consumers of the goods and services provided by the
23 unregulated occupation and how they protect or fail to
24 protect consumers;

25 (7) the approximate number of individuals or
26 businesses that would be subject to the legislation, a

1 list of associations, organizations, and other groups
2 available to practitioners of occupation, and, if
3 applicable, the existence of national or private
4 accreditations or certification systems for the profession
5 or occupation;

6 (8) a list of all State and federal laws that have been
7 enacted to protect the public with respect to the
8 profession or occupation and how the proposed standards
9 for licensure compare to the standards of these other
10 jurisdictions;

11 (9) a description of any known previous efforts in
12 this State to implement legislation to regulate the
13 profession or occupation or an expansion of scope of
14 practice or required personal qualifications thereof;

15 (10) the form, powers, and composition of a licensing
16 board, if needed; and

17 (11) any other information the designated staff
18 requests for the analysis of the regulatory proposal or
19 proposed legislation.

20 (c) The designated staff may request information from
21 State agencies that contract with individuals in regulated
22 occupations and others knowledgeable of the occupation,
23 labor-market economics, or other factors, including costs and
24 benefits.

25 (d) The designated staff shall determine in the
26 Pre-Regulatory Impact Assessment if the proposed occupational

1 regulation meets the State's policy of using the least
2 restrictive regulation necessary to protect consumers from
3 significant and discernible harm and provide a written
4 recommendation regarding the necessity of the legislation.

5 (e) The designated staff's analysis shall use a rebuttable
6 presumption that consumers are sufficiently protected by the
7 remedies listed in paragraphs (1) through (4) of subsection
8 (g) of this Section.

9 (f) The designated staff may rebut the presumption in
10 subsection (e) if it finds (i) credible empirical evidence of
11 significant and discernible harm and (ii) that consumers do
12 not have the information and means to protect themselves
13 against such harm. If evidence of such unmanageable harm is
14 found, the designated staff will recommend the least
15 restrictive government regulation to address the harm, as
16 listed in paragraphs (5) through (11) of subsection (g) of
17 this Section.

18 (g) For any harm under subsection (f), the designated
19 staff shall use the following guidelines to form the
20 recommendation in the Pre-Regulatory Impact Assessment:

21 (1) If the harm arises from contractual disputes,
22 including pricing disputes, staff may recommend enacting a
23 specific civil cause of action in small-claims court or
24 district court to remedy consumer harm. This cause of
25 action may provide for reimbursement of the attorney's
26 fees or court costs, if a consumer's claim is successful;

1 (2) If the harm arises from fraud, staff may recommend
2 strengthening powers under the state's deceptive trade
3 practices acts or requiring disclosures that will reduce
4 misleading attributes of the specific good or service;

5 (3) If the harm arises from general health and safety
6 risks, staff may recommend enacting a regulation on the
7 related process or requiring a facility license;

8 (4) If the harm arises from unclean facilities, staff
9 may recommend requiring periodic facility inspections;

10 (5) If the harm arises from a provider's failure to
11 complete a contract fully or to standards, staff may
12 recommend requiring the provider to be bonded;

13 (6) If the harm arises from a lack of protection for a
14 person who is not a party to a contract between providers
15 and consumers, staff may recommend requiring the provider
16 have insurance;

17 (7) If the harm arises from transactions with
18 transient, out-of-state, or fly-by-night providers, staff
19 may recommend requiring the provider register its business
20 with the secretary of state;

21 (8) If the harm arises from a shortfall or imbalance
22 in the consumer's knowledge about the good or service
23 relative to the provider's knowledge, staff may recommend
24 enacting government certification;

25 (9) If the harm arises from an inability to qualify
26 providers of new or highly-specialized medical services

1 for reimbursement by the state, staff may recommend
2 enacting a specialty certification solely for medical
3 reimbursement;

4 (10) If the harm arises from a systematic information
5 shortfall in which a reasonable consumer of the service is
6 permanently unable to distinguish between the quality of
7 providers and there is an absence of institutions that
8 provide guidance to consumers, staff may recommend
9 enacting an occupational license; and

10 (11) If the harm arises from the need to address
11 multiple types of harm, staff may recommend a combination
12 of regulations. This may include a government regulation
13 combined with a private remedy including third-party or
14 consumer-created ratings and reviews, or private
15 certification.

16 (h) The designated staff's recommendation shall include a
17 written analysis of the need for the occupational regulation
18 and shall address the following:

19 (1) each factor in paragraph (5) of subsection (b),
20 including the effects of the legislation on opportunities
21 for workers, consumer choices, costs and benefits, general
22 unemployment, market competition, governmental costs, and
23 any other perceived effects;

24 (2) the type of occupational regulation recommended,
25 if any, including the proper scope of practice for the
26 occupation and the requisite personal qualifications;

1 (3) penalties for violating the proposed regulation;
2 and

3 (4) whether the legislation requires the creation of a
4 new board and how much responsibility the legislation
5 delegates to a licensing board or agency, including
6 whether the board or agency would have to promulgate rules
7 and have increased costs to regulate the occupation.

8 (i) The designated staff shall have a minimum of 9 months
9 from receipt of the Pre-Regulatory Impact Application to
10 complete the analysis and issue the Pre-Regulatory Impact
11 Assessment.

12 (j) The Pre-Regulatory Impact Assessment shall be
13 considered with the applicable legislation when it is
14 considered by the relevant legislative committees and the
15 General Assembly.

16 Section 25. Temporary moratorium on the creation of new
17 occupational regulations.

18 (a) Except as provided for in subsection (d) of this
19 Section, beginning January 1, 2026, no Pre-Regulatory Impact
20 Application shall be submitted and the General Assembly shall
21 not consider legislation governed by this Act until January 1,
22 2027.

23 (b) Beginning January 1, 2026, a political subdivision
24 shall promulgate rules imposing new licensure requirements
25 until the moratorium in this Section is repealed.

1 (c) The moratorium in this Section shall be repealed on
2 January 1, 2027 unless otherwise extended by the General
3 Assembly.

4 (d) A political subdivision may initiate a Pre-Regulatory
5 Impact Application during the moratorium period if it can
6 provide evidence of significant and discernible harm related
7 to the unregulated practice of the occupation.

8 Section 97. Severability. The provisions of this Act are
9 severable under Section 1.31 of the Statute on Statutes.

10 Section 99. Effective date. This Act takes effect upon
11 becoming law.