



Regulating Interior Designers

Overview and Analysis of Public Policy and Law

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Executive Summary

- **Issue:** What is the current regulatory and political environment for the occupational licensure of the interior design profession, and what are the policy implications for strengthening regulation of this field?
- **Project Goal:** Provide in-depth but concise summaries of the history of legislative efforts in the state of Minnesota and the status of interior design regulation across the United States. Provide information concerning the historical origins of occupational licensing. Review and present data reflecting the likely outcomes of increased occupational regulation.
- **Major Findings:**
 - Nationally, regulation of the interior design profession has become increasingly common since 1982. At present, 25 states and the District of Columbia have some form of regulation affecting the work of interior designers.
 - Minnesota has regulated the use of the title “certified interior designer” since 1992.
 - Since 2001, legislators have introduced bills requiring persons to become licensed in order to practice interior design. These bills have not been adopted.
 - There remains tension between the professional representatives of architect and interior design groups in Minnesota regarding the scope of the work that would constitute the practice of interior design.
 - In other jurisdictions, unresolved tension between professional organizations has been detrimental to the efforts of those seeking increased regulation of the interior design profession.
 - No data exists to suggest that the presence or absence of occupational regulations affects the outcomes or frequency of litigation regarding interior design services.
 - Because occupations are regulated at the state level, a comparative analysis of existing state regulations reveals differences of varying degrees – from Colorado, a state in which regulation consists primarily as an exception to the unauthorized practice of architecture, to states like Florida in which one must be licensed to practice interior design.
 - The presence of occupational regulations has a significant and positive effect on wages for interior designers, but no significant difference upon wages exists between the effect of title acts and practice acts.
 - Insufficient data exists to show a statistically significant effect by regulation upon safety outcomes in the interior design profession.

Introduction

Occupational regulations aim to protect the public health and safety by ensuring a minimum level of quality through state-mandated entry requirements and professional restrictions. These laws have spread quickly in recent years, affecting a growing number of professions with increasing levels of restrictiveness.

This trend is evident in the interior design profession, with 25 states and the District of Columbia regulating practitioners in some way. In Minnesota, interior designers are currently seeking a practice act, the most restrictive type of regulation. The impact of the proposed legislation, however, has largely remained unclear.

This project seeks to determine the impact various levels regulation have upon interior design professionals. First, the political environment will be discussed, looking at why previous legislative efforts have failed to produce increased regulation. Second, the evolution of licensing laws in Minnesota and elsewhere will be analyzed. Third, the basis for state court challenges will be discussed, along with why such challenges have generally remained unsuccessful. Finally, this study will show that increased regulation of interior designers has led to higher wages for practitioners, while a lack of regulation has resulted in below-average wages.

Political Environment

While rules governing the practice of occupations date from 1780 BCE, modern occupational regulation began in 1880s, when laws regulating the practice of physicians, dentists, and accountants were enacted.¹ These occupational regulations have grown steadily in recent years. This has particularly been the case as unionization has declined. While both are designed to improve quality and secure jobs within a profession, unions decrease the variance in wages, which has not proven to be the case with licensing. From 1998 to 2004, the percentage of persons in licensed occupations grew by about 1 percent or approximately 100,000 workers a year.² Today, nearly 800 occupations are licensed by one or more states.³ There are various levels of regulation for professions, the least restrictive being registration where individuals file their names, addresses, and qualifications with a government or non-profit agency. Certification is another form of regulation, which requires a certain level of skill to be demonstrated, usually through an exam, education, and experience. Licensing is the most restrictive, and actually regulates who performs the work. In Minnesota, some type of occupational regulation impacts 30.2 percent of the total state workforce.

One of the main arguments for state regulation is to protect the health and safety of the general public. Economist Charles Wheelan of The University of Chicago examined the political factors involved in licensing and hypothesized that if this argument were true, the most dangerous occupations should be licensed in all states. He found instead, that factors such as the propensity of states to license in general, whether professionals were more likely to work in institutions, and how well organized their professional organization was, played into whether or not they would be licensed.⁴ In fact, licensing rarely enters the legislative arena because of

¹ Licensing Occupations: Ensuring Quality or Restricting Competition?, Kleiner, Morris, M., all.

² Kleiner, 26

³ Berry, F. "State Regulation of Occupations and Professions," in *The Book of the States*. 1986-87 Edition, Lexington, Kentucky: The Council of State Governments, 1986.

⁴ Wheelan, Charles J. *An empirical examination of the political economy of occupational licensure*. Diss. The University of Chicago, 1998. 22-26.

public pressure; professional organizations play the most active role in the political process. As such, some inconsistencies can appear between the charge of protecting the public welfare and political strategies like grandfathering and exemptions. Wheelan found that when licensure is not successful in the legislature, it is generally because another occupation is in opposition. He concluded the outcome of licensing disputes is usually determined by the size and influence of the professional organization advocating for licensing.⁵

Interior design is a relatively recent addition to such regulation. Though the American Institute of Interior Designers (AID) was founded in 1931, it was not until the post war boom of the 1950s that the organization really began to grow and explore the issue of licensure.⁶ In 1968, voluntary certification began through AID that was designed to pave the way for licensing. The professional organization also began to work with interior design programs to strengthen curriculums and develop continuing education programs.⁷ In 1975, AID and another interior design organization merged to form the American Society of Interior Design (ASID) and were immediately tasked with collecting information on state regulations of the profession.⁸ In the 1980s when ASID really started encouraging state-by-state registration, they signed an accord with the architect’s professional association to only support title acts, allow architects to register as interior designers in states with title acts, and establish joint regulatory boards.⁹ In 1999, however, the ASID board voted to no longer honor the accord and pursue practice acts aggressively.¹⁰

Alabama was first to regulate interior design in 1982, and at present 22 states and the District of Columbia regulate interior design with varying degrees of regulation. Two states have registration laws, the most basic type of regulation. States such as Minnesota, however, regulate the use of “certified interior designer” as a title, but allow anyone to do interior design work without certification. The four states with licensure regulations, however, restrict the ability to work in the profession by prohibiting interior design work without a license. Minnesota has regulated interior design since 1992 and licensing regulations have been proposed every biennium since 2003.

Legislative History

A bill to change interior designers from a certified profession into a licensed profession was first introduced in the Minnesota legislature in 2003 by Senator Higgins and Representative Osterman. It has been introduced every biennium since that time, and was last introduced in 2009 by Senator Higgins and Representative Thissen. There have not been major changes in the bill since it was originally introduced in 2003.

2003	SF 2868 / HF 3066	Sen. Higgins / Rep. Osterman	Never heard
2005	SF 263 / HF 1277	Sen. Higgins / Rep. Thissen	Never heard
2007	SF 788 / HF 991	Sen. Higgins / Rep. Thissen	Never heard
2009	SF 349 / HF 416	Sen. Higgins / Rep. Thissen	Hearing in Senate Committee

⁵ Wheelan 38.

⁶ *The History of ASID: 30 Years of Advancing the Interior Design Profession*. Washington, DC: American Society of Interior Designers, 2005, 11.

⁷ ASID, 23.

⁸ ASID, 28.

⁹ ASID, 38.

¹⁰ ASID, 47.

			on Commerce and Consumer Protection, 2/17/09, failed on a voice vote
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2009 Legislative Hearing

In the Minnesota House of Representatives, there has not yet been an official hearing on an interior design practice act. There was one hearing in the Minnesota Senate, however, on February 17, 2009 in the Committee on Commerce and Consumer Protection. The 2009 bill, SF 376/ HF 416 was introduced by Senator Higgins and Representative Thissen. The bill failed to pass committee on a voice vote. SF 376 has a number of important provisions, the first being, the bill allows for the licensing of individuals based on requirements set by the Minnesota Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design (AELSLAGID). The bill would not regulate the title “interior designer”, so anyone who so desired could continue to refer to themselves as an interior designer, but it would regulate the use of the title “licensed interior designer.” Interior designers who do not wish to be licensed can still work as interior designers by themselves in exempt statues or in commercial spaces under the supervision of a licensed interior designer or architect. The bill exempts the requirement for licensed interior designers as listed below.

Exceptions

The following two sets of exemptions would apply to the requirement that licensed interior designers be used.

From Minnesota Administrative Rules 1800.5900:

Classifications	Elements that must be met to be exempt*
Assembly (as defined by the MSBC under occupancy group A2: Dining and drinking less than 50 persons)	Not greater than one story with no basement; and Seating for not more than 20 persons; and Not greater than 1,000 gross square footage (GSF)
Business (as defined by the MSBC under occupancy group B)	Not greater than two story with a basement; and Not greater than 2,250 GSF
Factory (as defined by the MSBC under occupancy group F2)	Not greater than one story with no basement; and Not greater than 3,000 GSF
Mercantile (as defined by the MSBC under occupancy group M)	Not greater than two story with a basement; and Not greater than 1,500 GSF
Residential (as defined by the MSBC under occupancy group R)	Apartment houses/condominiums (three units or less), dwellings, lodging houses, attached single-family dwellings/townhomes, and congregate residences (each accommodating ten persons or less)
Storage (as defined by the MSBC under occupancy group S1: Aircraft hangars and helistops)	Not greater than one story with no basement; and Not greater than 3,000 GSF

<i>Storage (as defined by the MSBC under occupancy group S2 except for parking garages, open or enclosed)</i>	<i>Not greater than one story with no basement; and Not greater than 5,000 GSF</i>
Utility (as defined by the MSBC under occupancy group U except for fences higher than 8', tanks and towers, and retaining walls with over 4' of vertical exposed face)	Not greater than one story with no basement; and Not greater than 1,000 GSF

*All terms used in this table are defined in the Minnesota State Building Code (MSBC).

From Minnesota Statutes 326.03, Subdivision 2:

Subd. 2. Exceptions.

Nothing contained in sections 326.02 to 326.15 shall prevent persons from advertising and performing services such as consultation, investigation, or evaluation in connection with, or from making plans and specifications for, or from supervising, the erection, enlargement, or alteration of any of the following buildings:

- (a) dwellings for single families, and outbuildings in connection therewith, such as barns and private garages;
- (b) two family dwellings;
- (c) any farm building or accessory thereto; or
- (d) temporary buildings or sheds used exclusively for construction purposes, not exceeding two stories in height, and not used for living quarters.

These two sets of exceptions are not unique to interior designers; they are shared by all the occupations within the Minnesota Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design (AELSLAGID).

Proponents' arguments

Proponents in the 2009 hearing included Senator Higgins, the Minnesota Interior Design Legislative Action Committee, representatives from the University of Minnesota Interior Design School, as well as some individual interior designers and architects. Many people testified, but their arguments were similar and are summarized below.

Proponents argued that creating a licensure process for interior designers is essential because unqualified interior designers are a threat to the public's health, safety and welfare. To support their case, they point out that interior designers in their normal course of work touch on a number of safety issues, including but not limited to ergonomics, lighting, toxins, slip resistance, bacteria spread, indoor air quality, exit lanes, disability access, meeting building and fire codes, and indoor signage. Proponents state that architects are not sufficient to protect the public's safety because architects do not have all the specific areas of expertise a qualified interior designer has and because many projects such as renovations and remodeling an architect is not always required. There are renovation projects in public areas therefore do not require a licensed

individual. Further, they argued that code officials and the Better Business Bureau should not be solely responsible for regulating unqualified interior designers.

Looking at the effects of licensing on the occupation, proponents believed the bill would not put anyone out of business and would not have a cost to the State of Minnesota. They also state that the bill would not put anyone who works in sales or representation of goods in either residential or commercial areas out of business because people in those professions would not be required to have a license. Lastly, they insist there will be no overlap between architects and interior designers that does not already exist¹¹.

Opponents' arguments

Some opponents in the 2009 hearing include the Institute for Justice, the American Institute of Architects Minnesota, the National Kitchen and Bath Association and individual speakers. Opponents argued that licensing of interior designers is not necessary for the health, safety and welfare of the public. Opponents also argued that licensing is a danger to jobs in the state by limiting which interior designers could practice in and would be detrimental to consumers, arguing that limiting the supply of interior designers would increase their

The Institute for Justice stated that proponents had not provided any studies to back up their claim that unqualified interior designers are a threat to health and safety. They argued that the exemptions in the bill prove that licensing is not about protecting health and safety, because if unqualified interior designers were a danger to the public in commercial spaces, they would also be a danger in residential spaces and therefore no exemptions should exist. They also argued that there are additional exemptions allowed for licensed interior designers under SF 376 that are not allowed for other occupations, though this assertion was mistaken. The Institute for Justice argued that the exemptions make the bill arbitrary and are therefore likely to be judged unconstitutional.

Representatives for the architects' professional association also argued against the legislation because in their view, architects' education is comprehensive and may require the knowledge necessary to design the interiors of buildings as well as the exteriors, stating that most certified interior designers are also architects. They also argued that the building code requires interior designers to work under the direction of an architect in most commercial projects, and requirements of when a project would require a licensed interior designer verses when they would only require an architect would become more complicated and there would be more problems with compliance¹².

Tension between occupations

The controversy over whether to license interior designers is particularly interesting in that it involves tension between two occupations, interior designers and architects. Architect

¹¹ Minnesota. Senate, Hearing on S.F. 349 before the Senate Committee on Commerce and Consumer Protection, 86th Minn. Leg., Reg. Sess. (Feb. 17, 2009), available at: http://www.senate.leg.state.mn.us/media/media_list.php?ls=86&archive_year=2009&archive_month=02&category=committee&type=audio#monthnav (audio)

¹² Minnesota. Senate, Hearing on S.F. 349 before the Senate Committee on Commerce and Consumer Protection, 86th Minn. Leg., Reg. Sess. (Feb. 17, 2009), available at: http://www.senate.leg.state.mn.us/media/media_list.php?ls=86&archive_year=2009&archive_month=02&category=committee&type=audio#monthnav (audio)

professional associations are actively opposing the licensure interior designers are advocating for, and the resulting controversy can make it more difficult to get a practice act passed through the legislature. The two occupations do overlap. Architects are responsible for the concept and modeling of entire structures: both the exterior and interior components. In contrast, interior designers have a specialized scope, concentrating on the space within a structure. That overlap causes tension between the two occupations.

The Minnesota Interior Design Legislative Action Committee argues that the work their profession does affects the health, welfare and safety of the public, and should therefore be regulated. They argue that the overlap between interior design and architecture is irrelevant to whether or not they should be licensed, since many licensed professions (such as architecture and landscape architecture) overlap without negating the importance of their regulation¹³.

The American Institute of Architects argues that architects already possess the skills needed to design the interior of buildings while protecting the health, welfare and safety of the public, and therefore no additional licensure is needed. They argue that licensing two overlapping professions would reduce the level of protection by causing unnecessary confusion in building codes, which could cause problems with compliance¹⁴.

Types of Laws

There are three main types of state practice laws. Licensure is the most restrictive type of regulation, and purportedly offers the highest degree of protection of the public health and welfare. License legislation incorporates title restrictions (only those licensed can use the title of “interior designer”), and restricts the work of an interior designer only to those who are state-licensed.¹⁵

Titling laws are less restrictive than licensing. Certification gives professionals meeting certain state regulations the ability to use titles such as “certified interior designer.”¹⁶ There is wide variation in these types of laws. The most strict laws prohibits one’s use of “interior designer,” without meeting state requirements, while the most lenient restricts one from using a qualifying words such as “certified” or “registered.”¹⁷ Registration programs also exist in two jurisdictions, Michigan and Indiana.¹⁸ These laws allow design professionals to be placed on a state registry for consumer.¹⁹

Legal History

¹³ Minnesota Interior Design Legislative Action Committee, Report Required by Minnesota Statute 214.002, Evidence in Support of Regulation of Licensed Interior Design Practice, 2009

¹⁴ AIA Minnesota, Professional Licensure and Public Protection: Why the licensure of interior designers in Minnesota is unnecessary, and why AIA Minnesota opposes HF0991 and SF0799.

¹⁵ See e.g. Fla. Stat. § 481.2131 (providing that only licensed interior designers are authorized to perform interior design services).

¹⁶ See e.g. Minn. Stat. § 326.02 (prohibiting the use of the title “certified interior designer,” but permitting the use of the title “interior designer”).

¹⁷ Cf. Minn. Stat. § 326.02 with Conn. Gen. Stat. § 20-3771 (prohibiting the use of the title “interior design”).

¹⁸ IC 25-20.7-2-1 *et seq.*; MI. Occ. Code § 339.601a.

¹⁹ See MCL 339.601a (permitting an advisory board of interior design to “a list of all individuals considered qualified to perform” interior design services).

Courts have addressed state regulation of professions for over 100 years. In *Dent v. West Virginia*, the Supreme Court articulated the authority of individual states to regulate occupational licensing.²⁰ The Supreme Court stated the following:

The power of the State to provide for the general welfare of its people authorizes it to prescribe all such regulations as, in its judgment, will secure or tend to secure them against the consequences of ignorance and incapacity as well as of deception and fraud. As one means to this end it has been the practice of different States, from time immemorial, to exact in many pursuits a certain degree of skill and learning upon which the community may confidently rely, their possession being generally ascertained upon an examination of parties by competent persons, or inferred from a certificate to them in the form of a diploma or license from an institution established for instruction on the subjects, scientific and otherwise, with which such pursuits have to deal. The nature and extent of the qualifications required must depend primarily upon the judgment of the State as to their necessity. If they are appropriate to the calling or profession, and attainable by reasonable study or application, no objection to their validity can be raised because of their stringency or difficulty. It is only when they have no relation to such calling or profession, or are unattainable by such reasonable study and application, that they can operate to deprive one of his right to pursue a lawful vocation.²¹

During the several decades following its decision in *Dent*, the Supreme Court's analysis of occupational regulations grew extraordinarily deferential.²² Since then, federal courts have been extremely deferential to state laws regulating professional practice and titling acts. For instance, in *Parker v. Brown*, the Supreme Court held that antitrust statutes are aimed at private action, not actions taken by the state.²³ The court ruled that a California statute restricting competitive marketing in the private sector was legal.²⁴

In the wake of the *Goldfarb* decision, the Federal Trade Commission and the Department of Justice brought actions against other professional organizations to eliminate private restrictions on business practices.²⁵ In this temporary flurry of litigation, the American Medical Association, Certified Public Accountants, the California Dental Association, and other groups were sued to alleviate restrictions on advertising, minimum fee agreements, restrictions on competitive bidding, and increases in requirements for entering a profession.²⁶

²⁰ 129 U.S. 114 (1889).

²¹ *Id.* at 122.

²² While the Court invalidated certain occupational regulations during the period after *Lochner v. New York*, 198 U.S. 45 (1905), the tide truly turned after *West Coast Hotel Co. v. Parrish*, 300 U.S. 379 (1937) in which the Supreme Court upheld the state of Washington's right to enact minimum wage legislation, noting:

“[T]hat both parties are of full age and competent to contract does not necessarily deprive the State of the power to interfere where the parties do not stand upon an equality, or where the public health demands that one party to the contract shall be protected against himself. The State still retains an interest in his welfare, however reckless he may be. The whole is no greater than the sum of all the parts, and when the individual health, safety and welfare are sacrificed or neglected, the State must suffer.

300 U.S. at 394 (citing *Holden v. Hardy*, 169 U.S. 366, 397 (1898)).

²³ 317 U.S. 341 (1943).

²⁴ However, in *Goldfarb v. Virginia*, 421 U.S. 773 (1975), the court ruled that a state bar's minimum fee schedule violated the Sherman Act's prohibition of combinations in restraint of trade. This allowed lawyers to advertise and charge fees that could be negotiated with a client.

²⁵ Licensing Occupations, at 24.

²⁶ Licensing Occupations, at 25.

Since these early court decisions, however, constitutional claims have largely been unsuccessful. Several cases have brought substantive due process and equal protection claims against professional organization. Courts have been overwhelmingly deferential to state legislatures.²⁷ While courts will examine the evidence marshaled in support of a licensing statute, the evidentiary burden of showing a relationship between that goals and outcomes of a licensing statute is not onerous.²⁸ Furthermore, there is at least one type of constitutional claim, a challenge arising under the privileges and immunities clause, which has been unsuccessful altogether.²⁹

However, some licensing and titling acts have recently been struck down, or their enforcement enjoined, by courts utilizing two different types of claims. First, the Alabama Supreme Court invalidated that state's interior design practice act on the basis of the state's due process clause.³⁰ In *Lupo*, the court held that the "police power may not be employed to prevent evils of a remote of highly problematical character."³¹ There is presently some dispute about whether Alabama's practice act, as presently drafted, is enforceable in the wake of *Lupo*.³²

Second, plaintiffs have had some success basing claims upon the First Amendment of the United States Constitution, alleging that state laws unconstitutionally restrict the use of the "interior design" title. In *Byrum v. Landreth*, for example, the court struck down a regulation that prohibited unlicensed practitioners from using the terms "interior designer" or "interior design" to describe their trade and the services they provided.³³ Similar challenges have been successful in Connecticut and Florida.³⁴ Challenges in New Mexico, Oklahoma, and Florida have thus far failed to result in a court ruling regarding the constitutionality of the title regulation at issue; in Florida, the parties mutually agree to an injunction regarding the enforcement of the prohibition on the use of the title "interior designer."³⁵

²⁷ *Brown v. Hovatter*, 561 F.3d 357 (4th Cir. 2009) (upholding Maryland statute preventing unlicensed individuals from owning funeral homes).

²⁸ *Miller v. Department of Professional Regulation*, 276 Ill. App. 3d 133, 145 (Ill. App. 1995) (upholding licensure requirements for professional engineers and finding that the legislature could rationally conclude that, because of "the inherent complexity and potential effect upon public safety of professional engineering, practitioners in that field must demonstrate their expertise through an examination"). *But see Graigmiles v. Giles*, 110 F.Supp.2d 658, 662 (E.D. Tenn. 2000) (finding that the "mere assertion of a legitimate government interest has never been enough to validate a law").

²⁹ *Meadows v. Odeom*, 356 F.Supp.2d 639 (M.D.L.A. 2005); *Powers v. Harris*, 379 F.3d 1208 (10th Cir. 2004) (in which plaintiffs brought challenges to licensing statutes based on the privileges and immunities clause).

³⁰ *Alabama v. Lupo*, 984 So. 2d 395 (Ala. 2007).

³¹ *Id.* at 400.

³² See "Legislative update, April 23, 2008, ASID, Alabama chapter (http://www.asidal.com/news.php?id_news=19), indicating that 2006 amendments to the law in question, as well as rule reforms, rendered the law enforceable.

³³ 566 F.3d 442 (5th Cir. 2009). In Texas, the law was immediately amended to prohibit only the use of the terms "Licensed Interior Designer" or "Registered Interior Designer."

http://www.asidtx.org/members/id_legislation_tbae/id_legislation_in_texas (accessed Dec. 16, 2009).

³⁴ *Roberts v. Farrell*, 630 F.Supp.2d 242 (D. Conn. 2009) (interior design professionals), *Florida Bar v. Went for It, Inc.*, 515 U.S. 618 (1995) (attorneys).

³⁵ In Oklahoma, plaintiffs filed suit well over a year ago and no injunction or ruling has been issued.

http://www.ij.org/index.php?option=com_content&task=view&id=2381&Itemid=165. In Florida, plaintiffs filed suit in May and the Court issued an injunction – by stipulation of both parties – enjoining the prohibition on the use of the title "interior designer." Florida's practice act is otherwise untouched by this litigation. There has been no ruling by the Court that the statute was unconstitutional.

http://www.ij.org/images/pdf_folder/economic_liberty/preliminary%20injunction%20order%20%28ij029902%29.pdf. Finally, plaintiffs sued the state of New Mexico regarding its blanket prohibition on the use of the title "interior designer" by non-certified individuals. No court ever ruled that this statute was unconstitutional. However, the he

Minnesota courts have been relatively conservative in their review of occupational regulations. The Supreme Court has stated that:

“Although a municipality may be license regulate an occupation which is affected with the public interest, the licensing requirements must be reasonable in their terms and conditions so as not to go beyond the demands of the occasion whereby unnecessary, unreasonable, or oppressive restrictions are imposed in contravention of the state and oppressive restrictions are imposed in contravention of the state and federal constitutions.”³⁶

Nevertheless, the court has generally approved occupational regulations. In particular, the Minnesota Supreme Court has found that regulations regarding architects are acceptable.³⁷ The court found that the statute that requiring licensure of architects was “founded upon sound public policy having as its purpose the public health and welfare, as wells as the protection of the public against incompetence and fraud.”³⁸ There has, therefore, been acceptance thus far by Minnesota courts of the ends the legislature seeks to achieve with licensing laws.

Liability Under Different Regulatory Regimes

It is unclear to what extent occupational regulations affect either the frequency or outcome of litigation against interior designers. A review of case law from relevant statutes reflects only a small number of published cases in which plaintiffs have sued interior designers. While the cases discussed below are largely anecdotal, they are offered as evidence of the manner in which courts may review disputes over the quality of designers’ services.

In one case, a plaintiff brought suit against the interior designer providing services during the renovation of a leased commercial building.³⁹ The plaintiff, Cell-O-Mar, Inc., sued its interior designer, along with architects, engineers, and others, following the collapse of the building during renovations a lessee.⁴⁰ No liability was found on the part of the interior designer.⁴¹ The court found that the interior designer’s plans for the internal structure, in which she preferred a beam removed, were not determinative in proving negligence.⁴² The court said the interior designer’s suggestions concerning the removal of a support beam were “so totally out of her field that it was or should have been obvious to [the lessee] that further engineering studies by a structural engineer or architect were or should have been required before going forward with the work.”⁴³ In fact, the interior designer testified that she had repeatedly advised the lessee to see additional guidance regarding her design proposals from a structural engineer.⁴⁴

New Mexico Legislature amended its title act to prohibit the use of the title “Licensed Interior Designer,” and the plaintiffs, apparently satisfied with the modified regulation, abandoned their litigation.

http://www.ij.org/index.php?option=com_content&task=view&id=718&Itemid=165.

³⁶ *City of St. Paul v. Dalsin*, 71 N.W.2d 855 (Minn. 1955).

³⁷ *Scott-Daniels Properties, Inc. v. Dresser*, 281 Minn. 179, 185 (1968).

³⁸ *Id.*

³⁹ *Cell-O-Mar v. Gros*, 479 So.2d 386 (La. Ct. App. 1986).

⁴⁰ *Id.* at 390.

⁴¹ *Id.* at 393.

⁴² *Id.*

⁴³ *Id.*

⁴⁴ *Id.*

At that time of accident in the *Cell-O-Mar* case, Louisiana had no regulations concerning the practice of interior design.⁴⁵ During the time in which the case was pending, Louisiana adopted a title act.⁴⁶ This case suggests that in the states in which there are limited or no regulations over the design profession, determinations of liability may be in part based upon an assessment of the *limitations* of the practice, as defined by practice acts covering engineers and architects.

Similarly, in 1996, a restaurant employee sued an interior designer for injuries related to a fall in the title act state of New York.⁴⁷ Here, the court held that the interior designer's services were completed prior to the plaintiff's fall, so the court rejected the plaintiff's claim.⁴⁸ This determination was not based on the existence of titling, nor on any of the purported benefits of such an act, however.⁴⁹ One important aspect of this case was the court's finding that, because the plaintiff was not a party to a contract with the defendant – she was, instead, an employee that worked in the facility – the interior designer owed no duty of care to her after the completion of the discrete project for which he had been hired.⁵⁰

In another New York case, a building tenant brought an action against an interior designer, among others, for injuries sustained in a fall.⁵¹ The Supreme Court dismissed this action against the interior designer because there was no evidence that the interior designer's specifications were faulty.⁵² Again, there is no mention by the court of differing standards for interior designers under a licensing system.⁵³ The appellate record lacks a discussion as to how the court reached the conclusion that design specifications were not faulty.

The final case detailing a court's approach to interior design comes from Mississippi, which has no interior design regulation. In *Simoneaux v. BSL, Inc.*, plaintiff slipped and fell while attempting to exit a hotel Jacuzzi tub.⁵⁴ Plaintiff brought action against several parties, including the interior designer.⁵⁵ The court first describes the duty of interior designers, under state case law precedent, to provide a “duty to exercise ordinary skill and diligence.”⁵⁶ However, the case law that the court relied upon in rendering this decision covered architects and engineers are required that those design professionals exercise “ordinary professional skill and diligence.”⁵⁷ The court then found, based upon expert testimony concerning the smooth marble and the need for a non-slip mat, that the question as to whether the interior design professional knew or should have known that it was inherently dangerous should be resolved by a jury.⁵⁸

⁴⁵ LA Acts 1984, No. 227, § 2

⁴⁶ *Id.*

⁴⁷ *Neil v. City of New York*, 642 N.Y.S.2d 661 (1996).

⁴⁸ 642 N.Y.S.2d at 662.

⁴⁹ *Id.*

⁵⁰ *Id.*

⁵¹ *Rubin v. First Avenue Owners, Inc.*, 618 N.Y.S.2d 793 (1994).

⁵² *Id.*

⁵³ *Id.*

⁵⁴ 2008 WL 2165208 (S.D. Miss.).

⁵⁵ *Id.*

⁵⁶ *Id.* (stating that in Mississippi, “design professional have a duty to exercise ordinary skill and diligence” and citing *Holmes v. Wink and Wink, Inc.*, 811 So. 2d 330 (Miss App. 2001) citing *Magnolia Construction Co., Inc. v. Mississippi Gulf South Engineers, Inc.*, 518 So. 2d 1194, 1202 (Miss. 1988).

⁵⁷ *Holmes v. Wink and Wink, Inc.*, 811 So. 2d 330, 334 (Miss App. 2001) (identifying “design professionals” as “architects/engineers”).

⁵⁸ *Id.*

In other professions that have undergone licensure or codified their standards, the “duty of care” is implicitly raised to reflect the level of common *professional* knowledge.⁵⁹ For example, architects have been required by courts to adhere to a professional, rather than ordinary standard of care.⁶⁰ If a state were to regulate interior designers through a title or licensure law, it is likely that the “ordinary” standard of care that courts observe might rise to a professional standard of care.

Thus, standardizing the knowledge required of interior designers may also subject designers to a more demanding standard from courts analyzing the applicable duty of care, much as it has done in other professions.⁶¹ According to the American Jurisprudence legal reporter, various standards of care have been prescribed by statute, regulation, or ordinance.⁶² Thus, a standard applicable to “reasonable” persons in cases involving common negligence would be superseded by the profession’s norms as codified in state statute or a rule passed pursuant to a statute.

On the other hand, it appears that the Mississippi courts may group interior designers with “design professionals” for the purposes of determining an appropriate standard of care.⁶³ This is notwithstanding the fact that Mississippi does not presently regulate the interior design profession. This suggests that occupational licensing is not a prerequisite to the application of a professional, rather than ordinary, standard of care in tort cases involving interior designers.

The practical effect of occupational regulation on litigation outcomes is unclear. It may be the case that strong, explicit standards will result in fewer accidents, thus preventing claims based on negligence. There is also the possibility that as states increase the strictness of their regulations, courts will hold professionals to an ever-increasing standard of care. This will certainly be the case if occupational regulations set forth minimum guidelines for professional standards of care. Ideally, occupational regulation would serve to raise the level of practice in

⁵⁹ See e.g., *Gammel v. Ernst & Ernst*, 245 Minn. 249, 253, 72 N.W.2d 364, 367 (1955) (“Ordinarily, the standards of reasonable care which apply to the conduct of auditors or public accountants are the same as those applied to lawyers, doctors, architects, engineers, and other professional men engaged in furnishing skilled services for compensation.”). But see *Prichard Bros., Inc. v. Grady Co.*, 436 N.W.2d 460 (Minn. Ct. App. 1989). (stating that “The standard of care for architects carries with it the following latitude:

The imposition of such standards does not leave them without adequate protection since their liability in damages arises only as the result of methods or practices in the performance of their work which indicate lack of reasonable care, fraud, or bad faith and since they are entitled to a wide discretion in the selection of such methods and in determining which of several practices or principles is most sound or best suited for the work undertaken by them.”

(citations omitted).

⁶⁰ The standard of care by which an alleged claim of negligence of an architect-engineer is evaluated is: “An architect must exercise such care, skill, and diligence as others who are engaged in the profession would ordinarily exercise under similar circumstances, and statutory provisions regulating the profession of architecture may expressly so provide.” 6 C.J.S. Architects § 16 (2004); see also John W. Hays, *Construction Defect Claims Against Design Professionals and Contractors*, 23 CONSTRUCTION LAWYER 9 at *1 (Spring 2003) (“The common law standard of care requires design professionals to exercise reasonable care in applying their skills, abilities, and judgment. . . . Proving reasonable care requires, at a minimum, that design professionals perform their duties in a way consistent with the way other design professionals would have performed under similar circumstances.”).

⁶¹ See, e.g. *Spainhour v. B. Aubrey Huffman and Assocs., Ltd.*, 237 Va. 340, 346, 377 S.E.2d 615, 619 (1989) (noting that “normally, expert testimony is required to establish the standard of care for a profession and whether or not that standard of care was met is a question of fact”).

⁶² *Wilbanks v. Watson*, 53 Va. Cir. 267, 269 (Va. Cir. 2000) (finding that expert testimony regarding a professional standard of care for landscape surveyors may be obviated if minimum professional standards are articulated in a statute or rule.

⁶³ *Simoneaux*, supra note 54.

the regulated field. While the statutory framework of the regulations might make liability easier to demonstrate, such lawsuits may be less common if the professional itself is elevated by stronger prerequisites to entry.

Interior Design Regulation in Minnesota

The present Minnesota titling act regulates the use of the title “registered interior designer.”⁶⁴ The purpose of this statute is to “safeguard life, health, and property, and to promote the public welfare.”⁶⁵ Regulations restricting the work to persons meeting certain statutory requirements now affect professions such as architects, engineers, land surveyors, and landscape architects.⁶⁶ The statutory amendments proposed in prior sessions of the Minnesota Legislature would require that interior designers be licensed.

Interior design is currently defined by Minnesota Statute as “one who uses the title, and who designs public interior spaces, including preparation of documents relative to non-load-bearing interior construction, space planning, finish materials, and furnishings.”⁶⁷ Those without certification cannot use the title in the preparation of plans, specifications, reports, plats or other interior design projects.⁶⁸ They are also precluded from holding themselves out to the public as a “certified interior designer.”⁶⁹

These restrictions do not, and would not under the proposed law, affect alterations or enlargements of dwellings for single families, two-family dwellings, farm buildings or their accessories, and temporary buildings or sheds used in construction projects.⁷⁰ Also, no license or certification of any type is required of an individual for the creation or modification of a building for his or her own use.⁷¹ Remodeling and renovation which did not change the load on mechanical or electrical systems, change the buildings’ access or exit pattern, or change the occupancy requirement would also not qualify.⁷²

The Minnesota Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscientists and Interior Design was established under Minn. Stat. § 326.04, and includes 21 members. Two members are interior designers and five members are “public members.”⁷³ Board members must have 10 years experience and must have been responsible of professional work for which their license or certification is required.⁷⁴

Those who would practice interior design under the proposed law would be subject to the board’s disciplinary action.⁷⁵ The standard for finding unauthorized practice is lenient: the

⁶⁴ Minn. Stat. § 326.02 (“No person may use the title certified interior designer unless that person has been certified as an interior designer or has been exempted by the board.”). Registered architects can seek certification as interior designers without meeting any additional, and the act does not preclude an individual from holding him or herself out as an “interior designer.”

⁶⁵ Minn. Stat. § 326.02, subd. 1.

⁶⁶ Minn. Stat. § 326.02, subd. 2.

⁶⁷ Minn. Stat. § 326.02, subd. 4b.

⁶⁸ Minn. Stat. § 326.03, subd. 1

⁶⁹ *See supra* note 64.

⁷⁰ Minn. Stat. § 326.03, subd. 2.

⁷¹ Minn. Stat. § 326.02, subd. 5.

⁷² Minn. R. 1800.5200, subp. 3.

⁷³ Minn. Stat. § 326.04.

⁷⁴ Minn. Stat. § 326.05.

⁷⁵ Minn. Stat. § 326.11.

Board needs only a “reasonable” belief that one is practicing without license.⁷⁶ Unauthorized practice may subject one to an injunctive precluding further practice.⁷⁷ The Board could also seek the suspension or revocation of the license or certificate of the offending professional.⁷⁸ Finally, those engaging in unauthorized practice could be subject to fines of up to \$10,000 per violation.⁷⁹

Legislators have introduced a bill requiring the licensure of interior designers in Minnesota since 2003.⁸⁰ The bills have not moved beyond an initial committee referral.⁸¹ The 2003 law would have added “licensed interior designer” to the professions currently regulated under Minn. Stat. § 326.02.⁸² The statute’s language defined the work of interior designing as: “[C]reative and technical solutions within an interior area of a structure that protect the occupants’ life, health, safety, and welfare, that are functional, that enhance the quality of life for the occupants, and that are aesthetically attractive using a systematic and coordinated method, including research, analysis, and integration of knowledge.”⁸³ The 2004 proposal had similar language.⁸⁴

The 2007 and 2009 bills were substantially shorter in length and less detailed than the previously proposed bills.⁸⁵ Provisions such as the “creative and technical solutions” were removed.⁸⁶ This language was replaced with language a short description of the work of a licensed interior designer.⁸⁷

State Interior Designer Regulations

Twenty-six jurisdictions regulate interior designers by licensing or title acts regulating interior designers.⁸⁸ Twenty of these states have established title acts.⁸⁹ Over half of designers in the United States are regulated in some way. The number of interior designers affected by state regulations is growing; in 1993, only thirty-six percent of interior designers were subject to state

⁷⁶ Minn. Stat. § 326.11, subd. 1.

⁷⁷ Minn. Stat. § 326.111, subd. 2.

⁷⁸ Minn. Stat. § 326.111, subd. 4.

⁷⁹ Minn. Stat. § 326.111, subd. 6.

⁸⁰ See Section ____, supra.

⁸¹ *Id.*

⁸² Minn. H.F. 2868 (2003), Minn. S.F. 3066 (2003).

⁸³ Minn. S.F. 2868 (2003) Sec. 3, subd. 4b.

⁸⁴ Minn. S.F. 263 (2005) Sec. 3, subd. 4b.

⁸⁵ Minn. S.F. 799 (2007), Minn. H.F. 991 (2007); Minn. S.F. 376 (2009), Minn. H.F. 416 (2009).

⁸⁶ *Id.*

⁸⁷ Minn. S.F. 799 (2007), sec. 3, subd. 4b; Minn. S.F. 376 (2009), sec. 1, subd. 4b (defining the practice of interior design as “the planning, design, or administration of construction for the purpose of ensuring compliance with specifications and design of any private or public interior spaces, including preparation of documents relative to non-load-bearing interior construction, programming, space planning, finishes, materials, and furnishings where the safeguarding of the occupants’ life, health, safety, and welfare is concerned or involved, when the professional service requires the application of design theories related to human behavior and aesthetics, acquired by education and experience.”)

⁸⁸ <http://www.asid.org/NR/rdonlyres/982056F9-CBD4-4A42-9921-AE6F3B4E84D8/0/IDlegislation101.pdf>.

⁸⁹ *Id.* In 2009, Indiana amended its legislation to move from a registration act to a title act. See IC 25-20.7-5-1 (2009).

regulations.⁹⁰ In 2007, over sixty percent of interior designers were subject to occupational regulation of one type or another.⁹¹

The state-by-state information in Appendix A reveals several different types of occupational regulations for interior designers that state legislatures have enacted. Consumer complaint data is taken from the Colorado Office of Policy, Research and Regulatory Report 2008 Sunrise Review of Interior Designers available at <http://www.dora.state.co.us/opr/archive/2008InteriorDesigners.pdf>. The state governments of Colorado and Washington also failed to find any harm resulting from a lack of regulation.⁹² Also, it is important to note that variation in titling laws may obscure the data. For instance, a barrier to entry may mean more to potential applicants in a state where one cannot use the “interior design” title at all (in advertisements, for instance) compared to a state where one is merely given the title of “certified” or “registered.” See Appendix A.

Analysis

Having examined the legal and legislative backgrounds of this issue, we set out to analyze the effects of licensing in the Interior Design industry. Our analysis focuses on the costs and benefits of interior design licensure, examining the potential wage premiums that accrue to licensed designers and searching for a correlative increase in the quality of the work. We hypothesize that increased quality would provide greater protection of the public health and safety. Such an increase is the backbone of the argument in support of licensure. We analyze the effects of the different levels of regulation on wages and attempt to find a measure for increased protection of public health and safety. We find that the costs of licensing are much easier to measure than its benefits.

Previous studies of occupational licensing (Kleiner, Kleiner and Krueger) find a wage premium associated with individuals who work under a licensing regime. Licensing restricts entry into an occupation, thereby reducing the available supply of practitioners. This allows those working in the industry to charge a higher price for their services. Does the same hold true for interior designers? As licensing takes place at the state level, our sample contains multiple levels of restrictiveness. We consider each type of regulation (registration, titling, and license/practice acts) and estimate its effects on interior design wages.

Methodology

We begin with estimated mean wages of interior designers, as provided by the Bureau of Labor Statistics (BLS). The BLS conducts a yearly survey of firms and publishes estimates of mean wages and mean number of individuals employed in various occupations and industries. BLS data include a specific category for interior designers, 27-1025, with the following definition:

(Interior Designers) Plan, design, and furnish interiors of residential, commercial, or industrial buildings. Formulate design which is practical, aesthetic, and conducive to

⁹⁰ Harrington, David and Jaret Treber, *Designed to Exclude 2*, Institute for Justice (Feb. 2009).

⁹¹ *Id.*

⁹² 2008 Sunrise Review: Interior Designers. Denver, CO: Department of Regulatory Agencies; Sunrise Review of Interior Designers, Olympia, WA: Washington Stated Department of Licensing (2005).

intended purposes, such as raising productivity, selling merchandise, or improving life style. May specialize in a particular field, style, or phase of interior design. Exclude "Merchandise Displayers and Window Trimmers"

The National Council for Interior Design Qualification (NCIDQ) employs a similar (albeit longer and more detailed) definition. (See appendix)⁹³. The NCIDQ makes explicit mention of public health and safety and adherence to building codes, while the BLS definition includes no such language. However, the two definitions contain enough similarities that we can rationally conclude that the BLS definition is representative of the interior design occupation. Many of the more nuanced details in the NCIDQ's definition, such as "formulation of preliminary space plans" and "formulation of construction documents, consisting of plans, elevations, details and specifications..." would seem to fall under the "Formulate design which is practical..." phrase in the BLS definition. Much of the NCIDQ definition is concerned itself with the philosophical and aesthetic motivations of the profession. As the Bureau of Labor Statistics is a national survey of workers, it must focus on a definition of the work itself. This explains the discrepancy in both length and detail between the two definitions.

Critics of previous studies claim that the Bureau of Labor Statistics misidentifies interior designers and includes many individuals from other occupations in their definition. The BLS estimates that there were 53,290 interior designers working in the United States in 2008. By comparison, the American Society of Interior Designers claims 20,000 members. Given that membership in ASID requires accreditation, and just under half of the states do not require such accreditation, it is not surprising that there are more interior designers than members of ASID. The BLS differs from ASID in that it still recognizes these individuals as interior designers, regardless of affiliation with a professional group or occupational accreditation.

The BLS data allows us to take a wide-angle view of wages in the interior design industry. We employ two other data sets to supplement the BLS data: the 2008 American Community Survey and aggregate results of the 2001 through 2008 American Community Survey. These data sets allow us to perform regression analysis and isolate the effects of licensing on wages, controlling for individual characteristics such as age, race, and educational attainment.

American Community Survey

The American Community Survey (ACS) is a survey of individuals, whereas the BLS is a survey of firms. The ACS provides yearly data on population and housing, and it is a component of the restructured decennial census.⁹⁴ The ACS includes data on wages, racial identity, marital status, educational attainment, and employment status. The ACS uses Standard Occupational Codes (SOC) and the North American Industry Classification System (NAICS) to assign an occupation and industry to each individual.

Sample Selection

⁹³ "NCIDQ's Definition of Interior Design." *National Council for Interior Design Qualification*. US Census Bureau, Web. 14 Dec 2009. <<http://www.ncidq.org/AboutUs/AboutInteriorDesign/DefinitionofInteriorDesign.aspx>>.

⁹⁴ "American Community Survey (ACS)." US Census Bureau, Web. 1 Nov 2009. <<http://www.census.gov/acs/www/>>.

The ACS does not include a specific category for interior designers, making sample selection a challenging but critical part of our analysis. David Harrington and Jaret Treber, both faculty at Kenyon College, tackled this same challenge in their 2009 study: *Designed to Exclude: How Interior Design Insiders Use Government Power to Exclude Minorities and Burden Consumers*. They create an interior design classification from existing occupational and industry codes. They used the following occupational codes to identify “designers”:

260-Artists and related workers

263- Designers

775- Miscellaneous assemblers and fabricators

Harrington and Treber select those individuals with these occupational codes who work in furniture stores or specialized design services. We begin with Harrington and Treber’s definition and expand it slightly to also include individuals with the aforementioned occupational codes working in architecture services (NAICS 5413). In our conversations with both architects and design professionals, we learned that many interior designers work in architecture firms. It is appropriate, then, to assume that individuals coded as “Designers” working in the architecture industry are, in fact, interior designers.

We further restrict our sample to include only those individuals who report an annual income greater than \$1000. This allows us to capture only those individuals who earn a significant wage in the industry and more accurately represent the effects of licensing on wages in the occupation.

Supporters of interior design licensure argue that the Standard Occupational Classifications group interior designers and interior decorators together, thereby challenging the accuracy of studies such as this one. While we acknowledge this potential problem, we argue that it does not negate the results of our analysis. If the inclusion of interior decorators introduces any sort of bias in our sample, it is likely to be a downward bias on the wage effects of regulation.

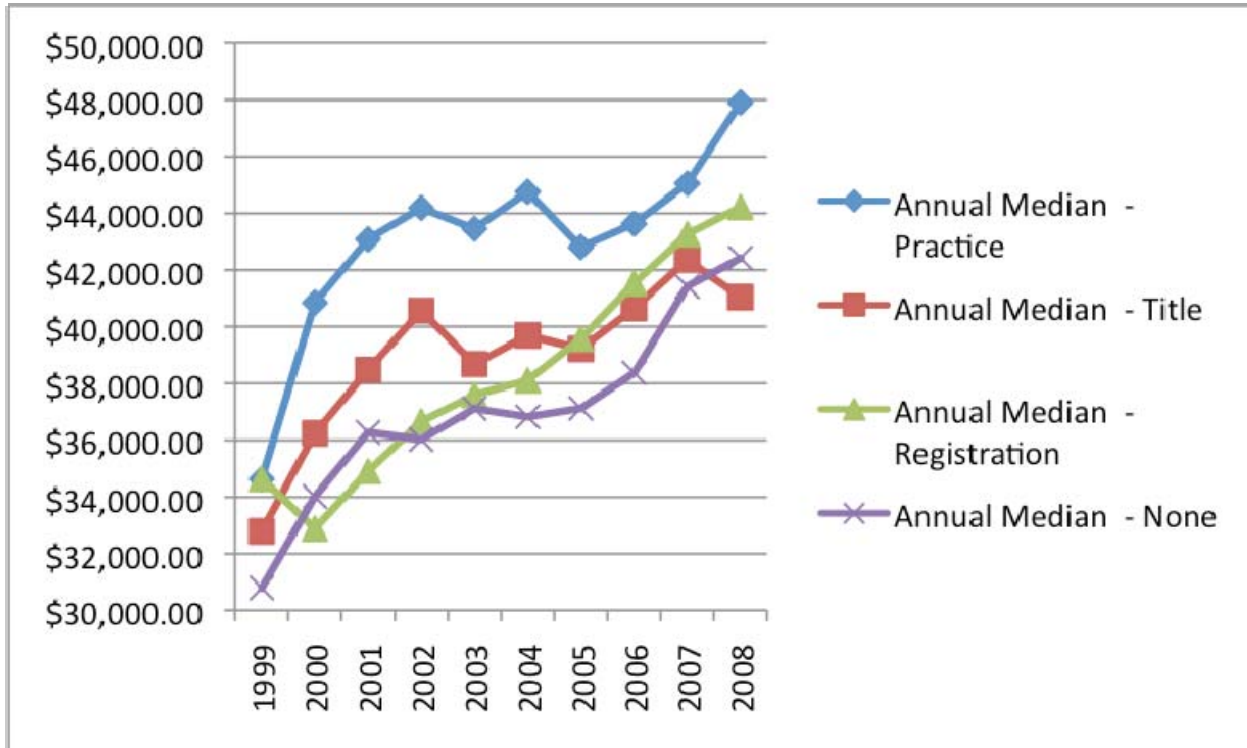
Education requirements related to interior design regulation ensure that, as a group, interior designers are likely to be more educated than interior decorators. Assuming positive returns to education on wages, the highest earners in our sample will be interior designers. Second, if interior design regulation has some effect on interior decorator wages, that effect will likely be negative. As previously discussed, interior design regulation restricts entry to the profession. Individuals who cannot gain entry to interior design must enter other professions. Certainly, some of these individuals would consider entry into the similar, but less restrictive, field of interior decorating. Thus, interior design licensing would increase the supply of interior decorators and put downward pressure on their wages.

We accessed ACS data through the Public Use Microdata Sample, a sub-sample of the ACS. The basic unit for PUMS data is the household and the individuals therein. PUMS allowed us to examine individual responses to survey questions on an array of topics such as age, sex, wage, race, and occupation.

Findings

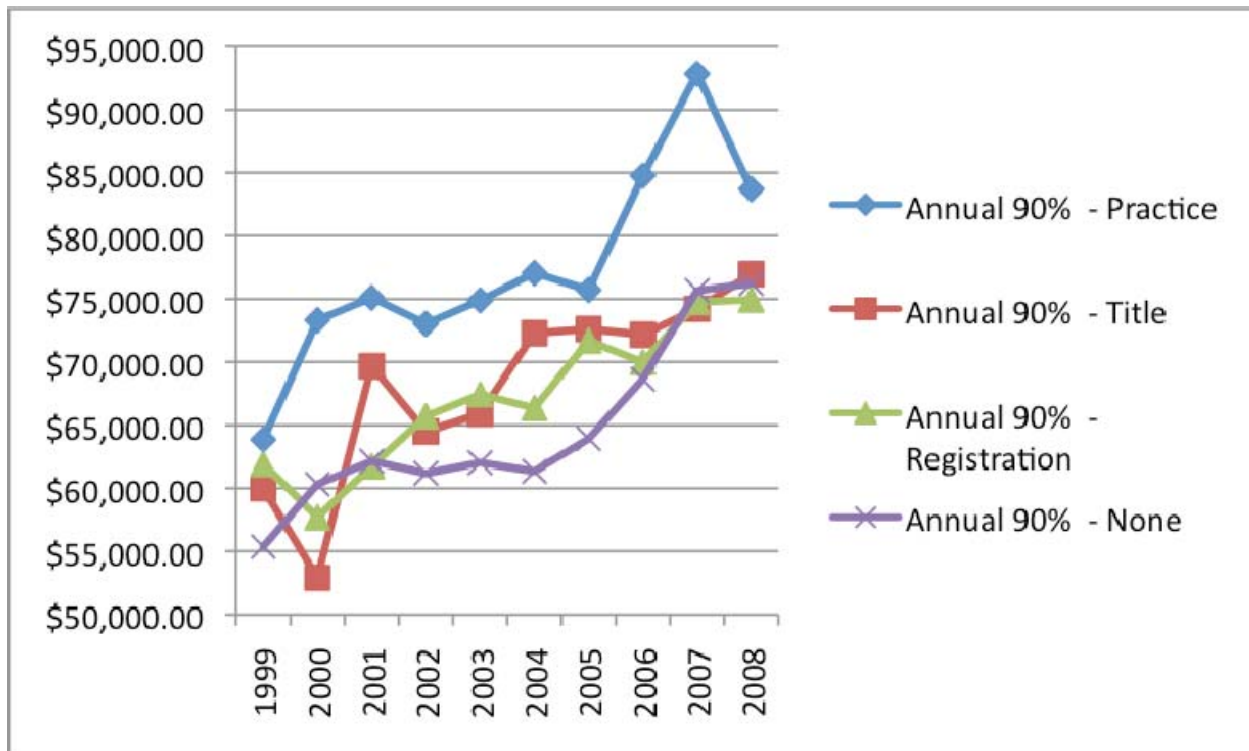
The BLS provided state-level data on the wages of interior designers. Median wages by regulation type for the years 1999-2008 appear in the table below.

Table-Median Wages in the Interior Design Industry by Regulatory Regime



Note that median wages are consistently higher in states with a practice act, as evidenced by the blue line on the chart. There is also some effect of other forms of regulation, as interior designers in registration and title act states also earn higher wages than those designers working without regulation. This data is consistent with the hypothesis that occupational regulation has a positive effect on wages in the regulated occupation. Income stratification among regulated and unregulated states is consistent across the income distribution. At the mean, interior designers in regulated states earn above average wages, while those in unregulated states earn wages below the national average for interior designers. These results hold true at the top end of the income distribution, as illustrated by the following chart graphing the wages in the top decile of earners in interior design.

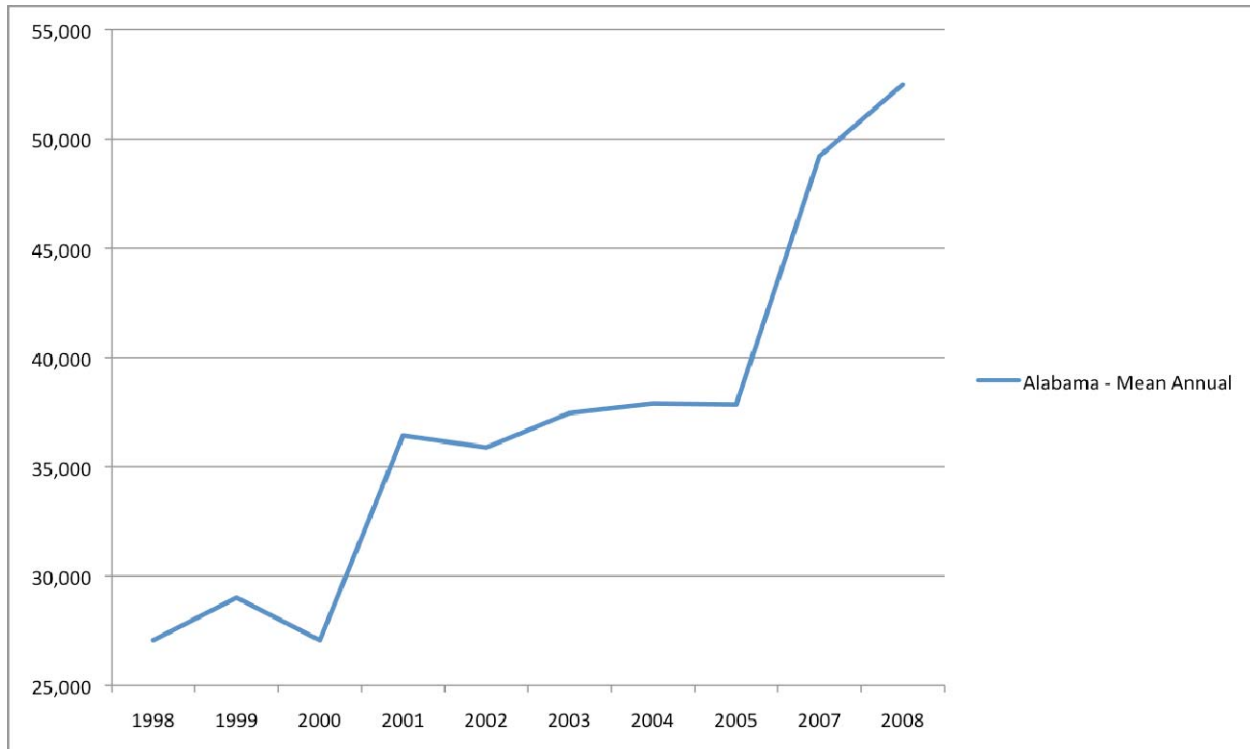
Chart-Median wages in the top decile of interior designers, 1999-2008



Alabama-A case study

Alabama provides a unique case study for the effect of licensing on interior design wages. The state implemented a practice act in 2001. The act was then ruled unconstitutional by the State Supreme Court and removed from the books in 2007. If the hypothesis that practice acts increase interior design wages is correct, then we would expect to see a substantial increase in wages between 2002 and 2007 in Alabama.

Chart-Mean Interior Design Wages in Alabama, 1999-2008



Interior designers in Alabama saw a wage increase of 74% under regulation. By comparison, the national mean wage increased 17% over the same period of time.

The BLS data provide the impetus for further analysis of wages in the interior design industry. While these differences in means certainly provide substantial evidence in support of the hypothesis, but they are not conclusive. There are many possible explanations for wage differences between designers in one state and another. For example, it is reasonable to assume that interior designers in regulated states have higher educational attainment, on average, than those in unregulated states due to the presence of educational requirements for licensure. We employ regression analysis on the data from the American Community Survey in an attempt to isolate the effects of regulation on wages and explain the gap in earnings between regulated and unregulated designers.

2008 American Community Survey

We begin with a cross-section of data from the 2008 American Community Survey. We assemble data from individuals in the appropriate industries with the previously identified occupational codes. We use this data to build a typical human capital model:

$$W = X\beta + \delta'z + \theta R + \varepsilon(1)$$

where W is the log of the individual's annual income, X is a matrix of individual characteristics such as race and education, and z is a vector of state-level control variables. Clearly, some states have higher mean wages than others across all sectors of the economy. We control for this effect by including the per-capita income for the state in which each designer resides. R is a matrix of categorical variables for the regulatory regime in the person's state of residence. We are most interested in the coefficient θ . We run our regression three times, each with a different vector for

R. In the first model, we aggregate all forms of regulation, estimating wages in the presence of *any* regulation versus no regulation at all. In the second, we estimate the “value-added” of a practice act over other regulation, including a categorical variable for both some regulation and the presence of a practice act. In the third, we estimate the effect of a practice act relative to no regulation. The following table presents our estimates for θ .

Scenario	θ	SE	R-square
All Regulation	.188***	.053	.091
Title and Practice Acts	.268 (Title Act)***	.066	.093
Practice Act Only	-.068 (Practice Act)	.087	.085

N=1734

***Significant at the 1 percent level (two-tailed test)

This table provides us with two striking results: one, the large and significant effect of the presence of regulation on wages, and two, the statistically insignificant effect of a practice act, which would seem to be at odds with our findings from the BLS data. We will first discuss the large coefficient on regulation.

Regulation accounts for a wage premium of somewhere in the neighborhood of 20 percent. Clearly, this is consistent with our hypothesis and provides some measure of motivation for professional organizations to pursue licensure. In the face of a wage premium this large, the burden of proof rests with the state legislature and the professional organization to argue that an increase in quality offsets this cost. (We can assume that the wage premium results from higher prices to consumers).

In Minnesota, however, the issue is not regulation in general, but a potential practice act. As Minnesota is a regulated state, the issue at hand is increased regulation over and above the status quo. As evidenced by the table, our results indicate that interior designers in Minnesota already receive a wage premium under the current regulations and will not likely see increased wages if a practice act is implemented. This result is surprising, as one would assume that if some regulation increases wages, more restrictive measures would result in a greater increase. There are several possible explanations for this result.

As shown in our legal analysis, there are a small number of states with practice acts. There are only five such states in our sample. (For our purposes, Alabama was considered a practice act state, as the data in the 2008 ACS reflects wages earned in 2007. The Alabama practice act, while removed from the books in 2007, certainly had some residual effect on wages during that year). While regulation is a state-level decision, there is some sort of national market for interior designers. Organizations such as ASID advocate for licensure around the nation, raising the profile of the interior design occupation. The added visibility for the profession and the push for licensure create the perception that licensed designers are of a higher quality. This will effectively increase demand for interior design services nation-wide. The increase in demand may outweigh the potential supply restrictions in the small number of practice act states, negating the effects of a practice act on interior design wages.

The number of title acts around the country may have the effect of reducing the supply of labor across states. As title acts outnumber practice acts by a factor of five, potential interior designers will be most aware of this type of regulation. This awareness creates the perception of a barrier to entry. Title acts, measured in total, have a greater effect on this perceived barrier

than practice acts. Thus, the simple introduction of any sort of regulation carries with it a wage premium, while more restrictive measures seem to have no effect on wages in this sample.

Time Series Data, 2001-2008 American Community Survey

We perform a similar analysis on a larger sample, this time with the 2001 through 2008 ACS. This approach has several advantages. First, it allows us to gather a larger sample size, lending greater confidence in the efficiency of our results. Second, it allows us to calculate the effects of regulation over time. Lastly, we can apply a fixed-effects model to the data, eliminating the within-group component of our error term and again increasing the efficiency of our estimators.

We apply the same model from equation 1 to panel data from the years 2001 through 2008. We will again focus on the coefficient θ , the measure of regulation’s effect on interior design wages. In the case of this data set, we have more models at our disposal. We again estimate models for regulation only, title acts and practice acts, and practice acts alone.

Table-Estimated Effects of Regulation, 2001-2008

Scenario	θ (Pooled)	SE (Pooled)	Θ (Fixed Effects)	SE (Fixed Effects)
All regulation	.053***	.016	.045***	.014
Title and Practice Acts	.056 (Title)*** -.017 (Practice)	.017 .025	.047 (Title)*** -.012(Practice)	.016 .019
Practice Act only	.002	.024	.034	.019

N=14590

These results are consistent with our earlier findings; regulation provides a wage premium to practitioners in regulated states. In this case, the effect over time is roughly five percent per year. Using a three to five percent discount rate and a forty-year working left, the present value of this premium is somewhere between \$31,000 and \$42,000. Again, we find no significant additional effect of a practice act in this data set. We can conclude that interior designers in Minnesota receive a wage premium from the title act under which they work presently. It appears that this measure restricts entry to the occupation enough to provide an increase in wages. As previously discussed, some of this increase is likely the result of increased demand, as the use of the title *Certified Interior Designer* creates the perception of higher quality practitioners. We will address that perception in the next section.

Does regulation protect the public health, safety, and welfare?

Our data establish a firm connection between higher wages and interior design licensure. Proponents of regulation, then, must prove an equal or greater correlation with public health and safety. We examined two possible means of measuring regulation’s public safety effects: insurance premiums and fire death rates.

We hypothesize that, if licensing protects public safety, then it likely reduces the probability of negative outcomes. In the case of interior designers, such negative outcomes

could include building collapse, impact injuries caused by slippage on improperly coated floors, and death or building destruction by fire. If licensing reduces the probability of such outcomes, one would expect to see lower business malpractice premiums in regulated states. We attempted to conduct a survey of insurance companies, but found that they were not forthcoming in discussing premiums. We have anecdotal evidence gleaned from conversations with agents, but do not have a data set comparable in size to that of our wage estimates. Our attempts to reach insurers of interior designers resulted in little hard data on premiums. What the conversations did elicit is a clear actuarial trend that insurance premiums are tied directly to exposure to risk. In the case of interior designers, their risk is inexorably linked to the type of work that they are doing. Application forms for interior design error and omissions insurance dig as deep as the project level to determine exposure.

The key variables insurers mentioned in premium determination are: the combination of the type of building being worked on and the state and locality in which the work is done. A consistent thread in their assessment of risk was the presence of condominium construction and location of construction in states/localities where lawsuits against architects resulted in large settlements.

When asked if regulation in Florida was the cause of notoriously high insurance premiums in that state for interior designers, the response was a clear no. One insurance agent drew a clear line between Florida's history of high-profile condominium construction disasters, as well as the density of condo construction, as the determinants of risk. Other less regulated states, such as Illinois, were also noted as high-risk due to the concentration of condo construction and liability settlements involving architects. Though certainly in need of a thorough actuary assessment, it appears that certain types of construction contain more inherent risk and that regulation does not alter this risk or result in lower insurance premiums.

We can create a model to estimate the effects of licensing on fire death rates, though, again, our sample size is significantly smaller than the model we employ to estimate wage effects. We build the following model:

$$FD = W\gamma + \phi R + \varepsilon$$

(2)

where FD is the state fire death rate per 1000 W is a matrix of state-level characteristics that might explain fire death rates, such as mean annual temperature, population density, poverty rates, and per capita income, and R is again a vector of categorical variables indicating the presence of a title or practice act. We gather 2006 state fire death rates from the US Fire Administration and analyze the lower 48 states and the District of Columbia. (Many of the explanatory variables in this regression relate to climate conditions; we are unable to gather data from Alaska and Hawaii).

We find that regulated states have a lower average fire death rate than unregulated states. However, when we control for other factors we find no statistically significant effect of licensing on fire death rates. Admittedly, the small sample size reduces the power of our test. However, we achieve an adjusted R-square of .3686 in the model that includes both title and practice acts among the explanatory variables, so we must consider our results carefully.

When considered together, our analysis of both insurance premiums and fire death rates indicate a need for further research into the quality effects of interior design licensing. We do not find conclusive evidence to support the claim that interior design licensing will provide greater protection of public health and safety.

Conclusion

We have endeavored to explore the debates surrounding the issue of licensing interior designers. Our results have shown that around the country regulation of professions as a whole has been increasing and that more specifically; there has been a movement towards the licensing of interior designers. With the exceptions of Alabama and Connecticut, legal challenges to the licensing of interior designers have largely been unsuccessful. Tensions between the occupations of interior design and architecture have impeded such legislation passing in Minnesota. Unfortunately we were not able to prove or disprove claims by the interior designers that licensing is helpful to the health, safety and welfare of the public. However, we were able to provide data suggesting that increased regulation of interior designers does tend to lead to statistically significantly higher wages for that profession, the cost of which would presumably be passed to the consumer. The trend towards greater regulation means that those states that leave the profession of interior design unregulated would have interior designers earning lower than average wages, which could provide a greater impetus towards regulation.



Alabama*

Applicant Requirements (Ala. Stat. § Section 34-15B-6)

Statute:
Ala. Stat. § 34-15B

Title Act: 1982
Practice Act: 2001
Struck Down: 2007

Web Site:
www.idboard.alabama.gov
v

Education/Experience: Can choose one of three options:

- Bachelor's degree from accredited interior design program (120 semester/180 quarter credit hours; no less than 3,520 hours of interior design work experience
- Bachelor's degree from un-accredited school (120 semester/180 quarter credits); no less than 3,520 hours of interior design experience
- Bachelor's degree in another program (120 semester/180 quarter credits) and no less than 60 semester/90 quarter credit hours in interior design; 3,520 hours of interior design work experience
- No less than 60 semester or 90 quarter credit hours of interior design course work; no less than 5,280 hours of interior design work experience
- No less than 40 semester or 90 quarter credit hours of interior design coursework that culminates in a diploma; no less than 7,040 hours of interior design work experience

Exam: NCIDQ or equivalent.

Continuing Education Requirement: Yes

Application and Registration Fee: \$200

Age Requirement: No

Applicant Fitness: Must be of "good moral character"

Consumer Complaints: 31 consumer complaints filed against interior designers in last five years. All complaints dealt with using design title without registration.

**Alabama v. Lupo*, 984 So. 2d 395 (Ala. 2007) (declaring the Alabama Interior Design Consumer Protection Act, Act No. 2001-660, Ala. Acts 2001, codified at § 34-15B-1 et seq., Ala. Code 1975, unconstitutional). *See supra* note 31 for further information about this case and its implications.



Arkansas

Applicant Requirements (Ark. Stat. § 17-35-302)

Statute:

Ark. Stat. § 17-35-101
to 17-35-803

Title Act: 1993

Web Site: N/A

Education and Experience: One of three options:

- Graduate from a five-year interior design program from an accredited institution and have at least one year of experience
- Graduate of a four year interior design program or a master's degree program in interior design from an accredited institution and completed at least two years of diversified and appropriate interior design experience, or
- Licensed architect certified by the board

Exam:

- NCIDQ or equivalent
- Council for Qualification of Residential Interior Designers (tests for residential design)

Continuing Education Requirement: Yes

Application and Registration Fee: \$250 (for the ARE exam)

Age Requirement: No

Applicant Fitness: No

Complaints or Disciplinary Actions: No



California

Statute:
From Cal. Business and Professions Code § 5801

Self-Certification Act:
1990

Amended: 1991 (Exam Required)

Web Site:
www.ccidc.org

Applicant Requirements (Cal. Bus. & Prof. Code § 5800-5812)

Education and Experience Requirements:

Three “Paths” to Certification:

- Student with two years of education or interior designer with more than five but less than eight years work experience. Need to meet one of the four categories A, B, C, or D
- Interior designer and meet one of the four categories A, B, C, or D
- Interior designer and meet one of four categories A, B, C, or D, and have already passed a previously-administered test and plan to take NCIDQ, CQRID, or NKBA (this path is closed Dec. 31, 2012)

Categories::

- Pass interior design examination, and
- One of the Four (A, B, C, D)
 - A. Graduate of four or five year accredited interior design degree program, and has two years of diversified interior design experience
 - B. Has completed three year accredited interior design certificate program, and has completed three years of diversified interior design experience
 - C. Has completed two-year accredited interior design program and has completed four years of diversified interior design experience
 - D. Has combination of interior design education and diversified interior design experience that totals eight years combined

Exam: IDEX exam

Continuing Education Requirement: Yes

Application and Registration Fee: \$525.00

Age Requirement: No

Applicant Fitness: No

Complaints or Disciplinary Actions: 64 consumer complaints (but

degree and nature of complaints are unclear)



Colorado

Applicant Requirements

Statute:
Co. Stat. § 12-25-303

Description of Permitting Act: Allows interior designers who have met education, experience and examination requirements to submit plans for building permits. There is no state board.

Permitting Act:
2001

Web Site: N/A

Education and Experience: Four or years of school with an interior design degree, with two years of interior design experience; or has two or more years of study with four years of interior design experience.

Exam: NCIDQ

Continuing Education Requirement: No

Application and Registration Fee: No

Age Requirement: No

Applicant Fitness: No



Connecticut*

Applicant Requirements (Ct. St. § 20-377n)

Statute:
Ct. St. § 20-377k
through 20-377v

Note: The commissioner of the Department of Consumer Protection; no state board

Title Act: 1983
Amended: 1987
Struck Down: 2009

Education and Experience: n/a

Web Site:
www.ct.gov/dcp/cwp/view.asp?a=1622&q=446464

Exam: NCIDQ or equivalent

Continuing Education Requirement: No

Application and Registration Fee: \$190

Age Requirement: No

Applicant Fitness: No

Complaints or Disciplinary Actions: Not available

* *Roberts v. Farrell*, 630 F.Supp.2d 242 (D. Conn. 2009) (enjoining enforcement of the state's title act on First Amendment grounds).



District of Columbia

Applicant Requirements (DC ST § 47-2853.101)

Statute: 17 DCMR
Chapter 32

Practice Act: 1996

Web Site:
www.pearsonvue.com/dc/arch_intdes/

Education and Experience: Six years of education

Exam: NCIDQ

Continuing Education Requirement: Yes

Application and Registration Fee: \$175

Age Requirement: 18 years old

Applicant Fitness: Must not have been convicted of a crime or moral turpitude which “bears directly on the applicant’s fitness to be licensed”

Complaints or Disciplinary Actions: Not available



Florida

Applicant Requirements (Fla. Stat. § 481.203):

Statute:
Fla. Stat. § 481.201
through § 481.231

Title Act: 1988
Amended: 1989
Practice Act: 1994

Web Site:
www.myfloridalicense.com/dbpr/pro/arch/faq_ID.html

Education and Experience: Must satisfy one of the following requirements:

- Is a graduate from an interior design program of 5 years or more and has completed 1 year of diversified interior design experience;
- Is a graduate from an interior design program of 4 years or more and has completed 2 years of diversified interior design experience;
- Has completed at least 3 years in an interior design curriculum and has completed 3 years of diversified interior design experience; or
- Is a graduate from an interior design program of at least 2 years and has completed 4 years of diversified interior design experience.

Application and Registration Exam: NCIDQ

Continuing Education Requirement: Yes

Fee: Interior Design Endorsement: \$30.00, Certificate of Authorization: \$100.00

Age Requirement: No

Applicant Fitness: No

Complaints or Disciplinary Action: Not available.



Georgia

Applicant Requirements (Ga. Code § 43-4-32, Subd. b)

Statute:

Ga. Code. § 43-4-30 to
43-4-37

Title Act: 1992

Web Site:

[sos.georgia.gov/Plb/
Architects/#](http://sos.georgia.gov/Plb/Architects/#)

Education and Experience: Minimum four-year degree or first professional degree in Interior Design

Exam: NCIDQ or other board-approved exam

Continuing Education Requirement: Yes

Application and Registration Fee: \$150

Age Requirement: 21 years of age

Applicant Fitness: Applicant must authorize state board to conduct a background check, including criminal history.

Complaints or Disciplinary Actions: No



Illinois

Applicant Requirements (225 ILCS 310/8)

Statute:
225 ILCS 310/1 to
225 ILCS 310/31

Title: 1990

Web Site:
[www.idfpr.com/dpr/
WHO/intd.asp](http://www.idfpr.com/dpr/WHO/intd.asp)

Education and Experience: Must show:

- Graduate of a five year interior design program from an accredited institution and completed at least two years of full time diversified interior design experience;
- Graduate of a four year interior design program from an accredited institution and completed at least two years of full time diversified interior design experience;
- Graduate of a three year interior design program from an accredited institution and completed at least three years of full time diversified interior design experience;
- Graduate of a two year interior design program from an accredited institution and completed at least four years of full time diversified interior design experience;
- Holds high school diploma or GED and completed five years of full time diversified residential interior design experience

Exam: NCIDQ or CQRID

Continuing Education Requirement: No

Application and Registration Fee: \$100

Age Requirement: No

Applicant Fitness: No

Complaints or Disciplinary Actions: Two instances of discipline against interior designers. One action related to loan default on student loan, the other related to failing to disclose a criminal conviction to the state board.



Indiana

Statute:
IC 25-20.7-2-1 through
IC 25.20.7-2-12

Registration Act:
1990
Title Act: 2009

Applicant Requirements (In. Stat. §§ 25-20.7-2-8; 25-20.7-2-5; 25-20.7-2-7)

Education and Experience:

- Completes two years of interior design education and practiced in field for at least ten years AND practiced in field for at least ten years
- OR has practiced interior design for at least 15 years

Exam: NCIDQ or the ARE

Continuing Education Requirement: No

Application and Registration Fee: \$100

Age Requirement: No

Applicant Fitness: No conviction for an act that would be ground for disciplinary action under IC 25-1-11 or a felony having direct bearing on the applicant's ability to practice competently.



Iowa

Applicant Requirements (Iowa Stat. § 544C.5)

Statute:
Iowa Stat. § 544C

Title Act: 2005

Web Site:
www.state.ia.us/government/com/prof/interior_design/home.html

Education and Experience: Has completed any of the following:

- Four years of interior design education plus two years of full-time work experience in interior design
- Three years of interior design education plus three years of full-time work experience in interior design
- Two years of interior design education plus four years of full-time work experience in interior design

Exam: NCIDQ or equivalent.

Continuing Education Requirement: Yes

Application and Registration Fee: \$350

Age Requirement: No

Applicant Fitness: No

Complaints or Disciplinary Actions: No



Kentucky

Applicant Requirements (KRS § 323.410)

Statute:
KRS § 323.400-
323.416

Title Act: 2002

Web Site: boa.ky.gov

Education: One of two methods open to non-architects:

- Four year degree from CIDA/NAAB accredited school, two years of experience, or
- Non-CIDA/NAAB accredited degree; and seven years of combined education and experience with either being not less than two years

Exam: NJCIDQ

Continuing Education Requirement: Yes

Application and Registration Fee: \$250

Age Requirement: No

Applicant Fitness: Must be of “good moral character”

Complaints and Disciplinary Actions: Six complaints have been filed in last five years concerning interior designers. Five of the complaints were from Interior Designers using Certified Interior Designer after their names. One complaint was for an individual who falsely claimed to be certified.



Louisiana

Applicant Requirements (La. Stat. § 37:3171)

Statute:

La. Stat. § 37:3171 to 37:3186

Title Act: 1984

Practice Act: 1999

Web Site: lsbid.org

Education and Experience: Four years of high school; and one of these options:

- Five years of graduate school plus one year experience
- Four years of graduate school and two years of experience
- Three years of school and three years of experience, or

Exam: NCIDQ

Continuing Education Requirement: Yes

Application and Registration Fee: \$150

Age Requirement: No

Applicant Fitness: No

Complaints and Disciplinary Actions: There were a total of 205 complaints filed against interior designers in the past five years. All were administrative issues.



Maine

Applicant Requirements (32 Maine Stat. § 220-B)

Statute:
32 Maine Stat. §
220
Through
32 Maine Stat. §
228

Title Act: 1993
Amended: 1999

Web Site:
www.maine.gov/pfr/profession/licensing/professions/architects/index.htm

Education/Experience: One of the following:

- A graduate of a five year interior design program from an accredited institution and completed one year of diversified and appropriate interior design experience or,
- A graduate of a four year interior design program from an accredited institution and completed at least two years of diversified and appropriate interior design experience

Amendments: Amendments removed 3/3 and 2/4 education/experience provisions – making education more important and experience less important.

Exam: NCIDQ

Continuing Education Requirement: No

Application and Registration Fee: \$200

Age Requirement: No

Applicant Fitness: Background check performed

Complaints or Disciplinary Actions: No



Maryland

Statute:
Md. Bus. Occup. &
Prof. Code § 8-301
through § 8-313

Title: 1991

Web Site:
www.dllr.state.md.us/license/occprof/cid.html

Applicant Requirements (Md. Bus. Occup. And Prof. Code § 8-302)

Education: Must satisfy the “education and experience requirements necessary to qualify for the NCIDQ examination of equivalent”:

- Bachelor’s or master’s degree from CIDA-accredited interior design program and 3520 hours of interior design experience
- Bachelor’s degree in an interior design program not accredited by CIDA and 3520 hours of qualified interior design experience
- Bachelor’s degree (in any major) and no less than 60 semester/90 quarter credits in interior design and 3520 hours of interior design experience
- No less than 60 semester/90 quarter interior design coursework that culminates in a certificate and 5280 hours of interior design experience
- No less than 40 semester/60 quarter credits of interior design coursework that culminates in a certificate in a certificate, degree or diploma and 7040 hours of interior design experience
- Bachelor’s or master’s degree from an NAAB or CACB-accredited architecture program and 5380 hours of interior design experience

Exam: NCIDQ or equivalent

Continuing Education Requirement: Yes

Application and Registration Fee: \$103

Age Requirement: 18

Applicant Fitness: “Good character and reputation”

Complaints or Disciplinary Actions: Not available



Michigan

Statute:
MI. Occ. Code §
339.601a

Registration Act: 1980

Web Site:
www.michigan.gov/dleg/0,1607,7-154-35299_35414_40920---,00.html

Applicant Requirements

Description:

A listing of qualified individuals posted on a state Web site for consumers seeking Interior Designer information.

Education and Experience: No

Exam: NCIDQ

Continuing Education Requirement: No

Application and Registration Fee: \$20

Age Requirement: No

Applicant Fitness: Background check

Complaints or Disciplinary Actions: No



Minnesota

Statute: Minn.
Stat. § 326.02
through 326.231

Title Act: 1992
Amended: 1995

Web Site:
www.aelslagid.state.mn.us

Applicant Requirements (Minn. Stat. 326.02, subd. 4b, Rules 1800.2100-1800.2300)

Education and Experience: Six credits required:

- Four credits for four or five year bachelor of interior design, FIDER-accredited curriculum
- Two credits for two year associate in interior design, from FIDER accredited school
- Professional degree from architecture accredited by National Architecture Accrediting Board – or has a equivalent education shall receive 4 credits
- Each year of equivalent design education successfully completed at college level is one credit (with max being four)
- One credit given for each year of experience under the direct supervision of a certified interior designer, interior designer, or licensed architect

Exam: NCIDQ

Continuing Education Requirement: Yes

Application and Registration Fee: \$120

Age Requirement: 25

Applicant Fitness: “Good moral character and repute”

Complaints or Disciplinary Actions: Four instances since 2004. All disciplinary actions were for administrative issues.



Missouri

Applicant Requirements (Mo. Stat. § 324.409)

Statute: Mo. Stat. §
324.400 to §
324.439

Title Act: 1998

Web Site:
<http://www.pr.mo.gov/interior.asp>

Education and Experience:

- Graduate of a five year of four year interior design program from an accredited institution and has completed at least two years of diversified and appropriate interior design experience, or
- At least three years of an interior design curriculum from an accredited institution and has completed at least three years of diversified and appropriate interior design experience, or
- Is a graduate of a two-year interior design program from an accredited institution and has completed at least four years of diversified and appropriate interior design experience; or

Exam: NCIDQ or equivalent

Continuing Education Requirement: Yes

Application and Registration Fee: \$75

Age Requirement: No

Applicant Fitness: Two client and three industry references. Check of owed state income taxes

Complaints or Disciplinary Actions: No



Nevada

Applicant Requirements

Statute:

Nev. Stat. § 623.192;
16 NMAC 42.3

Practice Act: 1995

Web Site:

nsbaidrd.state.nv.us/?page=1

Education and Experience:

- Complete program of interior design accredited by CIDA and two years experience

Exam: NCIDQ

Continuing Education Requirement: No

Application and Registration Fee: \$150

Age Requirement: No

Applicant Fitness: "Must be of good moral character"

Complaints or Disciplinary Actions: Sunrise application references hotel fire that may have been due to interior designer action, but this was unclear.



New Jersey

Applicant Requirements (NJ Code 45:3-38)

Statute:

NJ Code 45:3-31
through 45:3-36

Title Act: 2002

Web Site:

www.njconsumeraffairs.gov/interior/

Education and Experience: Must be:

- Graduate from a five year interior design program, and one year of interior design experience
- Graduate from a four year interior design program, and two years of interior design experience
- Graduate from a three year interior design program (at least 60 credits in interior design course work), and two years of interior design experience
- Graduate from a two year interior design program, and four years of interior design experience

Exam: NCIDQ

Continuing Education Requirement: Yes

Application and Registration Fee: \$125

Age Requirement: No

Applicant Fitness: References required



New Mexico

Applicant Requirements (N.M. Stat. § 61-24C)

Statute:

N.M. Stat. § 61-24C-8

Title Act: 1989

Web Site:

www.rld.state.nm.us/Interior/index.html

Education and Experience:

- Graduate of a five-year interior design program from an accredited institution and completed at least one year of diversified interior design experiences, or,
- Graduate of a four-year interior design program from an accredited institution and has completed at least two years of diversified interior design experience, or
- Has completed at least three years of an interior design curriculum from an accredited institution and has completed three years of diversified interior design experience, or
- Is a graduate of a two-year interior design program from an accredited institution and has completed four years of diversified interior design experience; or
- Has apprenticed under a designer who has passed the national council for interior design qualification examination or a licensed designer for a minimum of eight years

Exam: "A nationally standardized examination"

Continuing Education Requirement: Yes

Application and Registration Fee: \$300

Age Requirement: No

Applicant Fitness: No



New York

Applicant Requirements (N.Y. Educ. § 8305)

Statute:
NY Educ. § 8300
through § 8307

Title Act: 1990

Web Site:
www.op.nysed.gov/interior.htm

Education and Experience:

- At least seven years of professional training consisting of academic study and work experience relating to interior design and in accordance with the commissioner's regulations.
- Education must include at least two but not more than five years of post secondary education, including an associate degree or equivalent in an approved program of interior design

Exam:

- NCIDQ examination satisfactory to the board in accordance with commissioner's regulations
- State examination, on fire, safety and building codes

Continuing Education Requirement: No

Application and Registration Fee: \$300

Age Requirement: 21

Applicant Fitness: "Good moral character"

Complaints or Disciplinary Actions: 19 cases were opened as a result of consumer complaints., but no cases resulted in harm to consumers



Oklahoma

Applicant Requirements (Ok. Stat. § 59-46.38)

Statute:
Ok. Stat. § 59-46.1
through § 59-46.40

Title Act: 2006

Web Site:
www.ok.gov/Architects

Education and Experience: Holds an accredited professional degree in interior design from FIDER-accredited school and two years of full time diversified experience

Exam: NCIDQ

Continuing Education Requirement: No

Application and Registration Fee: \$450

Age Requirement: 21

Applicant Fitness: INS documents, training references

Complaints or Disciplinary Actions: No



Tennessee

Applicant Requirements (Tn. Stat. § 62-2-904 to 62-2-906)

Statute:

Tn. Stat. § 62-2-901 to 62-2-906

Title Act: 1991

Web Site:

www.state.tn.us/commerce/boards/ae/interior.shtml

Education and Experience:

- Graduate of a five year interior design program from an accredited institution and completed at least one year of diversified interior design experience, or a combination
- Graduate of a four year interior design program from an accredited institution and completed at least two years of diversified interior design experience
- Graduate of a three year interior design program from an accredited institution and completed three years of diversified interior design experience
- Graduate of a two year interior design program from an accredited institution and completed four years of diversified interior design experience

Exam: NCIDQ

Continuing Education Requirement: Yes

Application and Registration Fee: \$195

Age Requirement: 21

Applicant Fitness: Not convicted of offense that “bears upon fitness of applicant,” references required

Complaints and Disciplinary Actions: Three complaints filed against interior designers in the past five years, all having to do with education requirements.



Texas*

Applicant Requirements (Tx. OCC 1053.152; 1053.155)

Statute:
Tx. OCC § 1053.151
through
1053.160

Title Act: 1991

Web Site:
www.tbae.state.tx.us/Professions/Interior.shtml

Education and Experience: One of the following:

- Graduation from a program granted professional status by FIDER or NAAB and two years of experience
- Doctorate, master's degree or baccalaureate degree in interior design and three years of education
- A baccalaureate degree in a field other than interior design and associate's degree or a two-year or three-year certificate from an interior design program, and three years of education
- A baccalaureate degree in a field other than interior design and an associate's degree or a two year or three year certificate from a foreign interior design program "acceptable to the board," and three and a half years of experience
- Associates degree in interior design accredited by an agency recognized by the THECB and credit for equivalent of at least 60 credits toward any baccalaureate degree and six years under direct supervision of interior designer/architect
- Completion of a FIDER-accredited pre-professional assistant level program plus credit for at least six semester credit hours toward any baccalaureate degree, and four years under direct supervision of a interior designer or architect

Exam: Must pass registration examination

Continuing Education Requirement: Yes

Application and Registration Fee: \$355

Age Requirement: No

Applicant Fitness: References required

Complaints or Disciplinary Actions: 30 instances of discipline, but No relating to consumers.

- Act formerly prohibited the use of the term "interior designer by non-registrants, now only prohibits use of the terms "Registered Interior Designer" or "Licensed Interior Designer."



Virginia

Applicant Requirements (Va. Code § 54.1-414)

Statute:

Va. Code § 54.1-412 through 54.1-414

Title Act: 1990

Amended: 1994

Web Site:

www.dpor.virginia.gov/dporweb/ape_main.cfm

Education and Experience:

- Graduate of a minimum four-year professional degree program accredited by the Foundation for Interior Design Education Research or equivalent accrediting organization or a professional program approved by the board, and
- Two years of monitored experience in the performance of interior design services, and
- Taken and passed the examination for certification as a certified interior designer
- **Amendments:** In 1994, required that experience be “professional.”

Exam: NCIDQ

Continuing Education Requirement: No

Application and Registration Fee: \$45

Age Requirement: No

Applicant Fitness: No

Complaints and Disciplinary Actions: Eight complaints were filed. All complaints were due to administrative violations, rather than the practice of interior design.



Wisconsin

Applicant Requirements (Wis. Stat. § 440.962)

Statute:
Wis. Stat. § 440.96 to
§ 440.969

Title Act: 1996

Web Site:
drl.wi.gov/prof/interior/ceu.htm

Education and Experience:

- Graduate of a 5-year interior design or architecture program and has at least one year of practical experience
- Graduate of a 4-year interior design or architecture program and has at least two years of practical experience in interior design of a character satisfactory to the department
- Completed at least three years of an interior design program and has at least three years of practical experience in interior design
- Graduate of a two year interior design program and has at least four years of practical experience in interior design of a character satisfactory to the department

Exam: NCIDQ or the CQRID examination

Continuing Education Requirement: No

Application and Registration Fee: \$75

Age Requirement: No

Applicant Fitness: No arrest or conviction record. Five references with at least three of whom shall have personal knowledge of the applicant's interior designing experience

Complaints and Disciplinary Actions: Two complaints were received regarding interior designers, but were administrative rather than causing specific harm to consumers.

Appendix 1-NCIDQ Definition of Interior design

Interior design is a multi-faceted profession in which creative and technical solutions are applied within a structure to achieve a built interior environment. These solutions are functional, enhance the quality of life and culture of the occupants and are aesthetically attractive. Designs are created in response to and coordinated with the building shell and acknowledge the physical location and social context of the project. Designs must adhere to code and regulatory requirements, and encourage the principles of environmental sustainability. The interior design process follows a systematic and coordinated methodology, including research, analysis and integration of knowledge into the creative process, whereby the needs and resources of the client are satisfied to produce an interior space that fulfills the project goals.

Interior design includes a scope of services performed by a professional design practitioner, qualified by means of education, experience and examination, to protect and enhance the health, life safety and welfare of the public. These services may include any or all of the following tasks:

- Research and analysis of the client's goals and requirements; and development of documents, drawings and diagrams that outline those needs
- Formulation of preliminary space plans and two and three dimensional design concept studies and sketches that integrate the client's program needs and are based on knowledge of the principles of interior design and theories of human behavior
- Confirmation that preliminary space plans and design concepts are safe, functional, aesthetically appropriate, and meet all public health, safety and welfare requirements, including code, accessibility, environmental, and sustainability guidelines
- Selection of colors, materials and finishes to appropriately convey the design concept and to meet socio-psychological, functional, maintenance, lifecycle performance, environmental, and safety requirements
- Selection and specification of furniture, fixtures, equipment and millwork, including layout drawings and detailed product description; and provision of contract documentation to facilitate pricing, procurement and installation of furniture
- Provision of project management services, including preparation of project budgets and schedules
- Preparation of construction documents, consisting of plans, elevations, details and **specifications**, to illustrate non-structural and/or non-seismic partition layouts; power and communications locations; reflected ceiling plans and lighting designs; materials and finishes; and furniture layouts
- Preparation of construction documents to adhere to regional building and fire codes, municipal codes, and any other jurisdictional statutes, regulations and guidelines applicable to the interior space
- Coordination and collaboration with other allied design professionals who may be retained to provide consulting services, including but not limited to architects; structural, mechanical and electrical engineers, and various specialty consultants
- Confirmation that construction documents for non-structural and/or non-seismic construction are signed and sealed by the responsible interior designer, as applicable to jurisdictional requirements for filing with code enforcement officials

- Administration of contract documents, bids and negotiations as the client's agent
- Observation and reporting on the implementation of projects while in progress and upon completion, as a representative of and on behalf of the client; and conducting post-occupancy evaluation reports.

Table 1- Regression on Interior Design Wages and Any Regulation, 2008 ACS Sample

Variable	Coefficient
Age	.082*** (.014)
Age squared	-.001*** (.0001)
Sex (female=1)	-.353*** (.044)
Hispanic (1=yes)	.030 (.084)
Black (1=yes)	-.150 (.126)
Asian (1=yes)	.06 (.074)
Bachelor's Degree	.163*** (.05)
Master's Degree	.27*** (.081)
Regulation (1=yes in 2008)	.188*** (.053)
State Per Capita Income	.615*** (.180)
Observations	1734
R-squared	.09

***Significant at 1 percent level (two-tailed test)

Table 2-Regression on Interior Design Wages, Practice and Title Acts Included, 2008 ACS

Variable	Coefficient
Age	.081*** (.019)
Age squared	-.001*** (.000)
Sex (female=1)	-.374*** (.053)
Hispanic (yes=1)	.058 (.086)
Black (yes=1)	-.250** (.149)
Asian (yes=1)	.077 (.074)
Bachelor's Degree	.159*** (.064)
Master's Degree	.150* (.092)
Title Act	.268*** (.066)
Practice Act	-.068 (.087)
State Per Capita Income	.676*** (.200)
Observations	1734
R-Squared	.093

*Significant at 10 percent level, **Significant at 5 percent level, ***Significant at 1 percent level

Table 3-Regression on Interior Design Wages, Practice Act only, 2008 ACS

Variable	Coefficient
Age	.079*** (.018)
Age squared	-.001*** (.000)
Sex (female=1)	-.371*** (.053)
Hispanic (yes=1)	.087 (.087)
Black (yes=1)	-.222 (.150)
Asian (yes=1)	.081 (.081)
Bachelor's Degree	.166*** (.065)
Master's Degree	.145 (.094)
Practice Act	.014 (.086)
State Per Capita Income	.906*** (.197)
Observations	1734
R-Squared	.095

*Significant at 10 percent level, **Significant at 5 percent level, *** Significant at 1 percent level

Table 4-Pooled OLS Regression on Interior Design Wages, any regulation, 2001-2008 ACS

Variable	Coefficient
Age	.115*** (.003)
Age squared	-.001*** (.000)
Sex (female=1)	-.385*** (.015)
Hispanic (yes=1)	-.123*** (.024)
Black (yes=1)	-.177*** (.034)
Asian (yes=1)	-.011 (.031)
Bachelor's Degree	.245*** (.019)
Master's Degree	.497 (.019)
Regulation (yes=1)	.053*** (.016)
State Per Capita Income	.414*** (.053)
Observations	14590
R-Squared	.1691

*Significant at 10 percent level, **Significant at 5 percent level, ***Significant at 1 percent level

Table 5-Pooled OLS Regression, Title and Practice Acts, 2001-2008 ACS

Variable	Coefficient
Age	.115*** (.003)
Age squared	-.001*** (.000)
Sex (female=1)	-.385*** (.015)
Hispanic (yes=1)	-.122*** (.086)
Black (yes=1)	-.175** (.035)
Asian (yes=1)	-.011 (.030)
Bachelor's Degree	.246*** (.020)
Master's Degree	.497*** (.019)
Title Act	.056*** (.017)
Practice Act	-.016 (.025)
State Per Capita Income	.409*** (.200)
Observations	14590
R-Squared	.1685

*Significant at 10 percent level, **Significant at 5 percent level, *** Significant at 1 percent level

Table 6-Pooled OLS, Practice Act only, 2001-2008 ACS

Variable	Coefficient
Age	.115*** (.001)
Age squared	-.001*** (.000)
Sex (female=1)	-.384*** (.015)
Hispanic (yes=1)	-.114 (.023)
Black (yes=1)	-.175 (.035)
Asian (yes=1)	-.006 (.031)
Bachelor's Degree	.248*** (.020)
Master's Degree	.501 (.019)
Practice Act	.002 (.024)
State Per Capita Income	.433*** (.053)
Observations	1734
R-Squared	.1685

*Significant at 10 percent level, **Significant at 5 percent level, *** Significant at 1 percent level

Table 7-Fixed Effects Results, any regulation, 2001-2008 ACS

Variable	Coefficient
Age	.115*** (.005)
Age squared	-.001*** (.000)
Sex (female=1)	-.384*** (.017)
Hispanic (yes=1)	-.126 (.023)
Black (yes=1)	-.175 (.055)
Asian (yes=1)	-.016 (.033)
Bachelor's Degree	.241*** (.014)
Master's Degree	.490*** (.027)
Regulation	.045** (.014)
State Per Capita Income	.472*** (.123)
Observations	14590
R-Squared (overall)	.1690

*Significant at 10 percent level, **Significant at 5 percent level, *** Significant at 1 percent level

Table 8-Fixed Effects Results, Title and Practice Acts, 2001-2008 ACS

Variable	Coefficient
Age	.115*** (.004)
Age squared	-.001*** (.000)
Sex (female=1)	-.385*** (.017)
Hispanic (yes=1)	-.126*** (.023)
Black (yes=1)	-.175** (.055)
Asian (yes=1)	-.016 (.033)
Bachelor's Degree	.241*** (.015)
Master's Degree	.491*** (.027)
Title Act	.047** (.017)
Practice Act	-.012 (.019)
State Per Capita Income	.467*** (.128)
Observations	14590
R-Squared (overall)	.1691

*Significant at 10 percent level, **Significant at 5 percent level, *** Significant at 1 percent level

Table 9-Fixed Effects Results, Practice Act only, 2001-2008 ACS

Variable	Coefficient
Age	.115*** (.004)
Age squared	-.001*** (.000)
Sex (female=1)	-.383*** (.017)
Hispanic (yes=1)	-.122 (.023)
Black (yes=1)	-.175** (.055)
Asian (yes=1)	-.011 (.032)
Bachelor's Degree	.241*** (.015)
Master's Degree	.490 (.027)
Practice Act	.034 (.019)
State Per Capita Income	.502*** (.118)
Observations	14590
R-Squared (overall)	.1685

*Significant at 10 percent level, **Significant at 5 percent level, *** Significant at 1 percent level

Table 10-Regression on US Fire Death Rates, 2006

Variable	Coefficient
Population density	.001 (.001)
State Poverty Rate	.150 (.450)
Mean annual temperature	.057 (.157)
Mean annual precipitation	.184*** (.071)
State per capita income	-.001*** (.0003)
Regulation (1=yes)	-1.54 (.1.84)
Observations	49
R-squared	.46

*Significant at 10 percent level, **Significant at 5 percent level, * Significant at 1 percent level

Fire Death Rate Data from US Fire Administration

Climate data from National Climatic Data Center