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Locksmith Licensure in Oklahoma

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The Alarm, Locksmith, and Fire Sprinkler Industry Act¹ has no sunset date. The members of the Alarm and Locksmith Industry Committee have staggered terms, with two set to expire on June 30, 2019. Locksmith licensure should be repealed.

Current Law

Oklahoma requires a license to practice the profession of Locksmith — defined as “the sale, servicing or installing, repairing, rebuilding, readying, rekeying, repinning, adjusting or installing locks, mechanical or electronic security devices, annunciation devices not designed to require a response by law enforcement or opening or bypassing a lock by a means other than those intended by the manufacturer of such devices.”² In order to become a licensed locksmith, applicants must be at least 21 years old, show good moral character and fitness, and pass an exam showing they “meet such other standards as may be established by the Board relating to experience or knowledge of the alarm or locksmith industry.”

Seven of the nine members of the Alarm and Locksmith Industry Committee must be experienced practitioners in the alarm and locksmith industry, and

only one layperson is required to be on the board. These members set the qualifications for entry into the alarm and locksmith industry, and are responsible for assisting the Labor Commissioner in disciplinary actions. Thus, the industry is essentially self-regulating, but with the weight of government behind it.

Burden

An entrepreneur wishing to become a locksmith manager must pay \$170 in fees and pass an exam, with \$100 of the fees recurring every year. But only “experienced” locksmiths can get a manager’s license, which is required to operate independently or to supervise others. (The regulation is silent on how much “experience” is required.³) “Technicians” can be licensed without prior experience, if they pass an exam, but technicians are required to work for a licensed company under the supervision of a licensed manager. Managers working solo do not need a company license, but all locksmith or sales employees must be licensed, and their hiring triggers the requirement to obtain a company license⁴. In addition to the time and money spent on the license, exam, and training, applicants must provide a criminal background check from each state where they have lived in the last 10 years. Licensees have a continuing obligation to make the state aware of their current address, employer, and any new felony convictions or plea deals.

Only 15 states regulate locksmiths. Four of these —

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Nebraska, Nevada, Connecticut, and California — only require registration, and a fifth — Texas — requires registration with a minimum age of 18. Oklahoma is the only state that requires locksmiths to be 21 years of age.

Evaluating Whether to License Locksmiths

The 1889 Institute has published “Policy Maker’s Guide to Evaluating Proposed and Existing Professional Licensing Laws.”⁵ It argues that there are two reasons to license an occupation: 1) an occupation’s practices present a real and probable risk of harm to the general public or patrons if practitioners fail to act properly; AND 2) civil-law or market failure makes it difficult for patrons to obtain information, educate themselves, and judge whether an occupation’s practitioners are competent.

Do locksmiths inherently present a real and highly probable risk of significant harm to patrons if practitioners fail to act properly?

There are two components to licensure that are worth evaluating: the background check and registration component, and the competency exams. The background check and registration are meant to safeguard against things like unscrupulous locksmiths making an extra key and letting themselves in. This is already illegal under criminal statutes. The kinds of people willing to commit burglary have little motive to register with the state. Any consumer who asks to see a state license is also likely to do basic research before hiring a locksmith. Therefore, registration is unlikely to prevent crimes of opportunity.

Registration does, however, keep law-abiding citizens from competing with the regulated companies. Those who might do occasional locksmith work, such as the general handyman, are discouraged by licensure. While the fees and inconveniences might do little to deter someone committed to becoming a full-time locksmith, they are enough hassle to dissuade occasional workers, since only a small portion of their income would come from locksmith work. This forced specialization means consumers have to call multiple professionals, who all charge a minimum call fee, instead of

hiring one handyman to do all the work.

The competency exam component is equally flawed: a locksmith’s ability to perform the work should be self-evident. They unlock your door, or they don’t. They install new, working, locks, or they don’t. They do the job, or they don’t. There is no mystery. What’s more, artificially high prices for reputable locksmiths might actually lead some consumers to hire fly-by-night types or do the work themselves, with sometimes substandard results.

Is there a failure of civil law or free markets that makes it difficult for patrons to obtain information, educate themselves, and judge whether an occupation’s practitioners are competent?

No. Angie’s List, Yelp, and Associated Locksmiths of America are all good resources. Additionally, it should be possible to check the work of locksmiths prior to paying. Any defects should be immediately obvious — the customer is still locked out, or the new locks do not function properly.

Conclusion

The licensure of locksmiths is hard to justify. The locksmith portion of the Alarm, Locksmith, and Fire Sprinkler Industry Act should be repealed, and all references to locksmith activities should be rewritten to make it clear that these activities are not regulated by the act.

Locksmiths could be privately certified as outlined by the *21st Century Consumer Protection & Private Certification Act*, available as part of “**A Win-Win for Consumers and Professionals Alike: An Alternative to Occupational Licensing**,” available at <http://www.1889institute.org/licensing.html>. It would allow professionals who form private certifying associations to enforce private credentials through criminal fraud enforcement instead of costly civil actions if a certifying organization follows certain practices, including certain transparency and disclaimer requirements. The Associated Locksmiths of America already offers certifications, and membership in the organization requires a background check.

References

- ¹ 59 O.S. §§1800.1, et seq.
- ² Alarm, Locksmith, and Fire Sprinkler Industry Act and Administrative Rules 59 O.S. § 1800.3
- ³ OAC 380:75-3-7-(2)-(A): “Each application for licensure as a manager shall include verification of experience in the locksmith business.”
- ⁴ 380:75-3-7-(3)-(A) “Each technician shall work for a licensed Oklahoma locksmith company and under the supervision of a locksmith company manager.”
- ⁵ Available at <http://www.1889institute.org/licensing.html>.