

OCCUPATIONAL LICENSING

ASSESSING STATE POLICY AND PRACTICE



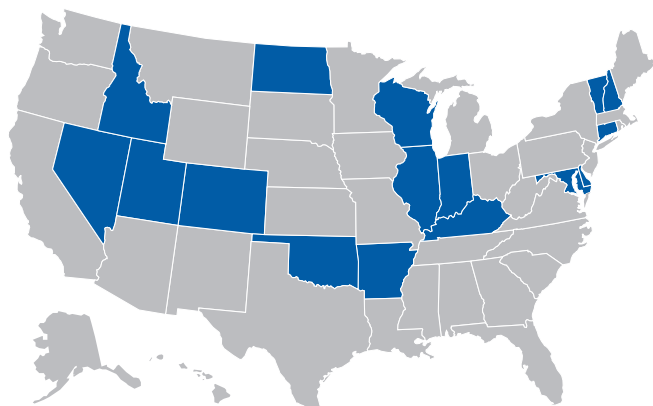
OVER THE LAST 60 YEARS, the number of jobs requiring an occupational license, or government approval to practice a profession, has grown from about 1 in 20 to nearly 1 in 4.

When implemented properly, occupational licensing can help protect the health and safety of consumers by requiring practitioners to undergo a designated amount of training and education in their field. However, differences and disparities in occupational licensing laws across states can create barriers for those looking to enter the labor market and make it harder for workers to relocate across state lines. Certain populations—including military spouses and families, immigrants with work authorization, people with criminal records, and unemployed and dislocated workers—are affected disproportionately by the requirements and variances of occupational licensing.

The National Conference of State Legislatures (NCSL), National Governors Association Center for Best Practices (NGA Center) and The Council of State Governments (CSG) are working with a group of 16 states on a multiyear project to identify solutions and best practices to the challenges occupational licensing policy can pose to workers. Funded by the U.S. Department of Labor's Employment and Training Administration, the project provides states with individualized technical assistance and opportunities to share work and best practices with other states in the cohort.

PRIMARY ACTIVITIES OF THE PROJECT

- ▶ **IDENTIFY BEST PRACTICES** around occupational licensing requirements, processes, mobility and communication through a combination of academic and public policy research and state examples.
- ▶ **CONVENE CRUCIAL IN-STATE STAKEHOLDERS** including policymakers and regulators to regularly discuss state activities and help inform state-specific action plans.
- ▶ **HOST ANNUAL MEETINGS** to convene policymakers and regulators to promote the sharing of best practices in occupational licensing policy and networking.



STATE ENGAGEMENT

The Occupational Licensing Project engages 16 states from across the nation in structured, peer learning groups with technical assistance from the partners and other national experts in the field. Each state's participation occurs through a project team consisting of relevant stakeholders who work in occupational licensing, including state legislators, governor's office staff and licensing agency officials. Through three cohort-wide annual meetings and 22 individualized in-state technical assistance meetings in three years, the project member states are making strides in reducing unnecessary barriers to labor market entry for their workers.

TRENDS IN THE WORK

Consortium member states are actively making changes to ensure occupational licensing preserves public health and safety without being overly burdensome to workers. Here are some of the trends from the states.

Changes to Regulatory Structure



- ▶ **ARKANSAS** and **IDAHO** have implemented sunrise or sunset processes.
- ▶ Some states have focused on board structure and board training, including **KENTUCKY** and **MARYLAND**.
- ▶ Other states are exploring the impact of licensing fees. **WISCONSIN** implemented a policy in 2019 which reduced the initial or renewal fees for approximately 75% of credential holders in the state.

Military Spouses and Veterans



- ▶ **KENTUCKY** pursued expedited licensure for service members first, before opening it up to include veterans, spouses and other family members.
- ▶ **ILLINOIS** expanded the length of expedited temporary licenses issued to service members from six months to three years.
- ▶ In 2018, **UTAH** passed legislation to allow military spouses who move to the state to practice their profession immediately upon relocation.

Immigrants with Work Authorization



- ▶ **COLORADO** passed legislation in 2019 to allow applicants for barber and cosmetology licenses to substitute on-the-job experience gained in a foreign country for the training hours the state requires for licensure.
- ▶ **MARYLAND** promulgated rules to allow for the use of interpreters on barber and cosmetology exams in 2018.
- ▶ **VERMONT** passed legislation requiring a uniform process for recognizing foreign education and training.

Individuals with Criminal Records



- ▶ **ILLINOIS** legislation amends state law to specify that mitigating factors are not a bar to licensure and provides the state's Department of Professional Regulation with guidance when considering licensure, registration or certification for an applicant with a criminal history.
- ▶ **DELAWARE** passed legislation lowering barriers to licensure for individuals involved in the justice system for HVAC installers/plumbers, electricians, massage therapists and real estate salespersons.

OCCUPATIONAL LICENSING REFORM 16 Consortium vs. 34 Non-Consortium States

LEGISLATION ENACTMENT RATE

Year	Consortium States	Non-Consortium States
2018	56.5%	38.2%
2019	54.1%	33.5%

EXECUTIVE ORDERS SINCE 2018

Consortium States	Non-Consortium States
8 Executive Orders	8 Executive Orders

GROWTH IN NUMBER OF WORKERS REQUIRING A LICENSE 1950s - TODAY



RESEARCH AND REPORTS

In addition to in person technical assistance, over the course of the project NCSL, the NGA Center and CSG have developed a **VARIETY OF RESOURCES FOR STATE POLICYMAKERS** including:

- ▶ 50-state minimum licensure requirement database
- ▶ 50-state occupational licensing legislation database
- ▶ Literature review scanning academic research and state trends in occupational licensing, and
- ▶ Four companion population reports exploring how licensing is more burdensome for some groups

To learn more about our resources, visit nctl.org/stateslicense and licensing.csg.org.