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## Statement from: Marc Hyden, Director of State Government Affairs, R Street Institute

In SUPPORT of SB 45, "Professions and Businesses; individuals who move to the state and establish residency to obtain a license by endorsement to practice certain professions and occupations in this state."

March 9, 2020

## House Regulated Industries Committee

Chairman and members of the committee,

My name is Marc Hyden, and I am the director of state government affairs at the R Street Institute, which is a nonprofit, nonpartisan, public policy research organization. Our mission is to engage in policy research and outreach to promote free markets and limited, effective government in many areas, including occupational licensing reform. That is why SB 45 is of special interest to us.

As of 2019, the fifth most popular state to move to was Georgia.<sup>1</sup> In fact, in that year alone, more than a quarter of a million people relocated here for various reasons.<sup>2</sup> However, that comes with challenges. Around 25 percent of Americans are required to obtain an occupational license to work, and many of these individuals struggle to obtain the government's permission to earn a living.<sup>3</sup> After all, numerous professional licenses are state-specific and do not cross state lines, and they can be difficult to obtain.

The last thing the state should do is make it harder for people who relocate here to earn a living—especially during the tenuous economic recovery in COVID-19's wake. This simply makes it more likely that individuals cannot care for themselves or their families and will be more likely to apply for taxpayer-funded assistance once here. Further, it is bad for business. Larger companies will be less inclined to work in Georgia if they understand that they would face undue difficulties transferring their employees from one state to another, and employees will be less likely to agree to a transfer if they worry that their spouse may not be able to obtain employment in Georgia easily because of undue licensing restrictions. This is the sad reality.

However, there is an answer to this problem. In 2020, Georgia enacted HB 914 to recognize the out-of-state licenses of military spouses through expedited licensure by endorsement if the out-of-state licenses were "substantially similar in qualifications and scope to the requirements" to Georgia's. Georgia should partially extend the military spouse model to all who move to Georgia, and ought to follow the lead of the many states (nine and counting) that have enacted some broad form of this measure.

SB 45 responsibly aims to do just this. To be clear, SB 45 is not blanket universal licensing recognition. SB 45 is far narrower, more restrictive and has more protections within it to ensure that workers are qualified and that consumers are safeguarded. If passed, SB 45 would build off of HB 914 and would direct licensing boards to extend licensure by endorsement to any worker who meets the following provisions:

- The applicant must establish residency in Georgia and have previously held an out-of-state
  license still in good standing that is "substantially similar in qualifications and scope" to
  Georgia's licensing requirements. This includes "training, experience, and testing." Licensing
  boards would have the power to determine what is substantially similar.
- Applicants must pass any examination required to demonstrate knowledge of the laws and rules and regulations of this state.
- Applicants cannot receive licensure by endorsement if they are under investigation by an out-ofstate board, and Georgia boards have the power to check for such investigations regularly.
- Non-military spouse applicants would not receive expedited processing. They must get in line with everyone else.
- Interstate compacts—many of which deal with healthcare professions—supersede this section.
   Further, dentists and physicians are expressly excluded from this code section, and it likewise does not apply to lawyers.
- This proposal requires compliance with OCGA 50-36-1—ensuring that only documented workers receive licensure by endorsement.<sup>5</sup>
- Finally, boards would have the power to remove a worker's endorsement and forbid them from continuing to work in their chosen profession if they run afoul of our state's rules and regulations.

The Georgia Senate passed SB 45 by a wide margin, and it is easy to see why. It is perhaps the most probusiness and pro-worker piece of legislation to get serious consideration from the legislature this year, and it even manages to enshrine consumer protections within it. The bottom line is that hundreds of thousands of individuals are relocating to Georgia every year. It is up to lawmakers to decide if they want to make it easier for them to provide for their families or not.

For all of these reasons, I respectfully request a hearing and favorable consideration for SB 45.

Thank you for your time.

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<sup>&</sup>lt;sup>1</sup> David Allison, U.S. Census: An estimated 284,541 people moved to Georgia in 2019, *Atlanta Business Chronicle*, Dec. 1, 2020. <a href="https://www.bizjournals.com/atlanta/news/2020/12/01/us-census-284-541-people-moved-to-georgia.html">https://www.bizjournals.com/atlanta/news/2020/12/01/us-census-284-541-people-moved-to-georgia.html</a>.

https://www.ncsl.org/Portals/1/HTML\_LargeReports/occupationallicensing\_final.htm#:~:text=Licensure %20Trends%20in%20the%20U.S.,workers%20today%20(Figure%201).

<sup>&</sup>lt;sup>2</sup> United States Census Bureau, "State-to-State Migration Flows," United States Department of Commerce, last accessed March 5, 2021. <a href="https://www.census.gov/data/tables/time-series/demo/geographic-mobility/state-to-state-migration.html">https://www.census.gov/data/tables/time-series/demo/geographic-mobility/state-to-state-migration.html</a>.

<sup>&</sup>lt;sup>3</sup> The State of Occupational Licensing: Research, State Policies and Trends, National Conference of State Legislatures, last accessed March 5, 2021.

<sup>&</sup>lt;sup>4</sup> HB 914, Professions and businesses; military spouses licensed in other states to practice certain professions and occupations in this state, Georgia General Assembly.

<sup>&</sup>lt;sup>5</sup> Title 50, O.C.G.A., § 50-36-1, Justia US Law, 2010.