



Testimony from:
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In SUPPORT of HB 343, “AN ACT relating to universal recognition of occupational licenses.”

June 22, 2023

Interim Joint Committee on Licensing, Occupations, and Administrative Regulations

Chairman Schickel, Chairman Koch and members of the Interim Joint Committee,

Thank you for considering my testimony. My name is Shoshana Weissmann, and I am a fellow studying regulatory policy for the R Street Institute, 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 professional licensing reform. This is why HB 343 is of particular interest to our organization.

As members of this joint committee, you know better than most that about one out of every four workers needs some kind of government-approved certification to work in their chosen profession.¹ Unfortunately, most licenses are not designed with mobility in mind. This is where workers need help.

If this legislation is enacted, Kentucky would join more than 20 other states that currently allow people to acquire licenses based on licensure and actual work in other states. Those that have enacted this reform have seen substantial benefits.² Universal recognition of occupational licenses will encourage people to move to Kentucky and enable current residents to get back to the specialized work they know best. One study found that “the migration rate into states with universal recognition increased by about 0.77 percentage points or 48.4% among individuals with low portability licenses after the policy change.”³ The study also finds that “trailing spouses with out-of-state licenses are the major beneficiary

¹ Tyler Boesch et al., “How occupational licensing limits access to jobs among workers of color,” Federal Reserve Bank of Minneapolis, March 11, 2022. <https://www.minneapolisfed.org/article/2022/how-occupational-licensing-limits-access-to-jobs-among-workers-of-color>.

² “State Reforms for Universal License Recognition,” Institute for Justice, last accessed June 13, 2023. <https://ij.org/legislative-advocacy/states-reforms-for-universal-recognition-of-occupational-licensing>.

³ Kihwan Bae and Edward Timmons, “Now You Can Take It with You: Effects of Occupational Credential Recognition on Labor Market Outcomes,” SSRN, March 8, 2023. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4389898.

of universal recognition.”⁴ In other words, this policy would heavily benefit spouses of people who have already moved to the Commonwealth of Kentucky for a better job.

Improving licensing recognition for the spouses of our service members is particularly important, as military families often spend only a short time in one place, and 34 percent of military spouses work in professions that require licenses.⁵ The longer they must wait to reacquire credentials to secure a job in their field of expertise, the more strain their family experiences. Furthermore, a majority of married service members list their spouse’s career prospects as a moderate or large factor in their decision to re-enlist.⁶ It is therefore imperative to national security that our laws not burden military families in this way.

Last year, Kentucky enrolled legislation that eased the licensing recognition process for military spouses who relocate to the Commonwealth.⁷ While HB 343 legislation applies to civilians as well and does not require residency, it maintains many necessary safety protections. For example, it requires that boards issue Kentucky licenses to individuals when the following standards are met:

- The person holds a valid license with a similar scope of practice in another jurisdiction.
- The person has held that license for at least one year.
- The license they hold is in good standing.
- The person does not have a criminal record that would disqualify them from holding the license.
- Their license has not been revoked due to negligence or misconduct in their work.
- The person does not have a complaint pending before a board in another jurisdiction that “relates to unprofessional conduct or an alleged crime.”
- The person pays all requisite fees.

HB 343 would also allow professionals who have practiced in other jurisdictions that do not license the relevant profession to receive a license in Kentucky as long as they have practiced for three years. They may also need to pass a jurisprudence exam. The law would also ensure that applicants receive their decision within 30 days and allow them to appeal the decision.

Finally, HB 343 grants the governor certain emergency powers to expand professional scope of practice and authorize professionals to work in the state during emergencies. This provision is particularly wise in light of the recent COVID-19 pandemic, in which various medical professionals needed to work in different states to serve residents. But in other kinds of emergencies, from floods to tornadoes, the availability of more licensed plumbers, electricians, contractors and others would improve the state’s safety and ability to recover from disaster.

⁴ Bae and Timmons. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4389898.

⁵ Women’s Bureau, “Military Spouses Fact Sheet,” U.S. Department of Labor, last accessed June 13, 2023.

<https://www.dol.gov/sites/dolgov/files/WB/mib/WB-MilSpouse-factsheet.pdf>.

⁶ “Supporting our Military Families: Best Practices for Streamlining Occupational Licensing Across State Lines,” U.S. Department of the Treasury and U.S. Department of Defense, February 2012.

<https://download.militaryonesource.mil/12038/MOS/Reports/Occupational-Licensing-and-Military-Spouses-Report.pdf>.

⁷ HB 91, AN ACT relating to the issuance and renewal of occupational licenses to military spouses, 2022 Regular Session. <https://apps.legislature.ky.gov/recorddocuments/bill/22RS/hb91/bill.pdf>.

As you consider HB 343, we encourage you to think about the benefits this legislation would provide the Commonwealth of Kentucky. Not only would the bill encourage people to move to Kentucky, it would also enable current residents to get back to the work they know best, expand service options for consumers and ease emergency recovery.

Thank you very much for your time,

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