**WorkforceGPS**

**Transcript of Webinar**

**Lessons Learned from the State Occupational Licensing Consortium -Addressing State Policies**

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GRACE MCCALL: So without further ado I'd like to turn things over to our moderator for today, Pam Frugoli, senior workforce analyst, Employment and Training Administration, United States Department of Labor. Take it away, Pam.

PAM FRUGOLI: Thank you, Grace. And welcome to our webinar on Lessons Learned from the State Occupational Licensing Consortium addressing state policies and practices. Over the past four years, starting in January 2017, the Department of Labor has sponsored a project to provide technical assistance to states to review occupational licensing requirements to address workforce issues such as access, training requirements and geographic mobility. This project was conducted through a cooperative grant agreement lead by the National Conference of State Legislatures, or NCSL, and two partners associations which worked with a consortium of states.

So I'm very pleased today that we're going to be able to hear from three presenters closely involved in this activity: Suzanne Hultin, the program director of the Employment Labor and Retirement Program with the National Conference of State Legislatures; Representative Gayann DeMordaunt, from the Idaho House of Representatives; and Buddy Johnson, parliamentarian with Arkansas House of Representatives.

The learning objectives for today's webinar are that you will have an opportunity to hear firsthand about the work of the project and of the state consortium. You will learn about a range of approaches and solutions from states that have already addressed various issues of licensing access and portability and also you will learn where to find relevant resources that can be useful in your own state.

And with that, I will turn it over to Suzanne Hultin. Take it away.

SUZANNE HULTIN: Great. Thank you so much Pam for having me here. And I'm excited to share more about this four-year project and some of the lessons learned along the way. We are currently wrapping up our final report on the project which will be out the week of December 7th, but I'll be sharing some of the findings discussed in the report.

So as Pam mentioned, this was a joint partnership, obviously, with the U.S. Department of Labor's Employment and Training Administration but also between myself; I'm with the National Conference of State Legislatures, the National Governor's Association Center for Best Practices and the Counsel of Statement Government.

Really, we had two goals going into the project, the first one being to help states reduce barriers to entry into licensed occupations. And the second to help states improve the portability of licenses across state lines. And right now we want to show you just a quick two-minute video that really gives you an overview of the project as a whole.

(Video plays.)

MS. HULTIN: Thank you for playing that video. I hope you all enjoyed that. We do have a longer version of that video that will be made available on NCSL's webpage in December when we roll out the report. So I'm going to jump back a slide.

So really the work of the partners on the project was two-fold: The first component was the multi-state learning consortium which provided peer-to-peer learning for states and this brought together a group of eight teams in large forums to hear from each other as well as subject matter experts. The states were also provided with individual state convenings, all of which were assisted by the partners who provided the third-party facilitation to the teams.

The other key component of the project was the resources and research that the partner organizations put together. This includes a national database on occupational licensing requirements. We tracked all state legislation introduced and enacted in the 50 states and then we put together multiple resources on the four population groups, which I will touch on in a moment here.

Through a competitive application process, in 2017 we selected 11 states to participate in the first consortium and those states are highlighted in yellow on the map. And then in 2018 through additional DOL funding, we were able to add five more states which are in purple. I apologize, there's some jumping of the slides here. As I mentioned earlier, one of the key components were the multi-state learning consortium meetings. These annual meetings were structured so that half the time was spent hearing from experts on occupational licensing issues and trends and then the other half was spent in state team time. The state teams, which consisted of legislatures, legislative staff, governors' office staff and regulatory or agency heads, spent this time identifying their goals in the state and mapping out the process to implement the changes.

Along with the multi-state convenings, the partners also worked with each state in hosting in-state convenings where they could bring together a larger stakeholder group to walk through their goals, sometimes assigning sub-committees or delegating tasks to certain departments or agencies. And we had a quick timeline of what those meetings look like. Here we go. Over the course of the last four years, we have tracked the efforts of the consortium states in reaching the overarching goals of reducing barriers and improving portability. And so I'll touch on some of those efforts in the states.

In terms of reducing barriers, much of the work focused around the four different population groups. Military families received the most attention among the states, that includes service members, veterans and military spouses. This group faces challenges when it comes to applying training, education and experience earned while in the military to state licensing requirements. Military spouses in particular move often and have a hard time practicing in licensed occupations that have discrepancies in requirements. To address this, many states focus on expediting licensure processes, exempting military service members and spouses from certain requirements if they had practiced and were licensed in another state.

The second population group that received a lot of interest was people with a criminal record. This population group faces challenges entering licensed occupations due to outright bands on criminal history many times at the discretion of boards. There were a few types of actions states took to address this group such as limiting the length of time criminal convictions can prevent licensing, specifying the types of disqualifying criminal convictions and allowing for predetermination or an early ruling if an applicant's history will disqualify them from licensure.

A handful of states worked on addressing barriers for immigrants for work authorization. Similar to military service members, this group faces challenges of applying experience or education earned in another country towards state licensing requirements. States that address this group examined ways to allow for education and training received in another country to apply towards a state license.

Finally, dislocated and low-income workers received the last amount of attention mostly due to it being a tough group to define and these individuals often fall into one of the other three population groups. States that did work on this group focused on reducing or waving the initial cost to licensure such as exam and licensing fees for those who made less than a certain amount. And, so, you can see here the states and what they focused on throughout the project.

The second goal focused on portability of licenses. And this also received a lot of attention by the states. Broadly defined, license portability is the ability of a licensed individual to align and transfer their qualifications to meet the licensing requirements of another state. There are many policy options that were explored and enacted by consortium states over the last four years.

Licensure by endorsement allows states to consider the qualifications of an individual in another jurisdiction in respect to their own requirements. Some states prescribe that the experience must be substantially equal to or greater than the state's standards. And, so, we saw this method of portability used for occupations such as cosmetology where requirements could be streamlined to be in line with the requirements in neighboring states.

And there is reciprocity agreements. These are formal agreements between states, typically neighboring states where mobility of license holders is more likely to occur. This is a formal process but does not necessarily mean that licenses are granted by the participating states or that they're interchangeably recognized but rather sets up a formal process of understanding and this can reduce the time it takes for an individual to be granted authorization to work in a participating state. We did not see much action on this in the consortium phase, however.

Next is expedited and temporary licensure. This is something that most states have adopted. It allows the appropriate licensing entity to prioritize the processing of an out of state license holder's application. This can also allow temporary licensure, granting individuals to work under certain conditions until a full license is granted. These can be separately or in conjunction with each other and we found these policy options were popular to states especially addressing military spouses.

And then finally interstate compacts is an area that we saw a lot of attention over the last few years. Since January of 2017 40 states have enacted 106 separate interstate compact bills. The compacts create reciprocal professional licensing practices between states. It establishes formal binding coordination among state licensing boards and requires investigative information sharing. These, of course, are most common in the medical professions which include nurses, medical doctors, physical therapists, emergency management service personnel, just to name a few.

So those are some of the trends that we saw among the consortium states. We also were able to identify a few lessons learned throughout the project and I want to highlight just a few of them here. First off, the first one is the importance of messaging. Nearly every state that we worked with realized early on that properly messaging their occupational licensing work was important.

Cross-messaging could bring the right stakeholders to the table and gain buy-in. Proper messaging also helps to reduce any fears of deregulation as that was not the goal of the project but was sometimes misconstrued in states as such. States also found that engaging with legislators early in the process could help move legislation through quicker instead of bringing them in later without their buy in. And then finally states also found success connecting the licensing work to broad workforce issues and initiatives that were going on in the state.

Another important lesson that was learned is the importance of stakeholder engagement. As I just mentioned, the value of engaging with legislators early in the process through our legislative tracking we found that although non-consortium states introduced more bills in total than consortium states did on occupational licensing, the rate at which those bills were enacted was substantially higher among the consortium states. Sixty percent enactment for consortium states compared to 42 percent for non-consortium states. And what that told us was that the consortium states were having the right conversations and engaging with the right stakeholders including legislators, resulting in legislation that didn't face as many hurdles or wasn't dead upon arrival.

Similarly was including regulators, states found that having that group involved was so important given their in-depth knowledge of the regulatory process and variances across all occupations. So many of these initial engagements were created through this project but some of the states have found ways to formalize the engagements and continue the work.

And, so, that brings us to our third lesson learned, which was on the importance of sunrise and sunset commission. Essentially the commission is to review new and existing licensing regulations and this became a topic of interest among a lot of states early on in the project and remained a priority for many states, some of it which were able to create these review processes and you will hear a little bit more about this in just a moment.

So I am going to right now turn it over to one of our participating state members, Representative Gayann DeMordaunt from Idaho who is co-chair of the occupational licensing interim committee. So welcome Representative.

GAYANN DEMORDAUNT: Thank you, Suzanne. It is such a pleasure to be able to share the program today with you and certainly with Buddy from Arkansas. Very pleased to be here and talk about something that we've, gosh, made a tremendous amount of progress on in the state of Idaho. It probably comes with no surprise to many of you listening that Idaho is a pretty red state.

We are definitely Republican-controlled both executive and legislative and both the house and senate in the legislature. So I say that because this has been a definitely – has not been a non-partisan issue and has been very much facilitated and forwarded by both sides. And that has been a terrific thing to be involved in. And I think that it speaks to the fact that this is really a non-partisan issue and can be accomplished and should be accomplished in every state.

Now for us, let me give a little background in terms of how we came into existence as a committee and how it came to be that we were so engaged on this occupational licensing. Back in 2017 when our now governor Brad Little was the lieutenant governor, he enacted something called the licensing freedom act and that initiated boards, every licensing board, to do a deep dive and explore and document where barriers existed, what regulations were necessary and what perhaps were archaic or unnecessary to licensing. And that resulted in a 200-page document about 254 different regulations that were either obsolete or deemed unnecessary. Along with that was a deep dive into the discipline that was taken by any board over the last five years.

So that gave us a great starting point from the executive branch. Now, as we saw this shaping up and this deep dive being done by our licensing boards, the legislature recognized that we need to be engaged in this as well and formed a regulatory reform subcommittee that then became the occupational licensing interim committee which I co-chair.

And I will say, one of the successes has been, again, bi-partisan but also legislative and executive. So these licensing boards in your states most often are housed in the executive branch. And to have a two-pronged approach in regards to occupation licensing, has been, I think, one of the keys to our success. Once this interim committee was formed, it wasn't long before we were invited as one of those five additional states to join the consortium.

I was joking with Buddy before the call that I was a long-time admirer and certainly spent many late nights researching and reading about what was happening in Arkansas. I also spent many late nights reading through this 200-plus page document that was generated from this licensing freedom act. I'm a bit of a junkie when it comes to that. But it was so incredibly helpful to set us on the right path and know what we needed to tackle. And, then, you know, join together with association folks, licensing board folks, and then of course our committee and be able to then engage the resources of the consortium. So we were very pleased to be invited to that.

Now, after our very first attendance at the conference that the consortium offered in 2018, we were able to do some great things in that next legislative session. And let me just forward – so you'll see in 2018 we were able to make sure that military education was recognized and accepted in the licensing process to expedite, to require those licenses of our very mobile military members to be expedited and their spouses.

And then, of course, we required a licensing authority to establish the process, to make sure that it was in their code that they expedite and recognize a license that was in good standing in any other state. Now, that was important because it set up some groundwork and really a pilot, if you will, for our universal licensing. So that was in 2018 and the response to that was very good and of course in line with the board resources and direction of the consortium.

So then as we moved along the next legislative session, it became very clear in our meetings with the consortium that we could tackle a sunrise review process. That is not something that we had talked about or considered in Idaho previously but you know one of the resources of a consortium was facilitating conversations within the attendees from any individual state but also in between states.

And I can tell you as I watched the video, that there were many people that I recognized and came to know through these consortium meetings and in collaborating with them and being able to use them as a resource as we developed our sunrise process, which is critical for us. So that facilitation both among our own team and then with other states was so helpful.

So other things that we tackled in that next legislative session, 2019, was requiring that licensing authority establish a procedure to issue a license to anyone that holds a license in good standing in another state. So we moved from that military and military spouse and veteran recognition of outside licenses to that being applicable to all professions and known commonly as universal licensure. So that was a big leap forward for us.

And then of course we tackled the criminal record issue that has the recidivism rate, we can certainly attribute to those barriers that exist in our official licensing for those with criminal records. So we tackled that.

And we had a pretty aggressive agenda in that 2019 session. We also along with that kind of a two-prong approach to criminal backgrounds and that was we were seeing that in our correctional facilities there was training happening and those that were engaging in the training may have a crime that would negate them from being able to in the future hold a license. So we did address that with a piece of legislation that allowed for those with a criminal background or prior conviction to reach out to a board and have a board direct them as to whether they would be precluded automatically from practicing in that profession.

We also addressed throughout all of our licensing, the word moral turpitude and moral character. Again, that was really important. And I can't tell you how many pages of legislation and places where those two words, moral turpitude and moral character, appeared and acts as a barrier or a precluder (sic) for a licensing board to allow those with criminal backgrounds to work. So that's really important.

Now, let me fast forward to what we are tackling today. And again in line with those things that we were able to take away from and collaborate with the consortium participants on was a sunset process. So we're right now viewing our sunrise application, our sunset process we will present to our legislature in January.

Another thing that we're tackling is telehealth. Now, of course, telehealth, we've seen all states with the barriers on that in terms of inter-state practice of telehealth allowing out of state providers during COVID. The usage of telehealth in Idaho has been significant. We're a rural state, it's been important, it was important before, but it has certainly been accelerated and so we're looking to make that permanent.

Another item that we're tackling is apprenticeship and this speaks to the great work of DOL and we hope to make those, I think, 1200 plus apprenticeships that DOL has created. We want those to be recognized by all of our boards as a viable alternative to traditional education in seeking licensure.

And then we are adding additional language to our military spouse and veteran. You know when we first did that piece of legislation, I like to say it's the most comprehensive and aggressive in the nation in that we included veterans and veterans' spouses. And no time limit on that. So we felt like it was very comprehensive and aggressive and we're tidying that up to make sure that it does exactly what we want it to do and that is address the portability and of course the experience of our military personnel, spouses and veterans.

So finally, I think to reiterate some of what Suzanne said and certainly our own experience as a consortium member and that is – it really has taken the concerted effort of both the legislative and executive branch, and certainly working closely with our occupational licensing boards and associations.

So that has been a very collaborative approach on our part. And the continuity of our committee has also contributed to being able to tackle quite a bit in the last two and a half years. And we've tried to maintain this interim committee although it is reauthorized each year. We hope to make that a permanent committee and to continue to address occupational licensing and regulatory reform in a concentrated effort and keep that consistency from the legislative branch.

The resources were just tremendous, and you know we engaged the experts that were available. We used other states as their model legislation and numerous conference calls, and we invited people to make those in-state presentations that we had connected with that consortium which invites those experts to testify in our committee meetings.

So I just can't say enough about the use of those resources and we were so grateful to be included. And I might just end with this and then of course, I'm happy to take questions at the end but when Suzanne talks about messaging I cannot emphasize that enough. The messaging is critical, the communication is critical, but telling people what needs to happen, telling the story of why it needs to happen and – (inaudible) – not just messaging amongst my legislative colleagues but statewide I think we need people to understand that these barriers to licensing, that these barriers to work really does impact not only the worker but it impacts our economy and the consumer and what they pay for things. So removing these barriers again in a non-partisan comprehensive approach it moves us forward economically as well as in the job sector.

So thank you so much, Suzanne. I appreciate the invitation to be able to speak.

MS. HULTIN: Thank you very much, Representative DeMordaunt. And now we're going to move over to Buddy Johnson, who's Parliamentarian in the Arkansas House of Representatives and has been involved in this project for almost the entirety of the four years. So welcome, Buddy.

BUDDY JOHNSON: Thank you, Suzanne and thank you Representative DeMordaunt for that excellent presentation. I think a theme that is emerging is the cooperation necessary among the legislative and executive branch and other stakeholders in moving this process forward.

I wanted to describe what happened in our state. Arkansas's involvement as one of the original 11 states in the occupational licensing learning consortium launched us in the right direction for reform. From day one we involved three key groups: Legislative leaders who would be making decisions about adopting reforms, executive branch officials who would make the reforms happen, and license holders who would be living with the results. Success depended on the three groups working together.

So Arkansas core team which we established when we made application to be a part of the consortium returned from our first consortium meeting three years ago with solid goals and plans of action.

We put together an advisory group of occupational licensing stakeholders, regulators, and license holders, labor and industry representatives, education officials and private citizens. The group became known as the Occupational Licensing Advisory Group, or OLAG. One of OLAG's first steps was to survey of licensing entities on topics that were the focus of the consortium, identifying and removing barriers to labor market entry. This researched based approach provided a strong foundation for the reforms to come.

Licensing entities were eager to become involved in the work and were encouraged to do so. A group within OLAG even put together what became known as the self-assessment tool to help regulate towards identifying and overcome barriers present in their operations. When Representative DeMordaunt was describing their early process of the entities taking a deep dive into their operations, it reminded me of what the self-assessment tool accomplished in Arkansas.

One of the goals of the core team was create a taskforce of sorts to develop specific recommendations for reform. With the executive branch strongly involved in the work, Governor Asa Hutchinson appointed a 17-member team that he called the red tape reduction working group. This group included core team members already familiar with the goals of reform. Working with OLAG the working group considered the survey results and reviewed recommendations for specific courses of action. It shaped proposals and included them in a final report prior to the regulator legislative session which convened in January 2019.

This was just a little over a year after the Arkansas core team held its first meeting as part of the consortium. The general assembly during its regular session that year adopted most of the recommendations from the red tape reduction working group. These included new laws to overcome burdensome or vague criminal background restrictions on licensing, improve processes for licensing members of the armed services and their spouses, streamlined rule making processes for licensing entities, and improved portability of licenses from other states.

The landmark piece of reform legislation became Act 600 of 2019. This law created a systematic process for reviewing the creation of new licenses and for reviewing the continuation of existing ones. The law authorized formation of a new occupational licensing review subcommittee of the legislative council, the interim committee that carries out moist of the legislature's work between formal sessions of the general assembly.

The subcommittee has completed it first of six annual cycles of reviewing licensing entities and determining how those processes might be strengthened. Its preliminary recommendations include the elimination of at least four occupational licenses and the reduction of certain license fees. Those recommendations are to be considered in the next regular session of the legislature which begins in January.

Meanwhile, the governor has appointed a follow-up task force, the occupational licensing reform sustainability group. So hindered to a degree by the pandemic, the working group is on the verge of recommending other reforms to the general assembly. These include further clarifying state law on the effect of criminal records on state licensing and improving the licensure of military personnel and their spouses.

Over the past three years, Arkansas has made significant progress in the area of occupational licensing reform. I see as instrumental to the success, the involvement from day one of three key groups: Legislators, executive branch administrators and license holders themselves. I hope the work accomplished provides the framework for continued reform and improvements ahead.

That's it from me, Pam. Thanks a lot for inviting me to participate.

MS. FRUGOLI: Thank you to all of you for sharing your lessons learned. I think it's really very useful to hear from people who actually did the work at the state level. And I just want to highlight though that while the project with the consortium of states is concluding at the end of December after four years, many of the resources that have been produced throughout the project to support the states are still available online and they continue to be useful for all states. So here's the website. It's on the National Conference of State Legislature's website at States License. This is the beginning screen where you can see that there are links to research and publications and to read some news on occupational licensing in the state.

Then if you scroll down there are links to a report on state regulatory structures and to two databases: The National Occupational Licensing Database which compares licensing requirements information, you know many, many columns of it for over 30 occupations across all 50 states, not just the states in the consortium. So you can see if your state, the number of hours required for a cosmetology license, where it stands compared to other states, things like that. Then there's also a database of Occupational Licensing Legislation that is being considered in the state so you can sort of see what other states are doing. So these are very useful resources and they're searchable online once you click on this page.

In addition, I want to mention some of the specific reports. There was an early report on the state of occupational licensing at the beginning of the project and then in 2019 there was an update of that because of the work that had been done over time. Suzanne has mentioned the focus on the four subpopulations that are very much impacted by licensing requirements and there are reports for each of those available at the link shown. And in addition, there is a special report that was produced on licensing policy options during the pandemic because as Representative DeMordaunt mentioned, you know telehealth and transferring people across state lines was a very important response that was needed, especially for healthcare workers.

Then Suzanne also mentioned the interest in inter-state compacts and so there are a number of reports that were produced by the Council of State Governments on regulatory structure and then two about inter-state compacts and they're available at the link shown on the slide. And so those things – there's actually some continuing grants so those sites, the databases will be kept up to date as far as legislation and so forth.

And now we have time for questions. I think we have a couple that came in. And if you have other questions, please type them in now and we'll get to them. I see we did answer earlier the question about the licensing database.

Is there a federal law that makes it easier for persons with a criminal record to get a job with the federal government? Well, a lot of that will depend on security clearances, jobs that require security clearances. So that was not a focus of this project because I'm not sure about the interaction of security clearances with federal licenses. That is something that could be looked into. I'm not sure if that is Department of Labor or if that would be perhaps office personnel management or even the Department of Justice. Right, so if someone's happy to see the information about persons with a criminal record. And again there is a special report on that. It's available on the NCSL website.

Now, we don't have anyone who's an expert on the inter-state compacts. Suzanne, do you have anything to say about are there recommendations for reciprocity agreements with Puerto Rico for licensing obtained in other countries?

MS. HULTIN: Yeah, I am not aware of that and I would be happy to look into that further. I want to say that I believe Puerto Rico is involved with some of the compact, but I don't know for sure. So again, the Council of State Governments would have the most information on that and Pam did lead to their resources earlier. Yeah, so I –

MS. FRUGOLI: Right.

MS. HULTIN: – wouldn't be able to answer that one.

MS. FRUGOLI: And on that website you will find there are some maps of which states are and which license to contact. So if not maps, then listings. So are there any other questions? Best practices for extending licenses for skilled immigrants. Suzanne, was there any one state that really – I know you had a slide that showed which states addressed that.

MS. HULTIN: Yeah, you know it's the state of Colorado has spent a lot of time working on that. The consortium team actually had a subcommittee that spent some time on foreign trained individuals and they did have legislation that they enacted, and I don't have it in front of me, but it essentially allows for certain types of education and training that they received in a foreign country to be applied towards licensure in the states. They also spent a lot of time talking about how exams are given and if the exams can be given in different languages, so I know that's something else that they're diving into especially in the kind of cosmetology type professions. But Colorado did enact a bill and we do highlight it in our final report, which again will be out the week of December 7th, so we do have that included in there.

MS. FRUGOLI: Right. And then there's a question about best resources for state reforms in healthcare and behavioral health licenses. Mm. That you might actually need to look at the databases that compare requirements across healthcare occupations and also at the legislative database. I don't know, Suzanne, if you have other suggestions or Buddy or Gayann in this area.

MS. HULTIN: I will add that NCSL we work a lot of our other programs and organizations and so we've been working really closely with our health program. And in response to COVID, especially, we put together some information on healthcare workforce and I know our health team's put together some information on telehealth in response to COVID. And, so, all of those resources are available, and they're linked through our occupational licensing webpage. So again, that's NCSL.org/StatesLicense. I think we might have a couple blogs and a couple kind of short one-page documents on that.

MS. FRUGOLI: Thank you, Suzanne. And I think this is a follow-up question on the federal requirements for persons with criminal records. It's about commercial long-distance truckers. If they cannot obtain clearance for access to harbors or airports, it restricts their actions for work. Again, we did not focus in this project on federal licenses. That might be something we need to refer to maybe at Department of Transportation but thank you for raising that to our attention. Are there any other questions in the chat, Grace? It’s a lot to take in, I know. You may have questions after you look at some of the materials.

So we want to thank everyone for participating today and joining us. We hope this was helpful. I want to thank our presenters, Suzanne Hultin, from NCSL, Representative DeMordaunt from Idaho and Buddy Johnson from Arkansas. And please visit the website and take a look at the resources, the databases and reports and materials. And I believe we have our contact information. Yes. So if you do have follow-up questions later, you can reach us via email to ask those questions if you think of things at some other point in time.

MS. DEMORDAUNT: And Pam I'm very happy to make my contact information available if people are interested in contacting me about what we've done in Idaho.

MS. FRUGOLI: Okay. I think we can add that afterwards to the slides we post. Sorry. I wasn't able to confirm that before we finalized the slides. Thank you.

(END)