



February 17, 2020

Madame Chairwoman and Members of the Committee,

On behalf of the Wichita Regional Chamber of Commerce and our 1,700+ members, thank you for the opportunity to provide testimony in support of SB 366, expanding the military spouse and servicemember's expedited licensure law to certain other license, certificate or registration applicants.

The Wichita Chamber's 2020 legislative agenda contains important policy proposals related to workforce development, and filling the workforce pipeline is at the top of our agenda. The Wichita Chamber's legislative agenda survey, sent to our members this past fall, showed that 90% of respondents "support legislation that directs licensing agencies in the State of Kansas to honor occupational licenses in good standing earned by workers in other states."^a

SB 366 would enact occupational licensing reciprocity by expanding on existing law that applies to military spouses and service members (KSA 48-3401 through 48-3408). It is certainly encouraging that Kansas provides military spouses and servicemembers with access to this policy today; however, after hearing from several conferees at the December 2019 meeting of the Governor's Education Council, I believe improvements could be made related to public awareness and enforcement. The anecdotal evidence I've come across tells me that there is a not-insignificant number of military spouses and servicemembers in Kansas who are not aware of this policy. Applying this policy more broadly should lead to better awareness of the policy's benefits to military spouses and servicemembers. Another advantage is more consistent application, as the policy is implemented more frequently by licensing agencies and utilized by more and more applicants.

SB 366 requires Kansas licensing agencies to issue occupational licenses if a person has a valid license in another state with substantially similar licensing requirements or if the person has met work or experience requirements if no similar license is issued by the other state. In circumstances where Kansas standards exceed that of another state, this legislation allows for the individual to be granted a temporary permit while completing the necessary educational requirements of the Kansas license.

As you review this legislation, I would encourage you to think of your own experience in traveling to other states. You, or perhaps another Kansan traveling with you, may have received a manicure or a haircut from a cosmetologist, consulted with a pharmacist about filling a prescription, driven over a bridge designed by an engineer, talked with a nurse about an ailment, slept in a building designed by an architect, and maybe even purchased property with the help of a real estate agent. I'd like to suggest to you that consumers already behave as if occupational licensing regulations are the same, or "substantially equivalent," in all states. In

the situations I cited above, you were most likely not wondering if the licensing regime of the state you were in at the time was substantially equivalent to Kansas' regulations. You knew the professional was licensed (or registered or certified), received the benefits of their work, and moved on with your day. This bill goes the extra mile by ensuring that applicants have met substantially equivalent requirements to be eligible to work in the state.

SB 366 also helps address a workforce development and talent attraction issue. The good news: companies are growing and expanding right here in Kansas. The bad news: they are struggling to find qualified, trained, and educated workers. Kansas' unemployment rate was 3.2% as of December 2019^b, and in many cases our member businesses cannot find qualified applicants to fill their open positions. SB 366 will remove barriers to employment for individuals moving into the state of Kansas for professions where licenses are required.

This is also a growth issue. I'm confident that the members of this committee and the Legislature as a whole, regardless of political affiliation, agree that Kansas needs to grow. I believe SB 366 will help accomplish this. In a report published a few years ago, the Kauffman Foundation stated, "Differences in state licensing requirements can make it difficult for entrepreneurs and workers to find opportunities and jobs, creating stale labor markets and underemployment. Mutual recognition of other state licenses would improve worker mobility and, thereby, boost economic dynamism."^c A growing economy relies on a skilled, productive workforce. We all want to import educated and trained workers rather than exporting them to other states. Let's make it easier for qualified workers from other states to move to Kansas and immediately join our labor force, with all the economic growth and tax/fee revenues that come along with that.

SB 366 is a policy tool that can help attract a skilled workforce to our state, but it cuts both ways. Arizona was the first in the country to implement "universal licensing recognition," passing HB 2569 last year. Pennsylvania and Montana have since followed suit. Other states won't be far behind. This Legislature may decide to wait to pass SB 366, or send it to an interim committee to study it. But that won't stop other states from passing their own occupational licensing reciprocity bills.

Instead of more brain drain, it's time for Kansas to be the beneficiary of some brain gain. With this in mind, the Wichita Regional Chamber of Commerce asks the Committee to report SB 366 favorable for passage.

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^a <https://www.wichitachamber.org/advocacy/legislative-agendas/>

^b <https://www.bls.gov/eag/eag.ks.htm>

^c <https://www.kauffman.org/what-we-do/resources/entrepreneurship-policy-digest/occupational-licensing-a-barrier-to-entrepreneurship>