



TESTIMONY ON HOUSE BILL SB 137

Kansas Senate Committee on Commerce

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Chairman Olson, Vice Chair Steffen, Ranking Member Holland, and members of the committee:

Thank you for the opportunity to submit testimony on behalf of Opportunity Solutions Project (OSP), a nonprofit organization that advocates for state and federal policies to advance the power of work so that more people may achieve the American Dream. OSP supports House Bill 2066 because universal licensing recognition is a proven reform to get government out of the way and get people working.

In October 2020, the Kansas Chamber of Commerce released a report detailing the challenges businesses will face in the next decade. The Chamber determined “the state’s number one problem, [is] the lack of population and labor force growth.”¹ Kansas should pass SB 137 because it will make it easier for professionals from diverse industries—like nurses, electricians, and teachers—to move to Kansas, find work, pay taxes, and invest in local communities.

Young professionals are fleeing expensive cities in search of affordability. But they are looking for work and a future. Occupational licensing requirements disproportionately burden young people by protecting established workers while preventing those with less experience from entering a new market.² More generally, research confirms that all licensed workers are less likely to move between states.³

Changing jobs to increase incomes and moving to new places for better opportunities are fundamental parts of the American Dream. While some licensing requirements may make sense, the government should not block workers from economic opportunities without good reason.

Senate Bill 137 will welcome skilled workers to Kansas by streamlining the occupational licensing process for individuals with out-of-state credentials and experience. This policy builds on the occupational licensing reform Kansas passed for military servicemembers and their spouses. For those serving our country in the military, starting over is a part of life. Kansas sought to make it easier for military families to find meaningful employment when they relocate to Kansas. HB 2066 takes the positive lessons learned from that reform and expands on the process for all workers.

Under SB 137, a new resident of Kansas will be issued an occupational license if they hold a current and valid license in another state. New residents may also obtain a license if they have three years of real-world experience in an occupation, so long as they move to Kansas from a state that didn’t license the occupation. But if that same applicant holds a private certification, they only require two years of work experience.

But licensure is not automatic under this reform, and HB SB 137 includes safeguards to ensure licenses are only granted to experienced and safe practitioners. Licensing authorities may require additional testing or training if an applicant has not been active in their profession for two years. Incoming

¹ Alan Cobb, *The Challenge to Compete: Kansas Workforce 2020*, Kansas Chamber of Commerce (2020), <https://files.constantcontact.com/a5e2b90b001/6a940440-329d-4d21-b711-ae478b664487.pdf>.

² National Conference of State Legislatures (2017), https://www.ncsl.org/Portals/1/Documents/employ/Licensing/State_Occupational_Licensing.pdf.

³ Janna Johnson and Morris M. Kleiner, *Is Occupational Licensing a Barrier to Interstate Migration?* (2017), https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3087047.

workers must be bonded, if applicable. Applicants cannot have a disqualifying criminal history or be involved in any ongoing investigations or complaints. And all must pay licensing fees.

SB 137 will allow qualified professionals to move to Kansas and continue their profession with minimal delay. This makes a move to Kansas more likely for a worker who may otherwise stay in their current state or relocate elsewhere. SB 137 will also benefit the Kansas economy as a whole—because consumers need and want the services these professionals provide. More economic opportunity means more economic activity in Kansas, and SB 137 will help local economies recover by attracting more business to the state.

Seven states have already passed broadly applicable reforms, and HB 2066 will help Kansas stay competitive with states—like Arizona, Missouri, and Iowa—that are welcoming skilled workers by removing barriers to licensing. Momentum will continue to grow for reform in 2021 as states look for ways to stay competitive and work to get their economies back on track. Since 1992, Kansas has lost nearly \$500 million in adjusted gross income from individuals moving to Arizona.⁴ The time is right for Kansas to follow Arizona’s lead and become the next state to pass universal licensing recognition.

SB 137 will also create a path forward for licensed, out-of-state physicians to use telemedicine to treat patients in Kansas. This is a measured reform that Kansas successfully tested in response to the coronavirus. Telemedicine means more options. And more options means quicker access to more providers, which leads to healthier families and lower health care costs. While valuable to all families, this is especially important to those in rural and underserved communities. Kansas should make this temporary policy permanent under SB 137.

OSP supports SB 137 because it will create more opportunities for those with out-of-state work experience as they look to make their homes here in Kansas, as well as increase patient access to physicians. Thank you for your time and I am happy to answer questions at the appropriate time.

⁴IRS Tax Migration, “How Money Walks” (last accessed Jan. 2021), <https://www.howmoneypwalks.com/irs-tax-migration/>. OPPORTUNITY

