



TESTIMONY ON HOUSE BILL 2506

Kansas House Committee on Commerce, Labor and Economic Development

Thursday, February 13, 2020

Joe Horvath
Visiting Fellow
Opportunity Solutions Project

Chairman Tarwater and members of the committee,

Thank you for the opportunity to testify today in support of House Bill 2506. My name is Joe Horvath, and I am a visiting fellow at Opportunity Solutions Project. OSP is a nonprofit, nonpartisan advocacy organization that seeks to restore the path to self-sufficiency by removing barriers to work. This bill would do just that. HB 2506 will make it easier for tradespeople from all types of industries—like nurses, electricians, and teachers—to move to Kansas, find work, pay taxes, and integrate into their communities.

Like many other states in this economy, Kansas is enjoying a very low rate of unemployment. That is a great thing. However, also like states across America, Kansas needs more workers, with employers often unable to fill well-paid open positions. In fact, Kansas employers currently have a remarkable 78,000 job openings,¹ which even outpaces those unemployed in the state. HB 2506 would directly combat this problem.

This bill is a work-friendly reform with a far-reaching impact. As you are aware, Kansas recently enshrined into law a standard of occupational licensing reciprocity for military servicemembers and their spouses that makes sure they can continue working when they relocate to Kansas. For those serving our country in the military, starting over is a part of life. Part of the law you passed responds to the fact that military spouses often move across state lines, creating obstacles to finding meaningful employment for the 35 percent of those spouses who work in licensed or certified occupations.² Kansas has done right by our military men and women; and HB 2506 takes the positive lessons learned from that reform, and extends this simplified licensing process to all workers, ensuring a greater level of work stability when they move to Kansas.

This is how the bill would streamline the process: if a new resident has been safely practicing their occupation in another state, they can continue their profession by obtaining an occupational license in Kansas. But this is not automatic, there are solid guardrails in place. Incoming workers cannot have a disqualifying criminal history, must be licensed in another state or have been in the occupation for two or three years, and be in good standing. This bill does not grant licenses to individuals who are not competent, experienced, and safe practitioners of their craft. Applicants cannot have a disqualifying criminal history or be involved in any ongoing investigations or complaints, and they must pass any required background checks. And all applicants must pay all applicable fees in Kansas.

Streamlining the occupational licensing process will do two things. HB 2506 will allow qualified professionals to move to Kansas and continue working with minimal delay. This will make a move to Kansas more realistic for a professional, who may otherwise stay in their current state, or relocate elsewhere. Research confirms that workers in occupations that require licenses are less likely to move between states.³ This blocks them from fundamental parts of the American Dream, including changing jobs to increase incomes and moving to new places for better opportunities. HB 2506 will create more opportunities for those with out-of-state work experience, including those military families that are more likely to move, as they look to make their homes here in Kansas. HB 2506 will also benefit their neighbors and the Kansas economy as a whole—because consumers need and want the services these professionals provide—and Kansas employers are desperate for skilled workers. This bill will provide much-needed help in filling job openings in Kansas.

HB 2506 will help workers obtain meaningful employment by ensuring Kansas' occupational licensing process accounts for work experience. This is a bipartisan reform. Republican Governor Ducey of Arizona and Democratic Governor Wolf of Pennsylvania have already posted their "Open for Business" signs by removing barriers to licensing for incoming workers.

The time is right for Kansas to follow Arizona's lead and become the next state to pass a bipartisan occupational licensing reform: Just earlier this week, at the National Governors Association meeting, Governor Ducey and Governor Kelly discussed

¹ Job Openings and Labor Turnover Survey Program, "JOLTS Experimental State Estimates," U.S. Bureau of Labor Statistics (2019), https://www.bls.gov/jlt/jlt_statedata.htm.

² Military OneSource, "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 (2012), <https://www.militaryonesource.mil/leaders-service-providers/sp-1-spouse-education-and-career-opportunities/occupational-licensing-and-military-spouses-report>.

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

this concept, with Governor Kelly saying “If I could, I would just walk out of the room right now and...talk to my legislature about passing [licensing reciprocity and recognition] because I’m very concerned about losing Kansans to Arizona.” Both Governor Kelly and legislative leaders like yourselves are wise to consider adopting Arizona’s licensing policies: since 1992, Kansas has lost nearly \$500 million in adjusted gross income from individuals moving to Arizona.⁴ HB 2506 will help Kansas stay competitive with states like Arizona, and others around the country, that are welcoming skilled workers with open arms.

I’m happy to take any questions you might have. Thank you.

⁴ Irs Tax Migration. “How Money Walks.” <https://www.howmoneywalks.com/irs-tax-migration/>