

Chairman Tarwater and Members of the Committee,

On behalf of Americans for Prosperity in Kansas, I thank you for this opportunity to testify in favor of HB 2506, a bill that would create a form of licensing recognition for out of state licenses in Kansas.

While removing internal government licensing requirements within Kansas would help to reduce the need for formal recognition of external licenses and credentials, this licensing recognition bill would significantly reduce occupational barriers between Kansas and the rest of the country, ultimately making Kansas a national leader. With some additional stipulations such as being in good standing, this bill provides a path to a license in Kansas to individuals moving here with:

- A valid government license or certificate from another state with similar scope of practice;
- Two years of work experience and private sector certification performing an occupation licensed in Kansas if coming from a state that doesn't license the profession; and
- Three years of work experience performing an occupation licensed in Kansas if coming from a state that doesn't license the profession

Today, licensing burdens reduce employment opportunities for many Kansans while cutting off rungs on the economic mobility ladder for people trying to improve their lives. In fact, research shows that in more onerously licensed states, <u>entrepreneurship</u> rates are lower among low-income residents and <u>recidivism</u> ²rates are higher for ex-offenders due to decreased employment opportunities.

In a <u>study</u>³ following just 102 specific low to moderate income occupations across the 50 states, Kansas licenses 35 of those, requiring over 200 calendar days of training on top of fees and other requirements just to obtain permission to work from the Kansas government. 28 of those licenses were <u>enacted</u>⁴ between 1993-2012 alone. This is just a small window into the <u>many other</u> ⁵occupations that require licenses and other burdensome government requirements, and each legislative session we face new efforts to license yet additional occupations.

Another recent national <u>study</u>⁶ found that governmental licensing barriers annually cost Kansas \$197 million in deadweight losses and \$3.1 billion in misallocated resources. This signifies that people are spending more than they would have and on different things than if our nation's many government licensing laws weren't creating barriers to accessing desired products and services. This reform makes significant inroads in improving opportunity and economic growth in our state.

https://klic.dol.ks.gov/vosnet/timeout.aspx?lblErrorMessage=GSIPage%20L258%20no%20AUS%20from%20drill.aspx%20at%20instantiation

¹ https://goldwaterinstitute.org/article/bootstraps-tangled-in-red-tape/

https://uca.edu/acre/2018/04/30/how-does-occupational-licensing-affect-recidivism/

https://ij.org/wp-content/themes/ijorg/images/ltw2/License to Work 2nd Edition.pdf

⁴ https://archbridgeinst.wpengine.com/wp-content/uploads/2018/04/Too-Much-License-1.pdf

⁶ https://ij.org/wp-content/uploads/2018/11/Licensure Report WEB.pdf

We stand in support of the many positive steps this bill takes in encouraging professionals to move to our state. Kansans and all who wish to move to Kansas to contribute to our economy, including military families, deserve the dignity of personal choice as consumers and the ability to support their families without undue government burdens. While often well-intentioned, today many government occupational licensing requirements are anti-competitive, needlessly burdensome, and ineffective at addressing public health and safety concerns. As we continue to drive internal occupational licensing reform, we urge you to support this legislation and opens our doors to more jobs and consumer choice in Kansas.

⁷ https://www.brookings.edu/wp-content/uploads/2016/06/THP_KleinerBrief_final.pdf