

February 23, 2021

Mr. Chairman and Members of the Committee,

On behalf of the Wichita Regional Chamber of Commerce and our 1,500 members, thank you for the opportunity to provide testimony in support of SB 137, expanding the military spouse and servicemember's expedited licensure law to all applicants who have established or intend to establish residency in Kansas.

The Wichita Chamber's 2021 legislative agenda survey, sent to our members this past fall, showed strong support for "occupational licensing reciprocity 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 137 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 listening to past discussions at the Governor's Military Council, it is apparent that improvements could be made related to public awareness and enforcement. The anecdotal evidence indicates a not-insignificant number of military spouses and servicemembers in Kansas who are not aware of this policy. Applying the 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. More broadly speaking, you should also be aware that branches of the military are now evaluating state licensing policies for future basing decisions.^b

SB 137 requires Kansas licensing agencies to issue occupational licenses if a person has a valid license in another state with requirements that certify a similar scope of practice as the licensing requirements established by the licensing body in Kansas, or if the person has met work or experience requirements if no similar license is issued by the other state. In circumstances where a Kansas license does not authorize a similar scope of practice as the license issued by another state, this legislation allows for the individual to be granted a temporary permit while completing the necessary 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, 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 adequate 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 different from Kansas' regulations. You knew the professional

was licensed (or registered or certified), received the benefits of their work, and moved on with your day.

SB 137 also helps address a workforce development and talent attraction issue. Last year was a rough year on our Kansas workforce due first to the 737 Max production suspension and then because of the far-reaching pandemic-induced recession. However, Kansas (and other states) are in recovery mode. If they aren't struggling already, many businesses will soon be hard-pressed to find qualified, trained, and educated workers. In many cases our member businesses cannot find qualified applicants to fill open positions. SB 137 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 137 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." 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 137 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 in 2019. Several other states have followed suit. Additional states won't be far behind. This Legislature may decide to wait to pass SB 137, or table this legislation altogether. However, that inaction won't stop other states from passing their own licensing reciprocity policies and potentially attracting skilled workers from Kansas to their states.

Instead of more brain drain, it's time for Kansas to be the beneficiary of brain gain. With this in mind, the Wichita Regional Chamber of Commerce asks the Committee to report SB 137 favorably for passage.

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

^b https://licensing.csg.org/u-s-air-force-to-evaluate-state-occupational-licensing-policies-for-future-basing-decisions/

 $^{^{\}rm c}~{\underline{https://www.kauffman.org/what-we-do/resources/entrepreneurship-policy-digest/occupational-licensing-a-barrier-to-entrepreneurship}$