



THE BUCKEYE INSTITUTE

**Interested Party Testimony Submitted to the Ohio
House Armed Services, Veterans Affairs & Homeland
Security Committee on House Bill 75**

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Thank you, Chairman Johnson, Vice Chair Lanese, Ranking Member Craig, and members of the Committee for the opportunity to testify regarding House Bill 75. My name is Greg R. Lawson, and I am the Senior Policy Analyst at The Buckeye Institute here in Columbus.

As The Buckeye Institute reported in November, military spouses and families face disproportionate difficulties securing gainful employment in the private sector due, in part, to the sacrifices they make on our behalf moving around the country.¹ On average, military families move once every three years, a relocation rate that directly and adversely affects their job prospects and opportunities.² The Institute for Veterans and Military Families estimates that the unemployment rate among female military spouses ages 18-24 has increased dramatically from 15 percent to 30 percent over a 12-year period.³ By contrast, the civilian unemployment rate has fluctuated between 8 and 12 percent during the same period.⁴

Occupational licensing, done on a state-by-state basis, only compounds the difficulty that military families face in maintaining their private sector jobs. The Institute for Veterans and Military Families revealed, for example, that 73 percent of military spouses with an occupational license require a renewal or reissuance of their license after being transferred to a new state.⁵ Unfortunately, Ohio is among the states with onerous occupational licensing restrictions that often do not recognize licenses earned and issued across state lines. In many cases, Ohio requires additional schooling or costly new

¹ Rea S. Hederman Jr. and Bryanna Austin, "Increasing Job Opportunities for Military Families," The Buckeye Institute, November 10, 2016, <https://www.buckeyeinstitute.org/blog/detail/increasing-job-opportunities-for-military-families>

² Michael Nagel, "Military Families, Moving, and Stress," Care.com, accessed August 10, 2016, <https://www.care.com/a/military-families-moving-and-stress-1006021329>

³ Rosalinda Maury and Brice Stone, "Military Spouse Employment Report," Institute for Veterans and Military Families, (February 2014) accessed August 10, 2016, http://vets.syr.edu/wp-content/uploads/2014/02/MilitarySpouseEmploymentReport_2013.pdf

⁴ *Ibid.*

⁵ Rosalinda Maury and Brice Stone, "Military Spouse Employment Report," Institute for Veterans and Military Families, (February 2014) accessed August 10, 2016, http://vets.syr.edu/wp-content/uploads/2014/02/MilitarySpouseEmploymentReport_2013.pdf

licenses for professionals already licensed or certified elsewhere—restrictions that prove especially burdensome on military families.

Currently, Ohio requires military spouses licensed in other states to secure a temporary license in Ohio while they wait for an Ohio licensing boards to approve their out-of-state credentials. But a licensed dietitian, for example, moving to Ohio must satisfy a dizzying list of bureaucratic requirements just to receive a six-month temporary permit to practice.⁶ Such temporary accommodation alleviates *some* burden for military families, but it remains more restrictive than necessary.

The Defense Department has recommended modifying out-of-state licensing regimes through licensing by “endorsement,” allowing state boards to recognize active credentials from sister states. Provisions in House Bill 75 takes a solid step toward adopting the Defense Department’s recommendation. Under House Bill 75, in cases in which the licensing state has educational or credentialing requirements significantly lower than Ohio’s, individuals would still be permitted to work in Ohio within their scope of practice—a positive sign that military spouses stationed here do not need special permission slips from the state to make a living.

Easing the occupational licensing requirements for military families through “endorsement” is an important key for unlocking broader licensing reform. The “endorsement” model should not be limited to military families, but should extend to anyone moving to Ohio with a valid license earned in another state. Indeed, Ohio should reexamine its entire occupational licensing system, looking for ways to cut red tape restrictions and encourage licensed professionals to work in Ohio and provide services among our communities.

Ohio does not have the luxury of turning away prospective employers or employment opportunities for her residents and citizens. The state has come a long way since the Great Recession, but it has not yet rebounded fully from the tech bubble burst and

⁶ Ohio Administrative Code §4759-4-13, <http://codes.ohio.gov/oac/4759-4-1>

remains down over 100,000 private sector jobs from its peak in March 2000.⁷ Ohio's labor force participation rate still flirts ominously with historically low rates. In January, Ohio's labor force participation rate of 62.3 percent dipped below the national average of 62.9 percent.⁸ So although Ohio's job market continues slowly to improve, she still has a long way to go.

Occupational licensing requirements only make the road to employment and economic recovery more treacherous. Every license requirement raises a red-taped hurdle for workers to clear before earning a living or starting a new career. Every hour of unpaid training needed to satisfy bureaucratic requirements is an hour not spent earning tips, impressing a boss, serving a customer, or opening a business. Those are hours of productivity, hours of opportunity that young, low-income workers sorely need, but that the state continues to deny them.

Tragically, such burdens are borne even more heavily by those in Ohio's minority communities—communities already facing daunting employment prospects. Nationally, the unemployment rate among African Americans remains much higher than among other demographics. According to the Bureau of Labor Statistics, the unemployment rate last month was 8.1 percent for African Americans compared to 4.1 percent for whites.⁹ Even worse, unemployment confronts 24.3 percent of young African Americans between 16 and 19, and 13.1 percent of young whites.¹⁰ Unnecessary, protectionist licensing—that costs everyone both time and money—only makes the job search for African Americans and young Ohioans that much harder.

Thank you for your time and attention. I welcome any questions that the Committee might have.

⁷ The Buckeye Institute, "Ohio by the Numbers – October, 2015," The Buckeye Institute, accessed November 6, 2015, <http://buckeyeinstitute.org/uploads/files/ObN-2015-10.pdf>.

⁸ Ohio Department of Job and Family Services, "Employment Situation Indicators for Ohio, January 2017," March 3, 2017, http://jfs.ohio.gov/RELEASES/unemp/201702/Ohio-US_EmploymentSituation.stm

⁹ Bureau of Labor Statistics, "Table A-2. Employment Status of Civilian Population by Race, Sex, and Age," U.S. Department of Labor, accessed March 12, 2017 at <http://www.bls.gov/news.release/empsit.t02.htm>

¹⁰ *Ibid.*