

HOUSE STATE AND LOCAL GOVERNMENT - PROPONENT TESTIMONY, HB 238 - 12.5.23

Chair John, Vice Chair Dean, Ranking Member Brennan, and members of the House State and Local Government Committee, thank you for the opportunity to provide proponent testimony on HB 238. My name is Hannah Kubbins and I am the Deputy Legislative Director for Americans for Prosperity, Ohio. AFP, along with a series of partner organizations, is working to move our society more closely to one reflective of the Principles of Human Progress – the principles so eloquently captured in the Declaration of Independence – one of equal rights and mutual benefit, where everyone can live a life of meaning and succeed by benefiting others with limited government intervention.

Occupational licenses were once associated with professions such as doctors and lawyers but have significantly expanded to occupations such as hair braiding, athletic trainers, and even florists. In the 1950s, only 5% of workers were licensed, and now, that number is around 20%.¹

AFP believes licensing requirements are particularly challenging to overcome for those experiencing financial hardship as they seek career paths and critical services for their families. Research shows that in more onerously licensed states, entrepreneurship² rates are lower among low-income residents and recidivism rates are higher for ex-offenders.³ Accordingly, AFP applauds and supports the continued work of reducing barriers to occupational entry as proposed in HB 238.

Per the sponsors, this bill eliminates 18 licenses that are obsolete or irrelevant and reduces fees for at least 17 additional licenses. HB 238 strikes a balance between incentivizing licensure of Ohioans in Ohio rather than losing population to more competitive surrounding states while ensuring the continued health, safety, and quality of consumers through common sense standards.

¹ https://ij.org/wp-content/uploads/2018/11/Licensure_Report_WEB.pdf

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

³ https://uca.edu/acre/files/2019/02/Slivinski-Snyder-Licensing-and-Recidivism-DIG-

I won't address each eliminated license but did want to point to the elimination of licensure for jail support staff. We feel this change is a perfect example of the balance I just described. The Director still has a duty to establish minimum standards and enforce general training in jail policies and procedures along with 24 hours of specialized training and two hours of in-service training per year for those staff members who have routine contact with inmates.

One other change I'll mention is the decrease in the annual inflatable ride permit fee an owner must pay to the Department of Agriculture from \$225 to \$25 along with the restructuring of inspection costs.

With the changes in HB 238, an owner of a business with 10 inflatables will only have to send \$400 / year to the Department of Agriculture as opposed to roughly \$3,290 / year under current law. That's \$2,890 that an owner can reinvest in their business instead of sending it to Columbus. It's these niche licenses that illustrate how overgrown our licensure system has become, and we applaud the commonsense approach to this fee reduction along with the other proposals in HB 238.

AFP thanks the sponsors of HB 238, Representative Fowler-Arthur and Representative Klopfenstein, for championing continued licensure reform. This is the final leg of licensure review this General Assembly has been tasked with and we applaud the committee for following through on reducing barriers and cutting red tape to move Ohio toward being more economically competitive.