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OHIO

Proponent testimony for HB 432, House State & Local Government Committee, January 29, 2020 – Chairman Wiggam, Vice Chair Stephens, Ranking Member Kelly, on behalf of Americans for Prosperity - Ohio, I thank you for this opportunity to testify in favor of House Bill 432, a bill that would create a form of licensing recognition for out of state licenses in Ohio. My name is Jeff Dillon, Legislative Liaison for AFP – Ohio’s state chapter.

While AFP believes the most effective form of reciprocity or recognition is to remove unnecessary government licensing requirements within Ohio so that formal recognition would not be required in many instances, we applaud Ohio for already making significant progress toward that goal as a result of enacting SB 255 in January 2019, a sunset review of all existing government licenses.

HB 432 is a licensing recognition bill that would significantly reduce barriers to dozens of occupations between Ohio and the rest of the country, ultimately making Ohio a leader in removing interstate licensing barriers as well. With some additional stipulations such as being in good standing, this bill provides a path to a license in Ohio to individuals with:

- A valid government license or other granted authority from another state and one year or more of experience;
- Two years of work experience and private sector certification performing an occupation licensed in Ohio if coming from a state that doesn’t license the profession; and
- Three years of work experience performing an occupation licensed in Ohio if coming from a state that doesn’t license the profession.

Today, licensing burdens reduce employment opportunities for many Ohioans while cutting off rungs on the economic mobility ladder for people trying to improve their lives. A recent national [study](#) found that current governmental licensing barriers already cost Ohio over 67,750 jobs, \$209 million in deadweight economic losses, and over \$6 billion in misallocated resources annually. In other words, people are spending more than they would have, and on different things, than if Ohio’s many government licensing laws weren’t creating barriers to needed products and services. Although HB 432 does not fully address these shortfalls, this reform in addition to the licensing review law that was enacted in 2019 can make significant inroads to improve opportunity in our state.

Research also shows that in more onerously licensed states, [entrepreneurship](#) rates are lower among low-income residents, [recidivism](#) rates are higher for ex-offenders, and other unintended consequences such as [increased crime rates](#) occur due to decreased employment opportunities.

Ohioans, and those wishing to move to Ohio to contribute to our economy, 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 Ohio.

Mr. Chairman, thank you again for the opportunity to support this important legislation from Representatives Powell and Lang. I'm happy to answer any questions that the committee may have.

Americans for Prosperity (AFP) exists to recruit, educate, and mobilize citizens in support of the policies and goals of a free society at the local, state, and federal level, helping every American live their dream – especially the least fortunate. AFP has more than 3.2 million activists across the nation, a local infrastructure that includes 36 state chapters, and has received financial support from more than 100,000 Americans in all 50 states. For more information, visit www.AmericansForProsperity.org.

