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March 7, 2018 Sponsor Testimony – Senate Bill 255 Senate Government Oversight and Reform Committee

Chairman Coley, members of the Senate Government Oversight and Reform Committee, thank you for giving me the opportunity to testify today on Senate Bill 255. The ultimate goal of this legislation is to provide a layer of regular legislative oversight upon occupational licensing boards, and to provide a means of crafting policy alternatives that can reduce onerous barriers to entry in our workforce. Too often, these barriers keep hard-working Ohioans sidelined, and this bill seeks to present a remedy by creating a check on Ohio's regulatory apparatus.

Currently, in order to become a licensed cosmetologist in the State of Ohio, one will need 1,500 hours of training. To become a barber, one would need 1,800 hours of training, and, to become an auctioneer, one would need to complete a 1-year apprenticeship and pay over \$300 in licensing fees. Yet, in order to become a state licensed Emergency Medical Technician (EMT), the state only requires 150 training hours and an \$80 fee. It is incredibly clear that these requirements are unjustly burdensome on some professions more than others, and that less restrictive means of regulation, like registration or certification, can effectively accomplish the same goal.

Under current law, occupational licensing boards have the ability to act unilaterally on issues regarding the revocation or issuance of licenses, fees, processes for the renewal of and application for licenses, and rules regarding conduct. However, as the figures demonstrate, they can also add unnecessary roadblocks to individuals seeking work in those regulated occupations.

In this Legislature, we often talk about how we can help foster job creation. Frankly, this kind of occupational regulation is the antithesis of job creation. It creates a situation where well-intentioned people must ask the government for a permission slip to simply earn a living. Further, this is particularly tough on low income and minority Ohioans. Low income Ohioans must spend a greater percentage of their income on licensing than those on the upper rungs of the economic ladder. Every day they spend meeting sometimes-onerous requirements is a day less earning money for their families.

This issue affects everyone, but what's more, it is has broad support across party lines. Conservative groups like the Heritage Foundation and The Buckeye Institute, as well as left-leaning groups like the Brookings Institute, support scaling back the amount of occupational licensing in America. Indeed, both the Obama White House and President Trump's own Secretary of Labor have also called out the damage done to hard working Americans by creating too many licenses.

Mr. Chairman, it is my hope that this body can come together to take back the right to earn a living in our state. We owe it to our constituents to ensure that it is as simple and painless as possible to start a rewarding career. Senate Bill 255 will break down these administrative hurdles by returning the accountability to The People's House.

The bill's approach is threefold. First, when a board sunrises, the Legislative Service Commission must submit a public report on the board's impacts, similar to fiscal notes or local impact statements. Second, the bill would create an official state policy on the review of occupational licensing boards and regulations, with an emphasis on increasing economic opportunities, promoting healthy competition, and encouraging innovation. In addition to the provisions of the last budget which placed new occupational licensure oversight authority in the hands of the Common Sense Initiative, the bill would require the Chief of the Common Sense Initiative to be notified of each board's review, and to testify on the board's effectiveness and efficiency. Finally, the bill establishes a process for the sunset of occupational licensing boards. The Speaker of the House and the President of the Senate will appoint standing committees to review 20% of all occupational licensing boards each year. This means each occupational licensing board must demonstrate its necessity every five years. If a licensing board fails to be renewed, it will automatically sunset on the 31st day of December of the fifth year after it was established.

Understand, this does not mean that these boards will necessarily be disbanded, only that they must be reviewed. Furthermore, I would like to make clear that the criteria for evaluating these boards will continue to prioritize the health, safety, and welfare of the general public. It is quite possible, and I would hope probable, that some existing licensure requirements can be modified to be less restrictive, but it is highly unlikely that these boards will be eliminated en masse.

To reiterate, when Presidents Obama and Trump as well as most major groups on both the political Left and Right agree that there is a problem- there probably is one. This issue affects Ohioans of all stripes, and it is time we put the brakes on requiring permission slips from Columbus to earn a living.

Again, I thank you very much for the opportunity to speak on SB 255, and I welcome any questions that you might have.