



SENATE BILL 131 – LICENSURE RECOGNITION

PROPONENT TESTIMONY

OHIO HOUSE STATE & LOCAL GOVERNMENT COMMITTEE

DECEMBER 13, 2022

Chairman John, Ranking Member Kelly, and members of the Ohio House State & Local Government Committee, my name is Chris Ferruso and I am here on behalf of the nearly 21,000 governing members of the National Federation of Independent Business in Ohio (NFIB) to lend our support for Senate Bill 131. Senate Bill 131 will, in certain circumstances, reduce barriers of entry for out-of-state licensed individuals or out-of-state individuals working in a profession that requires Ohio licensure. We applaud Senators Roegner and McColley for reintroducing this bill, as well as Representative Powell for introducing House Bill 203, a bill with a similar aim.

By way of background, a typical NFIB member in Ohio employs 20 or fewer and does less than \$2 million in annual sales. Our members come from every industry type, and our organization looks like Main Street in any legislative district across Ohio.

As was articulated by Senator Roegner during her sponsor testimony, the number of professions requiring licensure has increased significantly over the last 50 or so years. Many of these licensures intend to provide protections for public safety and welfare while allowing consumers to know an individual has training and knowledge in their respective industry. NFIB certainly supports preserving public safety and welfare and does not believe any individual can call him or herself a “licensed professional” without the requisite training and validation. However, what we do suggest is for individuals who have been licensed by another state, or who have experience working in their profession but do not have a license issued by their home state, it makes sense to reduce their hurdles to employ their trade in Ohio.

While every licensure may not be identical across the states, there are certainly very similar licensure requirements. The reality is licensed individuals do not lose their skills simply by leaving one state and coming to Ohio. We believe Senate Bill 131 protects Ohioans by ensuring individuals seeking licensure are qualified under existing Ohio requirements.

Senate Bill 131 requires the issuance of a license when criteria spelled out in the bill are met. Of import, it is the licensing entities that determine that all the requirements are

satisfied. Additionally, Senate Bill 131 stipulates if a licensing authority requires an individual to pass an exam on Ohio's law and rules, they may do so. The same holds true for other conditions such as criminal background checks and demonstration of financial responsibility which are also permitted under the legislation. These important checks keep licensing entities with the necessary and appropriate oversight of their respective professions.

Ohio has an aging workforce and a declining population which led to the loss of one additional congressional representative. We believe Ohio needs to find ways to encourage individuals who wish to or do relocate here, to be able to employ their skills expeditiously. Senate Bill 7 from the 133rd General Assembly permits military spouses who are transferred to Ohio to be issued temporary licenses in certain circumstances. Senate Bill 131 builds upon that legislation granting appropriately licensed or trained persons the ability to gain licensure quicker.

As you are all well aware, our members, and seemingly most businesses, are having a difficult time filling open positions. Our NFIB Research Foundation's monthly Small Business Economic Trends show 46 percent of our members are unable to fill open positions. Of our members trying to hire, 90 percent report few or no qualified applicants. These near all-time high records.¹ We recently conducted a fourth quarter economic survey of our membership including a question on whether they hire positions that require licensure, nearly one in four answered "yes." Senate Bill 131 will no doubt make it easier for our members that have license-required positions fill them. NFIB supports the intent of Senate Bill 131 to allow licensed and trained individuals to practice their vocation in Ohio as quickly as possible.

I would note Senate Bill 131 passed the Ohio Senate unanimously and we encourage this committee to favorably pass this important pro-worker and pro-business legislation.

Thank you for the opportunity to testify I am happy to try and address any questions the committee may have.

¹ <https://www.nfib.com/surveys/small-business-economic-trends/>