

Promising Practices on Occupational Licensing Requirements and Portability Options



The Council
of State
Governments



INTRODUCTION

For licensed individuals seeking to relocate or work in another state, navigating the portability options and differences in licensing requirements can be a daunting task. Additional challenges can also exist for certain population groups such as military spouses, who on average move much more frequently, and individuals with criminal records, who face specific restrictions to licensure.

While states exercise their sovereignty and act as laboratories for democracy by maintaining their own occupational licensure laws, the resulting patchwork of regulations can impede the mobility of qualified workers. In respect to these laws, states are cognizant that they have the responsibility not only to protect public health and safety, but also to facilitate worker mobility, to improve access to services and to promote economic growth.

In response to these concerns, states are increasingly considering, implementing and improving the use of policy options that streamline licensure portability. Further, states are taking a greater interest in understanding how their licensure framework compares to other states. In doing so, states are better able to identify the barriers and overly burdensome licensure requirements that may exist. This information can inform policymakers' discussions of how to restructure licensure requirements while still maintaining a level of regulation that effectively addresses public health and safety risks.

Portability Options

States possess a number of policy options to improve licensure portability. These can range from individual state-by-state considerations to formal interstate compact agreements. Each method, however, is based on the understanding that workers who are otherwise qualified to practice in one state should have options that facilitate their mobility and reduce the time it takes obtain licensure in another state.

When examining portability options between states, it is important to recognize that there is no universal agreement in the definitions of the commonly used terms. For example, "reciprocity," "comity" and "endorsement" may at times be used interchangeably. However, reciprocity generally means that a state will consider the qualifications of an out-of-state applicant for the granting of a license of a similar type and scope of practice. Rarely do these provisions mean a "driver's license" type model, where existing out-of-state licenses are recognized without an intervening process by the state.

LICENSURE BY ENDORSEMENT

A licensure by endorsement or reciprocity model allows states to consider the qualifications of an individual licensed in another jurisdiction in respect to its own requirements. At what level these qualifications are recognized can at times vary by state and the discretion of a licensing board. For example, some states prescribe that the licensing qualifications of an individual applying for endorsement or reciprocity must be substantially “equal to or greater” than its state’s standards. Licensing requirements, including training and educational requirements, however, can vary widely from state to state. Consequently the transferability of a licensed individual’s qualifications can likewise vary when considered by time-based or other specific standards. For example, states may consider and accept different exams that qualify an individual for licensure, despite individual labels of being a “national exam.”

To address these differences and improve the mobility of out-of-state workers, a state may look at outliers in its licensing standards that may make this process particularly onerous. Should a state affirm that public health and safety will still be protected, reducing licensure requirements to better align with the averages of other states can improve the portability of licenses.

For example, in the cosmetology profession, eight states have recently reduced the required hours for initial licensure. In 2017, Kentucky reduced its training requirements from 1,800 hours to 1,500 hours¹. In that same year, Montana reduced its requirements from 2,000 hours to 1,500². Both of these states have reciprocity provisions that mandate “similar or greater than” requirements from out-of-state licenses.

When gaps in licensure requirements do exist under an endorsement/reciprocity model, states may also allow for the gap in qualifications to be filled with the completion of additional training, experience or exams, such as a test on applicable state laws. For example, an individual who may not have needed as many hours of training from the state where they received their initial licensure could potentially use their years of experience to supplement required training hours when a gap in the states’ requirements exists.

Aside from training, experience and educational attainment, licensing boards might also consider other factors in their licensure by reciprocity/endorsement models, including an applicant’s age, good moral character, current licensing status (including disciplinary actions) and work history. For example, some states may require an applicant to have worked as a licensed professional for a certain number of years before qualifying for licensure by endorsement.

Like the differences that may exist state to state in training, experience and education requirements, these conditions might also present barriers for individuals with criminal records. For example, good moral character clauses are notoriously ambiguous when no clear instruction is given or employed by the licensing board. To address these concerns, states are engaging in efforts to mitigate the effects that a criminal conviction might have on licensure qualifications. For example, states have increasingly taken to removing good moral character clauses and blanket bans for those

with any type of felony conviction. Instead, states are trending toward limiting the consideration of an applicant’s criminal history to include only past infractions that are substantially related to the occupation’s scope of work. For example, Delaware has passed separate pieces of legislation over the past two years for cosmetologists, barbers, massage therapists, HVAC workers and electricians that permit licensing boards to grant waivers for individuals with felony convictions and precludes them from considering a conviction which occurred more than 10 years ago.^{3, 4, 5, 6}

States are also looking for ways to support individuals with criminal records to seek licensure without the fear that they may not qualify. For example, 16 states allow individuals with criminal records to seek pre-determination from a licensing board to determine if their previous convictions bar them from licensure.⁷

RECIPROCITY AGREEMENTS

Reciprocity agreements between states serve as another way to formalize portability standards. Typically, these may be used by neighboring states where mobility between licensed workers is more likely to occur. However, states can formulate these agreements regardless of geography. A reciprocity agreement does not necessarily mean the licenses granted by the participating states are interchangeably recognized like in a driver’s license type model rather, it sets up a formalized process and understanding between the states of how recognition is to occur. This can reduce the time it takes for licensed individuals to be granted to work in a participating state. It is common for states to statutorily allow licensing boards to enter into these agreements at their discretion.

INTERSTATE COMPACTS

While the aforementioned portability options can be beneficial for licensed workers looking to relocate to another state, they are not without challenges. Licensure by endorsement/reciprocity provisions may be applied on case-by-case basis with varying results. Reciprocity agreements may not be statutorily binding and can result in a patchwork of bilateral agreements.

Interstate compacts work to improve licensure mobility by establishing a multi-state agreement between member states that sets common standards. While each interstate compact is unique in its design, generally states agree to the universal set standards for the requirements of individuals wishing to receive a compact license and for the states participating in the compact. States are able to preserve the aspects of their licensure process and scope of practice which are not addressed by the compact’s universal standards. For example, a licensee who is working in a remote compact state must adhere to the scope of practice standards set in place by that state.

The use of interstate compacts for occupational licensing reciprocity has gained renewed interest among states.

To date, six occupational interstate compacts have been established, with five of these established since 2015. Four of the interstate compacts are currently active, which means that the needed minimum number of states have adopted the compact and have established an interstate commission that administers the compact and facilitates the granting—and revoking—of compact privileges.

In addition to these existing compacts, several others are currently in development including compacts for occupational therapy and for counseling. Further, initial compact discussions are ongoing for dental hygienists and for teachers. (See figure 2 - Interstate Compacts.)

Other Portability Options

UNIVERSAL RECOGNITION MODELS

The universal recognition model is a new policy option for licensure portability that is being employed by states. Whereas varying reciprocity provisions might otherwise exist across state licensing boards, this model serves as a way to standardize these measures across professions and potentially reduce time to licensure.

The universal recognition model was first adopted by Arizona in 2019 with Pennsylvania soon following.^{8,9} While the two current examples of the models vary in design, both generally instruct all licensing boards (with some exceptions) to grant licensure for out-of-state licensed individuals when certain conditions are met, such as a minimum number of years as a licensed professional and the absence of disciplinary action taken on a license.

Pennsylvania mainly differs from Arizona with the condition that the licensing requirements met by the applicant must be substantially similar or greater than the state to which they are relocating. Arizona does not include this stipulation but does enable licensing boards to require the completion of additional exams, if necessary. It is also important to note that neither the Arizona nor the Pennsylvania model are designed to pre-empt existing interstate compact agreements.

While the effects of the Arizona and Pennsylvania models have yet to be formally studied, they have caused other states to take notice and potentially consider similar bills for their 2020 legislative sessions.

EXPEDITED AND TEMPORARY LICENSURE

In order to reduce the time to licensure, most states have adopted some use of expedited and temporary licenses. Expedited licensing policies instruct the appropriate licensing entity to prioritize the processing of an out-of-state license holder's application. Some state policies allow the board discretion on what constitutes an expedited process, while others have established a certain maximum threshold of days. States may also employ temporary licensure provisions to grant individuals the authority to work under certain conditions, such as meeting additional licensing requirements.

These policy options may be used separately or in conjunction with each other. For example, some states specifically an expedited process to occur for those holding temporary licenses. These provisions are also typically afforded to certain population groups such as military spouses, who face specific challenges to licensure mobility and reciprocity because of the frequency of their relocations.

To assist military members and their spouses during permanent changes of station, the U.S. Department of Labor has published a state-by-state guide regarding the licensing benefits such as temporary and expedited processes that are available¹⁰. The guide provides a useful look at how states have enacted the policy provisions. (See figure 1.) You can find the guide at veterans.gov/milspouses.

With a variety of resources available to military spouses, some states have made it a priority to ensure that resources are well advertised. For example, Utah links its available resources for military spouses to the webpage of every licensed occupation under its Division of Occupational and Professional Licensing.¹¹

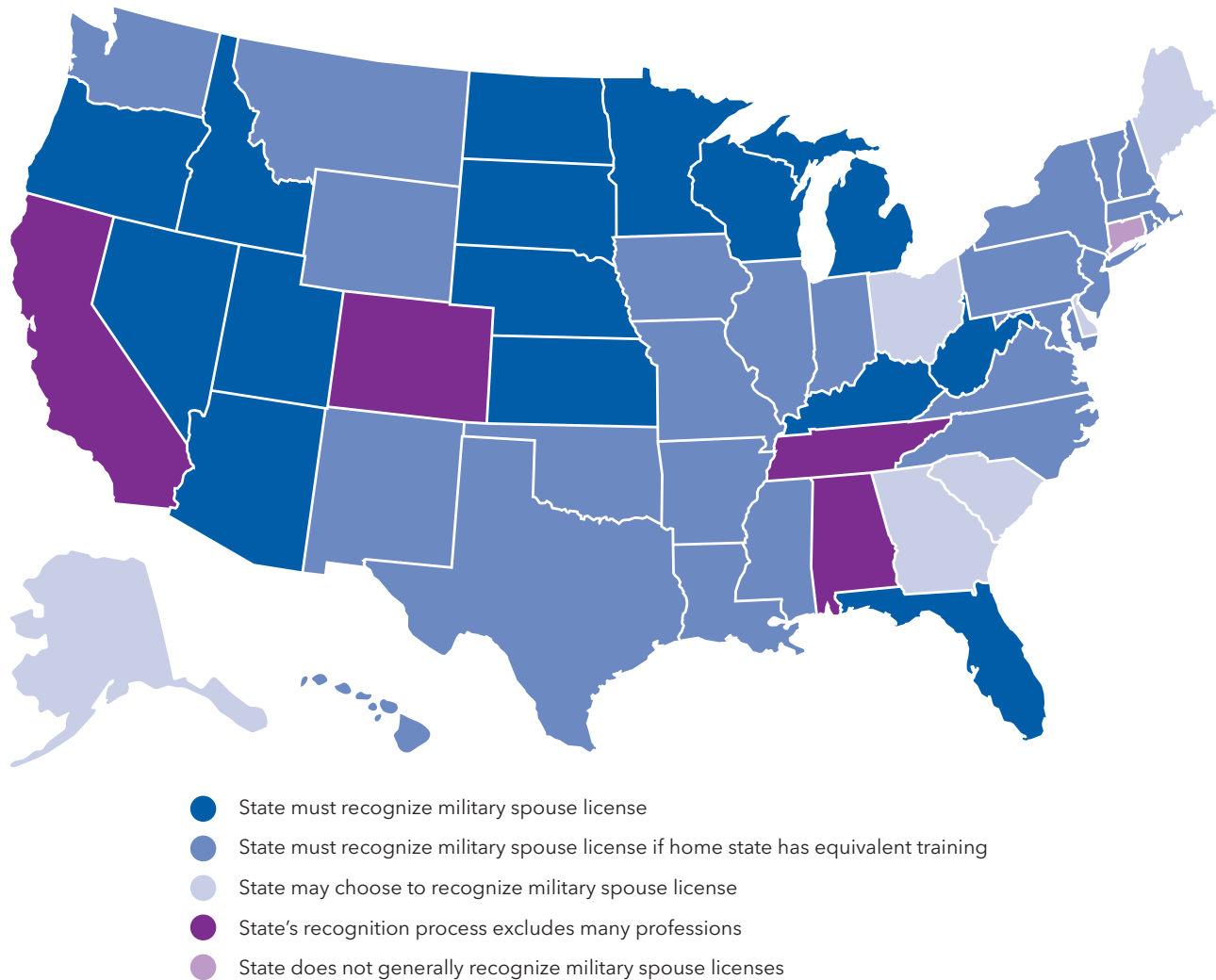
Streamlining Licensing Requirements

To assist states in examining their occupational licensure framework, The Council of State Governments, or CSG, the National Conference of State Legislators, or NCSL, and the National Governors Association, or NGA, maintain a licensing database of 50 occupations.¹² The database details occupational licensure requirements for each state, including education and training prerequisites, licensure fees, exams, minimum age thresholds and restrictions for individuals with criminal records.

The first set of occupations chosen for inclusion in the database were based on four primary conditions:

1. The need for the occupation to be licensed in at least 30 states
2. The occupation must require less than a bachelor's degree for initial licensure
3. The occupation must have a projected average or above average employment growth over the next 10 years
4. Must have employment levels greater than 10,000 nationally

Figure 1



Source: U.S. Department of Labor

Figure 2

Current Compacts and State Participation

- Enhanced Nurse Licensure Compact (34 states)
- Interstate Medical Licensure Compact (31 states)
- Physical Therapist Compact (26 states)
- Recognition of EMS Personnel Licensure Interstate Compact (18 states)
- Psychology Interjurisdictional Compact (13 states)
- Advanced Practice Registered Nurse Compact (3 states – not yet active)
- Audiology and Speech Language Pathology Compact* (0 states)

*Note: This compact was finalized in 2019 and is available for state adoption during the 2020 legislation session.

The criteria for the database was established to maximize the impact of the information provided to policymakers and other stakeholders. This criterion resulted in the following occupations being selected for inclusion in the database for its first iteration:

Barbers	Heating, Air Conditioning and Refrigeration Mechanics and Installers	Pipefitters
Bus Driver (City/Transit)	Heavy and Tractor-Trailer Truck Drivers	Plumbers
Bus Drivers, School or Special Client	Home Inspectors	Private Detectives
Dental Hygienists	Insurance Sales Agents	Radiologic Technologists
Drinking Water Treatment Plant Operators (Grade 1)	Licensed Practical Nurses	Real Estate Appraisers
Electricians	Manicurists and Pedicurists	Real Estate Sales Agents
Emergency Medical Technicians and Paramedics	Massage Therapists	Respiratory Therapists
General Contractors	Nursing Assistants	Security and Fire Alarm Systems Installers
Hairdressers, Hairstylists and Cosmetologists	Occupational Therapy Assistants	Security Guards
	Pharmacy Technicians	Skin care Specialists
	Physical Therapy Assistants	Veterinary Technicians

The database was expanded in 2019 to include 19 additional occupations. The methodology for the selection of these occupations was revised to remove the national employment threshold requirement and to include professions which require education higher than an associate degree (i.e. registered nurses).

Athletic Trainers	Earth Drillers	Nursing Home Administrators
Auctioneers	Engineers	Pesticide Handlers
Building Inspectors	Funeral Service Directors	Real Estate Brokers
Child Care Workers	Land Surveyors	Registered Nurses
Child, Family and School Social Workers	Landscape Architects	Substance Abuse and Behavioral Disorder Counselors
Dietitians	Milk Samplers	Teachers
	Mobile Home Installers	

The information provided in the occupational licensure database serves as a comprehensive resource to help states understand how their requirements are similar and/or dissimilar on a regional or national level. This is an important consideration for mobility concerns, especially for the states that mandate “similar or greater than” requirements for reciprocity.

To illustrate this analysis, the following information provides the summarized licensure information for the professions of cosmetology, massage therapy and emergency management technicians.

COSMETOLOGY

The cosmetology profession is licensed in every state and the District of Columbia. An examination of each jurisdiction’s licensing framework, however, reveals substantial variability in the requirements and conditions for licensure, notably in the amount of training hours required for initial licensure. The average required hours between licensing jurisdictions is the completion of 1,550 hours. New York and Massachusetts require the lowest amount (1,000 hours), while Iowa requires the highest (2,100 hours).

Most jurisdictions have established criteria that instruct boards to consider an out-of-state’s worker’s license for licensure by endorsement or reciprocity when the standards met to achieve licensure are “substantially equal

or equivalent.” Given the variability between state requirements, potential barriers exist for relocating individuals where this definition is not met. This criterion generally includes requirements such as licensing hours or the completion of state-specific exams (i.e., jurisprudence exams).

When substantial differences in requirements do exist, some states allow applicants to bridge the gaps with certain qualifications including hours of experience. In Colorado, applicants licensed in another state or jurisdiction are allowed to count experience hours under a prescribed formula: “If an applicant completes 1,000 hours of the required 1,500 hours of training, the applicant must demonstrate 2,500 hours or work experience to account for the 500 hour difference in training hours.”¹³ In Alaska, applicants who hold a license to practice in another state can be granted a temporary permit until the board either issues a permanent license or rejects the application.¹⁴

While variability does exist in state requirements, it is also worth noting the similarities that have formed. For example, 27 states have established the same number of training hours required for licensure (1,500 hours). This is an example of how the streamlined licensing requirements can have a direct bearing on portability for the states with similar or greater than requirements. (Figure 3 - Cosmetology.)

MASSAGE THERAPY

Massage therapists are a licensed profession in every state except five—California, Kansas, Minnesota, Vermont and Wyoming. Of these states, California is unique in that it maintains a state-created board that provides voluntary certification for massage therapists. For the states that do license the profession, the training hours required to receive initial licensure can vary from 500 hours (in 24 states) to 1,000 hours (in 3 states). Like the cosmetology profession, most states employ reciprocity provisions that can accept out-of-state applicants’ qualifications should they be similar or greater than their requirements.

Whereas some professions may have multiple “national” exams that may or may not be accepted by a licensing board, massage therapy has just one entry-level competency exam currently in use. Called the Massage and Bodywork Licensing Examination (MBLEx), the exam is administered by the Federation of State Massage Therapy Boards. This national exam benefits massage therapists in the portability of their credentials it removes any potential variance in what most states may consider as a qualifying exam. The MBLEx is accepted by the majority of states that license the profession with the notable exceptions of Hawaii and New York, which maintain their own state licensure exams. It is also important to note that eight states do require an additional state-specific exams, which means an extra requirement for individuals who wish to receive a reciprocal license. (Figure 4 - Massage Therapy.)

EMERGENCY MEDICAL TECHNICIANS

Emergency Medical Technicians, or EMTs, are licensed in every state. Because of the nature of the profession, there are unique mobility needs related to EMTs, which can require the delivery of services across state lines specifically to address public health and safety concerns. For example, EMTs, along with other EMS personnel, can be called to respond across state lines for unplanned, non-governor-declared disaster events, large-scale planned events and general day-to-day duties for agencies with a multi-state footprint. These are situations that fall outside of the provisions of the Emergency Management Assistance Compact, which is used in the case of governor-declared states of emergency or disaster.¹⁵

To assist with the mobility of professionals especially during these situations, the Recognition of EMS Personnel Licensure Interstate Compact, or REPLICA, was established. The compact was officially activated in 2017 and has so far been adopted by 18 states: Alabama, Colorado, Delaware, Georgia, Idaho, Kansas, Mississippi, Missouri, Nebraska, New Hampshire, North Dakota, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia and Wyoming.

The compact uses a mutual recognition model, which means licensees with residence in a compact state are granted a privilege to practice in any other compact states as long as they maintain a residence and an active license in their home state. License holders are subject to the scope of practice for the state in which they are performing services.

To participate in the compact, an EMT licensee must be at least 18 years of age, possess an unrestricted license in a compact member state and practice under the supervision of a medical doctor. For a state to participate in the compact, it must currently require the use of the National Registry of Emergency Medical Technicians examination, have a mechanism in place for receiving and investigating complaints about individuals, notify the commission of any adverse action or investigatory information regarding an individual, require fingerprint or other biometric FBI background checks for all initial applicants, and comply with the rules of the interstate commission.¹⁶

Including the compact states, the National Registry of Emergency Medical Technicians certification is used as a mandatory requirement for licensure in 45 states and the District of Columbia. Three states (Alaska, New York and North Carolina) allow the NREMT as an alternate qualification for licensure while two states (Illinois and Montana) have established the NREMT as an optional certification.¹⁷ The widespread acceptance of the NREMT can facilitate the reciprocity process for individuals relocating to a different state. Moreover, since the adoption of NREMT is a requirement for participation in the REPLICA compact, states are in a better position to join the compact if they so choose. (Figure 5 - Emergency Medical Technician.)

Figure 3 - Cosmetology

COSMETOLOGY

OCCUPATION STATISTICS

EMPLOYMENT NUMBER

766,100 (2018)

MEDIAN INCOME

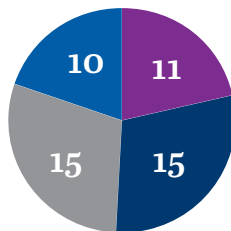
\$11.94
per hour

8% **PROJECTED GROWTH** (2018-28)

\$24,830
per year

50 STATES and
Washington D.C. require
individuals to take an
exam to attain licensure

MINIMUM AGE



- No minimum age requirement
- Minimum age requirement of 16 years old
- Minimum age requirement of 17 years old
- Minimum age requirement of 18 years old

TRAINING



APPRENTICESHIP EXPERIENCE

for states where training can be reduced



CONTINUING EDUCATION



33 states do not require
continuing education

LICENSE COST

COST OF INITIAL LICENSE

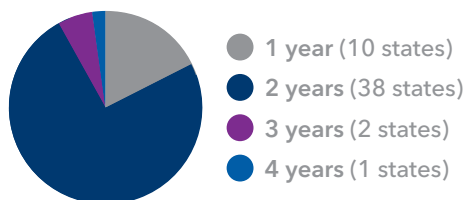


COST OF LICENSE RENEWAL

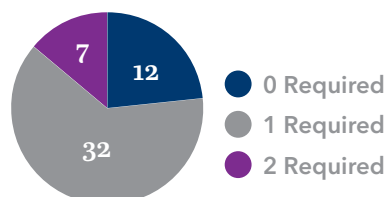


Cost of license is a per year average per renewal period. Initial licensure cost includes cost of licensure exam.

LICENSE RENEWAL PERIOD



STATES REQUIRING ADDITIONAL EXAMS



50 states

and Washington D.C.
allow for licensure
by endorsement or
reciprocity

14 states

have a good moral
character clause

5 states

allow for a blanket ban
for individuals with any
felony conviction



Figure 4 - Massage Therapy



MASSAGE THERAPY

OCCUPATION STATISTICS

EMPLOYMENT NUMBER

159,800 (2018)

MEDIAN INCOME

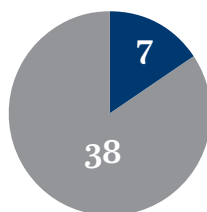
\$19.92
per hour

22% **PROJECTED GROWTH** (2018-28)

\$41,420
per year

45 STATES and Washington D.C. require individuals to take an exam to attain licensure

MINIMUM AGE



- No minimum age requirement specified
- Minimum age requirement of at least 18 years old

TRAINING

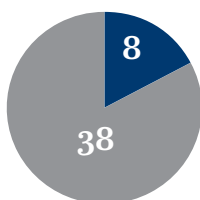


CONTINUING EDUCATION



7 states do not require continuing education

STATES REQUIRING ADDITIONAL EXAM



- 0 Required
- 1 Required

LICENSE COST

COST OF INITIAL LICENSE

\$73.75 \$220 \$421
minimum average maximum



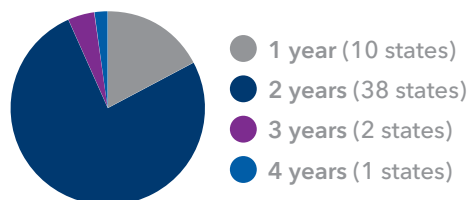
COST OF LICENSE RENEWAL

\$25 \$70 \$205
minimum average maximum



Cost of license is a per year average per renewal period. Initial licensure cost includes cost of licensure exam.

LICENSE RENEWAL PERIOD



45 states

*allow for licensure
by endorsement or
reciprocity*

26 states

*have a good moral
character clause*

6 states

*allow for a blanket ban
for individuals with any
felony conviction*



Figure 5 - Emergency Medical Technicians

EMERGENCY MEDICAL TECHNICIANS

OCCUPATION STATISTICS

EMPLOYMENT NUMBER

262,100 (2018)

7% PROJECTED GROWTH (2018-28)

MEDIAN INCOME

\$16.50
per hour

\$32,320
per year

EDUCATION

18 compact states

require NREMT training

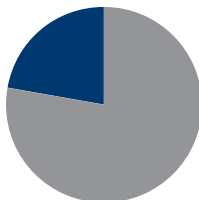
5 compact states

specify a minimum hour requirement for certification training

149 hours

(average)

LICENSE RENEWAL PERIOD



- 2 year (14 compact states)
- 2+ years (4 compact states)

CONTINUING EDUCATION

10
HOURS
minimum

17.94
HOURS
average

27.5
HOURS
maximum



18 compact states require continuing education

LICENSE COST COST OF INITIAL LICENSE

\$0
minimum

\$22.86
average

\$78.83
maximum



COST OF LICENSE RENEWAL

\$0
minimum average

\$42.50
maximum



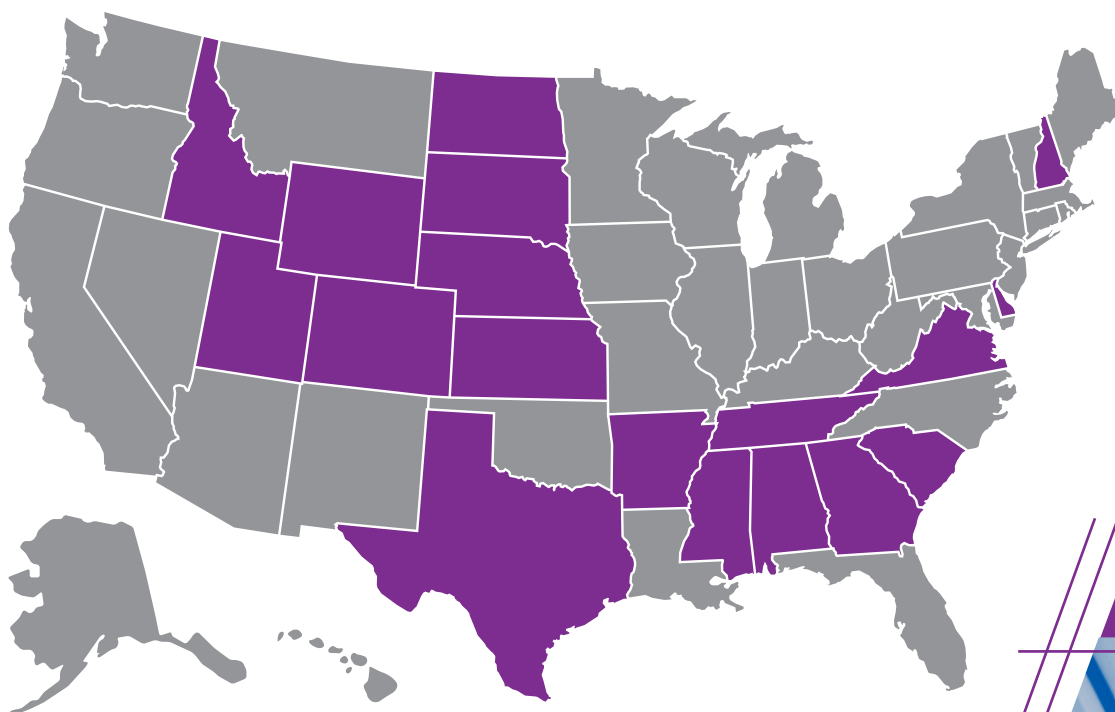
Cost of license is a per year average per renewal period. Initial licensure cost does not include cost of NREMT certification. (\$80)

4 compact states

have a good moral character clause

2 compact states

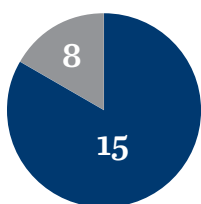
*allow for a blanket ban for individuals
with any felony conviction*



- 18 states participating in REPLICA compact

- Non-participating states

COMPACT STATES REQUIRING ADDITIONAL EXAM



● 0 Required

- 1 State required Exam in addition to NREMT



CONCLUSION

To streamline licensing requirements and improve portability, states have myriad options available. How states consider these options, however, should be done in a way that accounts for the unique nature of a profession and the specific public health and safety risks that exist within the scope of practice. A thoughtful analysis of these factors and the experiences of other states that have used these portability options or that have streamlined their licensing requirements, is a crucial way to improve the overall portability of occupational and professional licenses.

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