



# THE BUCKEYE INSTITUTE

## **Interested Party Testimony Before the Ohio Senate Transportation, Commerce, and Workforce Committee on Senate Bill 320**

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Thank you, Chairman LaRose, Vice Chair Kunze, Ranking Member Schiavoni, and members of the Committee for the opportunity to testify regarding Senate Bill 320.

My name is Andrew J. Kidd, Ph.D., and I am an economist at **The Buckeye Institute**, an independent research and educational institution—a think tank—whose mission is to advance free-market public policy in the states.

As The Buckeye Institute outlined in its brief, *Increasing Job Opportunities for Military Families*, military spouses and families face disproportionate difficulties securing gainful employment in the private sector due, in part, to the sacrifices they make on our behalf moving around the country.<sup>1</sup>

On average, military families move once every three years, a relocation rate that directly and adversely affects their job prospects and opportunities.<sup>2</sup> The Institute for Veterans and Military Families estimates that the unemployment rate among female military spouses ages 18-24 has increased dramatically from 15 percent to 30 percent over a 12-year period.<sup>3</sup> By contrast, the civilian unemployment rate has fluctuated between eight and 12 percent during the same period.<sup>4</sup>

The higher relocation and unemployment rates among military families make them especially susceptible to the negative effects of occupational licensing laws that often function as permission slip policies that require Ohioans to seek permission from the government before earning a living. Such policies impact many Ohioans across all walks of life, but they are particularly harmful to the families of active duty military personnel.

The Institute for Veterans and Military Families revealed, for example, that 73 percent of military spouses with an occupational license require a renewal or reissuance of their license after being transferred to a new state.<sup>5</sup> Unfortunately, many of Ohio's onerous occupational licensing restrictions do not recognize licenses earned and issued across state lines. In many cases, Ohio requires additional schooling or costly new licenses for professionals already licensed or certified elsewhere—restrictions that prove especially burdensome on military families.

Currently, Ohio requires military spouses licensed in other states to secure a temporary license in Ohio while they wait for an Ohio licensing board to approve their out-of-state credentials. An already-licensed out-of-state dietitian, for example, moving to Ohio must satisfy a dizzying list of bureaucratic requirements just to receive a six-month temporary permit to practice.<sup>6</sup> Such temporary accommodation alleviates *some* burden for military families, but it remains more restrictive than necessary. The Defense Department has recommended modifying out-of-state licensing regimes through licensing by “endorsement,” allowing state boards to recognize active credentials from sister states.

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<sup>1</sup> Rea S. Hederman Jr. and Bryanna Austin, *Increasing Job Opportunities for Military Families*, The Buckeye Institute, November 10, 2016.

<sup>2</sup> Michael Nagel, *Military Families, Moving, and Stress*, Care.com, June 2, 2010.

<sup>3</sup> Rosalinda Maury, MS and Brice Stone, Ph.D., *Military Spouse Employment Report*, Institute for Veterans and Military Families, February 2014.

<sup>4</sup> *Ibid.*

<sup>5</sup> *Ibid.*

<sup>6</sup> Ohio Administrative Code [§4759-4](#).

Building on The Buckeye Institute's 2016 proposal, Ohio policymakers have introduced legislation to increase job opportunities for military families.<sup>7</sup> Provisions in Senate Bill 320 would move Ohio closer to the Defense Department's recommendation. Under Senate Bill 320, in cases in which the licensing state has educational or credentialing requirements significantly lower than Ohio's, individuals would still be permitted to work in Ohio within their scope of practice—a positive sign that military spouses stationed here do not need special permission slips from the state to earn a living.

Senate Bill 320 would also help Ohio's minority communities that tragically face daunting employment prospects and a national unemployment rate among African Americans that remains much higher than among other demographics.<sup>8</sup> Ohio's minority communities should not be made to overcome state-imposed obstacles that effectively turn away prospective employers and employment opportunities.

Although the proposed provisions would improve Ohio's current policy, they still far short of many other states that offer full reciprocity rather than merely temporary licenses.<sup>9</sup> Thus, even if Senate Bill 320 becomes state law, Ohio would still be more occupationally restrictive than states such as Arizona, Texas, and Florida.

Occupational licensing requirements only make the road to employment and economic recovery more treacherous. Every license requirement raises a red-taped hurdle for workers to clear before earning a living or starting a new career. Every hour of unpaid training needed to satisfy bureaucratic requirements is an hour not spent earning tips, impressing a boss, serving a customer, or opening a business. Those are hours of productivity, hours of opportunity that young, low-income workers sorely need, but that the state continues to deny them.

Provisions in Senate Bill 320 will help to relieve the burdens imposed by Ohio's permission slip policies.

Thank you for your time and attention. I welcome any questions that the Committee might have.

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<sup>7</sup> Rea S. Hederman Jr. and Bryanna Austin, *Increasing Job Opportunities for Military Families*, The Buckeye Institute, November 10, 2016.

<sup>8</sup> Bureau of Labor Statistics, **Table A-2. Employment Status of Civilian Population by Race, Sex, and Age**, U.S. Department of Labor, (last visited November 19, 2018).

<sup>9</sup> **Military Spouse License Transfer Options**, United States Department of Labor (last visited November 19, 2018).

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