



# THE BUCKEYE INSTITUTE

## **Making it Easier for Nurses to Work in Ohio**

Interested Party Testimony  
Ohio House Health Committee  
Senate Bill 3

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As Prepared for Delivery

Chair Lipps, Vice Chair Holmes, and Ranking Member Russo, thank you for the opportunity to testify regarding Senate Bill 3.

My name is Greg R. Lawson, I am the research fellow 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.

Ohio, like many states, needs occupational licensing reform and Senate Bill 3’s multi-state nursing compact can help.

Joining the nursing compact will mean that nurses licensed in Ohio may practice in any of the other **34 member-states**. More importantly, nurses licensed in any of those member-states may move to Ohio and immediately practice their profession without the unnecessary cost and hassle of applying for an Ohio license. Another 10 states or territories may soon join the compact, making membership even more attractive.

Senate Bill 3 and the nursing compact come at an opportune, if not critical moment for Ohio. The COVID-19 pandemic has accentuated the need for more healthcare practitioners and greater medical licensing flexibility. The need for medical licensing reform predates the pandemic, and as The Buckeye Institute explained last year in ***Policy Solutions for the Pandemic: Medical License Reciprocity Should be Permanent***, even though Ohio needs broader professional licensing recognition, the need is particularly acute in healthcare.

Senate Bill 3 takes another step in the right direction to make working in Ohio easier. As The Buckeye Institute explained in ***Forbidden to Succeed: How Licensure Laws Hold Ohioans Back***, high fees and expensive training requirements reduce an occupation’s job growth by 20 percent, crowding-out prospective workers who cannot afford them and inflating the ranks of the unemployed. Our subsequent study, ***Still Forbidden to Succeed: The Negative Effects of Occupational Licensing on Ohio’s Workforce***, confirmed the disturbing and stubborn fact that Ohio’s licensing requirements erect higher barriers to employment for those most in need of quality jobs: middle-aged and low-income workers, and those without a college degree.

The harm caused by occupational licensing is recognized across the political spectrum. Professor Morris Kleiner, the AFL-CIO chair in labor policy at the University of Minnesota’s Humphrey School of Public Affairs, **testified** that he and Alan Krueger, the former head of President Barack Obama’s Council of Economic Advisors, calculated that licensing laws cost between a half and one percent of jobs nationally in 2010. More recently, Dr. Kleiner and his co-author **estimated** that Ohio lost more than 67,000 total jobs—equal to Ohio’s average annual job growth—due to occupational licensing. Such job loss remains a significant problem, likely contributing to Ohio’s stagnating population, which has **cost** Ohio yet another congressional seat.

Fortunately, with our support and encouragement, the General Assembly—and the Senate in particular—have already taken some steps to arrest these trends. **Senate Bill 255’s** occupational licensing review process, for example, and **recognizing licenses** for spouses of military

personnel have undoubtedly helped. And recently introduced legislation promoting **universal occupational licensing recognition**—the ideal policy objective—can make Ohio a national licensing reform leader.

Universal recognition of occupational licenses avoids the complexity and complications associated with multi-state compacts, including higher and unnecessary barriers to employment in Ohio. Nevertheless, compacts, like the one under consideration here, remain powerful, intermediate tools for removing employment barriers for professionals moving from one state to another. And although **universal occupational license recognition** should be the goal, joining the 34-state nursing compact will certainly improve the status quo.

The Buckeye Institute applauds the General Assembly’s licensing reform efforts. Joining license-recognition compacts takes a positive step that we hope will lead to universal license recognition in Ohio.

Thank you for the opportunity to testify on this important issue. I would be happy to answer any questions that the Committee might have.



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