

# **INTERIM JOINT COMMITTEE ON LICENSING, OCCUPATIONS, AND ADMINISTRATIVE REGULATIONS**

## **Minutes of the 1st Meeting of the 2023 Interim**

**June 22, 2023**

### **Call to Order and Roll Call**

The 1st meeting of the Interim Joint Committee on Licensing, Occupations, and Administrative Regulations was held on Thursday, June 22, 2023, at 11:00 AM, in Room 154 of the Capitol Annex. Senator John Schickel, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator John Schickel, Co-Chair; Senators Donald Douglas, Jimmy Higdon, Michael J. Nemes, Damon Thayer, and Reginald Thomas; Representatives Kim Banta, Kevin D. Bratcher, Emily Callaway, Mike Clines, Patrick Flannery, Samara Heavrin, Thomas Huff, Kevin Jackson, Nima Kulkarni, Michael Meredith, Ruth Ann Palumbo, Phillip Pratt, Tom Smith, and Killian Timoney.

Guests: Steven Doan, State Representative; Angela C. Erickson, Strategic Research Director, Pacific Legal Foundation; Gerald Neal, State Senator; Maggie Scheppmann, MM, MT-BC; Shoshana Weissman, Digital Director and Fellow, R Street Institute; Joe P. Donohue, Executive Director, Kentucky Board of Accountancy; Russ Romine, Kentucky Society of Professional Engineers/American Council of Engineering Companies; Jill Smith, Kentucky Board of Architects; Julie Campbell, Executive Director, Kentucky Board of Cosmetology; Jim Musser, Kentucky Hospital Association; and Mason McNulty, State Administrator, Kentucky Board of Barbering.

LRC Staff: Jasmine Williams, Wendy Craig, CaraBell Preece, and Lisa W. Moore

### **Call to Order and Roll Call**

Chairman Schickel called the meeting to order and acknowledged a quorum was present. He sent greetings from Chairman Koch, who had a conflict with the June meeting and noted he would chair the next meeting in July.

### **Music Therapy Licensing**

Gerald Neal, State Senator, said the purpose of the bill is to establish a licensing board for professional music therapists. It will help to ensure that individuals receive safe and effective therapy from qualified and professional practitioners, and promote the

profession while offering a mechanism for oversight, accountability, and protection for both the public and music therapists.

Maggie Scheppmann, MM, MT-BC, co-chair of the Kentucky Music Therapy Task Force and a certified music therapist for hospice patients. She said it is important to increase the number of certified music therapists as it provides many benefits for people of all ages suffering from different ailments and disabilities. Music therapy is the clinical and evidence-based use of music interventions to accomplish individualized goals within a therapeutic relationship by a credentialed professional who has completed an approved music therapy program, and can improve the quality of life for its recipients.

Ms. Scheppmann said there are 117 board-certified music therapists in Kentucky. The legislation will help to make people aware of the profession, and make it easier for people to apply to be a music therapist in their area. Music therapy is a valuable service that provides many benefits. She urged the committee to support the legislation in order to provide more people this valued service.

Senator Thomas said he is supportive of the legislation and would like to get it passed in the 2024 Regular Session of the General Assembly. He has heard testimony of the benefits obtained from the therapy from actual patients and believes it is a necessary tool for healthcare practitioners to help improve some patients' quality of life.

Responding to Senator Nemes, Ms. Scheppmann said there is a national credentialing board in place called the Certification Board for Music Therapists (CBMT). There is no need to create a separate board in Kentucky. Senator Neal also mentioned that art therapy is evidence-based, effective, and in place in Kentucky.

Chairman Schickel said music and art therapy are beneficial services for Kentuckians and contribute to a well-balanced and happy life. He said the licensing issue of the service needs to be further examined.

### **Anonymous Lottery Winners**

Representative Banta said the bill would allow for lottery winners winning over \$1,000,000 to remain anonymous for one year. There were 15 one million dollar lottery winners in Kentucky in 2022. Chairman Schickel said this a common-sense measure.

Responding to a question from Senator Thomas, Representative Banta said she did not want to hurt the lottery's advertising by requiring winners to remain anonymous longer than one year. The lottery advertises by highlighting people's winnings and the proposed bill would not hinder that effort.

### **Universal Licensing**

Steven Doan, State Representative, said House Bill 343 is the universal recognition of occupational licensing, and expands on existing law. Kentucky allows for military spouses to bypass occupational licensing standards if they meet the requirements of their previous state. Applicants must have held an occupational license from another state for at least one year and be in good standing. They also cannot have a disqualifying criminal record as determined by the Commonwealth of Kentucky. No board or jurisdiction can have revoked the license for a public protection issue. Applicants must have no active complaints against them in another state.

Representative Doan said Kentucky is unique and has several occupational licenses that other states do not have. The bill creates a provision to allow applicants with three years of experience to apply for a license, if meeting all the other requirements. The bill does not deny or remove the right from a private entity to license individuals. The legislation does not bypass any current state law or repeal any compacts, and only adds an alternative route to get people licensed and working.

Representative Doan said Kentucky is ranked the sixth most burdensome state in the United States in obtaining occupational licenses. Kentucky also ranks second of four states in the East South Central region, only trailing Alabama. Kentucky's total barriers (197) and licenses (163) are above the regional and national averages. A barrier exists when the tasks associated with an occupational title are restricted by an occupational license to perform those tasks. The occupation itself may not have a specific license, but it is a crime to perform the associated tasks without meeting any requirements.

Ms. Angela Erickson, Strategic Research Director, Pacific Legal Foundation, testified in support of House Bill 343 and universal licensing. She said universal recognition of occupational licenses is essential to promote economic prosperity in the Commonwealth. She noted that in 2018 and 2019, the Kentucky General Assembly passed legislation providing universal recognition for veterans and military personnel and their spouses. These bills made it easier for military families to move to Kentucky, and support them through retirement.

Ms. Erickson said 20 states provide universal recognition of occupational licenses to new residents, including Kentucky's bordering states of Missouri, Ohio, and Virginia. One study shows 3,800 workers could be positively impacted and the legislation could reduce the unemployment rate in these occupations by one percentage point. Kentucky has a labor shortage, and needs workers. House Bill 343 makes it easier for employers and consumers to identify and employ people who can meet their needs.

Ms. Shoshana Weissmann, Digital Director and Fellow, R Street Institute, testified by Zoom in support of the bill. She said universal recognition of occupational licenses will encourage people to move to Kentucky and enable current residents to get back to the specialized work they know best. The policy would also benefit spouses of people who

have already moved to Kentucky for a better job. Finally, House Bill 343 would grant the Governor certain emergency powers to expand professional scope of practice and authorize professionals to work in the state during emergencies.

Responding to questions from Senator Douglas, Representative Doan said during COVID-19, the law was expanded to accept new healthcare workers from out-of-state and the new bill will not hinder what is in place or affect healthcare workers.

Senator Douglas said patterns or incidents emerge in other states that Kentucky can learn from and employers can analyze data trends. Representative Doan reiterated that all applicants will have to show proof that their certifications from another state are in good standing. Employers will have to determine if applicants have appropriate licensing qualifications for the job. Ms. Erickson said state data records are public information and employers can access licensing information from other states.

Responding to a question from Representative Flannery regarding the profession that would benefit from this legislation the most, Representative Doan said hairdressers and contractors. He said a compact was passed last session to ease the burdens on hairdressers seeking certification in Kentucky. Litigation is very common for contractors coming from other states and not meeting Kentucky's standards. Representative Doan said the legislation covers all licensed occupations except for lawyers.

Responding to questions from Senator Nemes, Representative Doan said no exams will be required if applicants meet the other states' certifications. The bill will not require an additional test of any kind, but will honor the other state's accreditation. Senator Nemes said many other states do not have standards as rigorous as Kentucky. Representative Doan said Kentucky should at least be meeting the minimum standards compared to other states.

Senator Nemes said a board should be able to approve states' standards for licensing across the board rather than individually. Representative Doan said that is a suggestion for the future, but it is not what the bill does.

Representative Meredith said this is unfair competition as the bill does not require reciprocity with other states and requires Kentucky to give up state sovereignty. Representative Doan said many of Kentucky's surrounding states have enacted this legislation and it will put Kentucky at a competitive disadvantage if it does not. Kentucky is the most restrictive for licensing requirements of any border state.

Responding to a question from Representative Heavrin, Representative Doan said the bill would cover every industry. He said reciprocity is already in place to allow healthcare workers to work in the state, as well as veterans, military personnel, and military spouses.

Responding to a question from Representative Palumbo, Representative Doan said Kentucky employers need to hire qualified contractors into the state to meet industry standards. By creating a lower barrier of entry, Kentucky can get the qualified talent and workers it needs. The bill provides safeguards against unqualified contractors from out-of-state, and they are checked for certification and good standing in their home state.

Russ Romine, Executive Director, Kentucky Society of Professional Engineers, testified in opposition to the legislation. Mr. Romine said House Bill 343 took a broad-brush approach and failed to recognize that many professions already have fair and efficient systems for reciprocity in place. The Kentucky Board of Architects and the Kentucky Board of Professional Engineers & Land Surveyors, rely on the support of national organizations to compile and verify the credentials of interstate applicants. However, House Bill 343 would have placed this burden on Kentucky's licensing boards. They are understaffed for this task, which would likely result in much longer review periods than what candidates are currently experiencing, as well as higher fees.

Julie Campbell, Executive Director, Kentucky Board of Cosmetology, spoke against the bill. She said a compact was implemented and hairdressers must meet the lowest common denominator in order to receive a license to cut hair in Kentucky. The Board of Cosmetology is ensuring the protection of the public while adhering to the guidelines set in place from the legislature on hairdresser requirements. She noted if applicants submit all credentials in a timely and appropriate manner, they can be credentialed to provide hair services in Kentucky within 30 days. Nail technicians can be unqualified and dangerous as some states have no requirements for these individuals.

Jill Smith, Kentucky Board of Architects, said Kentucky does not need a reciprocal license as one is already in place. The Kentucky Board of Architects has granted 864 reciprocal licenses in the past five years. In that time, the average approval period took less than two weeks, and only two applicants were denied. The proposed legislation could create additional impediments when it comes to design professionals practicing in the Commonwealth.

Responding to a question from Representative Bratcher concerning the loosening of occupational restrictions during the COVID-19 pandemic, Mr. Romine said Kentucky's licensing standards have stood the test of time, but he cannot guarantee these standards are better than those of other states. Ms. Smith said architects in good standing already receive reciprocity in Kentucky and can get a license in two or three weeks. She feels the \$100 fee should be increased as staffing is a concern, but is pleased that the year wait has now been eliminated.

Responding to a question from Senator Thomas, Representative Doan said it is a workforce development issue and Kentucky needs to make it easier to employ qualified

people from out-of-state. Kentucky has worker shortages, and this legislation addresses the need in a responsible way.

Chairman Schickel said state sovereignty is a critical issue just like with compacts. He said it is an important subject and can affect different professions in different ways. He said the Licensing, Occupations, and Administrative Regulations Committee will have another hearing on the issue in the 2023 Interim.

#### **Review of Administrative Regulation 201 KAR 001:190**

Joe P. Donahue, Executive Director, Kentucky Board of Accountancy, said a board amendment is needed in order to bring forms up-to-date to be aligned with the new 2024 Uniform CPA Examination that will be administered in January 2024. Senator Thayer motioned to approve the amendment to 201 KAR 001:190 and Representative Timoney seconded the motion. The amendment to the administrative regulation was adopted by voice vote.

#### **Adjournment**

With no further business before the committee, the meeting adjourned at 11:55 AM.