

Proposal for Systematic Licensure Review Process

Business and Labor Interim Committee – June 16, 2021

Governor Spencer J. Cox – Senate Sponsor Curtis Bramble – House Sponsor Joel Ferry

Problem statement

It is estimated that in 1950, less than 5% of workers in the United States were required to hold a license to enter their field; however, by 2008 that number had climbed to nearly 30%. Executive Order 2021-01 acknowledges that the government provides necessary protections, but rightly calls out that excessive regulation can simultaneously create barriers for many Utahns. While licensure reforms are incrementally progressing in Utah, robust reviews and reform are not. Unfortunately, occupational and professional licensure reforms within the legislative process are rarely informed by good analysis. Instead, most licensure reforms are brought piecemeal each session, creating instability and confusion for both licensees and the public.

Existing statute: Legislative Occupational Professional Licensure Review (OPLR) Process

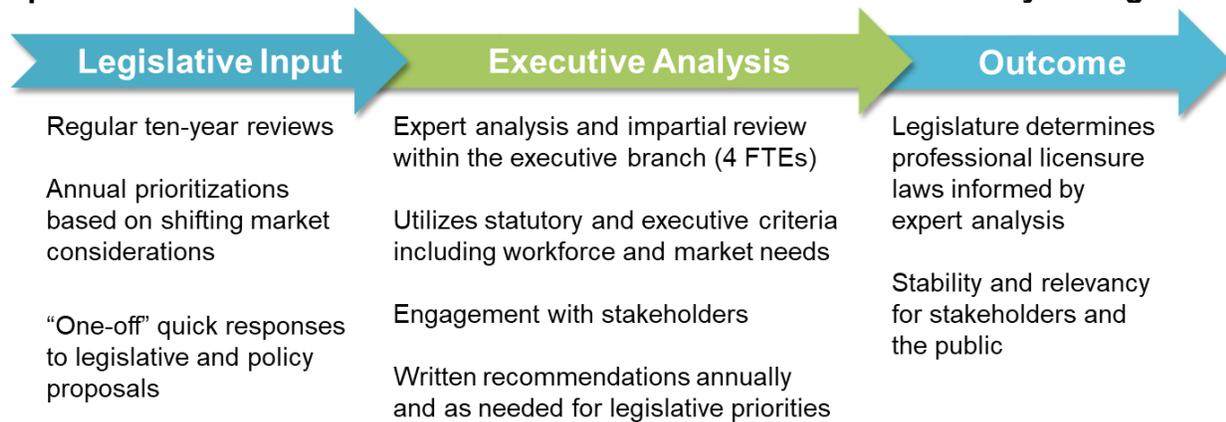
Mandate	Problem
Application for new license types to be reviewed	Thorough application reviews do not occur regularly due to lack of resources or interest
10-year review of all professions	10-year reviews are not occurring regularly
Review upon request	Requests are not happening

In order to provide the best licensure reform recommendations possible, Commerce team members have identified a consistent and ongoing licensure review process as a best practice if professional licensure reform is to effectively continue beyond Executive Order 2021-01.

Key findings for consideration of a licensure review process:

- Nearly all stakeholders are frustrated with the “one-off” reforms occurring at the Legislature and desire a more predictable process for industry and public interest groups
- Professional licensure reform groups, including a 3-year national licensure consortium (which Utah participated in) agree that in order to spur long-term reform, a robust, ongoing professional review process that involves expert analysis is required
- Best practices indicate the review process should be impartial and removed from the decision making process. As such, most stakeholders felt strongly the process should be housed in the Executive and provide impartial reports to the Legislature to inform their process
- In order for the process to be effective, it must be trusted by all stakeholders: Governor, Legislature, trade associations, public interest groups, affected agencies, and the public

Proposed: Executive Office of Professional License Review – advisory to Legislature



Goal: Ongoing professional licensure reform becomes trusted as part of Utah’s regulatory DNA

Key features

- Extensive legislative involvement**
 Despite the location within the executive branch, the office will provide support to the legislative process by providing expert analysis and regularly rely on legislative guidance for prioritization and direction of annual reviews
- Flexible and responsive**
 In addition to regular 10-year reviews, the office will be able to provide individual and targeted research and analysis that is responsive to market changes in workforce, technology, etc. by providing timely reviews of legislative proposals
- Resourced and dispassionate review**
 The location and structure of the reviews will allow for expert analysis in a predictable and transparent process that is removed from the decision-making process

Logistical highlights



Location of review process

Within the Department of Commerce; however, as its own office reporting to the Executive Director rather than within an existing division that oversees licensing



Funding mechanism

An additional appropriation made from the Commerce Service Fund, which routinely lapses funds, would support the process without increasing license fees or requesting funding from other agency budgets



Professions included

Regardless of the location within and funding through the Department of Commerce, all licenses regulated by executive branch agencies would be included