

HOUSE BILL REPORT

HB 2303

As Reported by House Committee On:
Housing, Community Development & Veterans
Appropriations

Title: An act relating to professional licensing requirements for service members and military spouses.

Brief Description: Concerning professional licensing requirements for service members and military spouses.

Sponsors: Representatives Leavitt, Dufault, MacEwen, Gildon, Kirby, Fey, Morgan, Barkis, Kilduff, Dolan, Ryu, Young, Wylie, Doglio, Volz and Appleton.

Brief History:

Committee Activity:

Housing, Community Development & Veterans: 1/21/20, 1/31/20 [DPS];
Appropriations: 2/8/20, 2/10/20 [DP2S(w/o sub HOUS)].

Brief Summary of Second Substitute Bill

- Requires certain state agencies to issue provisional professional licenses for service members and military spouses stationed in Washington.

HOUSE COMMITTEE ON HOUSING, COMMUNITY DEVELOPMENT & VETERANS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Ryu, Chair; Morgan, Vice Chair; Jenkin, Ranking Minority Member; Gildon, Assistant Ranking Minority Member; Barkis, Frame, Johnson, J., Leavitt and Ramel.

Staff: Serena Dolly (786-7150).

Background:

Professional Licensing.

Washington regulates a variety of businesses and professions. A business or profession may be regulated directly by an agency or under a board, commission, or other authority that may

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have sole or shared jurisdiction. Each regulated business and profession has a separate set of laws. Many professions have provisions for some form of reciprocity for licensees from other states.

Requirements for a professional license, certificate, registration, or permit vary considerably. Some professions may require:

- college level coursework;
- experience;
- an examination;
- some type of background check;
- a surety bond, insurance, or other minimum financial standards;
- minimum safety standards;
- continuing education for licensees; or
- duties of care for clients.

Professions in Title 18 RCW.

Title 18 RCW includes the regulation of a broad array of businesses and professions. The following authorities issue licenses, certificates, registrations, or permits to individuals under Title 18 RCW:

- The Department of Health (DOH) directly regulates or collaborates with a board or commission to oversee health professions, including physicians, nurses, and dentists.
- The Department of Licensing (DOL) directly regulates or collaborates with a board or commission to oversee a wide variety of professions, including architects, cosmetologists, and funeral directors.
- The Department of Labor and Industries (LNI) regulates contractors and plumbers.
- The Board of Accountancy oversees certified public accountants.
- The Department of Ecology regulates persons licensed to dig wells.
- The Department of Financial Institutions regulates escrow agents.
- The State Director of Fire Protection, an appointee of the Chief of the Washington State Patrol, oversees persons licensed or certified to perform services related to fire protection sprinkler systems, including fire protection sprinkling fitters.
- County auditors register process servers.

Professions Outside of Title 18 RCW.

Additional professions are regulated outside of Title 18 RCW. This includes a number of professions regulated by the DOL including:

- notary publics;
- driver training instructors;
- timeshare salespersons; and
- a number of categories related to professional athletics.

The LNI also regulates professions outside of Title 18 RCW. These include:

- electricians;
- elevator mechanics and contractors; and
- boiler pressure/vessel commissioning.

Other authorities also regulate professions outside of Title 18 RCW including:

- the Washington Professional Educator Standards Board for certification of teachers in this state;
- the Washington State Bar Association for attorneys and legal technicians; and
- the Department of Children, Youth, and Families for child care providers.

Expedited Professional Licensing for Military Spouses.

A licensing authority that issues certain professional licenses, certificates, registrations, or permits must expedite the right of qualified military spouses to provide professional services.

A qualified military spouse is a person who:

- is certified or licensed to perform professional services in another state;
- has a spouse that is transferred by the military to this state; and
- left employment in the other state to join their spouse in this state.

The procedures must include a process for issuing the person a license, certificate, registration, or permit if, in the opinion of the authority, the requirements for licensure, certification, registration, or obtaining a permit of the other state are substantially equivalent to the requirements of this state.

Each licensing authority must develop a method to authorize a person who meets the established criteria to receive a temporary license. The temporary license allows the person to perform services regulated by the authority while completing any specific requirements that may be required in this state that were not required in the other state, unless the authority finds that the requirements of the other state are substantially unequal to the standards in this state.

Annual Reporting.

The DOL and the DOH are required to report on their efforts to implement legislation modifying professional licensing procedures for military spouses and veterans:

- in a biennial report to the Legislature;
- in an annual report to the Military Transition Council; and
- annually before the Joint Committee on Veterans and Military Affairs.

Summary of Substitute Bill:

By January 1, 2021, the DOL must establish procedures to issue a provisional license, certificate, registration, or permit to perform professional services to a member of the armed forces or an active duty military spouse who is:

- currently holding in good standing a license, certificate, registration, or permit to perform professional services in another state, in the District of Columbia, or issued by an agency of the United States government;
- stationed, or the spouse of a service member who is stationed, in Washington; and
- unable to engage in the practice of the profession through an interstate compact, reciprocity, or similar agreement.

The provisional license, certificate, registration, or permit provides immediate authorization to perform the full range of activities allowed with a standard license, certificate, registration,

or permit for a period of three years, or the duration of a standard license, certificate, registration, or permit if less than three years.

A service member or military spouse seeking a provisional license, certificate, registration, or permit must submit an application to the licensing authority and include:

- a copy of the valid professional credentials from another jurisdiction;
- a copy of the applicable permanent change-of-station orders;
- a statement from the applicant that he or she meets the qualifications for a provisional license and is not subject to any pending investigation, charges, or disciplinary action by another jurisdiction;
- an application for a background check, if required; and
- proof of national certification, where applicable.

The licensing authority may not charge a fee for a provisional license application that exceeds the fee charged for a standard license. The licensing authority must determine eligibility for a provisional license within 45 days of receiving a complete provisional license application.

If an applicant for a provisional license holds a license from a jurisdiction with substantially equivalent requirements, the licensing authority must issue a standard license instead. If a provisional license holder subsequently meets the requirements for a standard license, the licensing authority may issue a standard license.

If a service member or military spouse no longer meets the qualifications for a provisional license, or becomes subject to disciplinary action in another jurisdiction, the person must cease engaging in the practice of the profession and report the change in status or disciplinary action to the licensing authority within 30 days.

The licensing authority may investigate and take action against a person with a provisional license using the same procedures used for a standard license.

By December 1, 2021, and biennially thereafter, the DOL, the LNI, the DOH, and any other authority licensing a profession under Title 18 RCW must report to the appropriate legislative committees on the number and nature of complaints filed, if any, against a service member or military spouse practicing with a provisional license.

The Employment Security Department (ESD), the Department of Veterans Affairs (DVA), the DOL, the DOH, and the LNI must each maintain a military assistance webpage containing the department's rules, regulations, and procedures related to the professional licensing of veterans, members of the armed services, and military spouses and links to the military assistance webpages of other state agencies. A direct link to the agency's military assistance page must be displayed on the agency's home page.

Substitute Bill Compared to Original Bill:

The original bill allowed a service member or military spouse to practice a profession without obtaining a professional license so long as the person was licensed in good standing in another state. The substitute bill requires certain state agencies to establish procedures for

issuing a provisional professional license, certificate, registration, or permit to a service member or military spouse with credentials issued by another state, the District of Columbia, or the federal government. The substitute bill also establishes application requirements for a service member or military spouse seeking a provisional license and requirements for state agencies in processing applications and regulating provisional licenses.

Appropriation: None.

Fiscal Note: Requested on January 15, 2020.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This bill demonstrates the state's commitment to our military spouses, who continue to struggle with barriers to licensing. The unemployment rate for military spouses is much higher than other populations. Credential portability is a top employment issue for military spouses. Military families often rely on two incomes. Military spouses want to work. Service members contemplate leaving service because their spouses cannot find work. These spouses are holding licenses to perform professional services, just not in Washington. Some professionals hold licenses from other states with higher licensing standards, but it can still take months or years to get licensed. Sometimes it is the service member who must take a second job to keep the family afloat, and this bill applies to both service members and military spouses. These laws have made a tremendous impact on the lives of military spouses in other states like Vermont and Utah. Requiring agency websites to contain professional licensing requirements also is important.

(Opposed) It is difficult for the DOH to oppose this bill, but it raises legitimate concerns about patient safety. The bill does not include any verification that the standards for the exemption have been met. It is not clear what rules would apply or who would enforce them. The DOL has a reciprocity agreement for appraisers with other states. Appraisers must pass an exam and undergo a background check. If unlicensed appraisers are allowed to practice, Washington could be out of compliance with federal standards, and federal mortgages would no longer be allowed in the state.

(Other) State agencies support military families, but have questions and concerns about this bill. It is unknown how many people would be covered by the exemption. Workers should meet standards established in Washington. The Legislature should carefully consider which professions should be included in any exemption. The greatest need is for educational and health care professionals. There would be less concerns if the bill included a registration requirement. Requiring background checks ensures at least some level of security. Dental hygienists licensed in states that do not comply with national standards should be required to demonstrate competency. Electrical licenses vary, and some states do not require licenses.

Persons Testifying: (In support) Representative Leavitt, prime sponsor; Michael Brandstetter, Armed Forces E9 Association and South Sound Military and Communities Partnership; Mike Yestramski; Sarah Luna, South Sound Military and Communities Partnership; and Herb Schmeling, Washington Veterans Legislative Coalition.

(Opposed) Christie Spice, Department of Health; and George Nervik, Appraisers Coalition of Washington.

(Other) Tammy Fellin, Department of Labor and Industries; Melissa Johnson, Washington State Nurses Association and Washington Dental Hygienists Association; Matthew Hepner, International Brotherhood of Electrical Workers; Beau Perschbacher, Department of Licensing; and Mark Sullivan, Washington State Department of Veterans Affairs.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Housing, Community Development & Veterans. Signed by 32 members: Representatives Ormsby, Chair; Robinson, 1st Vice Chair; Bergquist, 2nd Vice Chair; Stokesbary, Ranking Minority Member; Rude, Assistant Ranking Minority Member; Caldier, Chandler, Chopp, Cody, Corry, Dolan, Dye, Fitzgibbon, Hansen, Hoff, Hudgins, Kilduff, Kraft, Macri, Mosbrucker, Pettigrew, Pollet, Ryu, Schmick, Senn, Springer, Steele, Sullivan, Sutherland, Tarleton, Tharinger and Ybarra.

Staff: Linda Merelle (786-7092).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Housing, Community Development & Veterans:

The duration of a provisional license, certificate, registration, or permit issued by the Department of Health is limited to one year. An applicant must sign under penalty of perjury a statement that he or she meets the qualifications for the provisional license, certificate, registration, or permit. The licensing authority must charge the same fee for a provisional and standard license, certificate, registration, or permit unless valid for different lengths of time. The applicant for a provisional license, certificate, registration, or permit must submit proof of successful completion of a national examination where applicable.

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on February 6, 2020.

Effective Date of Second Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The provisional licenses authorized pursuant to this bill will assist military spouses to obtain professional licensure.

(Opposed) None.

Persons Testifying: Mary Hull-Drury, Washington REALTORS.

Persons Signed In To Testify But Not Testifying: None.