



Statement of Principles for Universal Licensure Recognition and Reciprocity

The PCC supports the objective of reducing unnecessary barriers to entry to practice for licensed professionals who move to a new state. Not all state-specific licensure requirements are unwarranted, however. In their current form, many universal licensing bills may undermine protections for the public by adopting a one-size-fits-all approach to universal licensure and by exempting out-of-state applicants from establishing that they possess the same qualifications as in-state applicants.

Background:

Occupational licensing laws operate as the gatekeepers to licensed professions: they establish the standards of education, training, and testing required to practice in a specific field. The purpose of licensing laws is to protect the public from unqualified or unethical practitioners, but opponents of licensing contend that the administrative and financial burdens of complying with licensing laws also limit opportunities to earn a living. Moreover, as each state independently establishes its own licensing laws, requirements vary by location; as a result, professionals must apply for a license each time they relocate across state borders. This can impose significant costs in time and money. Critics of state-specific licensure laws argue that, rather than protecting the public from unqualified practitioners, they primarily serve to insulate in-state professionals from out-of-state competition and are unnecessary barriers to practice for professionals who already hold a license in their field from another state.

In response, some states have adopted universal licensure recognition—or licensing reciprocity—and recognize a valid out-of-state license as sufficient for a professional to practice in their state, subject to additional conditions such as residency and background checks. Initially, this practice was largely restricted to specific interstate agreements or to populations with special circumstances. Many states now grant reciprocal licensure or temporary permits to military spouses who move into the state due to their spouse's change of duty assignment.¹ The COVID-19 pandemic national emergency has also led some states to enact reciprocal or accelerated licensing provisions for some professions.²

Recently, some states have enacted more expansive universal licensure bills, and many more such bills have been introduced. Unlike profession-specific reciprocal licensing state compacts, these bills generally apply to any licensing authority in the state, with limited exceptions. Some bills provide only for reciprocal licensure to applicants holding an occupational license granted by

¹ See <https://www.veterans.gov/milspouses/>.

² See, e.g., <https://www.fsmb.org/siteassets/advocacy/pdf/state-emergency-declarations-licensure-requirements-covid-19.pdf> and <https://www.aanp.org/advocacy/state/emergency-state-licensure-covid-19-response>.

another state.³ Other bills go further and authorize granting licenses to applicants based on work experience and/or private certification credentials, if the applicant's home state does not require a license to practice the occupation.

Criteria for Responsible Legislation:

The PCC urges state legislatures considering universal licensure bills to take into account the following key principles in order to ensure sufficient safeguards remain in place to protect the public and uphold the integrity of substantive licensure requirements.

The PCC supports universal or reciprocal licensure laws that:

1. Require further profession-specific action by licensing agencies, rather than automatically providing sweeping recognition of all out-of-state licenses.

- a. The level of oversight required to protect the public varies between licensed professions, and not all licensed professions merit the same level of reciprocity. For example, state licensing laws for some professions require licensees to demonstrate state-specific substantive knowledge (e.g., state Bar exams for lawyers⁴ and California's requirement that all California-licensed engineers demonstrate knowledge about seismic strengthening for projects including retrofitting⁵). For other professions, licensing laws may have uniform requirements adopted by every state, such as in professions that require all licensees to have passed a national certification exam or to have completed specialized training.
- b. State agencies should seek input from relevant, industry-specific stakeholders on the potential positive and negative consequences of universal licensure.

2. Require the licensing agency make an initial assessment of whether licenses in other jurisdictions are, in fact, equivalent in standards and scope of practice.

- a. The requirements to get licensed in a profession can vary widely between states. Depending on the profession, state licensure requirements may include different elements or differing levels of requirements for formal education, training, practical experience, national certification, verification of prior disciplinary or criminal conviction history, and character examinations.
- b. Differences in licensing requirements across states cannot be broadly written off as bureaucratic red tape. Often, variance in licensing requirements corresponds

³ Arizona became the first state to adopt universal licensure when H.B. 2569 was signed into law on April 10, 2019. Under A.R.S. § 32-4302, Arizona will issue a license to new residents with a current, out-of-state license in the licensed profession, if the out-of-state licensee is in good standing, has been licensed for at least a year, and has passed a criminal background check. Montana, New Jersey, and Pennsylvania have passed similar statutes.

⁴ See, e.g., https://www.ncbex.org/pdfviewer/?file=%2Fassets%2FBarAdmissionGuide%2FCompGuide2020_021820_Online_Final.pdf#page=40.

⁵ See https://www.bpelsg.ca.gov/pubs/consumer_guide.pdf.

with differences in the scope of practice a license permits. For example, in several states, licensed pharmacy technicians may administer immunizations, but also are subject to related training requirements associated with vaccinations.⁶ In many other states, however, pharmacy technicians are not authorized to administer immunizations and therefore may not have received the relevant training.⁷

- c. Different states also have varying substantive prerequisites for licensure or renewal of licensure for some professions. For example, states vary as to whether passage of a national certification exam is required for licensure as a dental assistant,⁸ and not all states require current certification for renewal of licensure as a physician assistant.⁹

3. Permit reciprocal licensure as a general matter only if there is substantial similarity between the requirements, knowledge, and scope of practice for two jurisdictions.

- a. Subject to limited and temporary exceptions, as for national emergencies and military spouses, state agencies should be authorized to grant reciprocal licensure only if the out-of-state license reflects an assurance of comparable qualifications and authorizes the full scope of practice granted by the in-state licensing law. Otherwise, in a race to the bottom, less qualified individuals could apply for initial licensure in states with less stringent requirements and rely on a universal licensure law to bypass the licensure conditions that other states have determined should be required for protection of the public.
- b. States with stricter licensing requirements should consider adopting bridging requirements that would enable licensed practitioners from other states to have an abbreviated path to licensure, by establishing that they have met the additional qualifications of that state.

4. Condition reciprocity on joint oversight of the licensee, as well as communication and mandatory reporting between the in-state and out-of-state licensing agencies.

- a. Licensees subject to pending disciplinary proceedings should not be granted reciprocal licensure until the proceedings are resolved. Mobility between states should not be a means to evade disciplinary oversight by a licensing board, even if a license in one state expires.
- b. Individuals granted reciprocity should be jointly subject to the new and old state licensing agencies' enforcement authority and rules.

⁶ See, e.g., https://dopl.utah.gov/pharm/vaccine_administration_protocol.pdf.

⁷ See <https://www.pharmacist.com/article/pharmacy-technicians-gear-immunize>.

⁸ See <https://www.ada.org/en/education-careers/careers-in-dentistry/dental-team-careers/dental-assistant/education-training-requirements-dental-assistant>.

⁹ See <https://www.aapa.org/download/19739/>.

5. Grant alternative pathways to licensure for unlicensed out-of-state applicants only if the applicant demonstrates at least substantially equivalent educational, training, examination, credentials, and experience as are required of in-state applicants.

- a. Prior work experience is not a substitute for examination-based or certification credentials, as it does not establish competency or skill. Similarly, not all private certifications are equivalent. There is no basis to presume that an unlicensed individual holding an unspecified private certification credential possesses equivalent qualifications as in-state licensed professionals hold, unless that private certification is a condition of licensure in the state.
- b. Requiring unlicensed out-of-state applicants to demonstrate substantive qualifications that are at least comparable to those required of in-state applicants would protect against bogus or flimsy certification programs being used as a substitute for licensure. At the same time, for licensed professions that condition licensure on private certification, accepting that certification from out-of-state applicants can provide an alternative pathway to universal licensure that still safeguards the public.

6. Consider residency requirements.

- a. State legislatures should consult with licensing agencies and industry stakeholders to determine whether intent to relocate should be a requirement for granting reciprocal licensure.