



## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #688

### **Licensure Attainment and Flexibility Specialists (Safety and Professional Services -- Regulation of Professions)**

[LFB 2023-25 Budget Summary: Page 556, #5]

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#### **CURRENT LAW**

The Department of Safety and Professional Services (DSPS) regulates more than 240 types of professional licenses, with certain licenses having guidelines specific to applicants with out-of-state credentials. These provisions, generally termed license reciprocity, denote the mutual recognition and acceptance by states of licenses that were granted in other states. Such processes are intended to facilitate the movement of workers between states as opportunities and need arise.

#### **DISCUSSION POINTS**

1. Assembly Bill 43/Senate Bill 70 would provide \$341,200 in 2023-24 and \$434,900 in 2024-25 with 5.0 positions to create license attainment specialists. The positions would be intended to enhance licensure opportunity in Wisconsin through multistate compacts and reciprocity agreements. 1.0 position would work on licensure compact development with the various credentialing boards, 1.0 would research and facilitate credentialing for persons trained internationally in healthcare fields, and 3.0 would expedite licensing decisions for applicants who already held credentials in other states.

2. DSPS reports that in calendar years 2021 and 2022, 10% of trades professions license applications and renewals registered with out-of-state zip codes. DSPS reporting for health and business occupations as of April 30, 2023, shows 89,400 active out-of-state credential holders out of 439,100 total active credential holders, or approximately 20% of active holders.

3. DSPS argues that creating clearer paths to licensure through administrative processes under current law would aid in attracting qualified applicants from other states. Using the positions

and funding under this provision, DSPS would intend to develop tools such that out-of-state workers, including international credential candidates, would have less difficulty navigating licensure processes. For example, DSPS indicates additional staff would be expected to produce assistive workflow diagrams for persons applying for credentials from outside Wisconsin to aid in licensure. DSPS also anticipates the 3.0 positions for expediting licensure would directly assist individuals with complex or unique applications.

4. However, DSPS also contends future statutory or rule changes that may increase reciprocity for out-of-state credential holders would be a focus of additional staffing. Currently, license reciprocity may be provided by statutory provisions and agency or board rulemaking. DSPS indicates staff proposed under the provision could assist in additional research and rule promulgation for reciprocity. However, DSPS indicates it does not have the staff capacity to pursue additional reciprocity-based rulemaking.

5. DSPS also notes additional efforts could focus on implementation of interstate compacts. A Legislative Council staff brief for the 2022 Study Committee on Occupational Licenses notes Wisconsin is party to five interstate compacts that relate to DSPS and credentialing boards, including for: (a) nurse licensure; (b) medical licensure; (c) occupational therapy; (d) physical therapy; and (e) psychology. 2023 Assembly Bill 207/Senate Bill 196 and AB 208/SB 197, which were introduced at the recommendation of the Occupational Licenses Study Committee, would additionally ratify the Counseling Compact and Audiology and Speech-Language Pathology Interstate Compact, respectively. Legislative Council staff further note the state could potentially join compacts in existence or in development that relate to: (a) advanced practice registered nursing; (b) cosmetology; (c) dentistry and dental hygiene; (d) massage therapy; (e) physician assistants; and (f) social work. DSPS anticipates certain compact memberships would increase state residents' options for pursuing telehealth services, thereby increasing the availability of virtual healthcare appointments. DSPS indicates that state ratification requires additional staff rule-making to implement provisions as they pertain to the state.

6. DSPS states that without the funding and positions for this provision, the agency would not be substantially able to develop and offer additional user-friendly resources and assistance to improve the process by which applicants can become licensed and work in Wisconsin. DSPS indicates that without such resources and assistance, Wisconsin may not be able to expand credential access for prospective Wisconsin practitioners. Creating interstate licensure workflows specific to relevant states would be anticipated to aid applicants who seek licensure and work in Wisconsin.

7. Given the potential benefits of licensing specialists for out-of-state applicants, the Committee could approve one or both of: (a) funding and 2.0 positions for work on interstate compact development and licensure research [Alternative 1]; or (b) 3.0 positions to expedite licensing for applicants with out-of-state credentials [Alternative 2]. These alternatives can be moved together. Developing efficient processes to licensure for out-of-state individuals could be beneficial. However, the length of time and process required to develop interstate compacts is uncertain. The Committee could provide any of the positions as two- or four-year project positions [Alternative 3].

8. On the other hand, alternatives under other staffing provisions before the Committee could be implemented, and staffing under those provisions may be able to develop additional

processes to facilitate credentialing of out-of-state applicants. Additional needs for these activities could then be evaluated in future biennia. The Committee could take no action [Alternative 4].

## ALTERNATIVES

1. Provide \$121,400 in 2023-24 and \$154,800 in 2024-25 with 2.0 positions for interstate compact development and licensure research.

<b>ALT 1</b>	<b>Change to Base</b>	
	<b>Funding</b>	<b>Positions</b>
PR	\$276,200	2.00

2. Provide \$219,800 in 2023-24 and \$280,100 in 2024-25 with 3.0 positions to expedite licensing for applicants with out-of-state credentials. (This alternative can be moved in addition to Alternative 1).

<b>ALT 2</b>	<b>Change to Base</b>	
	<b>Funding</b>	<b>Positions</b>
PR	\$499,900	3.00

3. Specify that the positions are project positions with one of the following terms:
  - a. Two years; or
  - b. Four years.
4. Take no action.

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