

Notice of Intent to Fund Project on Occupational Licensing Review and Portability: NOI-ETA-16-14

I. Description

The U.S. Department of Labor's Employment and Training Administration (ETA) intends to award up to \$7,500,000 to help enhance the portability of occupational licensing. This Notice of Intent requests Letters of Interest from eligible entities expressing their interest in receiving funding for this purpose.

II. Background

Over the past several decades, the share of U.S. workers holding an occupational license has grown. The available evidence suggests that the share of the U.S. workforce covered by licensing laws grew fivefold in the second half of the 20th century, from less than 5 percent in the early 1950s to roughly a quarter today. When designed and implemented carefully, licensing can benefit consumers through higher quality services and improved health and safety standards. However, licensing can also reduce employment opportunities.

Since most occupations are licensed at the state level, licensed practitioners typically have to acquire a new license when they move across state lines. This can entail various procedural hurdles, such as paying fees, filling out administrative paperwork, and submitting an application and waiting for it to be processed. Moreover, since each state sets its own licensing requirements, these often vary from state to state, and licensed individuals seeking to move from one state to another often discover that they must meet new qualifications (such as education, experience, training, testing, etc.) to continue to work in their occupation. In many cases, there may be no documented procedures or provisions for recognition of licenses from other states. The resulting costs in both time and money can discourage people from moving, or for those who must relocate, may compel them to leave the career.

Finally, licensing requirements may have disproportionate impacts on certain populations. For example, military spouses often move to different states but may not be permitted to use their previous license to practice in a new state despite having relevant qualifications and work experience (such as in teaching or nursing). Similarly, many immigrants arrive in the United States with extensive education, job training, or work experience completed abroad. However, they may be prevented from applying their skills in the United States since their education or experience often is not credited toward fulfilling the requirements for licensure. As another example, in some states, individuals with criminal records may face blanket barriers to working in licensed

occupations, with little consideration of whether the conviction is related or relevant to the nature or conditions of the work performed.

In response to these challenges, this project will support one or a few national or regional organizations working with a group of states to examine licensing portability across state lines. States in the consortia will objectively analyze the relevant licensing criteria, potential portability issues, and whether licensing requirements are overly broad or burdensome. States may consider the potential of alternative approaches that might be adequate to protect public health and safety, including, but not limited to, professional certification.

III. General Information

| Document Type | Grants Notice |
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| Funding Opportunity Number: | NOI-ETA-16-14 |
| Funding Opportunity Title: | Notice of Intent requesting Letters of Interest for a sole source award to help enhance the portability of occupational licensing. |
| Opportunity Category: | Discretionary |
| Posted Date: | 06-17-2016 |
| Creation Date: | 06-17-2016 |
| Original Closing Date for Letters of Interest: | 07-18-2016 |
| Archive Date: | 07-19-2016 |
| Funding Instrument Type: | Cooperative Agreement |
| Category of Funding Activity: | Employment, Labor and Training |
| Category Explanation: | |
| Expected Number of Awards: | Approximately 1-3 |
| Estimated Total Program Funding: | \$7,500,000 |
| Award Floor: | \$0 |
| CFDA Number(s): | 17.207 |
| Cost Sharing or Matching Requirement: | No |

IV. Program Information

The Employment and Training Administration (ETA) intends to award up to a total of \$7,500,000 to one or a few national or regional organizations that will establish consortia of states to design and implement strategies that enhance the portability of occupational licenses and to otherwise reduce overly burdensome restrictions. These

funds are authorized in paragraph (6) under the heading “State Unemployment Insurance and Employment Services Operations” in Title I of Division H of the Consolidated Appropriations Act, 2016, as further explained in the Explanatory Statement of the Consolidated Appropriations Act, 2016, 161 Cong. Rec. H. 10281 (Dec. 17, 2015).

When designed and implemented carefully, licensing can offer important health and safety protections to consumers, as well as benefits to workers. However, the current licensing landscape in the United States also creates substantial costs; and often the requirements for obtaining a license are not well aligned with the skills needed for the job.

Selected organizations will work with states in the established consortia to review and analyze occupational licensing requirements and develop recommendations to make progress toward two main objectives: 1) identifying licensing criteria to ensure that existing and new licensing requirements are not overly broad or burdensome and that they do not create unnecessary barriers to labor market entry; 2) improving portability and reciprocity provisions for selected occupational licenses across state lines. Alternatives to current licensing approaches that may be considered include: streamlining administrative procedures for applying for licenses; recognizing prior learning from education or experience obtained either in another state, from the U.S. military or in another country; the formation of interstate reciprocity agreements; unilateral recognition of out-of-state licenses; harmonization of licensing requirements across states; or the development of accelerated pathways to licensure for workers moving across states.

Period of Performance: Awards will have a period of performance of 36 months following the date of award. The 36-month period of performance should include an initial phase for start-up and orientation activities to establish consortia, and sufficient time at the conclusion to prepare a final report. However, the majority of the project period should be used for project activities as described. Interested entities who do not propose projects that match the timeline outlined above may still be considered if their proposal appears reasonably calculated to meeting the goals of the cooperative agreement and is consistent with Federal appropriations law.

Interested entities must submit a Letter of Interest to Serena Boyd at boyd.serena@dol.gov by **July 18, 2016**. The Letter of Interest must describe the proposed strategy to build state consortia within the timeframe outlined above and details on the support participating states will receive to enhance portability and accessibility. *Timing:* ETA intends to award funds no later than October 31, 2016.

V. Eligible Entities

Eligible entities must be a 501(c)(3) non-profit, including but not limited to national or regional organizations across multiple states and/or tribal areas, such as an association of governors' offices, an association of state legislatures, an association of state licensing boards or agencies, and/or a workforce intermediary or technical assistance organization. Interested entities must document relevant experience with:

- Conducting research on and reviewing licensing requirements and policies across multiple states or geographic areas.
- Coordinating among a group of leaders across states (or other relevant entities) to come to common agreement on a set of goals and implementation plan and work together to make progress.
- Developing best practices and recommendations for state level reforms.

More than one eligible national or regional organization may partner together in this effort. In the case of these partnerships, one partnering organization must assume the role of lead partner. Cooperative agreements will be awarded to the lead partner, which will serve as the grantee and have overall fiscal and administrative responsibility for the project. Sub-grants are not permissible, but contracts and other mechanisms may be permitted.

VI. Letter of Interest

Letters of Interest must include a description of the Proposed Approach, Project Outputs, Organizational Capacity, Proposed Partners, and Requested Amount.

Number of Responses: Organizations may submit only one Letter of Interest in response to this request as the project lead. However, an organization may submit one letter as the project lead and also be included as a partner in one or more Letters of Interest submitted by other organizations that are proposing to lead the project. If multiple letters from the same lead organization are received, the most recent Letter of Interest submitted will be reviewed and all other letters will not be reviewed. If the most recent letter is disqualified for any reason, it will not be replaced with an earlier letter.

Proposed Approach: Interested entities must describe their proposed activities for the project and the strategies that will be used in working with states to review and analyze occupational licensing requirements and develop recommendations to make progress toward the two main objectives:

- 1) identifying licensing criteria to ensure that existing and new licensing requirements are not overly broad or burdensome and that they do not create unnecessary barriers to labor market entry; and

2) improving portability and reciprocity provisions for selected occupational licenses across state lines.

In the Letter of Interest, entities must specify the proposed licensing criteria/requirements they would review and potentially revise to achieve each of the two objectives such as:

- Length and type of required training and/or work experience;
- Provisions for recognition of credit for prior education or training attained in other states, from the U.S. military, or from educational institutions in other countries;
- Fees and application requirements;
- Relevance of criminal record exclusions to the specific occupation;
- Personal background documentation required (such as credit checks, student loan status; and/or
- Other factors.

In the Letter, interested entities may also propose a specific set of occupations or categories of occupations for the proposed approach.

In their approach, interested entities must also describe criteria for identifying and the process for securing the commitment of at least three (preferably more) states to participate in the occupational licensing project. In the recruitment or selection of states to participate in a consortium, interested entities are encouraged to consider the current status of any existing efforts to reform or streamline occupational licensing, as well as major legislative, legal, budgetary or other obstacles and challenges to the implementation of this project. To that end, entities must describe the documentation that they will require of state participants in the consortium, such as letters of support from elected officials, state licensing bodies, business organizations, or other relevant stakeholders. Entities must also indicate how they will identify and convene relevant stakeholders from each state in the consortium, and provide technical assistance on promising practices and potential alternatives with regard to occupational licensing.

Interested entities may propose to convene and work with more than one consortium of states that could focus around a specific region of the country, specific industry sectors (for example, healthcare), or even on specific licensed occupations having significant employment in the states. Potential criteria for selecting states to participate and particular occupations for review must also be described, such as the extent of demand for workers in particular licensed occupations where increased portability and access could help states to meet employer needs in the state.

States that have been identified and have agreed to participate at the time of the submission of a Letter of Interest must be named in the letter; however, additional

states may be added after award if they meet the stated criteria, in order to extend the impact of the project. A Letter of Interest should briefly describe the current status of any existing efforts to reform or streamline occupational licensing, as well as major legislative, legal, budgetary or other obstacles and challenges to the implementation of this project.

Interested entities should further describe any relevant partners within each state that will be assembled to work on various aspects of this project and the extent to which these proposed partners represent the issues involved. These proposed partners may include the governor's office, state workforce agency, other state agencies that either contain licensing agencies or oversee licensing boards—such as state departments of health or transportation, educational institutions, relevant licensing entities, postsecondary education institutions, and industry, business, or professional associations. Other relevant stakeholders may be proposed or involved.

Finally, entities must describe how they will comply with Federal law, including a specific description of how they will comply with provisions restricting lobbying activities found in Pub. L. 114-113 and at 2 CFR 200.450.

Project Outputs: Interested entities must describe the proposed plan and strategies to produce the following outputs:

- A description of the process to establish state consortia.
- An assessment of the extent and nature of occupational licensing in each state in the consortium.
- An analysis of comparable and non-comparable licensing requirements of the states in the consortium for a specific set of occupations. It is not necessary that every state in the consortium work on each of the same set of occupations.
- The technical assistance provided to states to develop plans for:
 - improving licensing portability; and
 - reducing licensing barriers to labor market entry, while maintaining appropriate safeguards for public health and safety within participating states.
- A final summary document of the following: progress on the project's two main objectives; how the licensing review was conducted; what portability and reciprocity improvements were made; and which strategies were used to reduce or prevent barriers to labor market entry. The summary should also include a description of promising practices for state collaboration that can be shared with other states.

Organizational Capacity: The lead partner must describe the capacity of their organization to lead and manage a project of this nature, noting experience in convening and providing technical assistance to states and stakeholders and in managing grant projects. Interested entities must provide details pertaining to their

organization's experience with and subject matter expertise in occupational licensing. Entities must also demonstrate that they have the capacity to form one or more consortia consisting of at least three or preferably more states each that will commit to develop an action plan for enhancing licensing portability and reciprocity. When describing past projects, please note the funding source (including philanthropy, Federal grants and cooperative agreements, etc.) and those projects similar in size, scope or relevance to the proposed project and provide a description of the outputs and/or outcomes.

Proposed Partners: Lead entities proposing to partner with other organizations or associations to achieve the objectives of the project must indicate in the Letter of Interest the partner organizations, and attach letters from the partner(s) describing their planned role(s) in project activities, and their capacity and qualifications to carry out those project functions.

Requested Amount: While a detailed budget is not requested with the Letter of Interest, applicants must specify the amount requested and the amounts by major category—Staffing, Travel, Contractual, etc. A budget narrative must be included to explain all costs associated with operating the project.

VII. Review and Selection Process

The Department will review the Letters of Interest and may engage in follow-up discussions with the interested entities. The Department will determine its process for making awards depending on the number of interested entities that are deemed eligible and capable. Award requirements, such as terms and conditions, will be negotiated with potential awardees. If negotiations do not result in a mutually acceptable submission, the Department reserves the right to terminate negotiations and decline to fund the award.

VIII. Additional Resources

- Occupational Licensing: A Framework for Policymakers, July 2015 at: https://www.whitehouse.gov/sites/default/files/docs/licensing_report_final_nonembargo.pdf
- A searchable database of state occupational licenses that provides an idea of the scope and extent of licensing by occupation is available in the CareerOneStop License Finder at: <http://www.careeronestop.org/credentials/toolkit/find-licenses.aspx>. (Note that this database reflects information submitted periodically by the state workforce agency on behalf of multiple licensing entities within a state, and as a result may have omissions or may not reflect the most current updates).

- Veterans Licensing and Certification Demonstration: Interim Report, March 2015, a U.S. Department of Labor research report available at: http://wdr.doleta.gov/research/FullText_Documents/ETAOP_2015-03.pdf

IX. OMB Clearance

OMB Information Collection No 1225-0086, Expires May 31, 2019.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. Public reporting burden for this collection of information is estimated to average 20 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments about the burden estimated or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Labor, to the attention of the Departmental Clearance Officer 200 Constitution Avenue NW, Room N1301, Washington, DC 20210. Comments may also be emailed to DOL_PRA_PUBLIC@dol.gov.