

ARKANSAS

BUILDING A COALITION—THE EFFECT

Introduction

In 2013, Arkansas began its attempts to pass ambitious changes to occupational licensing legislation by calling for a review of all occupational licensing regulations in the state. These attempts at passing legislation were unsuccessful until 2019. The Red Tape Reduction Sunrise and Sunset Act of 2019, also known as Act 600, marks the first time a bill of this type was successful in Arkansas. Much of the credit for this success lies with a coalition built among two groups—the Red Tape Reduction Working Group (RTRWG) and the Occupational Licensing Advisory Group (OLAG).

As part of the Consortium and occupational licensing initiative efforts, in 2017, Governor Asa Hutchinson appointed 17 people to the RTRWG. This group was tasked with considering occupational licensing issues and recommending legislation to the governor. OLAG was formed to work in parallel with the RTRWG and represented Arkansas’s Home Team for the NCSL-led Occupational Licensing Consortium work. OLAG included 25 individuals and four support staff members representing various regulatory boards and departments, such as the State Board of Nursing, American Institute of Architects, and Arkansas Agriculture Department. OLAG was tasked with researching Arkansas’s licensing requirements and surveying all licensing entities within Arkansas to develop accurate and up-to-date information.

Case study focus: The effect of building a coalition on the achievement of results within the occupational licensing initiative in Arkansas.

Key findings:

- ✚ The RTRWG and OLAG recommendations led to the creation of the occupational licensing regulations committee and numerous approved legislative changes.
- ✚ The availability of accurate data provided the information needed to garner support for the bill and address areas of dispute.
- ✚ Data collected from the OLAG’s survey and self-assessment contributed to the RTRWG’s Fall 2018 Report, which influenced the successful passing of House Bill 1527 (Act 600).

Case Study Approach. The Executive Summary describes the overall approach to the case studies. Details that are specific to Arkansas’s case study are listed in Exhibit 3.

Exhibit 3. Sources of data and information used for Arkansas’s case study

Type of Data	Source of Data
Background Documents	<ul style="list-style-type: none"> ❖ Summary of Arkansas’s Occupational Licensing Policy Learning Consortium application, 2018 semi-annual report, occupational licensing action plan, and state-specific technical assistance documents ❖ Arkansas state legislature website, news articles, and reports ❖ RTRWG’s Fall 2018 Report ❖ Arkansas’s blog on its initiative activities: www.occupationallicensingarkansas.blog
Qualitative Data	<p>SME interviews:</p> <ul style="list-style-type: none"> Representative Bruce Cozart, Core Team Lead; RTRWG Co-Chair; State Representative, and General Contractor, Bruce Cozart Construction, Inc. Gary Isom, Core Team Member; OLAG Chair; Executive Director, Arkansas Real Estate Commission Robin Voss, Core Team Member; Occupational Licensing Project Coordinator; Administrative Specialist and Grants Coordinator, Arkansas House of Representatives
Quantitative Data	Number of bills passed on the recommendations of RTRWG and OLAG

Findings

The data collection activities listed in Exhibit 3 provided insight into the importance and effect of building coalitions in Arkansas. They also provided information on the process and coordination required to make legislative change based on accurate and reliable data. There are three major findings related to the efforts in Arkansas.

The RTRWG and OLAG recommendations led to the creation of the occupational licensing regulations committee and numerous approved legislative changes

Since their inception in 2017, the RTRWG and OLAG worked tirelessly to generate the Fall 2018 Report, which listed **five approaches to occupational licensing legislation** (see callout box) and **recommended 10 areas for future study and development**. After the recommendations were made in November 2018, House Bill (HB) 1527 passed through the legislature and became Act 600 on March 29, 2019.

Fall 2018 Report—Considerations for Legislation

1. Establish an expedited procedure for occupational licensing agencies to submit rule/regulation requests that are responsive to new legislation.
2. Extend Act 781 to allow repeal of subsections of rules/regulations.
3. Establish provisions to allow certain agencies to consider occupational relevance with regard to criminal background issues.
4. Authorize occupational agencies the ability to identify groups or entities for which temporary/provisional licensure can be issued.
5. Establish systematic processes of sunrise review for creation of new licensing entities and sunset review of existing licensing entities.

In March 2019, as a result of Act 600, a legislative subcommittee called the Occupational Licensing Regulations Committee was formed. The subcommittee is tasked with a **rotating review of all 97 occupational licensing entities in Arkansas** over the **next six years**. Year 1 of this review will analyze 51 licenses issued by 17 different agencies or boards through August of 2020.⁴

“Every year, one-sixth of the 97 licensing entities [in Arkansas] will be picked to be reviewed at a random order. We aren’t picking on a certain license, group, or individual. We will make a full rotation, a total review of all licensing, and see how we’re doing then.”

– Representative Bruce Cozart

In addition to the committee review, further steps toward the occupational licensing initiative were made by the Core Team in Arkansas’s 92nd General Assembly of 2019. During the legislative session, 83 bills related to occupational licensing were considered, and the legislature approved 45 of them. Several of these new state laws enacted recommendations made in the RTRWG’s Fall 2018 Report.

⁴ Wickline, M. R. (2019). Occupational license review nearing start. *Arkansas Democrat Gazette*. Retrieved from <https://www.arkansasonline.com/news/2019/jun/21/occupational-license-review-nearing-sta-1/>

The availability of accurate data provided the information needed to garner support for the bill and address areas of dispute

Interviews with stakeholders suggest that the availability of good data may have changed the trajectory of initiative efforts. The unsuccessful legislative attempts, prior to 2019, had been largely due to *“a lot of bad data that has been circulated through legislatures, through the years,”* said Mr. Gary Isom. *“It was just unknown territory with an isolated movement, without stakeholder input and therefore there was just not much support, but there was a lot of resistance,”* Mr. Isom continued.

By contrast, data played a pivotal role in the passage of Act 600. First, a **2017 report by the Arkansas Department of Workforce Services** highlighted the urgency of the large-scale occupational licensing initiative.⁵ It revealed that the state government regulated more than 300 occupations with a license, a certification, or registration regulations. It also highlighted the 2017 operating budget for Arkansas’s professional boards and commissions, which establish licensing requirements and ensure compliance with them, of nearly \$62 million. This accelerated Arkansas’s momentum in passing occupational licensing legislation (Act 600), which provided for a review of potential cost, benefits, and impacts before advancing with legislation (sunrise legislation) and ensured the creation of a state board or agency after legislation is enacted, and required an essential periodic review (sunset legislation).⁶ This sunrise and sunset legislation highlighted that it is in the best interest of the state of Arkansas to conduct a periodic comprehensive legislative review of all occupational authorizations and the occupational entities that issue them, with the hope of determining and implementing the least restrictive form of occupational authorization to protect public health and safety.⁷

Second, the availability of good data fueled stakeholder discussions on areas of contention. When filing the bill that ultimately became Act 600 (HB 1527) in the 2019 legislative session, there was a **continuous dialogue among all stakeholders** about how to amend or remove components that instigated resistance. For example, a clause in the bill allowing the Arkansas Legislative Council to hire a consultant attracted attention due to the potential high dollar expense but was resolved through a thorough discussion, and no modifications were needed. This necessary dialogue was initiated and supported by the current, reliable data provided by OLAG (expanded upon in the next finding) and ultimately contributed to the success Arkansas experienced in 2019.

Data from the OLAG’s survey and self-assessment contributed to the RTRWG’s Fall 2018 Report, which influenced the successful passing of HB 1527 (Act 600)

One of the first steps taken by OLAG was to create a questionnaire to assess the group members’ perceptions and opinions of Arkansas’s occupational licensing issues. This questionnaire allowed OLAG to establish a focus for the group. The executive summary of the results,⁸ released in May 2018, displayed the perspectives of the OLAG members. For example, 60% responded that structural change in how Arkansas handles licensing is somewhat important, and 13% expressed that it is extremely important.

Following the group’s self-evaluation, OLAG developed a **51-question survey** that was sent to every licensing agency. The purpose of this survey was to address questions and concerns that arose through

⁵ McLaughlin, P., Mitchell, M., & Philpot, A. (2017). The state of occupational licensure: Arkansas. *Mercatus Center George Mason University*. Retrieved from <https://www.mercatus.org/publications/corporate-welfare/state-occupational-licensure-arkansas>

⁶ Hentze, I. (2018). Improving occupational licensing with sunrise and sunset reviews. Retrieved from <http://www.ncsl.org/research/labor-and-employment/improving-occupational-licensing-with-sunrise-and-sunset-reviews.aspx>

⁷ Act 600: <http://www.arkleg.state.ar.us/assembly/2019/2019R/Acts/Act600.pdf>

⁸ Occupational Licensing Advisory Group. (n.d.). Responses for occupational licensing: Occupational licensing advisory group. Retrieved from <https://occupationallicensingarkansas.files.wordpress.com/2018/05/ol-advisory-group-survey-summary.pdf>

the joint committee process. Highlighted in the results was the consistent primary aim of licensing agencies: to **protect public safety and health** and to **guarantee practitioners have the necessary knowledge, skills, and training** to successfully work in the occupation.

OLAG also developed a **Self-Assessment tool** to serve as a measure for the self-evaluation of practices, processes, and requirements for licensure, registration or certification. After the self-assessment was delivered, *“many of them (licensing agencies) were coming forward,”* Ms. Robin Voss explained, listing things they thought *“were not relevant anymore or something we can change and there were a few proposals that came out of that.”* The data obtained from these three sources (i.e., OLAG questionnaire, 51-question survey, and self-assessment tool) were compiled into a report, with the aid of Dr. Derek Slagle, Special Projects Coordinator and researcher with the Arkansas House of Representatives. These data needed to be well informed and accurate because they would serve as the foundation for many legislative decisions. This 50-page report was then officially received by the RTRWG on October 22, 2018, and ultimately became the RTRWG’s Fall 2018 Report.⁹ The findings of the report were instrumental to the passing of HB1527 (Act 600).

Although the RTRWG disbanded after the Fall 2018 Report was developed, OLAG’s work continues as Arkansas moves forward with the occupational licensing initiative. *“Hopefully, we’ll have the same open communications and dialogue; and if there are problems, let’s figure out how to solve those. But let’s make sure we’re doing it with correct information,”* Mr. Isom projected. With continued work by OLAG and a six-year review of all occupational licensing entities ahead, Arkansas is positioned for further success as it continues to remove employment barriers and improve interstate portability of occupational licenses.

⁹ Red Tape Reduction Working Group. (2018). *Fall 2018 Report*. Retrieved from <https://occupationallicensingarkansas.files.wordpress.com/2018/11/rtrwg-report-11-19-18.pdf>