

State Occupational Licensing Review and Reform Opportunities Supplemental Justification

Supplemental Supporting Statement A: Justification

This request seeks OMB approval under the Paperwork Reduction Act for the unique information collection requirements in the “State Occupational Licensing Review and Reform” solicitation. The Department will announce the availability of up to \$4.5 million for State Occupational Licensing Review and Reform grants. Individual awards will be between \$100,000 and \$450,000, or up to \$1,000,000 for an association of states. The purpose of this funding is to provide states with the means to review and streamline occupational licensing requirements in state identified occupations and to promote portability of state licenses to other states, which is of particular concern to dislocated workers and military families. States will objectively analyze the relevant licensing criteria, potential portability issues, and whether licensing requirements are overly broad or burdensome.

State Occupational Licensing Review and Reform grants are discretionary grants awarded by the Secretary of Labor. The grant program builds on work that the Department of Labor began in FY 2016, with an appropriation of \$7.5 million to fund an occupational licensing project. Through a limited competition, the Department awarded a single cooperative agreement to the National Conference of State Legislatures (NCSL) and its partners, the National Governors Association (NGA) and the Council of State Governments (CSG). Through an application process, NCSL selected 11 states to participate in a consortium to receive targeted technical assistance and begin work to review and streamline occupational licensing requirements for certain occupations. In FY 2017, Congress appropriated the same amount for the Department “to address ways in which harmonizing licensing requirements across States can reduce barriers to labor market entry and mobility including for dislocated workers, transitioning service members, and veterans,” as stated in H. Rept. 114-699 and similar language in S. Rept. 114-274. This program is authorized by the FY 2017 Consolidated Appropriations Act, as clarified by language and instructions set forth in House Report 114-699 and Senate Report 114-274.

The primary goals of the State Occupational Licensing Review and Reform program are to: 1) review and streamline occupational licensing requirements in state identified occupations over the three-year grant period and, 2) promote portability of state licenses to other states. States will objectively analyze the relevant licensing criteria, potential portability issues, and whether licensing requirements are overly broad or burdensome. States are encouraged to consider the potential of alternative approaches to licensing that would be adequate to protect public health and safety (such as professional certification). The states selected for this grant program will have an opportunity to strengthen relationships among key policymakers across the state; develop and implement a state action plan that focuses on improving portability and reciprocity for select occupations, and on removing barriers to labor market entry to improve the economic viability of the state.

Achieving improvements in licensure requires a collaborative approach across state government, including the governor, state legislature, and relevant agencies and oversight bodies. To reflect this reality, applicants for this State Occupational Licensing Review and Reform project will need to assemble diverse teams that reflect these executive, legislative, and other organizational

entities that play a key role in occupational licensing policy considerations. The entities will form a partnership that will work together to review their state's approach to occupational regulation and existing licensing requirements and develop recommendations for reform.

These grant funds will be awarded to state government entities or an existing association of states. These state government entities may include, but are not limited to, those responsible for workforce development, regulatory oversight agencies, postsecondary education, or occupational licensing entities. Association of states include existing national or regional association of state governments representing multiple states and/or tribal areas, such as an association of state governors, state legislators, state workforce agencies, or other similar organizations that are already in existence. Each state is limited to one individual application but may also be a member of one or more associations that submits an application.

Applications will include the following information collections: 1.) Form SF-424 "Application for Federal Assistance," separately cleared under OMB control number 4040-0004; 2.) Form SF-424A, separately cleared under OMB control number 4040-0006; 3.) a Budget Narrative; 4.) Project Narrative; and 5.) Attachments to the Project Narrative.

Electronic availability:

This grant solicitation will be available on the www.grants.gov Web site. Based on past DOL experience, the Department anticipates 85 percent of responses will be submitted electronically.

Small Entities:

This information collection will not have a significant impact on a substantial number of small entities.

Assurances of confidentiality:

These grant solicitations do not offer applicants assurances of confidentiality.

Special circumstances:

This solicitation implicates no special circumstances.

Burden:

The DOL expects to receive approximately 40 applications from an equal number of respondents. The 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 needed data, and completing and reviewing the collection of information.

40 applications x 20 hours = 800 hours

The DOL has increased the average hourly earnings in the professional and business services industry to \$31.96 per hour to monetize this burden. See The Employment Situation—February 2018, DOL, Bureau of Labor Statistics, https://www.bls.gov/news.release/archives/empsit_03092018.pdf at page 33.

800 hours x \$31.96 = \$25,568.00

The DOL associates no other burden costs with this information collection. In addition to the application, each grantee will be required to submit quarterly financial and performance reports to the ETA. Those information collection requirements will be cleared under a separate control number.

Total burden: 40 respondents, 40 responses, 800 hours, \$0 other cost burden.

Supplemental Supporting Statement B: Statistical Methods

This information collection does not employ statistical methods.