



License Reciprocity Proposal Could Be A Major Reform, But Vigilance Will Be Necessary

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It may not be the sexiest topic, but licensing reform is a big deal for providers and consumers in lots of industries. The economics are straightforward: Government restrictions on the supply of service providers tend to push up the cost paid by consumers for that service and tend to decrease access to it. Licensure can also harm practitioners who are qualified for a job but not allowed to do it. We've talked about these phenomena in many contexts, particularly for [electricians](#) , [hairbraiders](#) and [doctors](#) .

Fortunately, legislators are starting to have regular, and serious, debates about licensing issues.

One bill in particular, already passed by the House, could go a long way toward unwinding some of the problems imposed by a patchwork of licensing regimes nationwide—by accepting professional licenses [obtained in other states](#) here in Missouri. I say it "could go a long way" rather than "would," for two reasons.

First, the law won't apply to professions governed by "the state board of registration for the healing arts, the state board of nursing, the board of pharmacy, the state committee of psychologists, or the Missouri dental board." That reads like a carveout for state professions

with formidable lobbying arms, which is to say that while it's probably a rational political consideration, [it isn't justified on policy grounds](#) . Alas, it is what it is.

Second, and more subtly, for the professions that would be impacted, a lot still depends on the Boards that govern them. According to the text, a Board "shall" issue a license in reciprocity with another state, but only

if it determines that the licensing requirements in the jurisdiction that issued the applicant's license are substantially similar to or more stringent than the licensing requirements in Missouri for the same occupation, profession, or activity . . .

That the same Boards which historically have helped to lock out competition are also empowered to determine the grounds of licensing sufficiency could be a problem. I can imagine some Boards left unchecked simply determining that Missouri's standards are pretty much above everyone else's standards—beating back reciprocity that way. Even examination requirements that could be met by other states' licenses might still be imposed by these Boards "if [a Board] determines that waiving the requirements for the applicant may endanger the public health, safety, or welfare."

Again, the devil is in the details, but it is often the details that determine whether a law is effective or not. Whether Boards will adhere to the intent of this reform is a huge concern here.

License reciprocity would be good for practitioners and consumers alike. Hopefully this reform would bring about meaningful reciprocity. But if it doesn't, in practice, deliver reciprocity for all of the professions it contemplates bringing reciprocity to, this incremental reform will have to be revisited to ensure its intent isn't subverted.

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- [Licensure](#)

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[3] <https://showmeinstitute.org/blog/regulation/get-amped-statewide-electrician-licensing-and-reciprocity-p asses-senate>

[4] <https://showmeinstitute.org/blog/property-rights/hair-braiders-continue-missouri-licensing-fight>

[5] http://www.stltoday.com/opinion/columnists/for-better-health-care-access-pursue-interstate-licensing/article_15d3b8d9-1a4d-5f9f-a554-cda129372b66.html

[6] <https://legiscan.com/MO/bill/HB1710/2018>

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