

## OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

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**February 8, 2022** 

New York State Senate Committee on Finance State Capitol Building Room 416 Albany, NY 12247

> Senator Liz Krueger Chair

New York State Assembly Committee on Ways and Means 198 State Street Room 711-A Albany, NY 12248

Assemblywoman Helene E. Weinstein Chair

Remarks of
Christopher R. Arnold
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Support of: Senate S.8007, Assembly A.9007, Part B, Subpart B-An act to amend the education law, in relation to enacting the nurse licensure compact.

## **Testimony**

The Department of Defense is grateful for the opportunity to support policy changes proposed in Governor Hochul's FY 2023 Executive Budget Article VII Legislation for Health and Mental Hygiene, addressing licensing issues affecting our uniformed service members and their families. The purpose of the Nurse Licensure Compact, or "NLC", is to facilitate interstate practice of nursing with the goal of improving public access to healthcare, while preserving the regulatory authority of states to protect public health and safety through the current system of state licensure.

I am Christopher Arnold, the Northeast Region Liaison at the United States Department of Defense-State Liaison Office, operating under the direction of Under Secretary of Defense for Personnel and Readiness. We represent the Department and establish relationships with state leaders across the country who are concerned for troops and their families' welfare by harmonizing state and federal law and regulation on policy problems of national significance. I thank you for the opportunity to address you today and for your support of our service members and their families.

Licensure issues for both our transitioning military members and their spouses have been a priority for the Department for several years. The issue is so important, the Secretary of Defense has made taking care of Service members and their families a fourth line of effort in the National Defense Strategy.<sup>1</sup>

In a letter to former Governor Cuomo accompanying the Secretary of Defense's 2019 report on military spouse licensure, the Department noted that "We see New York as having taken several important steps toward improving licensure for military spouses...Notably, we see interstate compacts for occupational licensure as an excellent method of assisting all practitioners in addition to providing reciprocity for military spouses."<sup>2</sup>

One such example is the NLC. Military spouses are better educated and more trained than their civilian counterparts, yet on average, earn twenty-five percent less than their civilian counterparts.<sup>3</sup> Portable employment opportunities support military spouse career development.

The NLC allows an active-duty service member, or their spouse, to designate a home state where the individual has a current license in good standing. This state then serves as the individual's home state for as long as the service member is on active duty, while adhering to the laws, rules and scope of practice in New York. The NLC, now active in thirty-nine states, allows nurses to obtain multistate license to practice in thirty-five states and two territories, saving them from the cost of having to apply for an additional license in each state.

In nearby Pennsylvania, the state nurse's association had originally been opposed to the Commonwealth joining the NLC, but after six years, now supported joining the compact as "reservations initially expressed by some groups, such as significant lost revenue to the State Board of Nursing or public safety concerns, have not materialized."

In 2015, the NLC, which included standard licensure requirements among NLC states to guarantee that bedside nurses follow the same licensing guidelines, was amended to include additional safeguards such as mandatory FBI and State Police background checks and fingerprinting.<sup>5</sup> Such changes required states which were members of the prior nursing compact to pass new enabling legislation to practice under the amended compact.

The Secretaries of the Military Departments have made the importance of military spouse licensure explicitly clear as they consider the availability of license reciprocity when evaluating

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<sup>&</sup>lt;sup>1</sup> United States Department of Defense, "DOD Amplifies Focus on People in Executing National Defense Strategy." August 5, 2020. <a href="https://www.defense.gov/News/News-Stories/Article/Article/2300553/dod-amplifies-focus-on-people-in-executing-national-defense-strategy/">https://www.defense.gov/News/News-Stories/Article/Article/2300553/dod-amplifies-focus-on-people-in-executing-national-defense-strategy/</a>

<sup>&</sup>lt;sup>2</sup> Department of Defense. *Military Spouse Licensure: State Best Practices and Strategies for Achieving Reciprocity. November 2019.* <a href="https://download.militaryonesource.mil/12038/MOS/Reports/military-spouse-licensure-report-2019.pdf">https://download.militaryonesource.mil/12038/MOS/Reports/military-spouse-licensure-report-2019.pdf</a>

<sup>&</sup>lt;sup>3</sup> Hiring Our Heroes. Military Spouses in the Workplace. Understanding the Impacts of Spouse Unemployment on Military Recruitment, Retention and Readiness. June 2017.

https://www.uschamberfoundation.org/sites/default/files/Military%20Spouses%20in%20the%20Workplace.pdf

4 Noah C. Logan. *PSNA Responds to Nurse Licensure Compact* (Letter to Speaker Cutler). Pennsylvania State

<sup>&</sup>lt;sup>4</sup> Noah C. Logan. *PSNA Responds to Nurse Licensure Compact* (Letter to Speaker Cutler). Pennsylvania State Nurses Association. July 16, 2020. <a href="https://www.psna.org/psna-responds-to-nurse-licensure-compact/">https://www.psna.org/psna-responds-to-nurse-licensure-compact/</a>
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future basing or mission alternatives. In 2018, the secretaries of the Army, Navy and Air force issued a policy memorandum to the National Governor's Association noting they will consider the quality of schools near bases and whether reciprocity of professional licenses is available for military families when evaluating future basing or mission alternatives. This consideration was codified by Congress as a requirement in the 2020 National Defense Authorization Act.

To address license portability for military spouses, states have turned to occupational licensure interstate compacts, which streamline relicensing between member States of a compact for all practitioners in an occupation, and provide specific support for military spouses of relocating active-duty personnel through provisions recognizing unique requirements of military life.

A 2018 study by the Federal Trade Commission, "Options to Enhance Occupational License Portability," recognized there are two approaches to alleviating barriers to license portability. Namely, mutual recognition, which relates to occupational compacts, and expedited licensure, which encompasses exemption-based approaches.<sup>8</sup>

Occupational licensure compacts provide consistent rules for licensed members to work in other states, such as New York residents presently domiciled in other states while accompanying their military spouse on active duty. Common misinformation about compacts is that they either lower or raise the standards for the occupation, when in fact, compact states have the option to issue a "compact license" and also a "State-only license" to maintain their State's standards.

Professional licensure has been an enduring problem for military spouses. Obtaining a license in a new State can be both time consuming and expensive, and military spouses often cannot adequately anticipate how to prepare for licensure in a new State due to the unpredictable nature of military moves. The short duration of military assignments, coupled with lengthy relicensing processes, can discourage military spouses from seeking relicensure, causing them to quit an occupation or causing military families to leave the military.

Complicating matters further, the term "reciprocity" is used differently among the States. The continuum of reciprocity related programs is represented graphically below. The continuum goes from red, representing little to no portability, to dark green, representing the DoD's optimum state of full reciprocity. Understanding that military spouses need assistance now, and that many

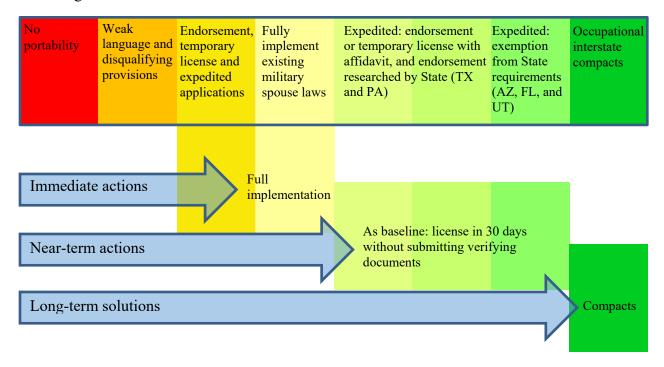
<sup>&</sup>lt;sup>6</sup> United States Department of Defense, "Service secretaries say quality of schools, reciprocity of licenses should be considered in future basing decisions." February 23, 2018. https://www.defense.gov/News/Releases/Release/Article/1449706/service-secretaries-say-quality-of-schools-reciprocity-of-licenses-should-be-co/

<sup>&</sup>lt;sup>7</sup> Notably, §2883(h) requires the Department and each of the military services to produce annual basing decision scorecards at the state and installation level considering military family readiness issues, including interstate portability of licensure credentials.

The secretaries must consider "whether the State in which an installation subject to a basing decision is or will be located ... has entered into reciprocity agreements to recognize and accept professional and occupational licensure and certification credentials granted by or in other States or allows for the transfer of such licenses and certifications granted by or in other States." (Id. (b))

<sup>&</sup>lt;sup>8</sup> Karen A. Goldman. "Options to Enhance Occupational License Portability." Federal Trade Commission. September 2018. Retrieved from <a href="http://www.ftc.gov/policy/reports/policy-reports/commission-and-staff-reports">http://www.ftc.gov/policy/reports/policy-reports/commission-and-staff-reports</a>

States have already committed to a variety of approaches, the Department advocates that States should pursue multiple approaches to reciprocity simultaneously. Available alternatives can be categorized as being more immediately attainable, achievable within the near-term, or obtainable in the long-term:



Military spouses are a cross-section of the American population, although a greater percentage of them are in licensed occupations than their civilian counterparts, <sup>9</sup> and they are significantly more mobile. <sup>10</sup> States have committed to using interstate compacts, which establish common understanding of competency and its measurement within the occupation, to resolve the interstate issue of license portability.

Compacts can provide seamless reciprocity for military spouses in an occupation. Barriers to the transfer and acceptance of certifications and licenses that occur when state rules differ can have a dramatic and negative effect on the financial well-being of military families.

Frequent moves and cumbersome licensing and certification requirements limit career options for military spouses. Removing these barriers, creating reciprocity in licensing requirements, and facilitating placement opportunities can help a military family's financial stability, speed the assimilation of the family into its new location, and create a desirable new employee pool for a state.

<sup>&</sup>lt;sup>9</sup> 34 percent of active duty spouses self-identified as needing a State issued license to work (2017 Survey of Active Duty (Active Component) Spouses, Tabulations of Responses; Office of People Analytics Report No. 2018-006, May 2018), compared to 30 percent of the civilian population (The Hamilton Project, Brookings Institute, <a href="https://www.hamiltonproject.org/charts/percent">https://www.hamiltonproject.org/charts/percent</a> of occupations requiring a license by state)

<sup>&</sup>lt;sup>10</sup> "Military spouses are 10 times more likely to move across State lines than their civilian counterparts," "Supporting Our Military Families: Best Practices for Streamlining Occupational Licensing Across State Lines," U.S. Department of Treasury and U.S. Department of Defense, February 2012, page 7.

Nearby states such as Connecticut and Massachusetts have recently engaged in detailed studies about joining these compacts. <sup>11</sup> Massachusetts also has legislation pending for the NLC, and the Interstate Medical Licensure Compact. <sup>12</sup>

Congress provided the Department authority to enter into a cooperative agreement with the Council of State Governments to provide grants to professions to develop compact law to be approved by States. In March 2021, the Department provided funding to five professions to develop compacts and anticipates funding an additional five compacts in March 2022.<sup>13</sup>

In addition to supporting the drafting of model compacts laws for professions, 10 USC 1784(h) authorizes DoD to support professions with developing database systems to make the compacts more efficient and operational. These database systems allow States to share information about practitioners using compact provisions to work in member States.<sup>14</sup>

The coronavirus pandemic demonstrates that interstate licensure compacts such as NLC can provide a permanent solution to leverage underutilized medical talent to meet labor shortages in high-need areas. The NLC will assist New York military spouse nurses practicing both in and out-of-state, while improving the quality of care in the Empire State.

In closing, we are grateful for the tremendous efforts that New York has historically made to support our uniformed service members and their families. We appreciate the opportunity to support the passage of the policies reflected in Subpart B of Part B of Senate S.8007, Assembly A.9007 and the enactment of the Nurse Licensure Compact and are especially grateful Governor Hochul for introducing this important piece of legislation.

Yours etc.,

## CHRISTOPHER R. ARNOLD

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<sup>&</sup>lt;sup>11</sup> Lauren Russell. "Governor Baker signs executive order to support military families transferring to Massachusetts." *66th Air Base Group Public Affairs*. February 18, 2021. <a href="https://www.hanscom.af.mil/News/Article-Display/Article/2507932/governor-baker-signs-executive-order-to-support-military-families-transferring/">https://www.hanscom.af.mil/News/Article-Display/Article/2507932/governor-baker-signs-executive-order-to-support-military-families-transferring/</a>

<sup>12</sup> Massachusetts House Bill 1284, Senate Bill 163 (Relative to nurse licensure compact in Massachusetts).

<sup>&</sup>lt;sup>13</sup> Through a cooperative agreement with the Council of State Governments, grants will allow selected professions to work with CSG's National Center for Interstate Compacts to develop model interstate occupational licensure compact legislation, addressing license portability affecting transitioning military spouses, along with other practitioners in the profession. The five selected professions are teaching, social work, cosmetology, massage therapy, and dentistry/dental hygiene.

<sup>&</sup>lt;sup>14</sup> The current effort to develop compacts through a cooperative agreement and to approve compacts is a collaboration between the federal government, state governments and non-governmental organizations representing professionals and state licensing boards. Through this collaborative effort, all practitioners within a profession will have greater mobility while sustaining the focus on assuring public safety through licensure. This is significant for the military community in that along with active-duty military spouses receiving the benefit of compacts, active duty members, members of the reserve component, reserve component spouses, transitioning Service members and other Veterans benefit from the mobility provided through compacts.