



**Regulation Matters:
a CLEAR conversation**

Episode 26: Alliance for Responsible Professional Licensing **February 11, 2020**

Line Dempsey: Welcome to our podcast, Regulation Matters: a CLEAR conversation. Once again, I'm your host, Line Dempsey. I am the Chief Compliance Officer with Riccobene Associates Family Dentistry here in North Carolina, and I serve on the CLEAR board of directors, as well as I'm the current chair of the National Certified Investigator Training committee through CLEAR. For those of you who may not be familiar with CLEAR, that's the Council on Licensure, Enforcement and Regulation. This is an association of individuals, agencies, and organizations that comprise the international community of professional and occupational regulation.

This is our podcast, and it's an opportunity for you to hear about the latest and greatest in your community. Today I'm joined by two individuals. The first is David Cox; he's the Chief Executive Officer of the National Council of Examiners for Engineering and Surveying, as well as Skip Braziel, President - State Regulation and Legislation with American Institute of Certified Public Accountants. We're glad to have you both with us, today.

Guest speakers: We're glad to be here.

Line: Well, again, thank you for joining me, and thank you, our listeners, for joining us. Today we're excited to talk about a recently established organization, and that's the Alliance for Responsible Professional Licensing. So I guess, let me start by maybe directing this to Skip. What is the ARPL, or the Alliance for Responsible Professional Licensing?

Skip Braziel: Thanks, Line. Thanks for the question. The Alliance, or ARPL as we call it by shorthand, is really a platform by which organizations that represent both highly technical professions, as well as the organizations that represent the boards that regulate those professions, have come together to address and hopefully educate policy makers and the public on some of what we believe are some concerns as it relates to some of the occupational licensing reform efforts that we've seen that we think are in some instances too broadly applied to the professions that we represent. So we're talking about, in my particular case CPAs, engineers, architects, landscape architects, and surveyors. Those are the professions that are represented in the Alliance.

Line: Okay, and I think I could probably guess, but ultimately, what do they all have in common?

Skip: Yeah, so from a licensing standpoint, we all adhere to what you would call the three Es, or maybe even the four Es - we each provide educational requirements that are very strenuous, rigorous exams, you have to have experience, as well as ethics training. Those are sort of how we align, at least as it relates to how our professionals are licensed. But we also have some common principles that we believe in. Perhaps foremost is we believe in the idea of mobility, the ability of our professionals to move across state lines and trying to remove unnecessary barriers to allow for that. And we're also again aligned by the fact that the professions that we represent, or the boards that regulate these professions, perform a duty to protect the public, in large measure because the jobs that their professionals provide to the public are such high risk that it requires that the training and the oversight for these professionals be rigorous.

So that's what sort of pulls us all together, which makes us an alliance, if you will. And we're anxious to share our perspectives and share our stories with the public, as well as with policy makers as they think about some of these more non-traditional ideas as relates to how they're going to regulate in this space or in other occupational spaces.

Line: Well, that's interesting. So how does ARPL define professional licensing? And I guess from that perspective, does professional licensing matter in their eyes?

Skip: Yeah, I think professional licensing certainly matters. I'll go back to some of the three to four Es I listed. That's particularly one way that we are talking about professional licensing is how professionals are licensed. Again, the education, the exam, the experience and the ethics. What we're talking about, to be a finer point on it, is really professions - 'cause there's lots of professions out there. I don't wanna get into a discussion too deeply about who are professionals and who aren't - So what we're really talking about are jobs that are performed for example, engineer building a bridge; or CPAs performing audit services making sure that the financial system is safe and secure for people to put their money into; landscape architects ensuring that some of the physical places and spaces where we're meeting, we're eating, we're playing are safe for our families to do all those activities. Things that are at such high risk that if we were to allow, as some proposals that we've seen would allow, anybody to perform these jobs without appropriate oversight; that risk is just too great. So that's what we're talking about. Those are the professions that we're representing and the professionals that we're representing. And that's sort of how we sort of stake our claim as relates to this particular conversation.

Line: Excellent. Well, let me move over to David. So obviously, what you guys discussed earlier includes obviously different licensing boards. I guess ultimately, what are they again? And I guess, how do they actually protect the public?

David Cox: Like Skip was saying, our members represent CPAs, engineers, surveyors, architects, landscape architects, I think I got them all. So basically, what binds us together is that we are all

professionals where licensure is required because we're charged with protecting the health, safety, and integrity of systems that the public relies on. And the license establishes sort of a standard of minimal competency, and that's critical to each of these professions because it does impact public safety.

Examples are the design of buildings or the construction of public or private spaces or, like Skip was talking earlier, the integrity of financial systems. And professional licensing is rigorous for a reason. And that reason is public protection.

Line: Right. And so often we get that from all the different licensing agencies that their number one mandate is to protect the public. I guess looking at it from the other side of things, how does the licensing help actually the professionals?

David: What that really does is create a defined pathway. If someone wants to be a professional engineer or a CPA or an architect, they know exactly what they have to do, what education is required, what exams they have to take, what experience they have to gain. It basically levels the playing field, and it really creates a clear, evenly-applied level of qualification, and that's important in helping newcomers enter the profession. You know, one of the arguments that some of these bills bring up is that it limits competition; when in fact, we think it does just the opposite because it allows people to know exactly what they have to do to enter the profession.

Line: So I know one of the things that in North Carolina, we certainly discussed at great length, but especially for practitioners or licensees from other states being able to move in. But I guess looking at it within your professions, the issue of mobility. I guess, where are you, and what are you guys doing to help improve that?

David: Mobility is always a key concern for every profession. And again, what I was talking about when you have the clear qualifications, that helps states rely upon other states to allow people to move in knowing that they're gonna protect the public health, safety and welfare. An example, we have at NCEES for engineers - and for surveyors also, but I'll talk about engineers right now - is that we have model laws and model rules that states can use to help draft their own laws to create some uniformity. We also have a record system where individual credentials are verified and stored in one location so they can use them in multiple states. Part of that is also a model law and MLE designation. And in most states, if you have that and apply in those states, many states can license you in one or two business days, and most of them that accept those can license you in less than a week. So we think we're doing things already that go a long ways towards improving mobility.

Skip: Yeah, Line, if I could, I think that's an important aspect that David is bringing to the conversation. Really what we're trying to do is not just raise a flag when we see something that we think is wrong and object to it. We really wanna be a part of this conversation because we feel like we have solutions to add to the conversation. I'll speak specifically to the CPA profession. We've been working on this idea of mobility for close to two decades, and our scheme allows our professionals to move across

state lines very seamlessly and it's all based on the fact that a CPA is licensed in the same way in one state as he or she may be licensed in another state. And that provides a level of surety, uniformity, and comfort to regulators in these various states, so that when CPAs that may be licensed from a different state come into their home state, they don't have to worry about those CPAs being competent.

And these are the kind of examples we like to bring to these conversations. That you don't have to design an answer in one way; there are many different ways to attack these concerns. And we just wanna be a part of that conversation as policy makers make these very important decisions.

David: And one other point through some of these bills and how we do things is the whole concept that one size does not fit all. Like Skip was saying, there's more than one way to do this. But when you try to make every profession or occupation fit into the same box, that can create problems. In fact, some of the requirements of these bills that say they're designed to improve mobility and allow people to get their licenses faster, what they in fact do is add levels of bureaucracy that make it longer to get their license.

Line: Well, Skip, let me go back to you then, and I'd like to know how pervasive it is for you guys, but is there a call to eliminate professional licensing affecting the organizations that you're dealing with?

Skip: Yeah, I guess it's a layered answer to that question. There are lots of different types of occupational licensing reform bills out there. Some are better; some are worse. But there is a particular model piece of legislation that we have seen in a couple of different states that would allow anyone to perform any service regardless of whether or not the service requires the license or not, to perform that service so long as the consumer receiving those services gives their consent. And this still is widely applied to different types of occupations and professions. And we just think this is just a step way too far. We are very concerned and get very concerned whenever we see this language pop up, and we have to address it forthright. We just don't believe that is the appropriate way to regulate or oversee the professions that have such an important role in society as relates to the health, safety, welfare of our citizens. And so you need more than just a Yelp review, quite frankly, to make sure that a bridge is built or designed properly. Unfortunately, that's just how it works.

So there are other bills out there that may not rise to that particular level, but we are concerned when we see suggestions that we think would alleviate or remove resources from boards. Boards have a tremendous job; they're overseeing thousands of licensees, and a lot of folks that work on these boards are volunteering their time because they wanna give back to the professions that have given so much to them, and we don't think it's appropriate to take resources away from them.

David: So I wanted to point out just real quickly about the state licensing boards, is to point out that these members in most states are appointed by governors, and they're a combination of licensees and members of the general public. Most boards aren't made up just entirely of the licensees, but you have that public member perspective from those folks also.

Line: Absolutely. Well, Skip, I think you mentioned Yelp reviews. Isn't it more likely that people are gonna go to Yelp versus looking at an actual licensing board website to see if someone's been disciplined? Is there some stance towards leaving this all up to the free market to decide?

Skip: Well, while I certainly don't want to suggest that Yelp isn't a very popular tool for someone that they want to find out where to have dinner on a Friday night, or maybe where to go to catch a good show. I don't think that's the appropriate place for someone who's concerned about whether or not they want their school or government institutions to be independently reviewed or whether or not, when they walk inside of a building, whether or not that building is gonna collapse. I don't think Yelp is gonna be very instructive or helpful in that regard.

And we've got some support for this. We're looking forward over the next couple weeks to release some polling information, 'cause we've done some polling on the exact question you just asked: How do people feel about the professions that we represent and how they're regulated? And the information that we're getting back from the polling suggests that people are expecting that the jobs that can carry a great amount of public risk should be also accompanied with a great amount of public scrutiny. And so, we're looking forward very much for it over the next couple of weeks to share that information with the public.

So, the market is obviously a great tool that will answer a lot of different questions for a lot of different reasons, but these are issues again that are just too important to leave simply through market forces. There needs to be government oversight, and we believe we have some information or some polling information to suggest that the public expects that as well.

David: One other quick point I'd like to make on that too, is the importance back to the licensing board is their enforcement ability, their ability to take a license away from a bad actor. Under the free market approach, basically, all the consumer is left to do is go to court, and we'd have to go to court individually each time somebody did something, an engineer, surveyor, or CPA. Whereas the state licensing board has the ability to take away that person's ability to keep offering those services. That's more proactive than reactive. And if everyone has to go to court in the future for this, you can imagine what that would do to the court systems, and you already have groups that are trying to reduce the number of cases that go to court anyway. And this would actually increase that, and then they would be working almost in polar opposite directions.

Line: Excellent, so I guess are there, and I'll stay with you, David, speaking of licensing, are there some requirements that maybe are two excessive?

David: Yeah, there are legitimate concerns that you can find about specific occupations in one specific state and especially some of the vocational occupations. But like I said before, addressing those concerns with a broad brush call to weaken all licensing is not the right approach. One size does not fit all. If someone in the state of North Carolina, for example, has an issue with a hair dresser, then address that specific situation. Don't try to paint every profession and occupation with the same

brush.

Line: Skip, anything to add on that?

Skip: I think David hit the mark. Our concern, again, what we're really trying to accomplish through this Alliance and sharing our stories and sharing information is really to get people to be thoughtful about these very important decisions. We're not suggesting that reform is in and of itself a bad idea or not necessary. We're simply asking people to be thoughtful as they go through the exercise of whether or not to get rid of or to amend a particular statute or regulation. And so, we get concerned when we see sort of model legislation that's tossed out there that applies broadly to everybody because we don't think that's the most appropriate way to deal with these very important questions.

Line: Sure, so I guess how can licensing be improved? Can you point to some examples, maybe in your professions, where they have improved their own licensing systems?

Skip: Yeah, David and I can. If I could just start with one example. I talked about the mobility scheme that CPAs have, and we built other model proposals to bring uniformity to help support that mobility scheme. And one idea is, it's very important that a professional remains competent throughout the duration of their careers and so a lot of that has to do with doing CPE. And so what we've done or what we're in the course of doing (we're probably about half way; we've got about halfway go in terms of getting all 50 states and territories to do this) but we are creating a reciprocity system where if you are licensed in one state and you get your CPE performed in one state, if you happened to be licensed in another state, you can carry that CPE credit over to that state and it'll be satisfied. So you don't have to duplicate the effort of performing two different types of CPE. So that's one way that we are trying to modernize our profession to help eliminate duplicity where we think it's not helpful to the public. We maintain those areas where we think it's very important to maintain so that, again, the public is well protected.

David: That's a good one. In fact, we have a system, a free system available to all engineers and surveyors on our website, where they can track their CPE for every state. They can just enter what states they're licensed in and use it to record everything transmitted for if they're ever audited in a particular state. We've really worked a lot on duplication of efforts, and that's where before I was talking about the NCS record where a person's credentials are all located in one spot. Instead of filling out application after application across the country, you can have the NCS record transmitted to that state and they can use that.

We're always working on ways to make things better and reduce the time it takes for people to get their license. And the duplication of efforts is a big part of that. And I think I did mention this earlier - some of the proposals and some of these bills actually add levels of bureaucracy that would actually slow down a lot of our member boards and how they approve applicants right now. They could do it faster now than they could under some of the proposals that are out there.

Line: That's an interesting point you brought up. I guess I'll throw this final question out to both of you. Looking specifically I guess at ARPL, what status of these types of bills, or perhaps even states, are you guys closely monitoring here in 2020? Start with Skip.

Skip: Yeah, I'll go back to... Every state to us is important. We don't wanna see bad legislation anywhere, I would say. But again there's so many bills out there, we sort of have to pick and choose where we fight our battles. I'll go back to any proposal that we think goes directly at the license is definitely gonna get our attention. Any proposal that goes directly at cutting resources away from boards, it's definitely gonna get our attention. So these kind of proposals can pop up in any particular state. So that's why it was really important for us to come together because we thought that one organization alone couldn't possibly track all the proposals that we were seeing over the last four or five years. And that's what I think, we think, makes our Alliance so special - the ability for us to speak with one voice but have a myriad of perspectives both from the profession side and from the regulator side. Again, sharing common principles, sharing common standards in terms of how our professions are licensed and how they're overseen. These are things that we wanna bring to this conversation 'cause we think they're very important.

Line: Excellent! David?

David: Yeah, I was just thinking of what Skip said. The two main concerns are when the bills directly attack the license or create a situation where you no longer have to have a license, or attacking the resources of boards, which is sort of an indirect way of getting there, you just make the board to where it can't function in its ability to protect the public. But in the end that's what it's all about. It's about our duty to protect the public, and where we see that threatened is where ARPL will become involved.

Line: Excellent, well, I think this has been a great discussion. I wanna thank both of you, David and Skip, for your time and being a part of this podcast today.

David: Well, thanks for having us.

Skip: Thank you very much.

Line: Absolutely! It's always wonderful to have the opportunity to talk about these issues and learn about what's happening in the field of occupational and professional licensing. So again, I thank you for speaking with us. And I also wanna thank our listeners for joining us today as well. We'll be back with another episode of Regulation Matters: a CLEAR conversation very soon. Thank you to our frequent listeners again, but for if you're new, you can find this on several different avenues. You can subscribe to us on Podbean, iTunes, Apple Podcast, Google Podcast and Google Play, Stitcher, Spotify, or TuneIn.

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