


NATE GUSTAFSON

STATE REPRESENTATIVE • 55TH ASSEMBLY DISTRICT

Thank you Chairman Sortwell and members of the Assembly Committee on Regulatory License Reform for the opportunity to testify in favor of Assembly Bill (AB) 332. Thank you to my colleague, Senator Stafsholt, who has co-authored this bill in the Senate.

AB 332 expands provisions allowing individuals who hold a license, certification, registration, or permit that was granted by another state to apply for and receive a reciprocal credential in this state.

Today, there are 20 states, who have enacted universal license recognition. Remarkably, several of these states enacted universal licensure recognition through divided: Iowa, Kansas, Nevada, New Jersey, New Mexico, Pennsylvania, Vermont, and Virginia. Colorado's Democratic trifecta spearheaded universal licensure in the state, which passed unanimously and even garnered the support of the support of the Colorado Division of Professions and Occupations (Colorado's version of DSPS).

This bill provides the ability for nearly every profession: Cosmetologists to teachers to medical doctors to mental health providers to avoid copious costs and time to get recertified. In an already difficult economic climate, why wouldn't the legislature seek to reduce barriers?

During the COVID pandemic, Wisconsin's licensing process was put to the test under the pressure of a public health emergency. This test manifested the inefficiencies of our current process for those who wanted to work in our state to address the extreme labor shortage. Due to the shortage of educators, health care providers, mental health professionals, Governor Evers supported and successfully implemented a similar plan during the pandemic to universally license these professions.

Individuals who desire to work, and hold a license in good standing in other states should not be subjected to long and redundant bureaucratic processes. This bill is vital to bolstering Wisconsin's workforce, and critical to putting hard working people in needed fields. No one should have to leave their profession due to licensure simply because they chose to make Wisconsin home. By enacting a universal licensure law, we are encouraging working families to live, work, and raise a family in Wisconsin.

Thank you for your consideration on Assembly Bill 332 and I hope you will all support this bill.



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September 20, 2023

Chairman Sortwell and members of the Assembly Committee on Regulatory Licensing Reform,

Good afternoon. My name is Kyle Koenen and I am the Policy Director at the Wisconsin Institute for Law & Liberty, a non-profit law and policy center based out of Milwaukee. I appreciate the opportunity to testify in favor of Assembly Bill 332 today.

Approximately 1 million out of the nearly 3.1 million people in Wisconsin's workforce, or roughly 1 in 3 individuals, are required to obtain a government permission slip in order to work in their desired field.¹ Over the years, academic research has shown that this can present several problems, including preventing potential workers from entering the market and reducing the overall number of jobs. This reduces choices for consumers, ultimately leading to increased costs for goods and services. Licensing standards also vary from state to state, forcing otherwise qualified individuals to jump through bureaucratic hoops when they move to another state. These unnecessary barriers discourage economic mobility and hamper states from recruiting the best and brightest talent.

Why is this important? Wisconsin faces a number of long-term demographic challenges. Between 2020 and 2040 the state is expected to rank 39th in population growth, and by 2025 natural growth is expected to turn negative with more deaths than births. Without natural growth, the only way to maintain the state's workforce needs is through migration.

To address this problem, Wisconsin should pass Assembly Bill 332 and join the growing list of states that have enacted universal license recognition laws. Universal license recognition is a policy that allows individuals who hold professional licenses in one state to have those licenses recognized and accepted as valid in another state, without the need for extensive retraining, retesting, or meeting additional requirements. To date, 20 states have passed universal license recognition bills, with all of them passing on a bi-partisan basis in both red and blue states.²

The concept isn't completely new to Wisconsin either. In 2019 the legislature passed Act 143, which granted reciprocal credentials to active-duty service members, former service members, and their spouses, so long as they had a license in good-standing from another state. Assembly

Bill 332 builds on these principles by expanding this concept to all workers looking to move to the state. And why shouldn't we?

Universal license recognition laws have proven to boost migration to states that have adopted the laws. A recent study found that “migration into states with universal recognition increased by 0.77 percentage points or 48.4% among individuals with low portability licenses.”³ Since enacting a universal recognition law in 2019, Arizona has already attracted an additional 8,000 workers to the state, including nearly 3,000 tradespeople, 500 doctors, and 200 physicians' assistants, all occupations with labor shortages.⁴ Another study out of Arizona estimates that their universal recognition would boost employment by 16,000 and increase the state's GDP by \$1.5 billion between 2022 and 2032.⁵

The forthcoming challenges that Wisconsin faces in terms of demographic shifts and workforce require innovative solutions. Assembly Bill 332 offers an opportunity for our state to make a meaningful change and keep pace with other states around the nation. By embracing universal license recognition, Wisconsin can not only attract and retain talent, but also provide greater economic opportunities for its residents. Please support Assembly Bill 332. Thank you for your time and consideration.

Kyle Koenen
Policy Director
Wisconsin Institute for Law & Liberty

MEMORANDUM

TO: Chairman Sortwell and Members of the Committee

FROM: Jordan Lamb, on behalf of the Wisconsin Veterinary Medical Association

DATE: September 20, 2023

RE: AB 332 – Reciprocal Licensing – Request for Amendment

The 2,300 members of the Wisconsin Veterinary Medical Association (WVMA) are **opposed** to AB 332 and ask that you amend this legislation to account for the specific needs related to veterinary licensure in Wisconsin.

Background / Current Veterinary Credentialing Process. The current process for veterinarian applicants who are credentialed in another state and applying for a veterinary license in Wisconsin is called “endorsement” and is defined under Wis. Admin. Code ss. VE 1.14 and VE 1.18. The process for certified veterinary technicians (CVTs) is the same whether they have been previously credentialed or not and is defined under s. VE 2.04.

The Veterinary Examining Board (VEB), which is housed at the Department of Agriculture, Trade and Consumer Protection (DATCP), is the regulatory Board that governs veterinary licensing. The VEB may determine that an applicant for a veterinary endorsement is not eligible for a credential if any of the criteria under ss. VE 1.20 or VE 2.04 (1) (f) apply.

Effect of AB 332 on Veterinary Credentialing. This bill would make the current process for issuing veterinary reciprocal credentials for service members, former services members, and their spouses apply to anyone. Under this bill, the VEB would be required to issue a credential to anyone who meets the requirements of the new law. This bill would effectively replace the current processes for applicants from other jurisdictions under ss. 89.072 and 89.06, Wis. Stats., and ss. VE 1.14, VE 1.18, and VE 2.04.

As a result, this bill would decrease the VEB’s oversight of applicants from jurisdictions. Under AB 332, the VEB would be required to issue a credential to someone coming from another jurisdiction if they are not under investigation or have any restriction, limitation, or encumbrance on their credential from the other jurisdiction. There would be no way for the VEB to account for differences in the other jurisdiction’s educational requirements, which may not match our own.

Second, this bill would create a provision (s. 89.073 (3) (ac)) that would allow applicants to be granted a provisional credential on the date of the application. This provision could create public safety and animal welfare concerns. For example, if an applicant does not

meet the criteria of s. 89.073, such as having a restriction on their license elsewhere, s. 89.073 (3) (ac) would allow the applicant to begin practicing in Wisconsin before the application is reviewed. The VEB would ultimately be allowed to deny their credential but, in the meantime, someone who should not be allowed to practice in Wisconsin could be practicing.

Finally, there is concern with AB 332's creation of s. 89.072 (3) (am) 2., which says, "An individual granted a reciprocal credential under this section shall limit his or her practice to the scope of his or her experience, education, and training." This language would create another basis for discipline against credential holders. Under current Wis. Stat. s. 89.07, unprofessional conduct includes a violation of Chapter 89. Adding this language to chapter 89 could make practicing outside the scope of experience, education, and training a new basis for unprofessional conduct that the Board would have to consider in reviewing complaints. It is unclear how this change could affect our current standards for unprofessional conduct.

Request for Amendment to this Legislation. We believe that the most efficient way to resolve these concerns and still retain the goals of the author, is to repeal 89.072 and recreate it to read, "Upon application and payment of the fee established under s. 89.063, the examining board may issue a license to practice veterinary medicine to any person licensed to practice veterinary medicine in another state or territory of the United States or in another country."

This would remove the obligation to deny a license in certain situations. Since the Board can set rules related to licensure qualifications and denial, it could then just rely on existing VE 1.20 to deny a license for any of the reasons listed there. VE 1.20 lists all the things from current 89.072 and it has worked very well for the VEB and those seeking veterinary credentials in Wisconsin.

Thank you for your consideration.

Jordan Lamb – jordan@thewelchgroup.org / (608) 576-5447

NASW WI TESTIMONY FOR INFORMATION PURPOSES ON 2023 ASSEMBLY BILL 332

Chairperson Sortwell and members of the Assembly Committee on Regulatory Licensing Reform.

I appreciate the opportunity to testify for information purposes on Assembly Bill 332, which relates to reciprocal credentials.

I am generally supportive of bills that would make it easier and quicker for licensees from other states to get licensed in Wisconsin. As I mentioned in my testimony a few weeks ago at this committee on the Social Work Licensure Compact, it can be extremely time consuming for a licensed clinical social worker from another state to gather all the forms, signatures and syllabi they need to qualify for the LCSW status in Wisconsin. I have spoken to a number of very experienced clinical social workers from other states who have decided not to apply for an LCSW here because the requirements to prove they qualify for licensure are so laborious and for some people almost impossible to document. As you are all aware we have a shortage of mental health professionals in our state. We need to make it simple, quick and smooth for licensed clinical social workers moving to Wisconsin to get licensed here.

The Social Work Licensure Compact will solve this problem, but it will take a number of years before a majority of states pass the legislation and the Compact is fully implemented. As a bridge to the full implementation of the Compact, some kind of a reciprocity or universal licensing recognition bill for the profession of social work would be helpful.

However it is important that any reciprocity or universal licensing recognition bill be congruent with the Compact. There are a couple of areas in this bill that seem to conflict with the Social Work Licensure Compact. If these areas are addressed, we could support this bill. First this bill does not require applicants for reciprocity to take any state exams required in Wisconsin. Wisconsin social work applicants are required to take the state jurisprudence exam in an open book manner to test their knowledge or ability to find the laws regarding child abuse and neglect, adult protective services law, substance abuse law, the Conduct Code for the profession and other areas. The Social Work Compact specifically mentions that applicants need to pass any state exams required. Secondly, Wisconsin has slightly stricter requirements than some other states to obtain a Licensed Clinical Social Work credential. These requirements include taking a course on Psychopathology in Social Work in your graduate program, doing a graduate field placement related to mental health treatment and completing 3,000 hours of social work practice that includes at least six hundred hours of diagnosis and treatment. If I am reading the law correctly, AB 332 would allow a social work graduate in Wisconsin to pick a state that doesn't have one of the Wisconsin requirements the applicant does not want to meet, get licensed there and then get

reciprocity here. This is not allowed by the Social Work Licensure Compact, which requires that the Social Work Interstate license be based upon one's state of residence.

I think these concerns could be addressed with an amendment to the bill. I appreciate the desires of the bill sponsors to address this issue of reciprocity, which could be an immense help to social workers moving to Wisconsin.

I would be happy to answer any questions.

Marc Herstand, MSW CISW
Executive Director
National Association of Social Workers, Wisconsin Chapter



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September 20, 2023

Dear Members of the Assembly Committee on Regulatory Licensing Reform,

On behalf of the hard-working men and women of the Wisconsin State AFL-CIO, I write to urge this Committee to oppose Assembly Bill 332, a bill that undermines the safety of workers and consumers by weakening Wisconsin's strong licensing system.

The foundation of Wisconsin's licensing system is unique training and educational standards set by experts who serve on our credentialing boards. This foundation of unique training, examination, and experience for various occupations protects both license holders and the public, and serves as the critical link between consumer and worker safety.

Wisconsinites expect and deserve to receive high quality work by licensed, trained, and tested professionals. For when we enter an exam room, turn on the air conditioning, or take a drink from a bubbler, we rely on the state licensure of the trained professional. The specified education, apprenticeship, examination, and/or clinical levels attained by the worker behind the service means that the professional has been trained and tested for the job. The public has grown rightly accustomed to knowing that, through a licensed individual, the quality and workmanship of the services expected is not questioned.

Wisconsin's trained workers also rely on the value of their licenses, ensuring that their colleagues and co-workers have also received training and appreciate high safety standards, as well as ensuring a consistent work product. State licensing protects the industries within Wisconsin as the industries have been built by trained employees and therefore ensure the skills are high, so that consumers don't question entire industries or their skilled workforce.

Assembly Bill 332 will undermine the safety of workers and consumers by weakening Wisconsin's strong licensing system. Specifically, it seeks to dole out Wisconsin credentials to out-of-state and perhaps out-of-country individuals, permitting them to perform work in our state and for our neighbors without the equivalent educational, apprenticeship, or clinical requirements or without an intent to reside in our state. There is no doubt that the effect will be lesser-trained workers coming (or "zooming") into our state, providing a lower quality product, while driving down wages for Wisconsin professionals and driving down safety standards for consumers and workers alike.

For the above reasons, we urge each of you to oppose Assembly Bill 332.

Sincerely,

Stephanie Bloomingdale, President

To: Members, Assembly Committee on Regulatory Licensing Reform
From: Mercer May, Director of State Government Affairs, Teladoc Health
Re: Support for Assembly Bill 332
Date: September 20, 2023

On behalf of Teladoc Health, please support Assembly Bill 332. The bill creates a streamlined approach for regulatory licensing reciprocity. Teladoc Health respectfully requests that the Committee vote in favor of this bill.

By way of background, Teladoc Health is the world's largest telehealth company with more than 5,000 employees. We deliver health care in 175 countries and in more than 40 languages. We partner with employers, hospitals, health systems, and more than 50 health insurance plans in all 50 states – including Wisconsin – to transform health care delivery. Teladoc Health provides health care services to more than 40 percent of Fortune 500 employers as well as thousands of small businesses, labor unions and public-sector employers which offer our virtual care services to their employees.

Teladoc Health is offered as a benefit by over 8,000 Wisconsin employers covering over 800 thousand patients in the state. Some of the employers that offer Teladoc Health as a benefit include: Kohler, Nestle, Abbott, Greenheck, Green Bay Area Public Schools, Brown County, and the City of Kenosha. Teladoc also contracts with Aetna, Anthem, Group Health Cooperative (Medicaid), and UnitedHealthcare to provide virtual care services for their health plan beneficiaries.

The Need for More Healthcare Providers

Provider shortages are a considerable problem across the nation, including in Wisconsin. Unfortunately, there simply are not enough providers to meet demand. Earlier this year, the Health Resources and Services Administration (HRSA) found that over 1.6 million Wisconsin residents live within a primary care health care professional shortage area,¹ and over 2.8 million Wisconsin residents live within a mental health care health professional shortage area.² In fact, all but three Wisconsin counties are designated as a primary care provider shortage area,³ and all but six counties are designated a mental health provider shortage area.⁴

Several local Wisconsin organizations have also noted the impact of this workforce shortage. A March 2022 report from the Wisconsin Hospital Association (WHA) found that an "aging workforce combined with a spike in worker departures created unprecedented levels of vacancy rates. A lack of workers, combined with a licensing backlog affecting health care workers,

¹ <https://www.kff.org/other/state-indicator/primary-care-health-professional-shortage-areas-hpsas/?currentTimeframe=0&sortModel=%7B%22collid%22:%22Location%22,%22sort%22:%22desc%22%7D>

² <https://www.kff.org/other/state-indicator/mental-health-care-health-professional-shortage-areas-hpsas/?currentTimeframe=0&sortModel=%7B%22collid%22:%22Location%22,%22sort%22:%22desc%22%7D>

³ <https://www.ruralhealthinfo.org/data-explorer?id=210&state=WI>

⁴ <https://www.ruralhealthinfo.org/data-explorer?id=209&state=WI>

leaves health care providers struggling to staff their facilities.”⁵ University of Wisconsin School of Medicine and Public Health notes that “Wisconsin faces a deficit of more than 8,000 healthcare positions across the state, with 3,500 of them in the Madison area.”⁶ Unfortunately, without intervention and a way to utilize the national network of providers, the problem may only worsen. The WHA released a study that found that by 2030, Wisconsin will see many people leaving or retiring from the healthcare industry while the number of patients to be served will only increase.⁷

The Solution: Licensure Portability

While the higher education system cannot graduate enough providers to meet this need, and while we rarely see the proverbial “silver bullet” to healthcare challenges, licensure portability comes close.

We commend the Wisconsin Legislature for its leadership in tackling this workforce shortage dilemma by addressing licensure reforms. Teladoc Health supports all commonsense efforts to increase cross-state recognition of health professional licenses. From our own experience, we witnessed Governors and Legislatures across the country remove state licensure barriers to practice during the COVID-19 pandemic. The result was a more efficient, nimble, and effective health care system which allowed providers to quickly serve patients where they were as the disease moved from hotspot to hotspot without having to overcome the various hurdles of traditional licensure. These licensure flexibilities (many of which have subsequently been made permanent) led to faster and more convenient patient care, diverted patients from unnecessary ER/urgent care visits, and was done in a safe and reliable manner.

Making licensure portability simpler and more streamlined will allow providers and patients to fully capitalize on the benefits of telehealth technology and bring more highly qualified providers into the state. This, in turn, will significantly increase patients’ access to care – including by decreasing wait and travel times, offering more convenient appointments for patients, and offering more native language services. All of these factors will ultimately lower cost pressures on the entire health care sector, leading to system-wide cost savings due to effective diversion from the emergency departments and urgent care centers, lower rates of chronic conditions by catching and treating those diseases early, and overall cost savings with telehealth economies of scale and a higher supply of providers.

To date, several states have adopted licensure portability models outside of the various licensure compacts, including: Arizona, Connecticut, Delaware, Florida, Idaho, Kansas, Minnesota, Ohio, South Carolina (for mental health), and West Virginia. Many organizations and associations have also expressed support for licensure reciprocity, including: the American Telemedicine Association, the Uniform Law Commission, the Cicero Institute, the National Federation of Independent Business, the Opportunity Solutions Project, Americans for Prosperity, the Reason Foundation, the Pioneer Institute, the Mercatus Center, the Goldwater Institute, the Institute for Justice, and the R Street Institute, among others.

⁵ https://captimes.com/news/government/lobbyists-wisconsin-health-care-workers-shortage-could-drive-bipartisan-action/article_c1821744-f89d-502d-a9ce-eb4e998dc13e.html

⁶ <https://www.uwhealth.org/news/wisconsin-medicines-addresses-workforce-shortages>

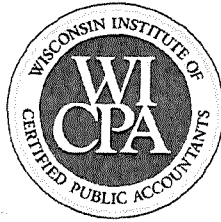
⁷ https://www.wxow.com/news/healthcare-worker-shortage-to-be-dire-by-2030-report-says/article_1189c240-cdb9-11ed-900f-9bb0dda45308.html

While the pre-pandemic fears that licensure reciprocity would lead to an increase in patient complaints and injuries, a 2023 study found no examples of licensing agencies taking disciplinary action against out-of-state telehealth providers for patient safety issues.⁸ Furthermore, on the issue of increasing the health care workforce, the research found that Florida increased their total provider count by 14,000, with thousands of those providers being doctors and mental health providers.⁹ To be sure, should the need for enforcement or disciplinary actions arise, the various Wisconsin state agencies, courts, and licensing boards will continue to have jurisdiction over all health care professionals practicing in the State of Wisconsin.

Thank you for the opportunity to provide Teladoc Health's unique insights on this important piece of legislation. It is our hope that the Committee will pass AB 332. Please do not hesitate to contact me at mercer.may@teladochealth.com with any questions or concerns you may have.

⁸ <https://ciceroinstitute.org/wp-content/uploads/2023/02/Few-Disciplinary-Issues-with-Out-of-State-Telehealth-Report.pdf>

⁹ *Id.*



**Wisconsin Institute of
Certified Public Accountants**

DATE: September 20, 2023

TO: Chair Sortwell and members of the Assembly Committee on Regulatory Licensing Reform

FROM: Tammy Hofstede, President & CEO
Wisconsin Institute of Certified Public Accountants

RE: Oppose AB332 authored by Rep. Gustafson, Rep. Allen, Rep. Bodden, Rep. Brandtjen, Rep. Dittrich, Rep. Edming, Rep. Green, Rep. Moses Rep. Murphy Rep. Mursau, Rep. Neylon, Rep. O'Connor, Rep. Rozar, Rep. Sortwell, Rep. Wichgers, Rep. Knodl and Senator Stafsholt, Senator Felzkowski, Senator Feyen, Senator Marklein and Senator Stroebel

Thank you, Chair Sortwell and members of this committee, for the opportunity to submit written testimony today on AB332. The Wisconsin Institute of CPAs (WICPA) represents over 7,000 members across this state and over 12,000 licensed CPAs in Wisconsin. We have conveyed this to the lead authors and we look forward to working with them to shift our current opposition to support. This written testimony conveys our concerns.

The WICPA, with collaboration and discussions with lead authors, hopes the following concerns can be addressed:

AB332 establishes a process for credential holders from other states to obtain reciprocal credentials to practice their professions in Wisconsin.

- The bill does not account for those professions with an existing system of reciprocity and could negatively impact the consumers and businesses within Wisconsin. For decades, the CPA mobility model has successfully allowed qualified credential holders from other states to practice responsibly in Wisconsin.
- CPAs enjoy a 50+ jurisdictional mobility model, while ensuring consumer protection. All accounting boards in the United States have adopted "substantial equivalency" to ensure all CPAs are licensed and regulated *equally and consistently* --regardless of where they practice or who employs them.
- Assembly Bill 332 undermines the current license and mobility systems for certified public accountants that have well served the consumers in Wisconsin for decades.

The people reaching out to elected officials with licensure concerns at this point are, most often, applicants who have unique circumstances and require more intensive one-on-one assistance. At current staffing levels, taking the time necessary to assist those unique applicants can have a negative impact on all license applications. While our staff members do their best to provide additional one-on-one assistance to those that require it, they are also obligated to focus on processing applications that are ready.

Under this proposal the number of licensing process inquiries made to the department would increase. This would, in turn, make it far more difficult, given available resources, to assist the individuals whose circumstances and questions are unique.

As this, or other legislation pertaining to licensure matters is introduced and debated, it should be noted the department's licensing performance dashboard is up and running. The dashboard provides the public with real-time, unfiltered information regarding DSPS review timelines for submitted applications and supporting documentation.

As of this morning, if you submit a complete application and documentation the same day for a business application, it is going to be reviewed in 4.7 calendar days. If you have a complete application for a health care credential and everything is submitted – then it is going to be reviewed in 3.3 days. To place this in context, at the end of 2018, these review times were measured in weeks and, at times, months.

On the dashboard, an individual can also see the review times for their specific occupation and see any changes in real time. The data makes it clear there is no licensure backlog, and concerns with the timely processing of straightforward applications have been addressed.

Again, the steps taken by the department have placed Wisconsin among the national leaders in issuing a wide range of credentials while maintaining standards that maintain public safety to the highest degree possible. The department is focused on maintaining that success for individuals who are now being credentialed without issue and advocating for the resources necessary to provide individuals with unique questions and concerns with the one-on-one assistance they need to become credentialed.

- Unless the bill is further amended to exempt CPAs, the bill forces the acceptance of out-of-state licenses *with no assurance of minimum qualifications or accountability measures for proper practice.*
- While the bill's aim is to reduce barriers to practice one's profession, we believe the authors did not fully vet the new barriers for public accounting practice they created with the bill in its current format. Because of this, the bill will undo what has been working successfully for decades with a widely established system of reciprocity.
- The bill also does not make the critical distinction between occupational licensing and professional licensing. Occupations are significantly different from professions with high public impact such as CPAs, architects, engineers, and surveyors. It is important to recognize that qualifications should matter.

The CPA profession in Wisconsin already has an existing system of reciprocity and mobility. It already successfully allows credential holders from other states to practice in Wisconsin.

Thank you for your time and consideration. For more information, I can be reached at 262-893-8963 or tammy@wicpa.org or via our legislative counsel, Greg Hubbard, at g Hubbard@hwz-gov.com.



To: Members of the Assembly Committee on Regulatory Licensing Reform
From: Cori Lamont, Senior Director of Legal and Public Affairs
Date: September 20, 2023
RE: AB 332/ SB 320 – Reciprocity

The Wisconsin REALTORS® Association (WRA) opposes AB 332, legislation that creates a new reciprocal credentialing process at the Department of Safety and Professional Services (DSPS).

Generally, the WRA supports allowing portability between states for those who hold a license, certification, registration, or permit, especially for those in the trades. However, the WRA does not support the credential process proposed in AB 332.

Background

Several professions may be heavily regulated by federal laws, thus making it easier to move from state-to-state. However, Wisconsin real estate transactions, the obligations and privileges surrounding Wisconsin real estate licensees are different than other states. The fact an individual has a real estate license in California does not mean the person is equipped to competently represent another in a real estate transaction in Wisconsin. Therefore, real estate licensees hold a unique license at DSPS for the following reasons:

Real estate is unlike other professions regulated by the DSPS.

- **No other profession regulated at DSPS has the same authority.** Wisconsin real estate licensees have a limited capacity to practice law. This authority has been acknowledged and granted under statute Wis. Stat. § 452.40 as an exception under Supreme Court Rule Chapter 23 Unauthorized Practice of Law and by the Wisconsin Supreme Court in *State ex rel. Reynolds v. Dinger* in 1961.

Accordingly, real estate licensees are permitted, with established parameters in law, to draft real estate contracts on behalf of others in the single largest investment in an individual's lifetime.

The credential issued by the REEB grants a real estate licensee that through statute, Supreme Court Rule, and case law, allows Wisconsin real estate licensees the limited right to practice law.

- **Regulation of Wisconsin real estate licensees is Wisconsin specific.** Wisconsin real estate licensees must use state-approved (WB) forms by completing the blank lines, using additional provisions and addenda for the purpose of accomplishing the objectives of the party in a specific real estate transaction. When a WB form is not available, Wisconsin law provides specific direction as to the practice. WB forms are updated regularly to address legal and transactional changes. Lastly, Wisconsin statute and administrative code allows real estate licensees to provide a general explanation of approved forms.

- **Without exemption, all Wisconsin real state license applicants must pass the Wisconsin license examination.** While education requirements may vary depending on reciprocal agreements between states, all individuals granted a Wisconsin real estate license must complete the state license exam(s) to ensure a basic level of competency to provide brokerage services in this state, including applicants licensed in other states and Wisconsin attorneys.

Wis. Stat. § 452.09(3) sets forth the competency requirements of applicants for sales and broker licenses and provides examinations, “shall reliably measure an applicant’s ability to competently engage in real estate practice.” The REEB establishes the criteria for both the education curriculum and license examinations after consulting with the council on real estate curriculum and examinations. See Wis. Stat. § 452.05 (1)(c). The 7-member council, created under Wis. Stat. § 15.407(5), is comprised of five licensed broker or salesperson members and two public members. The council annually reviews the subjects covered on each of the license exams¹.

Wisconsin has well-established reciprocal requirements for out-of-state applicants in Administrative Code and education requirements. See Wis. Admin. Code Ch. § REEB 12 and Wis. Admin. Code Ch. § REEB 25, respectively.

For these reasons, WRA requests an amendment to AB 332/ SB 320 identifying the bill does not apply to a reciprocal credential issued under Wis. Stat. Chapter 452 that grants the holder a limited right to practice law in this state, unless the applicant is licensed to practice law in this state. Similar language is included as an exception in AB 135/ SB 135.

If you have any questions, please contact Cori Lamont at 262.309.2724.

¹ Wis. Stat. § 452.06(2)(b). After consultation with the council on real estate curriculum and examinations, promulgate rules establishing criteria for the approval of educational programs and training sessions under s. 452.09 (2) and approve such programs and sessions in accordance with the established criteria.



September 20, 2023

TO: Assembly Committee on Regulatory Licensure Reform
FROM: Mike Tierney, Legislative Liaison, Department of Safety and Professional Services
RE: Assembly Bill 332 – related to reciprocal licensure

Chairperson Sortwell and members,

Thank you for the opportunity to submit this testimony on Assembly Bill 332, related to universal licensure.

Assembly Bill 332, as written, is a universal licensure bill that would change the criteria considered for a person credentialed in another state to be licensed in Wisconsin.

Based on the requirements of the bill, the department and respective boards would be required to conduct legal reviews to determine if the acts allowed under a credential issued in another state correspond with the acts that may be performed under the Wisconsin credential. While licensure requirements are clear, what type of acts are allowed under scope of practice is often more ambiguous in statutes and codes.

Absent additional legal staff, this legislation would extend review timelines for applicants needing any type of legal review. Currently, legal review timelines are at the best in the department's history—less than two weeks. Under this bill, the department would be unable to maintain that performance, and all applicants needing legal review would experience longer timelines.

As with other legislation introduced that would allow provisional licensure, a concern with this bill is that it creates a property right to the credential. This would place the department or boards in the position of potentially having to withdraw a credential that was provisionally issued.

The wording of the bill would also require the department or board to grant or deny a credential. At present, the goal of both the department and boards is to work with applicants to find the most appropriate pathway toward licensure. Rather than denying applications, we work to investigate if there are other licensing methods that would work or if a different credential could be issued. We recognize there are long-term ramifications for the applicant if a denial is issued. If a pathway for licensure does not immediately exist, we share steps that can be taken to qualify for licensure and allow the applicant to withdraw an application if necessary or keep the application active while the applicant works to meet a requirement.

At present, Wisconsin is a national leader in licensure. Most people seeking a credential do their research, assemble documents, and then go online and apply without issue. Credentials are being issued faster than ever before. LicenseE, the work of our staff, and policy changes initiated by Secretary-designee Hereth have made a tremendous difference for these individuals and is enabling them to enter the workforce without delay.