



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: Am. H.B. 98 of the 130th G.A.

Date: May 21, 2013

Status: In House Military and Veterans Affairs

Sponsor: Reps. Gonzales and Retherford

Local Impact Statement Procedure Required: No

Contents: Revise the Occupational Licensing Law regarding military service members and veterans and makes other related changes

State Fiscal Highlights

- The bill allows licensing agencies to adopt rules to establish what types of equivalent military training, primary specialties, and length of service are sufficient to meet established licensing criteria. Although occupational licensing agencies may incur some increased costs for this rulemaking, these expenses are likely to be minimal.
- Many of the boards and commissions that regulate occupations and professions deposit license fees and related receipts into the Occupational Licensing and Regulatory Fund (Fund 4K90). However, other licensing boards housed within state agencies deposit these proceeds into other designated state funds.
- The bill extends the conditions under which the Bureau of Motor Vehicles must waive the current skills test waiver for a commercial driver's license (CDL) applicant who has military commercial motor vehicle experience. Fees for skills testing are deposited into the State Highway Safety Fund (Fund 7036). Extending the waiver could result in a minimal loss of revenue for the fund.

Local Fiscal Highlights

- Because some local government entities provide the skills testing for CDL applicants, these jurisdictions could incur a minimal loss of revenue since applicants with prior military motor vehicle experience would not be required to pay the testing fees.

Detailed Fiscal Analysis

Overview

The bill requires occupational licensing agencies to consider a license applicant to have met educational and experience requirements if the applicant received occupational training and experience through military service, provided that military training and experience is substantially equivalent to the licensing agencies' educational and experience standards. Under the bill, licensing agencies retain the authority to determine what constitutes substantially equivalent training and experience. Also, the bill makes no changes to license fees or other licensing costs paid by a license applicant with military experience. Additionally, the bill modifies the existing waiver of skills testing afforded to applicants for a commercial driver's license (CDL) with military commercial motor vehicle experience. Under current law, this testing requirement is waived if such an applicant has separated from military service within the preceding 90 days. Under the bill, this waiver would be in perpetuity. The potential fiscal effects of the bill are discussed in more detail under the headings below.

Substantially equivalent occupational training and experience gained during military service

Eleven occupational licensing boards and commissions responded to questions concerning potential fiscal effects of the bill. None of them expect that the bill would result in more than minimal fiscal effects.¹ The agencies indicated that there could be minimal cost increases resulting from administration of the rule-making process, and the processing of additional license applications. Costs from processing additional license applications would be offset by a minimal gain in revenue from license fees. License fees for many occupational licensing boards and commissions are deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90). However, some professions and trades are regulated by boards housed within large state agencies such as the Department of commerce. License fees and other revenues for these professions and trades are collected by various other state funds.

Skills test waiver for military commercial motor vehicle experience

Under current law, an applicant for a CDL who at the time of applying is a member or uniformed employee of the armed forces of the United States, their reserve components or the Ohio National Guard, or who has been separated from such service within the preceding 90 days and who was regularly employed in a military position

¹ Boards and Commissions that responded include the: (1) Ohio Board of Dietetics, (2) Board of Nursing, (3) Architects Board and Board of Landscape Architects Examiners, (4) Ohio Optical Dispensers Board, (5) Ohio State Dental Board, (6) State Board of Psychology, (7) State Board of Cosmetology, (8) State Board of Embalmers and Funeral Directors, (9) State Board of Registration for Professional Engineers and Surveyors, (10) State Board of Sanitarian Registration, and (11) State Board of Optometry.

requiring the operation of commercial motor vehicles, may qualify for a waiver of skills testing ordinarily required for a CDL. Under the bill, the waiver is extended to an applicant with military commercial motor vehicle experience without regard to the recency of the applicant's military service. Additionally, to qualify for the waiver, the applicant must meet other requirements under continuing law including the absence of convictions for serious traffic violations and license suspensions and revocations.

The fee for an applicant taking the CDL skills test depends on which testing location is used. There are five state-operated testing locations, where it costs an applicant \$50 to take the skills test, and ten public or third-party testing locations, where it costs an applicant \$85 to take the skills test. By extending the waiver to an applicant with military commercial motor vehicle experience without regard to the recency of that military service, there is a possibility that the State Highway Safety Fund (Fund 7036) or the local entities that offer testing could lose revenue from applicants who would otherwise have to pay the testing fee. Any loss in revenue will be at least partially offset by a savings of the costs of providing the testing. However, given the small number of applicants affected by this provision, it is unlikely that the fiscal impact would be significant.

Provisions with no apparent fiscal effect

Under current law, continuing education requirements may be waived and no late fees or penalties may be charged for renewal of an expired license if the license lapsed during a time when the license holder or license holder's spouse was serving on active duty in the armed forces of the United States, their reserve components, or the Ohio National Guard. The bill clarifies that these exemptions extend to a license holder serving in the active duty of the national guard of another state.