

## Military OneSource Podcast — DSLO Occupational Licensure Compacts

### Defense-State Liaison Office

#### Episode transcript

##### **Intro voiceover:**

Welcome to the Military OneSource Podcast. Military OneSource is an official program of the Defense Department, with tools, information and resources to help families navigate all aspects of military life. For more information, visit [militaryonesource.mil](https://militaryonesource.mil).

##### **Bruce Moody:**

Welcome to the podcast, I'm Bruce Moody. Today's episode is about spouse employment, and many military spouse professionals must relicense each time they move to a new state with their active-duty spouse. And often, this means hurdles, delays, red tape. It's really frustrating, but states can help professionals, including military spouses, to work across state lines by enacting what are called occupational licensure interstate compacts.

So these compacts are the focus of today's episode. They're an important linkage for the careers of spouses as the military moves them from state to state, which is why we are pleased to be joined today by Tammy Perot, to help us understand what these compacts are, how they work. So Tammy, welcome to the podcast.

##### **Tammy Perot:**

Bruce, thank you so much for the warm welcome, and thank you for having me here today because this is an issue that's so important to me, and so important to all of my fellow military spouses. I've been honored to work on this for the past five years, as my office, the Defense-State Liaison Office, has prioritized supporting and developing occupational licensure compacts for our military spouses to really get at that enduring problem of state-to-state licensure for our military spouses.

##### **Bruce Moody:**

Tammy, it's great to have you on the podcast. You and I are colleagues. Your fellow liaisons at the Defense-State Liaison Office, you're all really, really passionate and really, really good at what you do, which is why we're here to talk about these compacts. So let's just begin with some definitions. What is an occupational licensure state compact?

**Tammy Perot:**

Yeah. Bruce, great question, because this is a wonky policy legislative tool, quite honestly, but I'm going to start with a little history because compacts aren't new. State to state compacts begin and date back to the 1780s. And today, there are more than 200 active interstate compacts in the nation. These are often used to address things like resources, the use of rivers, the use of lakes. They're also used to address things like emergency management.

In our office's history, the Defense-State Liaison Office's history is that we started working in the space of compacts on a compact that many folks on this podcast might be familiar with. That's the Interstate Compact on Educational Opportunities for Military Children, more often known as the MIC3.

With that experience, our office looked at where are other compacts being used that could benefit our military families, and we found that there was utilization of interstate compacts for occupational licensure. Once we identified that, we began looking at how we could support occupational licensure compacts for our military spouses, and then how we would talk to military spouses about utilizing these. This is a long-term process.

**Bruce Moody:**

Yeah, there is a lot to these compacts, but I think that we can explain it very plainly, and in a way, for those who benefit, they understand these compacts a little bit better. So explain first, Tammy, how these compacts are used, who benefits and how?

**Tammy Perot:**

So compacts are primarily utilized by specific professions, licensed occupations. So when a profession is licensed in a state, this sets the ability for a state to join a compact if there is a compact for that specific profession.

So I'm going to use a real world example, and that's physical therapy. Physical therapy has an occupational licensure compact that can be adopted by a state, and the adoption process means the state legislature passes this agreement and the governor signs it, and then the state joins the compact commission.

And once that happens, then physical therapists in that state are then able to utilize the occupational licensure compact, as they move from state to state, to transfer their license or use their license in other states. Physical therapy, in particular, uses something called a privilege to practice model.

There's a variety of different models in those compacts. And if you'd like, Bruce, I can explain those to you.

**Bruce Moody:**

Yeah, please do.

**Tammy Perot:**

Yeah, absolutely. So occupational licensure compacts, they are, as I said, adopted by state legislatures, signed by governors. So I think this is really important for us to understand these go through a lot of scrutiny before a state decides to sign them. And so they're not an executive order by the governor, and you don't have just a state organization deciding to join. And those models that they fall under, fall under a multistate license model, privilege to practice model, temporary in-person and licensure exchange.

These various compact models are really unique. So a multistate license model that we are most familiar with is the nurse licensure compact. That compact means that you have a license in one state, say Texas, and you can go to Virginia, and without doing any significant paperwork, you can start working in Virginia, using that nurse licensure compact license. The privilege-to-practice model is a little different, and that's what we see in compacts like physical therapy.

If you have a physical therapy compact license, you can go to another state to practice, but you do need to let the physical therapy compact know that you're going to be doing that, and you need to purchase what's called a privilege to practice.

Usually a privilege to practice is issued within 24 hours. It's a very smooth process. It's a very low cost, and that ensures that you can immediately start working in that next state that you're going to. We have other models, temporary in-person and telehealth models like we see with the psychology compact. And then we have another model called licensure exchange, and that's where a state agrees to accept the license from another state, really not many questions asked, and give that military spouse or member of that profession a license in their state. This is the model that's being used in the teaching compact.

**Bruce Moody:**

This is really interesting. I want to kind of bring the Defense Department into this. Can you explain ... There's a cooperative agreement between the Defense Department and the council of state governments. Explain that regarding licensure compacts.

**Tammy Perot:**

Bruce, great question, because one of the tools that we have to improve occupational licensure is the cooperative agreement between the Department of Defense and the Council of State Governments.

In 2020, Congress directed the Department of Defense to enter into a cooperative agreement with this national subject matter experts on occupational licensure compacts, and that was the Council of State Government's National Center for Interstate Compacts.

Through that agreement, we have worked to develop five new occupational licensure compacts that are out right now for states to adopt, two more that are going to be out in 2024 for states to adopt and another one which is going to be kicked off for development next month, in October of 2023. What's really amazing, Bruce, is each of these occupations that are being targeted for these new occupational licensure compacts are occupations that we see a high volume of military spouses in. And if you're OK, I'll just tell you what those are.

**Bruce Moody:**

Yeah, please do.

**Tammy Perot:**

Yeah, so the first five that we kicked off were teaching, massage therapy, cosmetology dentistry and dental hygiene. That one's really neat because it gets not only our dentist, but also our dental hygienists. And social work, because we know there's such a strong need for mental health care and support for our military service members, and military spouses can fill that role. Coming online in 2024, we're going to see school psychologists and dieticians, and we're looking forward to the kickoff of the discussion this coming month for respiratory therapists.

**Bruce Moody:**

This is a really interesting process. Let's talk more about this because I'd like to know who develops these compacts. What's the process? You mentioned how the occupations are chosen because of the number of military spouses who pursue those various occupations. Is there more to it?

**Tammy Perot:**

Yeah, great question, Bruce. There really is more to it. In order for an occupational licensure compact to be effective, it has to be for a profession that's already licensed, right? We see professions out there that may not have consistent licensure across the states, or they may not be licensed. We may think of them as being a profession that has certain requirements to meet it, but they may not be a licensed profession, so those professions aren't eligible to be a part of a compact. Then we generally look for there to be about 35 states that license the profession.

We run into a few states that may not license the profession, but in general, you really want to have a robust number of states that license that profession. Occupational licensure compacts that we're working on. Our goal is to have all 50 states involved. That's what military spouses need.

There are compacts that are not occupational licensure compacts that work in a regional section. That's not really an effective model for occupational licensure compacts because this is really to support folks as they move out of a region, as they move out of a specific area. And then those state licensure requirements need to be similar between state to state.

It's tough to develop a compact when there's wildly different standards between the states, and generally, that's not an issue. And then the rules and regulations governing the profession, in the healthcare fields — we call the scope of practice — are generally similar across the states as well.

Once those occupations are identified, and that profession is interested in developing a compact, because that's what really this is about, the profession has to be interested in developing the compact. That profession works with CSG to develop a business case and is selected to develop their compact. And then they get the legal support and expertise for that compact development.

Compact development is, in depth, thoughtful and honestly time-consuming, Bruce. They cross their t's and their i's to make sure these compacts are correct before they go out to the states. We see the compact development process from a time a profession submits their application and is selected for the process, until the time a legislature is receiving that state statute to be considered, as almost 24 months.

**Bruce Moody:**

Yeah. I was going to say, working in this organization, I have come to appreciate what it requires to create a law. And one of those things that is required is patience, and just believing in what you're doing and that it's going to work. So you've taken this time. Like we said, it's a very, very long, long process. So at what point do the states become involved?

**Tammy Perot:**

Bruce, that's a great question on when the states get involved, and there's kind of this really grassroots and legislative role that happens, often simultaneously, and that weaves together for a state to decide to adopt a compact. The state organization, or the teachers, the cosmetologists, the dentists within a state recognize the need for a compact, not just for military spouses, but for the entire profession. And with the coordination of the state legislature, that legislature brings the compact forward to be considered.

In all of our states, but one, that's in a bicameral legislature. We see these pieces of legislation work through the House and Senate, or the Assembly and Senate in states, and then make their way to the governor's desk. We have to keep in mind, that's a long process too, to get a compact passed, sometimes two years or more, as states only meet for a few years each month in some states, and some states move their legislation quite slowly. So we have to be prepared for another long process in moving this through the state legislature.

Once the state legislature moves that through, a governor signs it, then it goes to the state board or the state agency that provides oversight of that profession, and that state board or state agency then gets involved with the compact commission. The compact commission is the gathering of all the states that are involved in the compact. They make the rules. They decide how the compact is going to run. And it is really a cooperative approach between the states where they're able to maintain state sovereignty and really come to an agreement as a group, and it's really an elegant solution.

**Bruce Moody:**

Tammy, you've really walked us through a very, very long process which results in a compact coming into being. What's next? Because I think what we want to say here is that the signing of a compact is not the finish line. There are more steps. So how long does it typically take before a compact is ready for general use? And what does that mean for a military spouse?

**Tammy Perot:**

Oftentimes we see folks think, OK, my governor signed that compact, I went to the signing ceremony, and I'm going to be able to use that compact right away. And in all reality, it often is a much longer process after that.

For the new compacts that we have coming online, the compact needs to meet the threshold for implementation. And for most compacts, that's either seven or 10 states that have to join. So if your state is out front, maybe you're Utah and you join compacts very quickly, you might have to wait for other states to come on board and join that compact before that compact commission gets set up.

So the first step is getting the number of states that we need to start setting up the compact commission. Then, it's a matter of the compact commission coming together. And these are busy folks that work for the state, that run the boards and run these agencies, and they have to find the time to come together and make sure that they're creating the rules that are needed to implement the compact.

Another piece of this is even once that commission comes together and creates those rules, they have one more step that we need to do to ensure that there's public protection, and that's developing the compact database. This is something, also, that the Department of Defense is working to support through the cooperative agreement with the National Center for Interstate Compacts.

And once that database is developed, that's when you see the website go live, and you see the ability for a military spouse or any other member of that profession to go on that website and ensure that their state license and information is all up to date. And they can easily utilize that external facing resource to either purchase their privilege to practice or verify that they can go to another state to practice on that license. Bruce, it's an enduring problem that we've had on licensure, and this is a long-term solution to make sure we get it right.

**Bruce Moody:**

Tammy, what I'd like to do, before we get too deep in the details, I want to take a moment and talk in basic terms, what a compact is doing and the sort of environmental factors that are weighing upon a military spouse as they're trying to move their career across a state line. What are some of those factors? For example, I know that some compacts allow military spouses to maintain a home-state license. Kind of give us a sense of the environment that these compacts are addressing.

**Tammy Perot:**

So compacts are addressing an enduring challenge that we have in the military community. As you know, military families are required to move so many times through their careers. And it was so interesting. I oftentimes think of this as a very modern problem. I oftentimes think of this as a problem that we are experiencing in our highly transitional culture of the military at this moment.

But as several months ago, I had the opportunity to sit down with a veteran, and he talked about how his mother, when licensure first became a requirement in the states, how his mother struggled as a military spouse to maintain her nurse license. This has been a long-term challenge for our military spouses. It's been identified as one of the reasons why military spouses aren't able to go back to work when they move from state to state. It often takes time for the military spouse to get a new license, to find that new job, and to get settled back in and back to work. In the amount of time that that takes, a military spouse may already be getting ready to move to their next duty location.

Because of that, occupational licensure compacts are really seeking to reduce that time that it takes a military spouse to get their license and move to the next state. I really want to talk about an example that we have that we all use that's a compact, that addresses a license, just not an occupational license, and that's the driver's license compact. This compact is what allows each of us to take our specific state driver's license and drive in another state. And this is an elegant example of why licensure compacts work, and why the Department of Defense is committed to applying compacts to occupational licensure.

**Bruce Moody:**

All right, Tammy, I want to switch gears a little bit from talking about state legislation, because earlier in the year a federal law passed, and that is the Military Spouse Licensing Relief Act. So talk to us about that act and what it means for occupational licenses.

**Tammy Perot:**

This is something that's fairly new. In January 2023, Congress added a new provision to the Servicemembers Civil Relief Act, and that law provides service members and their families with a wide variety of financial and housing protections. It's been a staple that we've had for years that really helped support our military families, but they added into it the opportunity for service members and military spouses to have their professional licenses recognized when they relocate to another state due to military orders.



And these new portability provisions provide that service members and military spouses can have their out-of-state licenses recognized as valid in the new state while they're stationed there, as long as they meet some certain requirements. Bruce, I think that the question for military spouses and military service members when this passed was, why are we still working on occupational licensure compacts? And how do occupational licensure compacts play into this?

And I just want to emphasize that this new law specifically says that occupational licensure compacts are what a service member or spouse is to use if they're relocating from one compact state to another. That the rules of the interstate compact, instead of the rules of the SCRA provision, are what apply to states that are part of compacts. This still, for many military spouses, may seem like the compact may not be the right answer, but I'd like to talk a little bit about why compacts remain the best and most elegant solution for our military spouses.

The SCRA rules are still being worked out between the states, and we look forward to how those are going to be effective and efficient for our military spouses. But for military spouses, they often have more than just a move from one state to another. They have moves between multiple states. And it's not clear to us yet how states are going to manage a military spouse license as they move through multiple states, and how an employer will look at that military spouse license as they move through multiple states.

Compacts resolve all of this for a military spouse. They ensure a military spouse is working on a license that's equivalent and equal to all other members of that profession, that makes sure that a military spouse can transfer a license multiple times between multiple states and hold licenses in several states if necessary. And compacts also ensure that a military spouse can maintain a home-state license.

So a military spouse who lives in Washington state would be able to maintain that home state, Washington state license. Even if they're practicing and living in Texas or Virginia, they wouldn't have to transfer their license to Texas or Virginia to maintain that compact license. So a lot of benefits of compacts for military spouses.

This new SCRA provision provides a new tool for military spouses who are in a profession that's not part of a compact or a state that has not yet adopted the compact for their profession.

**Bruce Moody:**

Thanks for getting into that. That's a whole topic unto itself. The Military Spouse Licensing Relief Act could stand as an episode on this podcast all to itself, but I really appreciate you hammering the necessity and the value that we put on compacts. And I think the last thing I would like to get into is reimbursement. All right? When military spouses move and they spend money on licensure costs, is there reimbursements for these costs as spouses PCS?

**Tammy Perot:**

Yeah, Bruce. Yes, there is. And this is one of the Department of Defense's newest programs that we started rolling out several years ago, and it started with the 2018 National Defense Authorization Act, which allows each branch of the service to reimburse spouses for up to \$1,000 for licensure certification costs resulting from relocations or PCS moves across state lines. And I believe this includes OCONUS locations too. And all of the services are currently providing this support to their military spouses. It's really a benefit for our military spouse population, whom we know about 34% work in these licensed occupations. So this is an important tool that I hope military spouses take advantage of.

**Bruce Moody:**

Absolutely. As we wrap up this conversation, I just invite any final comments about the work you and your colleagues are doing regarding occupational interstate licensure compacts.

**Tammy Perot:**

Yeah, absolutely. Occupational licensure compacts are the premier tool for military spouses to maintain their license and get to work quickly as they move from state to state, and the Department of Defense is dedicated to ensuring compacts are available for spouses and service members to use. But this is a long process. Developing compacts and ensuring state adoption takes many years, but we know that this investment that the department is making now will ensure a durable and consistent system that will serve our military families for generations.

**Bruce Moody:**

Tammy, you and your colleagues have been at this for years. You just continue to work, and you keep growing and expanding the support for military spouses. So wonderful to have you on the podcast today.

**Tammy Perot:**

Thanks so much, Bruce. I really appreciate your time, and thanks for a great conversation.

**Bruce Moody:**

Tammy Perot with the Defense-State Liaison Office, always good to be working with you. And want to remind everybody that Military OneSource is an official resource of the Defense Department. We hope to hear from you. A link in the program notes allows you to send us a comment, question, an idea for a future episode. And be sure to subscribe to this podcast wherever you listen to your podcasts because we cover a wide range of topics to help military families navigate military life. I'm Bruce Moody. Thank you for listening. Take care. Bye-Bye.