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# SUNSET PROCESSES IN OCCUPATIONAL LICENSING

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# AGENDA

THE BASICS:  
WHAT IS  
SUNSET?

THE MAJOR  
CONSIDERATIONS

STATE EXAMPLES



# THE BASICS: WHAT IS SUNSET?



- A sunset review requires periodic reviews or audits of a state board, commission, agency or regulation created by legislation.
- Allows legislators to periodically evaluate government functions.
- Specifically applied to occupational licensing, sunset reviews often result in modifying licensing requirements and boards or, in some cases, eliminating (or “sunsetting”) them entirely.

# SUNSET: A BRIEF HISTORY

**1970s-1980s:** Gained traction in many states as a tool to review all actions of state government.

**1990:** States start repealing sunset laws in favor of broader “program evaluation” processes.

**2020:** 3 states have recently implemented new sunset processes; at least 6 states have considered legislation.

**1980s:** 36 states had passed legislation to create a sunrise or sunset review process.

**2010s:** States start to reexamine the value of sunset processes, particularly as they apply to occupational licensing.



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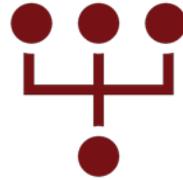
# MAJOR CONSIDERATIONS IMPACTING SUNSET REVIEWS

# MAJOR CONSIDERATIONS



## Where is the process housed?

Who is responsible for what?  
Opportunity for cross-branch collaboration.



## What are the resources available?

Staff? Resources? Partnerships with other government entities or even private organizations.



## What approach is being pursued?

Impacts what is being reviewed, structure of review may need to change based on approach.



# MAJOR CONSIDERATIONS

## What approach is being pursued?

Comprehensive

Regulatory

Selective

Discretionary

\*Credit to the Mercatus Center for their report [Sunset Legislation in the States: Balancing the Legislature and the Executive](#)

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## STATE EXAMPLES

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## Small Staff – Legislatively Driven

- Arkansas
- New Mexico
- Nevada

## Large Staff – Legislatively Driven

- Washington

## Cross-Branch Process

- Texas (Large Staff)
- Colorado (Small Staff)



# SMALL STAFF – LEGISLATIVELY DRIVEN: ARKANSAS

## Enabling Legislation

- 2019 – Act 600
- Created systemic process for reviewing licensing entities over the course of a six-year cycle.
- Review type: Regulatory

## Responsibility for the Process

- Created the Occupational Licensing Review Subcommittee.
- Housed in the Arkansas Legislative Council, staff from the Bureau of Legislative Research (BLR) responsible for research, presenting reports to the subcommittee and other housekeeping items related to reviews.

## Resources/Staff

- BLR, which staffs Arkansas' legislative committees, did not hire any new staff specifically to support the subcommittee.
- Typically about four staff working to share responsibilities.
- One committee analyst, one administrative assistant and two committee lawyers.



# SMALL STAFF - LEGISLATIVELY DRIVEN: NEW MEXICO

## Enabling Statute

- 1978 – New Mexico Sunset Act
- Established a periodic review process of certain separate, administratively attached and adjunct agencies.
- Review Type: Selective

## Responsibility for the Process

- Responsibility squarely placed on the legislature.
- Housed in the New Mexico Interim Legislative Finance Committee.
- Interim Finance Committee reviews report and makes its ultimate recommendation for the continuance, termination or change of an entity to the next session of the legislature.

## Resources/Staff

- One staff member of the Legislative Finance Committee is responsible for researching, building relationships with the agencies/boards under review, writing a report and presenting that report to the Interim Finance Committee.



# SMALL STAFF – LEGISLATIVELY DRIVEN: NEVADA

## Enabling Statute

- 1979 – Nevada
- Grants the legislature broad latitude to review all boards, commissions and similar entities that have been created by the legislature.
- Review Type: Comprehensive

## Responsibility for the Process

- Responsibility squarely placed on the legislature.
- The Sunset Subcommittee is a permanent subcommittee of the Legislative Commission.
- Committee is comprised of three voting members appointed from the Senate, three voting members appointed from Assembly and three nonvoting members of the general public appointed by the governor.

## Resources/Staff

- Four staff members staff the committee from the Legislative Counsel Bureau (LCB)—one policy analyst, one administrative assistant and two legislative attorneys. Staff have other responsibilities within the LCB as well.



# LARGE STAFF – LEGISLATIVELY DRIVEN: WASHINGTON

## Enabling Legislation

- 1977 – Washington Sunset Act
- Provided the legislature with the authority to request sunset reviews on an as-needed basis.
- Review type: Discretionary

## Responsibility for the Process

- Housed exclusively in the JLARC. The committee is made up of an equal number of House and Senate members, Democrats and Republicans.
- Committee members review the reports created by staff and make ultimate recommendations to the full legislature.

## Resources/Staff

- JLARC has a robust staff totaling 24 who share responsibilities for performance audits, program evaluations, sunset reviews and other analyses. Staff members include auditors, policy analysts, data analysts and an administrative assistant.
- Sunset-related responsibilities are spread among the staff.

# CROSS BRANCH PROCESS – LARGE STAFF: TEXAS

## Enabling Legislation

- 1977 – Texas Sunset Act
- Established the process for reviewing an average of 22 entities every two years, allows the legislature to set the sunset schedule in law and review every legislative session.
- Review type: Selective

## Responsibility for the Process

- The Commission is an independent state oversight body with cross-branch collaboration.
- Voting body is the Legislative Sunset Commission, which consists of five senators, five representatives and two members of the public appointed by the lieutenant governor.

## Resources/Staff

- The Sunset Commission employs an executive director as well as about 30 staff to conduct the reviews.
- Funded by legislative appropriation each session.

# CROSS-BRANCH PROCESS – SMALL STAFF: COLORADO

## Enabling Statute

- 1976 – Sunset Act
- When legislation is passed to regulate an occupation, legislators include a date by which that function will terminate. The General Assembly can only allow a maximum of 15 years between reviews.
- Review Type: Regulatory

## Responsibility for the Process

- The Colorado Office of Policy, Research and Regulatory Reform (COPRRR) conducts the background research, then submits its report to the Office of Legislative Legal Services (OLLS) in the General Assembly.
- The OLLS then prepares a bill based on the recommendations in the sunset report and presents that bill.
- The committee responsible for hearing these bills flips between the House and Senate each year.

## Resources/Staff

- COPRRR has three FTE who are also responsible for researching and drafting sunrise reviews, evaluating newly proposed continuing education requirements and creating special reports on other regulatory issues as requested.
- OLLS is comprised of a small staff of attorneys who handle bill drafting for the entire General Assembly.



# Questions?

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Other Resources –  
Improving Occupational  
Licensing with Sunrise and  
Sunset Reviews