Occupational Licensing: Research and Consulting





Why Occupational Licensing?

Occupational licensure is designed to ensure that individuals meet a minimum set of requirements for jobs that are thought to affect public health and/or safety. Nearly a quarter of U.S. workers are in a profession that requires an occupational license. This makes licensing one of the central factors shaping employment opportunities for many workers.

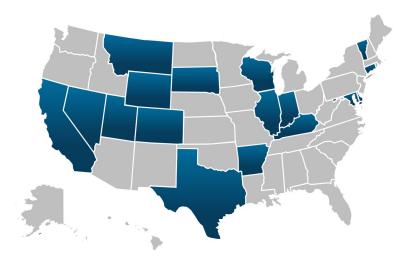


What Research Tells Us About Occupational Licensing

There is growing concern that requiring state-specific permission to work is raising the costs of obtaining employment in licensed professions. This can decrease the pool of active professionals, creating a gap in associated services for consumers, and ultimately negatively impacts the state economy.

The American Institutes for Research (AIR) has partnered with state-level clients to examine licensure requirements, identify existing policies that create unnecessary barriers, and examine the effect of occupational licensing initiatives on workforce capacity, communities, and economies. We have also supported the development of action plans that expand access to and improve job portability and reciprocity for selected occupations. AIR leverages evidence-based analyses and approaches that encompass the entire human capital life cycle and provide our public- and private-sector clients with informed insights and tailored solutions to address their unique needs.

States Where AIR Has Collected and Analyzed Occupational Licensing Data



Occupational Licensing Industries Studied

- Health Care
- Education
- **Professional Services**
- Manufacturing
- Retail Trade
- Construction
- Personal Services



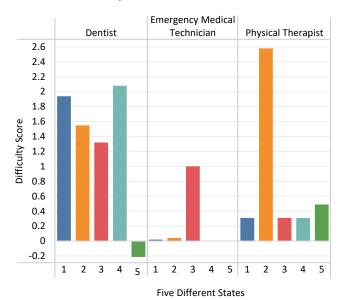
Licensing Burden and Compensation Implications



AIR developed a quantifiable licensing difficulty construct, the Occupational Licensing Difficulty Score, which is based on 23 licensingrelated data elements that

contribute the most to the difficulty of obtaining and retaining a license in a state. This score enables states to identify occupations that have more burdensome requirements than the same occupations in other states and to look at how the requirements vary across occupations within their state. Scan the QR code to view an example Dashboard of Occupational Licensing Difficulty Scores by State and Expected Salaries. Visuals like these help states focus on occupations that have high burden and low salary.

Occupational Licensing Difficulty Scores by Occupation Across Five States



How AIR Can Help You

- Ensure that licensure requirements align with the intended level of public safety and well-being.
- Reduce barriers to entry and improve the portability of licenses across state lines.
- Provide summaries of and recommendations on current licensure practices, including comparisons across states.
- Determine the feasibility of reciprocity and/or endorsement provisions.
- Provide recommendations to establish standards that reflect the challenges that specific populations may face in becoming licensed.
- Gather and validate information from key stakeholders associated with licensed occupations to identify areas of strength and areas for change.
- Review the clarity, conciseness, and navigability of licensing information presented on licensing board websites and informational documents through the use of behavioral insights.



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For additional capabilities, please scan the QR code or visit:

www.air.org/topic/workforce/ human-capital

