

A Snapshot of Occupational Licensing in Oklahoma

Edward Timmons¹, Conor Norris¹, and Noah Trudeau^{1,2}

1: Knee Center for the Study of Occupational Regulation, West Virginia University

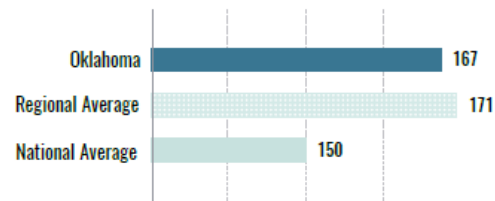
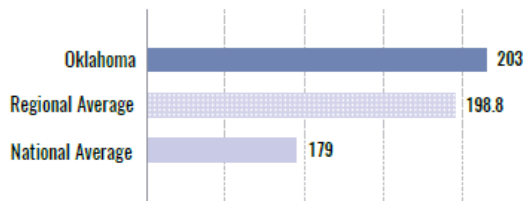
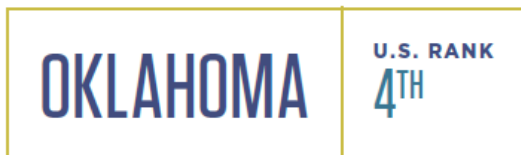
2: Troy University, Alabama

Occupational licensing makes it illegal to work in an occupation before meeting state-mandated entry requirements that often include minimum levels of education and training, paying fees to the state, and passing exams. Nationally, 21% of workers are licensed.¹ Licensed professions include medical professionals like physicians and personal service providers like barbers.

Because occupational licensing laws are passed by states, licensing requirements for the same profession vary significantly across states. The 2023 State Occupational Licensing Index (SOLI) ranks states by the number of occupations that are licensed.² The SOLI database focuses on 331 occupations that are available in the Knee Center licensing database.³ According to SOLI, Oklahoma has some of the most burdensome licensing laws in the country, which harms both professionals and consumers.

Oklahoma's SOLI ranking

In the 2023 SOLI, Oklahoma ranks 4th nationally (with 1st being the most burdensome). Oklahoma makes it illegal to work in 203 of the 331 occupations examined. This is more than 20 more occupations than the national average of 179 and more than 50 more than Kansas—the state with the fewest legal barriers (147) to working nationally.



¹ Data on certifications and licenses (CPS), Bureau of Labor Statistics, <https://www.bls.gov/cps/certifications-and-licenses.htm>, January 25, 2023.

² Noah Trudeau and Edward Timmons. State Occupational Licensing Index 2023. Archbridge Institute, <https://www.archbridgeinstitute.org/state-occupational-licensing-index-2023/>, March 20, 2023.

³ <https://csorwvu.com/>

Uniquely licensed occupations in Oklahoma

Among the 203 occupations that Oklahoma establishes minimum entry requirements to begin working, there are 27 occupations that are licensed in 20 states or fewer nationally. Table 1 provides a full list of these occupations and there is also a separate excel file with full details for interested readers.

Oklahoma is the only state in the country to license orthotic technicians. Orthotic technicians aid orthotists (another uniquely licensed profession in Oklahoma) with manufacturing equipment for feet to assist with mobility (like splints and braces). Oklahoma is also one of only 2 states to license real estate abstractors and one of 4 states nationally to license elevator apprentices.

Table 1: Uniquely licensed occupations in Oklahoma

Occupation	Total States with Licensing
Orthotic Technician	1
Real Estate Abstracter	2
Elevator Apprentice	4
Psychological/Psychiatric Technician	7
Land Abstractor	5
Orthotic Assistant	6
Prosthetic Assistant	6
Manicurist Apprentice	8
Journeyman Gas Fitter	8
Music Therapist	11
Animal Breeder	11
Licensed Piping Contractor	11
Pedorthist	11
Vehicle Factory Representative	12
Public Accountant	13
Anesthesiologist Aides Assistant	14
Professional Fighting Announcer	14
Orthotist	15
Professional Wrestler	15
Prosthetist	16
Polygraph Examiner Intern Trainee	17
Pyrotechnic Operator	17
Body Piercing Artist	18
Perfusionist	18
Sanitarian Trainee	19
Soil Tester/Classifier	19
Behavior Analyst Assistant	20

Sources: State Occupational Licensing Index 2023 Master File and Knee Center Occupational Licensing Database.

Why Licensing Reform is Important

By making it illegal to work in at least 200 occupations, and uniquely licensing at least 27 occupations, Oklahoma is imposing significant cost on its citizens.

Existing economic research suggests that occupational licensing raises prices by as much as 16%.⁴ Licensing also reduces employment by as much as 27% by making it more difficult to begin working in licensed professions.⁵ Nationally, it is estimated that occupational licensing results in \$6.2 billion in lost output and 2 million fewer jobs being created each year.⁶

Although licensing may have historically resulted in some benefits to consumers⁷, there is little evidence that it is helping consumers in the present. Recent work finds little evidence that occupational licensing is improving the quality of services provided to consumers in the US and Europe.⁸

In summary, Oklahoma currently places unique restrictions on its citizens to begin working. These restrictions are very costly and generate little to no measurable benefits for consumers. For each of the 27 professions listed above, there are at least 30 states that provide protections to consumers without using costly occupational licensing. Following the lead of the majority of other states and choosing less restrictive ways to regulate and protect consumers would be in the best interest of Oklahoma citizens.⁹

⁴ President Obama White House, Occupational Licensing: A Framework for Policymakers, https://obamawhitehouse.archives.gov/sites/default/files/docs/licensing_report_final_nonembargo.pdf, July 2015.

⁵ Peter Blair and Bobby Chung, (2019), How Much of Barrier to Entry is Occupational Licensing?. *British Journal of Industrial Relations*, 57: 919-943

⁶ Evgeny Vorotnikov and Morris Kleiner, (2018), At What Cost? State and National Estimates of the Economic Costs of Occupational Licensing., Institute for Justice, <https://ij.org/report/at-what-cost/#:~:text=By%20a%20conservative%20measure%20of,reach%20%24184%20billion%20or%20more.>

⁷ D. Mark Anderson, Ryan Brown, Kerwin Kofi Charles, and Daniel I. Rees, (2020), Occupational Licensing and Maternal Health: Evidence from Early Midwifery Laws., *Journal of Political Economy*, 128(11): 4337-4383.

⁸ Morris Kleiner and Maria Koumenta (Eds.). (2022). Grease or grit? International case studies of occupational licensing and its effects on efficiency and quality. Kalamazoo, MI: W.E. Upjohn Institute for Employment Research.

⁹ John Ross. (2017), The Inverted Pyramid: 10 Less Restrictive Alternatives to Occupational Licensing, Institute for Justice, <https://ij.org/report/the-inverted-pyramid/>