

A Snapshot of Occupational Licensing in Missouri

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

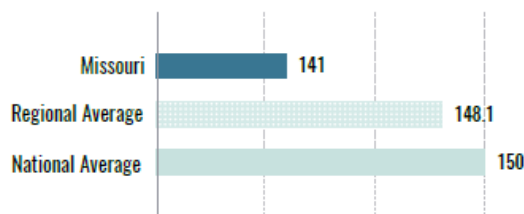
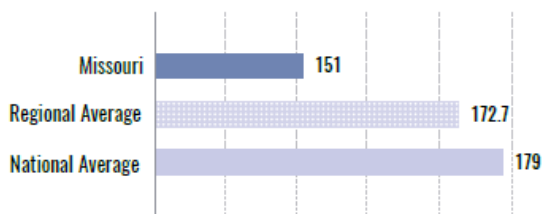
2: Troy University, Alabama

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

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

Missouri's SOLI ranking

In the 2023 SOLI, Missouri ranks 50th nationally (with 1st being the most burdensome). Missouri makes it illegal to work in 151 of the 331 occupations examined. This is 28 less occupations than the national average of 179 and only 4 more than Kansas—the state with the fewest legal barriers (147) to working nationally.



Uniquely licensed occupations in Missouri

Among the 151 occupations that Missouri establishes minimum entry requirements to begin working, there are 12 occupations that are licensed in 20 states or fewer nationally. Table 1

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/>

provides a full list of these occupations and there is also a separate excel file with full details for interested readers.

Although Missouri does not license many professions relative to other states, it has several unique licenses. Missouri is one of 10 states that licenses animal breeders. Missouri is also one of 13 states to license soil testers and one of 15 to license professional wrestlers.

Table 1: Uniquely licensed occupations in Missouri

Occupation	Total States
Manicurist Apprentice	6
Certified Sewage/Septic Evaluator	9
Animal Breeder	10
Soil Tester/Classifier	13
Anesthesiologist Aide/Assistant	14
Geologist in Training	15
Medical Clinical Laboratory Technician	15
Professional Wrestler	15
Pyrotechnic Operator	17
Body Piercing Artist	18
Perfusionist	18
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 151 occupations, and uniquely licensing at least 12 occupations, Missouri is imposing 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 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

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.

occupational licensing is improving the quality of services provided to consumers in the US and Europe.⁸

In summary, Missouri currently places some unique restrictions on its citizens to begin working. These restrictions are very costly and generate little to no measurable benefits for consumers.

Missouri is among national leaders with respect to occupational licensing, but surprisingly licenses many uncommonly licensed occupations. Missouri should consider further reform and implement less restrictive ways to regulate and protect consumers.

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.