



BUCKEYE POLICY BRIEF

OPENING DOORS III OCCUPATIONAL LICENSING REFORM IN OHIO

BY GREG R. LAWSON
OCTOBER 30, 2023

Ohio continues to curb bureaucratic and cumbersome occupational licensing requirements that too often burden job seekers while doing little to improve public safety.¹ Excessive licensing rules make it especially difficult for middle-aged and lower-income workers without college degrees to enter licensed professions.² The Ohio General Assembly, following several of The Buckeye Institute's recommendations, has relaxed some unnecessary, onerous requirements, and Ohio now recognizes many professional licenses issued by other states.³

That progress, however, fails to address underlying requirements for some licenses and continuing education provisions that hinder workers more than they benefit the public. Ohio licenses auctioneers, for example, even though nearly half of the country does not, with no apparent adverse effects.⁴ Simple bonding protocols would seem sufficient to safeguard consumers without imposing the additional costs of attaining and enforcing licenses. Similarly, Ohio mandates licensure for home bakeries and families selling raw milk. Health and safety are their normal justifications, but research shows that such concerns are overblown and an inexpensive label requirement would assuage any legitimate risk. Small entrepreneurs using their kitchens or homesteads to raise some extra cash cannot afford the byzantine licensing requirements and entrepreneurial ventures end before they even begin.⁵ And finally, Ohio requires 1,500 hours of training for a cosmetology license—more hours than most states, and a disproportionate burden on lower-income and minority workers looking to enter the profession.⁶

¹ Tom Lampman, *Forbidden to Succeed: How Licensure Laws Hold Ohioans Back*, The Buckeye Institute, November 18, 2015.

² Orphe Pierre Divounguy, Ph.D., Bryce Hill, and Greg R. Lawson, *Still Forbidden to Succeed: The Negative Effects of Occupational Licensing on Ohio's Workforce*, The Buckeye Institute, December 18, 2017.

³ Greg R. Lawson, *Universal Licensing Reciprocity: How to Welcome Workers to Ohio*, The Buckeye Institute, January 21, 2020 and *Senate Bill 131 of the 134th General Assembly*, legislature.ohio.gov (Last visited August 18, 2023).

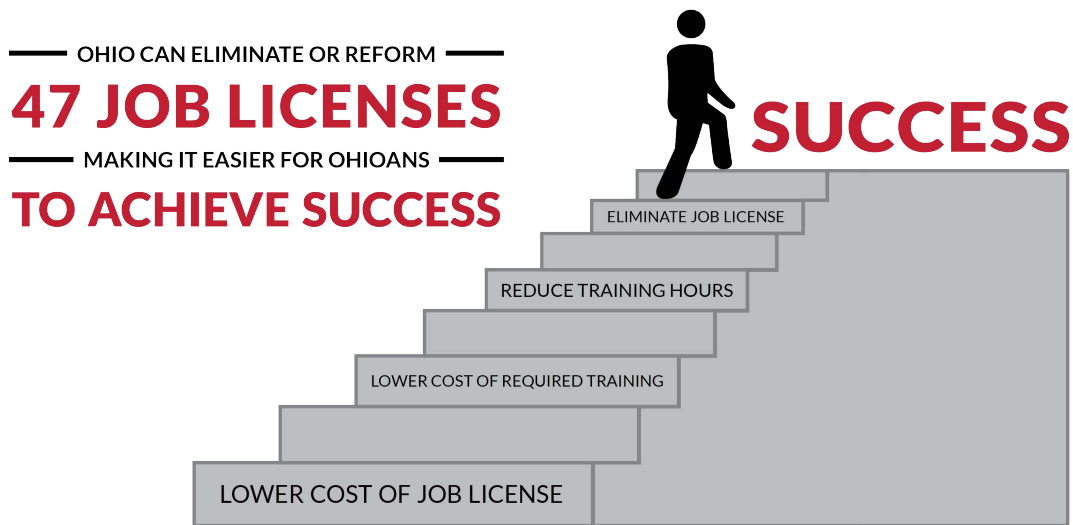
⁴ *States With No Auction Law*, NAOLLA.org (Last visited October 6, 2023).

⁵ Erica Smith Ewing and Jennifer McDonald, *New Data Show Homemade Food for Sale is Incredibly Safe*, Institute for Justice, September 6, 2023.

⁶ Greg R. Lawson, *Time to Trim the Burden of Ohio's Cosmetology Licensing Requirements*, The Buckeye Institute, November 30, 2022.

The 132nd Ohio General Assembly took aim at problems like these and enacted the most comprehensive occupational licensing reform legislation in the nation.⁷ Senate Bill 255 requires Ohio licensing boards to justify the financial and regulatory burdens they place on license holders. The legislation gave every state board and licensing agency a 6-year term, with an automatic sunset provision requiring reauthorization by the General Assembly or an end of operations. In *Opening Doors* and *Opening Doors II*, The Buckeye Institute examined the licenses scheduled for review by legislative committees, and recommended eliminating or reducing licensing regulations, fees, and education requirements that disadvantage Ohio.⁸ *Opening Doors III* recommends eliminating another 27 license- or certification-requirements and reducing burdens imposed by another 20. (See Tables 1-3.)

#ZEROBARRIERS TO CAREER ADVANCEMENT



Source: *Opening Doors III: Occupational Licensing Reform in Ohio*



Following these recommendations will better align Ohio standards with those in Indiana, Kentucky, Michigan, Pennsylvania, and West Virginia.⁹ But even more is required. Several committee review cycles have shown the need for several overarching reforms to improve the review process and lighten licensing burdens. These include:

⁷ See, **Ohio Governor Signs The Buckeye Institute-Championed Best-in-the-Nation Occupational Licensing Reform Policy**, The Buckeye Institute press release, January 4, 2019; **Ohio Governor Signs Landmark Reform of Occupational Licenses**, Institute for Justice press release, January 7, 2019; Nick Sibilla, **New Ohio Law Takes Aim at Occupational Licenses Which Cost State \$6 Billion**, *Forbes*, January 9, 2019.

⁸ Andrew J. Kidd, PhD, Greg R. Lawson, and James B. Woodward, PhD, **Opening Doors: Occupational Licensing Door III: Occupational Licensing Reform in Ohio After Senate Bill 255**, The Buckeye Institute, December 5, 2019 and Greg R. Lawson, **Opening Doors II: Occupational Licensing Reform in Ohio After Senate Bill 255**, The Buckeye Institute, November 9, 2021.

⁹ For licenses under review see House State and Government Committee Meeting materials for September **19**, **20**, **26**, and **27** (Last visited September 27, 2023).

- 1) *Expanding the statutory definition of “occupational license”* – Many business licenses, registrations, and certifications do not meet the current definition and evade committee review. A broader definition would clarify ambiguities and bring more bureaucratic requirements under legislative oversight.

- 2) *Keeping continuing education requirements limited and focused* – Continuing education (CE) requirements are important for ensuring licensees stay up to date on relevant information and training. But time-consuming CE requirements can burden busy professionals and therefore should be tailored to focus on new occupational and public safety information. The General Assembly should prohibit extraneous topics like “Diversity, Equity, and Inclusion” from being shoehorned into CE mandates, and should prescribe essential health and safety CE requirements instead.

- 3) *Moving toward inspections and bonding requirements* – The General Assembly should eventually reduce the global burdens of licensure by moving towards inspections and bonding requirements rather than mandating individual occupational licenses.¹⁰

Table 1: Licenses to Eliminate

License	Licensing Body	Recommendation
Bakery Registration	Department of Agriculture	Eliminate home bakery registration, expand cottage food exemption. See Montana, North Dakota, Wyoming. ¹¹
Raw Milk Retailer	Department of Agriculture	Limit unlabeled raw milk sales to farms. Require raw milk sold elsewhere to be labelled as raw milk.
Grain Commodity Tester	Department of Agriculture	Eliminate. No neighbor state has this license.
Auctioneer	Department of Agriculture	Eliminate or reduce high fees. Michigan, 22 other states do not license. ¹²
Apprentice Auctioneer’s License	Department of Agriculture	Eliminate or reduce high fees. Michigan, 22 other states do not license. ¹³
Credit Service Organization Certificate of Registration	Department of Commerce	Eliminate. Retain surety bond requirement.

¹⁰ John K. Ross, *The Inverted Pyramid: 10 Less Restrictive Alternatives to Occupational Licensing*, Institute for Justice, November 2017.

¹¹ Erica Smith Ewing and Jennifer McDonald, *New Data Show Homemade Food for Sale is Incredibly Safe*, Institute for Justice, September 6, 2023.

¹² Institute for Justice, *Auctioneer License*, IJ.org (Last visited September 22, 2023).

¹³ *Ibid.*

Consumer Installment Loan License	Department of Commerce	Combine with General Loan Certificate of Registration.
Manufactured Home Inspector and Plan Reviewer	Department of Commerce	Move responsibility to building code and relevant inspectors.
Steam Engineer or Boiler Operator	Department of Commerce	Only Michigan requires operator license. Retain installation and inspection standards.
Backflow Technician (Class A, B, And C Certificates)	Department of Commerce	Eliminate but mandate licensed plumbers fix backflow issues. Plumbers can be certified by, e.g., the American Society of Sanitary Engineering. ¹⁴
Stuffed Toy and Bedding Registration	Department of Commerce	Eliminate. Indiana, Kentucky, Michigan do not license.
Home Inspector License	Department of Commerce	Eliminate. Michigan and Pennsylvania do not license.
Assistant Barber Teacher	Cosmetology and Barber Board	Eliminate. No neighbor state has this license.
Natural Hair Stylist	Cosmetology and Barber Board	Eliminate. Only Pennsylvania has comparable license.
Boutique Services Providers	Cosmetology and Barber Board	Eliminate. Only Kentucky has comparable license.
Hair Designers	Cosmetology and Barber Board	Eliminate.
Advanced Cosmetology License	Cosmetology and Barber Board	Eliminate. No neighbor state has comparable license.
Motor Vehicle Repair Operator	Motor Vehicle Repair Board	Eliminate. No neighbor state has comparable license.
Full-Service Jail Support Staff	Peace Officer Training Commission	Eliminate.
Driver Training Manager	Department of Public Safety	Eliminate. Only Pennsylvania has comparable license.
Online Instructor	Department of Public Safety	Eliminate. No neighbor state has comparable license.
Commercial Training Manager	Department of Public Safety	Eliminate. No neighbor state has comparable license.
Motor Vehicle Salesperson	Department of Public Safety	Eliminate. Indiana, Michigan, and West Virginia have no comparable license.
Construction Equipment Auction	Department of Public Safety	Eliminate. No neighbor state has comparable license.

¹⁴ **Backflow Prevention Certification**, ASSE-Plumbing.org (Last visited September 25, 2023).

Salvage Motor Vehicle Auction	Department of Public Safety	Eliminate, but maintain bonding requirements.
Suppliers (Supply Sales – Owner and Supply Salesman)	State Racing Commission	Eliminate supply salesman license. Lower fee for owner license.
Special Licenses (Special A-Professional, Special B-Technical, Special C- Clerical/ Miscellaneous, Restricted Special D- Miscellaneous)	State Racing Commission	Eliminate. Most neighbor states do not have these catch-all licenses.

Table 2: Licenses to Revise

License	Licensing Body	Recommendation
Private Pesticide Applicator	Department of Agriculture	Reduce fees. Indiana, Pennsylvania, West Virginia have lower fees.
Certificate of Qualification to Practice Architecture	Architects and Landscape Architects Board	Reduce renewal fees. Second highest among neighbor states.
General Loan Certificate of Registration	Department of Commerce	Consolidate the small loan license into a single general consumer loan license to avoid multiple licenses and duplication.
Small Loan License	Department of Commerce	Consolidate the small loan license into a single general consumer loan license to avoid multiple licenses and duplication.
Insurance Premium Finance Company License	Department of Commerce	Reduce fees to align with neighbor states.
Mortgage Broker Certificate of Registration	Department of Commerce	Reduce fees to align with neighbor states.
Money Transmitter License	Department of Commerce	Reduce fees to align with neighbor states. Consider the model money transmitter legislation approved by the Conference of State Bank Supervisors. ¹⁵

¹⁵ **CSBS Model Money Transmission Modernization Act**, CSBS.org (Last visited September 15, 2023).

Manufactured Housing Installer	Department of Commerce	Reduce fees. Highest among neighbor states.
Boiler and Pressure Vessel Inspector	Department of Commerce	Reduce the initial fee. Highest among neighbor states. Cap renewal fees like most neighbor states.
Plumbing Inspector	Department of Commerce	Lengthen license term. Michigan, Pennsylvania, West Virginia allow three-year duration.
Residential Real Estate Appraiser Certification	Department of Commerce and Professional Licensing (Appraiser Board)	Include two-year license option. Three neighbor states have two-year license.
Real Estate Appraiser Assistant Registration	Department of Commerce and Professional Licensing (Appraiser Board)	Include two-year license option. Three neighbor states have two-year license.
Real Estate Broker	Department of Commerce and Professional Licensing (Real Estate Commission)	Eliminate two-year post-secondary education requirement. Neighbor states require only a high school diploma. Reduce initial 120 hours requirement. Higher than Indiana, Kentucky, Michigan.
Real Estate Salesperson	Department of Commerce and Professional Licensing (Real Estate Commission)	Reduce required hours for initial license. Neighbor states require fewer hours. Indiana has no related license.
Barber	Cosmetology and Barber Board	Reduce initial education hours, continuing education hours, and renewal fees.
Barber Teacher	Cosmetology and Barber Board	Reduce fees.
Cosmetologist, Esthetician, and Manicurist	Cosmetology and Barber Board	Reduce initial education hours for cosmetologist license.
Instructor of Cosmetology or a Branch of Cosmetology	Cosmetology and Barber Board	Reduce renewal fees to align with neighbor states.
Private Investigator and Security Services	Department of Public Safety	Offer multi-year license to align with all neighbor states.

Facility Staff (Admission Employee, Concession Employee, Concession Manager, Doctor, Medical and First Aid, General Manager, Maintenance, Parking Lot Employee, Security, and Chief of Security)	State Racing Commission	Reduce license fees to align with comparable fees among neighbor states.
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Table 3: Licenses with No Recommended Change

License	Licensing Body
Public Accountant	Accountancy Board
Certified Public Accountant	Accountancy Board
Livestock Manager Certification	Department of Agriculture
Fertilizer Application for Agricultural Production Certification	Department of Agriculture
Seed Labeler	Department of Agriculture
Legume Inoculator	Department of Agriculture
Apiary Registration	Department of Agriculture
Milk Producer	Department of Agriculture
Milk Processor	Department of Agriculture
Milk Dealer	Department of Agriculture
Milk Weigher, Tester, or Sampler	Department of Agriculture
Milk Hauler	Department of Agriculture
Commercial Pesticide Applicator	Department of Agriculture
Grain Commodity Handler	Department of Agriculture
Nursery Dealer	Department of Agriculture
Garbage Feeder	Department of Agriculture
Livestock Broker/Dealer	Department of Agriculture
Small Livestock Dealer	Department of Agriculture
Livestock Weigher	Department of Agriculture
Transporter Of Raw Rendering Material	Department of Agriculture
High Volume Dog Breeder	Department of Agriculture
Dog Broker	Department of Agriculture
Animal Rescue for Dogs	Department of Agriculture
Concession Operator	Department of Agriculture
Amusement Ride Operator	Department of Agriculture

Hemp Cultivator	Department of Agriculture
Hemp Processor	Department of Agriculture
Certificate Of Qualification to Practice Landscape Architecture	Architects and Landscape Architects Board
Key Employee License	Casino Control Commission
Casino Gaming Employee License	Casino Control Commission
Sports Gaming Occupational License	Casino Control Commission
Electronic Instant Bingo Distributor Endorsement to Distributor Licenses	Casino Control Commission
Mortgage Lender Certificate of Registration	Department of Commerce
Mortgage Loan Originator License	Department of Commerce
Pawnbroker License	Department of Commerce
Precious Metals Dealer License	Department of Commerce
Short-Term Lender License	Department of Commerce
Check-Cashing Business License	Department of Commerce
Boiler Contractor	Department of Commerce
Elevator Inspector	Department of Commerce
Tramway Operator	Department of Commerce
General Real Estate Appraiser Certification	Department of Commerce and Professional Licensing (Appraiser Boars)
Residential Real Estate Appraiser License	Department of Commerce and Professional Licensing (Appraiser Board)
Temporary Appraiser Practice Registration	Department of Commerce and Professional Licensing (Appraiser Board)
Foreign Real Estate Dealer	Department of Commerce and Professional Licensing (Real Estate Commission)
Foreign Real Estate Salesperson License	Department of Commerce and Professional Licensing (Real Estate Commission)
Manufactured Housing Dealer, Manufactured Housing Broker, Manufactured Housing Salesperson	Department of Commerce
Oil And Gas Land Professional	Department of Commerce
Cemetery Registration and Internment-Rights Sales Registration	Department of Commerce
Certified Youth Peer Supporter	Department of Mental Health and Addiction Services
Certified Peer Recovery Supporter	Department of Mental Health and Addiction Services
Certified Family Peer Supporter	Department of Mental Health and Addiction Services
Professional Engineer	Ohio Board of Engineers and Surveyors
Professional Surveyor (Professional Surveyor and Surveyor Intern/Surveyor-in-Training)	Ohio Board of Engineers and Surveyors

Peace Officer ¹⁶	Peace Officer Training Commission
Commander of Peace Officer Training School	Peace Officer Training Commission
Unit Instructor of a Peace Officer Training School	Peace Officer Training Commission
Special Subject Instructor of a Peace Officer Training School	Peace Officer Training Commission
Sheriff or Qualified Candidate for Sheriff	Peace Officer Training Commission
Firearms Requalification Program Instructor	Peace Officer Training Commission
Special Police, Security Guard, or Person Otherwise Privately Employed in A Police Capacity	Peace Officer Training Commission
Commander of a Private Security Training Program	Peace Officer Training Commission
Instructor of a Private Security Training Program	Peace Officer Training Commission
Court Bailiff or Deputy Bailiff Who Carries a Firearm While on Duty	Peace Officer Training Commission
Law Enforcement Canine Unit, Canine Handler Who is a Sworn Law Enforcement Officer and works with a Canine	Peace Officer Training Commission
Corrections Officer or Jail Staff of Full-Service Jail	Peace Officer Training Commission
Administrator or Supervisor of Full-Service Jail	Peace Officer Training Commission
Instructor of Corrections Training School	Peace Officer Training Commission
Special Subject Instructor of Corrections Training School	Peace Officer Training Commission
Agent of County Humane Society	Peace Officer Training Commission
Firearms Training	Peace Officer Training Commission
Driver Training Instructor	Department of Public Safety
Driver Training Probationary Instructor	Department of Public Safety
Driver Training Instructor for Persons with a Disability	Department of Public Safety
Commercial Instructor	Department of Public Safety
Third-Party Examiner Certification for CDL Skills Test	Department of Public Safety
Motorcycle Instructor	Department of Public Safety

¹⁶ Police training is necessary for the performance of a core government service. To fund this training, there is a discussion of using existing dollars collected under the foreign insurance tax, of which a portion currently funds firefighter training and the remainder going into the General Revenue Fund. Leveraging a portion of this existing tax revenue makes sense and avoids the need for a tax increase. Corey Jordan, director of policy and legislation for Attorney General Dave Yost, **Testimony** Before the Ohio House State and Local Government Committee, September 26, 2023.

Private Provider Site Coordinator for Motorcycle Safety	Department of Public Safety
School Bus Driver	Department of Public Safety
New Motor Vehicle Dealer	Department of Public Safety
Used Motor Vehicle Dealer's License	Department of Public Safety
Motor Vehicle Leasing Dealer's License	Department of Public Safety
Motor Vehicle Auction Owner	Department of Public Safety
Motor Vehicle Distributor	Department of Public Safety
Salvage Motor Vehicle Dealer	Department of Public Safety
Salvage Motor Vehicle Pool	Department of Public Safety
Racing Officials (Announcer, Clerk Of Course, Clerk of Scales, Clerical, Horsemen's Bookkeeper, Identifier, Judge, Presiding Judge, Paddock Judge, Patrol Judge, Placing Judge, Photographer, Racing Official-Restricted, Jockey Room Custodian, Racing Secretary, Assistant Racing Secretary, Starter, Assistant Starter, State Steward, Steward, and Timer)	State Racing Commission
Betting Staff (Mutuel Employee, Mutuel Employee-Restricted, Mutuel Manager, Telephone Operator, Totalizator Company Management Supervisory Employee, and Totalizator Company Employee)	State Racing Commission
Racing Staff (Owner, Owner-Restricted, Owner's Reciprocal Validation, Authorized Agent, Thoroughbred Breeder, Jockey, Apprentice Jockey, Jockey Agent, Trainer, Assistant Trainer, Driver-Trainer, Driver-Trainer – Restricted, Outrider, Pony Person, Exercise Rider, and Valet)	State Racing Commission
Horse Care Staff (Groom, Groom-Restricted, Horseshoer/Farrier/Blacksmith, Porter, Veterinarian, and Veterinarian's Assistant)	State Racing Commission

About the Author

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