

POLICY MEMO

END BURDENSOME OCCUPATIONAL LICENSE REQUIREMENTS NOVEMBER 19, 2024

The Buckeye Institute's Recommendation

As recommended by The Buckeye Institute's *Opening Doors III: Occupational Licensing Reform in Ohio* and included in **Ohio House Bill 238**, Ohio lawmakers should continue reducing burdensome, unnecessary occupational licensing requirements.

Background

Nearly **one in five Ohio workers** are subject to occupational licensing requirements that limit job opportunities, restrict economic improvement and career choices, impose bureaucratic costs, and effectively act as government permission slips to work in certain professions. Such requirements especially burden low-income individuals, minorities, and those with criminal records, discouraging entry into some professions and delaying workforce participation. In *Forbidden to Succeed: How Licensure Laws Hold Ohioans Back* and *Still Forbidden to Succeed The Negative Effects of Occupational Licensing on Ohio's Workforce*, The Buckeye Institute urged lawmakers to reevaluate Ohio's approach to occupational licensing—encouragement that led to **Senate Bill 255**, which laid the groundwork for streamlining occupational licensing by requiring the General Assembly to review all occupational licensing boards every six years and sunset any licensing entity that the legislature did not reauthorize.

Ohio House Bill 238, now before the Ohio Senate, builds upon that reform effort. Several provisions echo recommendations made in *Opening Doors III*, such as eliminating the two-year post-secondary education requirement for real estate brokers, and extending license durations and reducing renewal fees for many occupations, including real estate appraisers and private investigators to better align with nearby states. And those are all steps in the right direction. Legislators can improve House Bill 238 by reducing the hours required to obtain cosmetology and barber licenses. The Buckeye Institute has **long argued** that Ohio's 1,500-hour training requirement for cosmetologists—which exceeds **Pennsylvania's** mandate by 250 hours and **New York** and **Texas** by 500 hours—puts aspiring cosmetologists in Ohio at a significant disadvantage.

Conclusion

Ohio should adopt The Buckeye Institute's recommended occupational licensing reforms and continue the state's effort to end the burdensome permission slip policies that hinder careers and limit workforce participation.