

## Occupational Licensing & Universal Recognition

---

### What is Occupational Licensing?

Occupational Licensing is a government-regulated process that requires individuals to obtain a license before legally working in certain professions. These licenses are typically granted after meeting specific education, training, or testing requirements. The purpose is to ensure public health and safety, but critics argue it can create unnecessary barriers to employment and economic opportunity. Originally, these licenses were reserved for high-risk professions such as doctors and lawyers. However, in recent decades, they have expanded to a wide range of occupations, including hair braiders, interior designers, and florists. In the 1950s, only 5% of the workforce required a license, but today, approximately 20% of workers need one to earn a living.

### What is Universal Recognition of Licensure?

One issue with occupational licensing is its restriction on worker mobility. A professional licensed in one state often cannot work in another without meeting additional requirements. However, a worker does not lose their skills simply by crossing state lines, yet licensing laws often treat them as if they do.

Universal Recognition of Licensure refers to a policy that allows individuals who hold an occupational license in one state to be automatically recognized to practice in another state, without having to complete additional licensing requirements. This approach aims to increase labor mobility and reduce regulatory burdens for licensed professionals who move between states.

### States with Universal Recognition Laws

Inspired by Arizona's pioneering 2019 law, several states have adopted universal recognition of occupational licenses. Most states require the license to be in good standing, the applicant to have worked for a minimum number of years (often one), and no pending disciplinary actions.

- **Arizona:** In 2019 Arizona became the first state to implement universal recognition with HB 2569, allowing individuals licensed in another state for at least one year and in good standing to obtain an Arizona license without additional requirements.

- **Missouri:** HB 2046 (2020) allows individuals with out-of-state licenses held for at least one year and in good standing to apply for equivalent Missouri licenses, streamlining the process for professionals moving into the state.
- **Iowa:** HF 2627 (2020) provided for universal recognition of out-of-state licenses, allowing professionals to practice in Iowa without unnecessary barriers.
- **Utah:** SB 23 (2020) Enabled individuals licensed in another state for at least one year and in good standing to obtain a Utah license, promoting ease of entry into the state's workforce.
- **West Virginia:** SB 458 (2025) amended that professional boards grant licenses to individuals licensed in another state for at least one year, provided they meet West Virginia's educational and professional standards.

