



FACT SHEET | Center for the American Worker

MICHIGAN WORKERS NEED UNIVERSAL LICENSING RECOGNITION

Rachel Wallen Oglesby | July 2024

OCCUPATIONAL LICENSING IS A BARRIER TO EMPLOYMENT IN MICHIGAN

TOPLINES

- Nearly **1 in 5 workers** in Michigan are forced to seek permission from the government through an occupational license to work in their desired field.
- In Michigan, workers, on average, spend **308 days** and **\$281** to earn their licenses.
- License restrictions in Michigan cost the economy **\$8 billion** and over **80,000 jobs**.
- Michigan has **85 available workers** for every **100 open jobs**.
- **Universal licensing recognition** would make occupational licenses portable across state lines, allowing workers to move to Michigan and get right back to work.
- **25 other states** have implemented universal licensing recognition laws to allow workers to transfer occupational licenses across states (as of 2024).

5 BENEFITS OF UNIVERSAL LICENSING RECOGNITION

- 1. Increased Mobility:** States that have passed universal recognition have experienced a nearly 50% increase in interstate migration among those with low portability licenses.
- 2. Stronger Workforce:** When states enact universal licensing recognition, they experience increased labor market participation and lower unemployment. Workers have more incentive to invest in their own skills, and there is no evidence of a decline in worker quality or customer satisfaction.
- 3. Enhanced Business Environment:** Greater portability of occupational licenses makes it easier for businesses to attract workers, which fosters greater entrepreneurship.
- 4. More Growth, Bigger Paychecks:** Enhanced economic dynamism brings about higher productivity and paycheck-enhancing economic growth.
- 5. Improved Affordability:** Universal licensing recognition can mitigate the excessive licensing rules that currently cost consumers more than \$200 billion annually in the form of higher prices.

IT'S TIME FOR MICHIGAN TO RECOGNIZE ALL LICENSES.

