2017

The Effect of Occupational Licensing on Women and Minorities in Utah

Jacob Caldwell

Colton Cowan
Utah State University

Olivia Abercrombie
Utah State University

Follow this and additional works at: https://digitalcommons.usu.edu/roch

Recommended Citation
Caldwell, Jacob; Cowan, Colton; and Abercrombie, Olivia, "The Effect of Occupational Licensing on Women and Minorities in Utah" (2017). Research on Capitol Hill. Paper 60.
https://digitalcommons.usu.edu/roch/60
The Effect of Occupational Licensing on Minorities and Women in Utah

What is Occupational Licensing?

- An occupational license is a permission from the government to work in a certain field.
- The occupations and requirements to become licensed vary by state.
- Research suggests occupational licensing can harm certain groups of people.
- Does occupational licensing disproportionately affect women and minorities?

Case Study One: Massage Therapists

- Massage therapists give massages to relieve pain or stress.
- About 85% of massage therapists are women.
- Massage therapists pose no significant risk to consumers.
- Some requirements include a background check and schooling.

Case Study Two: Nail Technicians

- Nail technicians give pedicures and manicures.
- About 96% of nail technicians are women and 63% are a minority.
- Procedures and safety precautions can be learned on the job.
- Some requirements include two exams and mandatory schooling.

Figure 1 – Occupational Licensing Index

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Average Income in Utah</th>
<th>Licenses Issued in 2015</th>
<th>Application Fee</th>
<th>Hours of Schooling Required</th>
<th>Estimated Tuition Cost</th>
<th>Exam Fee</th>
<th>Hours of Experience Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Massage Therapist</td>
<td>$33,910</td>
<td>5,512</td>
<td>$100</td>
<td>600</td>
<td>$13,000</td>
<td>$195</td>
<td>1,000</td>
</tr>
<tr>
<td>Nail Technician</td>
<td>$24,420</td>
<td>4,817</td>
<td>$60</td>
<td>375</td>
<td>$1,647</td>
<td>$174</td>
<td>300</td>
</tr>
</tbody>
</table>

Figure 2: Licensed Occupations and Average Income

Most licensed occupations fall within the lowest income quintiles.

Conclusions

- Occupational licensing may disproportionally affect women and minorities.
- Possible alternatives include optional government certifications and easing licensing requirements.
- Further research may include an econometric model incorporating our index and further demographic data.

Study conducted with funding from a USU Undergraduate Research and Creative Opportunity Grant and assistance from the USU Department of Economics and Finance.

Jacob Caldwell, Colton Cowan, and Olivia Abercrombie
Utah State University

Ryan Yonk, Ph.D.
Utah State University

Utah State University
Kinesiology and Health Sciences
olivia.mackelprang@aggiemail.usu.edu

Jacob Caldwell
Utah State University
Economics and Finance
jacobmarkhamcaldwell@aggiemail.usu.edu

Colton Cowan
Utah State University
Biology
colton.cowan@aggiemail.usu.edu