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Mississippi can harness spirit of innovation to lead our economic comeback

Lynn Fitch

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When COVID-19 hit, the nation and this state went from historic lows in unemployment and seemingly boundless economic growth to a near standstill economy. The necessities of self-isolation and the continued need to socially distance even now, six months later, have altered traditional work habits and the routine ways in which we provide goods and services.

But, the entrepreneurial spirit that built America cannot be broken. Businesses have learned to adapt the way they market, serve customers, and package their products. Individuals have learned to find new ways to work. It is that spirit of innovation and drive that will revive our economy and lead our economic comeback.

Government can aid that comeback by breaking down regulatory barriers to work. At the Federal level, President Trump has made deregulation a hallmark of his administration. In an executive order in May, for the first time in history, he established a Regulatory Bill of Rights, ensuring that American families, businesses, farmers, ranchers and innovators will stand on fair footing when they go up against the regulatory state. As a member of the White House's Initiative on Regulatory Innovation, I applaud this bold step.

Here in Mississippi, we can use new regulatory reform I pushed for this legislative session to help individuals exercise their right to earn a living. This new law, sponsored by Rep. Jerry Turner, gives the Occupational Licensing Review Commission, of which I am a member, authority to look at rules previously published by occupational licensing boards to determine which no longer meet state needs. We can take down roadblocks that make it harder for Mississippians to work and live the American Dream.

An Institute for Justice report in 2017 ranked Mississippi the 19th most broadly and onerously licensed state in the country. On average, it takes \$330 in fees, 160 days of education and experience, and about two exams to get an occupational license in our state.

These burdens fall disproportionately on disadvantaged communities – minorities, veterans, military spouses, and the formerly incarcerated. For the latter, licensing reform could mean the difference between a fresh start and a return to jail. Research from the Center for the Study of Economic Liberty at Arizona State University shows recidivism declines in states with low licensing burdens by 2.5%, but increases by 9% by states with more licensing restrictions.

Mississippi requires licenses for more lower-income occupations than the average state and some of our fees to attain a license are far higher, even double, than the average. While in the 1950s, approximately 5% of American workers needed a license to make a living, today in Mississippi it is closer to 19%, according to a 2016 White House report.

These are barriers to upward economic mobility for large swaths of individuals at the bottom of the economic ladder. According to economists, as cited by the National Conference of State Legislatures, these licensing rules result in 2.85 million fewer jobs and even when an individual gets past these barriers, the rules often result in suppressed wages.

These licensing rules are also a hidden tax on consumers. A 2015 White House report found that the cost of occupational licensing equates to a tax of up to 16%. The annual cost to consumers is estimated to be \$203 billion. And, the Heritage Foundation found that the average Mississippian pays \$800 for this each year.

In 2017, when the OLRC was established, the legislation required licensing boards to use the least restrictive regulations possible going forward and charged the OLRC with supervising their regulatory work. This allows the state to continue to protect health and safety without insulating the market from vital competition. This year's legislation expands the OLRC mission to review old rules under this new rubric.

Men and women who want to work hard should not be locked out of their dreams by red tape. In fact, we need their ingenuity and drive to rebuild our economy now more than ever. They have a right to work, and not only should government not hinder that, we should make it as easy as possible to achieve.