Press Release



Assessing the Promising Labor Policies in President Biden's Executive Order

ANDREW EVANS | JULY 13, 2021

President Biden's recent executive order on competition in the economy includes two provisions that could help workers significantly: occupational-licensing reform and non-compete contract reform. Both issues make it harder for workers to find a job or move with their skills, notes AAF's Director of Labor Market Policy Isabel Soto, but federal action could complicate these primarily state-level regulations if not done carefully, she argues.

An excerpt:

The Biden Administration's EO seeks to ease the regulations surrounding licensing in some occupations. The intent of this initiative is not the problem; the challenge lies in its execution. The EO "encourages the FTC to ban unnecessary occupational licensing restrictions that impede economic mobility." This is easier said than done. Given the nature of occupational licensing, such a ban may require the FTC to go through each licensing requirement in each state to determine "necessity" on a case-by-case basis, potentially superseding state authority to implement national standards. Legislators must also keep in mind the burden that rapidly changing requirements could have on small businesses.

Read the Analysis