

collected court cost revenues from such actions. Any new revenue from this source would be deposited in the GRF and the Victims of Crime/Reparations Fund (Fund 402).

Local Fiscal Highlights

LOCAL GOVERNMENT	FY 2008	FY 2009	FUTURE YEARS
Counties and Municipalities			
Revenues	Potential minimal gain	Potential minimal gain	Potential minimal gain
Expenditures	Potential minimal increase	Potential minimal increase	Potential minimal increase

Note: For most local governments, the fiscal year is the calendar year. The school district fiscal year is July 1 through June 30.

- ***New penalties.*** The establishment of first-degree offenses for those individuals who violate the bill's provisions creates the opportunity for a gain in court cost and fine revenue and an increase in local criminal justice expenditures related to prosecuting and sanctioning offenders. It is uncertain how many cases will result from the penalties created by the bill, but it appears that the number and any associated expenses are likely to be minimal. Court cost and fine revenue would also likely offset any new prosecution costs.

Detailed Fiscal Analysis

State Board for Certified Interior Designers

This bill establishes the State Board for Certified Interior Designers to certify interior designers who meet certain requirements. The bill does not require persons providing interior design services to become certified with the Board as long as they do not use the title "Certified Interior Designer." May 2006 data from the U.S. Bureau of Labor Statistics' Occupational Employment Survey indicates that there are approximately 1,970 interior designers working in the state of Ohio.

The State Board for Certified Interior Designers created by the bill would be comprised of five members and is required to meet at least twice each calendar year. The Board is required to, among other things, adopt rules that establish standards that govern the practice of providing interior design services, establish certificate and renewal fee amounts, maintain an official roster of all certified interior designers, review applications, and approve the certification of individuals that meet the requirements specified by the bill.

Interior designer certification fee revenue

The bill directs the State Board for Certified Interior Designers to adopt rules establishing fees for such things as certificate issuance, certificate renewal, reciprocal certification, late renewal, and so forth. Certifications are to be renewed biennially. It is not known at this time how much the Board will charge for this certificate or how many interior designers will be certified since the bill does not prohibit a person from providing interior design services. Rather, the bill prohibits persons using the title "Certified Interior Designer" without actually being certified. However, the bill requires the revenue the Board receives to completely offset its proportionate share of administrative costs to carry out the certification program. All fees are to be deposited into and all expenses are to be paid out of the Occupational Licensing and Regulatory Fund (Fund 4K9).

Administrative expenses

Board expenses

The bill houses the administrative functions of the State Board for Certified Interior Designers within the State Board of Examiners of Architects (ARC) and designates the executive director of ARC as the executive director of the new Board. The bill also requires the State Board for Certified Interior Designers to use the facilities and administrative staff of ARC to discharge these new interior design certification responsibilities. Currently, ARC and the State Board of Landscape Architect Examiners are two distinct boards that operate under a combined budget and share staff and facilities. The bill would add the new Board's expenses into this combined budget. ARC's budget is \$638,110 in FY 2008 and \$565,141 in FY 2009.

While ARC likely will not require additional staff to administer the interior designer certification program, it will nevertheless incur various additional payroll expenses since the five

new board members would be counted as new employees. Payroll charges, such as those for accounting and budgeting, human resources services, and information technology are based upon the total head count, which includes full-time employees and board members. Combining the administrative staff of the boards (four) plus the board members for each existing board (ten) yields a current head count of 14. Adding the five new members from the State Board of Certified Interior Designers would increase the head count to 19.

Board members would receive compensation according to ORC 124.15(J), and will be reimbursed for other necessary expenses such as those for meals, mileage, or lodging. Based on the base rate typically paid to board members (\$19.55 per hour) and including payroll check-off costs, the Central Service Agency (CSA), an agency within the Department of Administrative Services that assists boards and commissions with fiscal and human resources functions, estimated that the payroll costs for each board member would be approximately \$25 per hour. Therefore, total board member payroll costs would be about \$6,000 annually, based on an estimated six meetings per year. Assuming each board member is reimbursed an average of \$200 per meeting for lodging, mileage, and meals and all five board members attend six meetings annually, new reimbursement expenses would be \$6,000.

In addition to personnel and reimbursement expenses, the new Board is likely to incur operating expenses for such things as office supplies, paper, reimbursement for travel expenses for conferences and meetings, agency membership dues, exam purchases, other interagency services, and so forth. These costs are estimated to be approximately \$25,000 annually, based on the proportionate share of these costs experienced by the State Board of Landscape Architect Examiners.

CSA estimates charges of no more than \$5,000 for the human resources and fiscal services it would provide to the new Board. In addition, the certification program would also require updates to the e-Licensing database currently used by ARC. Those charges are expected to be approximately \$2,000 for information technology services billed at \$100 per hour. Beyond FY 2009, there may be some ongoing maintenance costs for the e-Licensing database. Below is a table illustrating the estimated costs for the new Board.

Estimated Start-up Costs for the State Board for Certified Interior Designers	
Operating Expenses	\$25,000
Board member compensation and payroll check-offs	\$6,000
Board member reimbursement	\$6,000
Central Service Agency charges	\$5,000
E-Licensing set-up costs	\$2,000
Total	\$44,000

Penalties

The Board may suspend, revoke, or refuse to issue or renew the certificate of any individual if the Board finds that the certification was obtained fraudulently, a judgment has been issued against the individual or the individual has pleaded guilty to or been found guilty of fraud or deceit in the individual's professional duties within the last five years, or the individual violated or failed to comply with the bill or the rules adopted under the bill. If the Board determines that a violation has occurred by a certificate holder, a fine may be imposed up to

\$1,000 per offense in addition to any other sanctions the Board may require. There are various criminal penalties for violations as well, as described below.

Whoever falsifies an application for certification or renewal as a certified interior designer is guilty of a first-degree misdemeanor, which carries a maximum sentence of six months and a maximum fine of \$1,000. The interior designer's certificate must be revoked for three years. Those who falsely claim they are certified interior designers without the appropriate certification are also guilty of a first-degree misdemeanor.

By creating new penalties, there could be new prosecution costs for local authorities responsible for investigating, prosecuting, adjudicating, and sanctioning offenders. While it is uncertain how many cases will result from the penalties created by the bill, the number would likely be small, and thus the associated revenue gain minimal. The state may also experience a negligible gain in court cost revenue of \$24 per misdemeanor case. Fifteen dollars of the court costs goes to the GRF and the remaining \$9 goes to the Victims of Crime/Reparations Fund (Fund 402).

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