
Detailed Fiscal Analysis

Overview

This bill makes many changes to the governing statutes of the State Board of Examiners of Architects. The bill changes the name of the State Board of Examiners of Architects to the Architects Board, allows several new architectural titles to be used, changes reciprocity requirements, modifies the contents of certificates awarded to licensees, adds a fee to cover the cost of insufficiently funded checks, and expands firm ownership options. The State Board of Examiners of Architects oversees the administrative work of approximately 7,200 architects and 950 architectural firms. The Board, along with the State Board of Landscape Architect Examiners, uses a combined staff and operates out of the Occupational Licensing and Regulatory Fund (Fund 4K9), which pools the license fee and other revenue received by many of Ohio's occupational licensing and regulatory boards.

State fiscal effects – State Board of Examiners of Architects

Name change costs

The bill changes the name of the Board from the State Board of Examiners of Architects to the Architects Board. Changing forms, obtaining new letterhead, and so forth would be considered a routine cost of doing business. The Board will continue to use current stock of these items until they run out.

Architect title usage

Under current law, only persons with certificates of qualification may practice under the title of "architect." The bill gives the Board the authority to allow persons to use the title intern architect, architectural intern (which can be used interchangeably with "intern architect") or emeritus architect and authorizes a fee to be charged for such registrations. The Board already registers interns to take the Architect Registration Examination (ARE) at a fee of \$50. Under the bill, interns could also register with the Board to use the title "intern architect." The National Counsel of Architectural Registration Boards (NCARB) reported that there are 900 architectural interns practicing in Ohio. Of this amount, the Board indicated that 500 are currently registered to take the ARE.

The Board has registered all *potential* emeritus architects under the standard certificate of qualification. These are persons over the age of 65 that are retired but still maintain an active registration and adhere to continuing education requirements. Rules to be adopted concerning these registrations will exempt emeritus architects from continuing education requirements. According to the Board, there are approximately 680 Ohio resident registrants over the age of 65, which would qualify those persons for the emeritus title if they are retired. However, the Board indicates that many of these persons are still practicing and thus would not be eligible. The fee to be adopted in rule for emeritus

architect registration will be \$125 biennially, which is the same as the current biennial renewal fee for architects.

Allowing such titles to be used may increase revenue to the Board depending on how many additional interns or emeritus (such as those who would have let their license lapse upon retirement due to continuing education requirements but would now obtain emeritus status) would elect to register for their use.

Reciprocity simplification

The bill simplifies the requirements for reciprocity. Under current law, a person from another state wishing to be registered in Ohio must be licensed or registered by a state that has equal registration requirements and extends similar reciprocity as Ohio. That person must also be certified by NCARB. The bill would only require licensure or registration in another state and NCARB certification as a prerequisite for reciprocity. If additional reciprocal registrations are granted as a result of the simplified requirements, fee revenue to the Board may increase. The fee to be registered by reciprocity is \$250.

Bounced check fees

Currently, the Board must absorb the costs for checks or other instruments returned due to insufficient funds. The bill allows the State Board of Examiners of Architects and the State Board of Landscape Architect Examiners to charge a fee to cover these costs, which has the potential of increasing revenue to the Board. The Board noted that checks have bounced in only a handful of situations in recent years, making any gain in revenue from these provisions likely negligible.

Firm ownership requirements

The bill expands current law architectural and landscape architectural firm ownership provisions to permit firms to offer services in this state if more than 50% of the trustees in the case of an employee stock ownership plan (ESOP) are registered design professionals (professional engineers, surveyors, architects, or landscape architects). Current law does not recognize ESOPs as a form of ownership.

The bill also permits owners of architecture firms registered as design professionals in other states to offer services in Ohio. Currently, these architecture firm owners must be registered specifically in Ohio. If additional firms were to register with the boards as a result of these provisions, fee revenue would increase. The current fee for an initial architecture firm registration (a certificate of authorization) is \$125 while the renewal fee is \$100 every two years. Landscape architecture firms pay an initial fee of \$100 and a biennial renewal fee of \$50.

LSC fiscal staff: Jason Phillips, Budget Analyst

SB0225IN/rh