Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: S.B. 68 of the 130th G.A. **Date**: May 15, 2013

Status: As Introduced **Sponsor**: Sen. Schaffer

Local Impact Statement Procedure Required: No

Contents: Makes various changes to laws governing architects and landscape architects

State Fiscal Highlights

- The bill makes various changes to laws regulating the professional practices of architects and landscape architects. The most significant fiscal impact is likely the alteration of the renewal cycle for landscape architects. This will result in foregone revenue of around $75,000 in FY 2016, since no fee for renewal will be required for 14 months between November 2015 and December 2016. However, a corresponding increase in revenue would likely occur in FY 2017.
- Among the other modifications included in the bill is the change of the official name of the Board of Landscape Architect Examiners to the "Ohio Landscape Architects Board," clarifications concerning disciplinary authority of the boards, and a change to the way landscape architect examination fees are collected. Altogether, these changes are expected to have minimal to no fiscal effect on the boards' revenues and expenditures.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

Overview of boards

To provide an overview of the two boards affected by this bill, the Ohio Architects Board and the State Board of Landscape Architect Examiners are two separate boards that operate under a combined budget and share staff and facilities. The boards receive no GRF moneys; they are entirely supported by fees deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90). Approximately 6,400 architects and 600 landscape architects are currently licensed by the state, in addition to 1,300 architecture firms and 100 landscape architecture firms. Over the last five complete fiscal years, the boards have spent combined amounts of approximately $440,000 to $530,000 per fiscal year. The appropriation for FY 2013 is $478,147.

Renewal cycle for landscape architects

The bill makes various changes to laws regulating the governance of architects and landscape architects as professional registrants. The most significant fiscal impact is likely the altering of the renewal cycle for landscape architects so that certificates expire at the end of the calendar year in even-numbered years, instead of the current expiration date of October 31st in odd-numbered years. Section 3 of the bill specifies that registrants may renew on and after October 31, 2013, which suggests that a revenue decline will occur in FY 2016. This is because the board is expected to extend the renewal period by 14 months to adjust to the changed renewal cycle, thereby not charging a renewal fee during the 14 months from November 2015 to December 2016. Consequently, revenue from renewal fees will likely be foregone in FY 2016, but rise an equal amount in FY 2017 (i.e., by the end of calendar year 2016). There are currently around 600 registered landscape architects. If they all pay the $125 renewal fee, the revenue decline in FY 2016 would be approximately $75,000 (600 x $125), with a corresponding revenue gain in FY 2017. The other changes in the bill are expected to have minimal to no fiscal effect on the boards' revenues and expenditures, and are described in more detail below.

Other fiscal effects

The bill makes a series of other changes that do not appear to have a significant fiscal effect for either of the boards. Two of these changes involve board discipline. Specifically, under the bill, both boards are permitted to take action against a person who has violated the boards' respective professional practices if the person fails to request a hearing within 30 days of the board's notification of its intent to act against the person. This may result in the boards holding fewer adjudication hearings, and, consequently, a slight decrease in operating costs to pay hearing officers and court reporters. However, the current annual cost for hearings is approximately $1,300 per fiscal year, so the change will not result in more than a minimal decrease in costs.

Next, the bill eliminates the authority for a registrant of either board who has had his or her certificate revoked to apply for reinstatement after six months from the date of the revocation. Consequently, upon revocation, the person would be required to apply for a new certificate after the person has complied with the terms of the board's action. This may result in a minimal increase in revenues from additional applications and registrations.

The bill also makes a procedural change to the Landscape Architects Law to reflect the way the examination fee is handled. In current practice, the $50 fee was collected by the board and subsequently remitted to the Council of Landscape Architectural Registration Boards (CLARB), the national accreditation entity that creates and holds the examination. The bill allows the board's designee, in addition to the board as in current law, to collect the fee, so that the examination fee money may go directly to CLARB. There is no net fiscal impact as a result.

The bill changes the official name of the Board of Landscape Architect Examiners to the "Ohio Landscape Architects Board." The board will continue using existing supplies until they are exhausted. The only fiscal impact will likely be the redesign of the landscape architect seal, causing overall renaming costs to be negligible. Among various other changes, the bill (1) adds a license for an "emeritus landscape architect," and (2) inserts two more titles to which only registered landscape architects may refer to their professional names. Collectively, these changes have minimal to no fiscal effect on either the state or political subdivisions.

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