

State Board of Examiners of Architects and State Board of Examiners of Landscape Architects

Senate Finance and Financial Institutions Committee

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Legislative Service Commission*

April 22, 2003

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LSC Redbook
for the
State Board of Examiners of Architects and State
Board of Examiners of Landscape Architects

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April 22, 2003

State Board of Examiners of Architects and State Board of Examiners of Landscape Architects

- Two boards share professional staff
- Licensed over 7,500 professionals in FY 2002

OVERVIEW

The State Board of Examiners of Architects and the State Board of Examiners of Landscape Architects are two separate boards that operate under a combined budget and share staff and facilities. Each Board meets independently. Both Boards protect the public by licensing and regulating the professions of architecture and landscape architecture.

Combined, the boards licensed nearly 8,000 professional architects and landscape architects in FY 2002. More precisely, the Boards licensed 6,633 architects, 681 certified architects, 577 landscape architects, and 50 certified landscape architects in FY 2002. Compared to FY 2001, the Boards saw a small decrease, 1.5%, in the number of licensed individuals.

Each Board renews its licenses on a biennial basis. The Boards' combined revenue for the FY 2001-2002 renewal cycle was \$1,110,074 (\$976,970 for architects and \$133,104 for landscape architects). The Boards' combined expenditures for the FY 2001-2002 renewal cycle was \$801,979 (\$691,127 for architects and \$110,852 for landscape architects). The Boards' net gain for this renewal cycle was \$308,095.

For the next biennium, the Boards anticipate they may experience an increase in the number of applications for reciprocal licensure from architects in other states as firms attempt to broaden their customer base by marketing their services farther from their home. Also anticipated are some additional revenues from architectural interns who will need to apply for registration by examination in order to become more marketable or to advance with their employers.

Anticipated expenditures are expected due to increases in the information technology services to the Boards relevant to the new licensing system provided through the Central Service Agency. Additional costs to the board are expected because the former subsidization of these services from the Department of Administrative Services has been discontinued.

A second increase in expenses is expected for Standard Renewal Services through Bank One. Renewal services were previously provided to the Boards by the Treasurer of Ohio.

ANALYSIS OF EXECUTIVE PROPOSAL

Architects Boards

Purpose: License and regulate the professions of architecture and landscape architecture

The following table shows the line items that are used to fund this program series, as well as the Governor's recommended funding levels.

| Fund | ALI | Title | FY 2004 | FY 2005 |
|--|---------|--------------------|-----------|-----------|
| 4K9 | 891-609 | Operating Expenses | \$480,574 | \$479,574 |
| Total funding: State Board of Examiners of Architects and Examiners of Landscape Architects | | | | |

Program Description: In accordance with Chapter 4703. of the Revised Code, the Board of Examiners of Architects and the Board of Examiners of Landscape Architects protect the public health, safety, and welfare through the regulation of the practice of architecture and landscape architecture, respectively.

Funding Source: GSF Fund 4K9. Currently, all revenue from the 24 occupational licensing boards is placed in Fund 4K9 and then reallocated to each board. Each board must raise enough revenue through its license fees to cover its expenses.

Line Item: 891-609, Operating Expenses

Implication of the Executive Recommendation: The Executive recommends that the funding of the two Boards be decreased by 0.8% in FY 2004 and decreased by 0.2% in FY 2005. The decrease in FY 2004 equates to a loss of \$4,000 of additional funding from the FY 2003 estimated spending of \$484,574. The Architect and Landscape Architect Board projects that maintenance expenses are increasing by 37.9% from FY 2002 through FY 2003, but anticipates a maintenance expense decline by 8.7% from FY 2003 through FY 2004.

The purchase of four computers is planned for FY 2004 and two computers are to be purchased in FY 2005. The replacement of a printer in either FY 2004 or FY 2005 will also add an expense.

The Boards also anticipate the customary increase in rent expenses at the Riffe Center, but also plans a reduction in expenses by publishing all future newsletters on the Internet.

ADDITIONAL FACTS AND FIGURES

| State Boards of Examiners of Architects and Landscape Architects Staffing Levels | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| Program Series/Division | 2000 | 2001 | 2002 | 2003 | Estimated | |
| | | | | | 2004 | 2005 |
| Board Members – Architecture | 5 | 5 | 5 | 5 | 5 | 5 |
| Board Members – Landscape Architecture | 5 | 5 | 5 | 5 | 5 | 5 |
| Administrative Staff | 3 | 3 | 3 | 3 | 3 | 3 |
| Investigators | 1 | 1 | 1 | 1 | 1 | 1 |
| Totals | 14 | 14 | 14 | 14 | 14 | 14 |

The architecture board meets about eight to ten times per year, while the landscape architecture board meets four to five times.

Number of Licensees

| License Type | FY 2001 | FY 2002 |
|--|--------------|--------------|
| Certificate of Qualification – Architect | 6,625 | 6,633 |
| Certificate of Authorization – Architect | 608 | 681 |
| Certificate of Qualification – Landscape Architect | 589 | 577 |
| Certificate of Authorization – Landscape Architect | 44 | 50 |
| TOTAL LICENSES – ALL TYPES | 7,866 | 7,941 |

Current License Fees

Each of the two boards renews its licenses biennially. Fees for landscape architects were last increased in October 1999. The \$200 fee represents the application fee for architects or landscape architects that are seeking reciprocity in Ohio but are licensed in another state.

| | Initial License | Renewal License |
|---|------------------------|------------------------|
| Application for Certificate of Qualification – Architect (by EXAM) | \$50 | \$120 |
| Application for Certificate of Qualification – Architect (by RECIPROCITY) | \$200 | \$120 |
| Application for Certificate of Authorization – Architect | \$100 | \$50 |
| Certificate – Architect | \$20 | NA |
| Replacement of Certificate – Architect | \$20 | NA |
| Replacement of Renewal Card – Architect | \$10 | NA |
| Application for Certificate of Qualification – Landscape Architect (by EXAM) | \$50 | \$125 |
| Application for Certificate of Qualification – Landscape Architect (by RECIPROCITY) | \$200 | \$125 |
| Application for Certificate of Authorization – Landscape Architect | \$100 | \$50 |
| Certificate – Landscape Architect | \$10 | NA |
| Renewal Certificate Obligation – Landscape Architect | \$50 | NA |
| Replacement Card – Landscape Architect | \$10 | NA |

PERMANENT AND TEMPORARY LAW

This section describes permanent and temporary law provisions contained in the executive budget that will affect the Boards' activities and spending decisions during the next biennium.

Permanent Law Provisions

There are no permanent law provisions with fiscal effects on this agency.

Temporary Law Provisions

There are no temporary law provisions with fiscal effects on this agency.

REQUESTS NOT FUNDED

The budget request of the Board of Examiners of Architects and the Board of Examiners of Landscape Architect was not fully funded by the Executive recommendation.

The Boards' requested appropriations of \$484,574 for FY 2004 and \$484,574 for FY 2005. The executive recommendation is for \$480,574 for FY 2004, which represents 99.2% of the requested amount. The executive recommendation for FY 2005 is for \$479,574, which represents 99.0% of the requested amount.

General Services Fund Group

4K9 891-609 Operating Expenses

| 2000 | 2001 | 2002 | 2003 Estimate | 2004 House Passed | 2005 House Passed |
|-----------|-----------|-----------|------------------|----------------------|----------------------|
| \$410,505 | \$398,937 | \$413,976 | \$484,574 | \$480,574 | \$479,574 |
| | -2.8% | 3.8% | 17.1% | -0.8% | -0.2% |

Source: GSF: Revenue received by the occupational licensing boards is deposited into Fund 4K9

Legal Basis: Section 21 of Am. Sub. H.B. 94 of the 124th G.A. (originally established by Am. Sub. H.B. 152 of the 120th G.A.)

Purpose: Funds are used for general operating expenses, including payroll, supplies, and equipment. The appropriated amount may be increased a maximum of ten percent with Controlling Board approval.

LSC Budget Spreadsheet by Line Item, FY 2004 - FY 2005

| <i>Fund ALI ALI Title</i> | <i>Estimated 2003</i> | <i>As Introduced 2004</i> | <i>House Sub Bill 2004</i> | <i>% Change Est. 2003 to House 2004</i> | <i>As Introduced 2005</i> | <i>House Sub Bill 2005</i> | <i>% Change House 2004 to House 2005</i> |
|--|---------------------------|-----------------------------------|------------------------------------|---|-----------------------------------|------------------------------------|--|
| ARC Architects, State Board of Examiners of | | | | | | | |
| 4K9 891-609 Operating Expenses | \$484,574 | \$ 480,574 | \$ 480,574 | -0.8% | \$ 479,574 | \$ 479,574 | -0.2% |
| General Services Fund Group Total | \$ 484,574 | \$ 480,574 | \$ 480,574 | -0.8% | \$ 479,574 | \$ 479,574 | -0.2% |
| Total All Budget Fund Groups | \$ 484,574 | \$ 480,574 | \$ 480,574 | -0.8% | \$ 479,574 | \$ 479,574 | -0.2% |