

State Board of Engineers and Surveyors

Senate Finance and Financial Institutions Committee

*Carol Robison, Budget Analyst
Legislative Service Commission*

April 23, 2003

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LSC Redbook for the State Board of Engineers and Surveyors

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TABLE OF CONTENTS

Overview.....	A1
Analysis of Executive Proposal.....	A2
Additional Facts and Figures.....	A3
Permanent and Temporary Law	A4
Requests Not Funded.....	A5
Catalog Of Budget Line Items	COBLI 1
Attachment: LSC Budget Spreadsheet By Line Item	

April 23, 2003

State Board of Engineers and Surveyors

- Licensed 33,794 individuals and 1,080 firms in FY 2002
- Executive recommendation of \$999,150 for FY 2004 and \$1,041,369 for FY 2005.

OVERVIEW

Pursuant to Chapter 4733. of the Revised Code, the State Board of Engineers and Surveyors regulates the professions of engineering and surveying to protect the health, safety, and welfare of the public by ensuring that only properly qualified individuals and businesses become registered, and that the services provided by these licensees are consistent with established standards and codes of ethics.

The Board oversees the licensure of over 34,000 professionals and firms, over 90% of whom are professional engineers. The Board renews all licenses on an annual basis. The Board reports that it has the second lowest license renewal fee (\$16 per year) of any engineering board in the United States. Revenues and expenditures for FY 2002 are \$1,002,515 and \$905,627, respectively. For the last renewal cycle, the Board had a net gain of \$96,888.

To become a licensed engineer or surveyor, an individual must possess at least a bachelor's degree in engineering or surveying, have four years of practical experience, and pass two national examinations. The first examination tests an individual's fundamental knowledge of the subject area. The second examination, taken after the individual has completed four years of experience, tests the individual's knowledge of the principles and practices of engineering or surveying.

ANALYSIS OF EXECUTIVE PROPOSAL

State Board Of Engineers And Surveyors

Purpose: Oversees the licensure and regulation of professional engineers and surveyors and enforces laws relating to these professions.

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	892-609	Operating Expenses	\$999,150	\$1,041,369
Total funding: State Board of Engineers and Surveyors				

Program Description: The State Board of Engineers and Surveyors protects the health, safety, and welfare of the public by ensuring that only properly qualified individuals and businesses become registered, and to enforce Chapter 4733. of the Revised Code to ensure that unregistered individuals are not providing services consistent with established standards and codes of ethics.

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: 892-609, Operating Expenses

Implication of Recommendation: The executive recommendation includes an appropriation of \$999,150 in FY 2004, an increase of 4.4% over the FY 2003 estimated spending of \$956,850. It also includes \$1,041,369 for FY 2005, an increase of 4.2% over the FY 2004 executive recommendation.

Given the executive recommendations, most of the State Board of Engineers and Surveyors core and supplemental budget requests would be funded.

The Engineers and Surveyors Board made a supplemental budget request for \$30,000 for FY 2004 and \$30,000 for FY 2005 to cover increased examination costs the Board will incur from their supplier. A second supplemental budget request for \$37,000 for FY 2004 and \$37,000 for FY 2005 covers \$15,000 per year for computer hardware and software support, \$14,000 per year for license renewal bank fees, and \$8,000 per year in increased fees from the Central Service Agency due to their loss of GRF funds.

ADDITIONAL FACTS AND FIGURES

Program Series/Division	2000	2001	2002	2003	2004	2005
Board Members	5	5	5	5	5	5
Administrative Staff	6	6	6	6	6	6
Investigators	1	1	1	1	1	1
Totals	12	12	12	12	12	12

Number of Licensees

License Type	FY 2001	FY 2002
Professional Surveyor	1,857	1,877
Professional Engineer	30,226	30,774
Professional Engineer & Surveyor	1,150	1,143
Authorization for Firms	912	1,080

Current License Fees

Fees have remained the same since July 1991. Licenses are renewed annually.

	Initial Fee	Exam Registration	Final Registration	Renewal Fee
Individual (PE) license	\$25	\$25	\$30	\$16
Student Exam Registration	--	\$75	--	--
Firm license	\$50	--	--	\$25

PERMANENT AND TEMPORARY LAW

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

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

REQUESTS NOT FUNDED

State Board of Registration for Professional Engineers and Surveyors						
Fund Line Item	FY 2004 Requested	FY 2004 Recommended	Difference	FY 2005 Requested	FY 2005 Recommended	Difference
ENG 892-609	\$1,023,188	\$999,150	(\$24,038)	\$1,023,188	\$1,041,369	\$18,181

The Engineers and Surveyors Board's request for FY 2004 was \$1,023,188 and the executive recommendation for FY 2004 is \$999,150 or 97.7% of the requested amount.

The Engineers and Surveyors Board's request for FY 2005 is \$1,023,188 and the executive recommendation for FY 2005 is \$1,041,369 or 101.8% of the requested amount.

The recommended funding pattern may cause the Engineers and Surveyors Board to selectively choose the timing for incurring discretionary expenses between fiscal years.

General Services Fund Group

4K9 892-609 Operating Expenses

2000	2001	2002	2003 Estimate	2004 House Passed	2005 House Passed
\$795,261	\$769,091	\$905,627	\$956,850	\$999,150	\$1,041,369
	-3.3%	17.8%	5.7%	4.4%	4.2%

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

Legal Basis: Section 49 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: This appropriation supports the general operating expenses, including payroll, supplies, and equipment for the State Board of Registration for Professional Engineers and Surveyors. The board licenses and regulates engineers and surveyors.

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

<i>Fund</i>	<i>ALI</i>	<i>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>
ENG Engineers and Surveyors, State Board of									
4K9	892-609	Operating Expenses	\$956,850	\$ 999,150	\$ 999,150	4.4%	\$ 1,041,369	\$ 1,041,369	4.2%
General Services Fund Group Total			\$ 956,850	\$ 999,150	\$ 999,150	4.4%	\$ 1,041,369	\$ 1,041,369	4.2%
Total All Budget Fund Groups			\$ 956,850	\$ 999,150	\$ 999,150	4.4%	\$ 1,041,369	\$ 1,041,369	4.2%