

STATE OF MINNESOTA
BOARD OF ARCHITECTURE, ENGINEERING,
LAND SURVEYING, AND LANDSCAPE ARCHITECTURE

In the Matter of the Proposed Adoption
of Rules of the State Board of Architecture,
Engineering, Land Surveying, and
Landscape Architecture

STATEMENT OF NEED
AND REASONABLENESS
OF PROPOSED RULES

STATEMENT OF NEED AND AUTHORITY

Minnesota Statutes Sections 326.02 - 326.15 (1980) provide for the regulation of architects, professional engineers, land surveyors, and landscape architects. This statute was originally enacted as Minnesota Laws 1921, Chapter 523. Subsequent to the original enactment in 1921 granting the Board authority over architects, engineers, and land surveyors, the Legislature added the Board's regulation of landscape architects in Minnesota Laws 1975, Chapter 329. Presently, the Board exercises regulatory authority through its rulemaking power which is found in Minnesota Statutes Section 326.06 (1980).

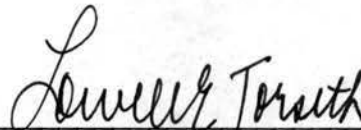
Minnesota Statutes Section 214.06 (1980) provides that the board may by rule, with the approval of the commissioner of finance, adjust any fee which the board is empowered to assess a sufficient amount so that the total fees collected by the board will, as closely as possible, approximate anticipated expenditures during the fiscal biennium.

FACTS ESTABLISHING REASONABLENESS

Laws of 1981, Chapter 357 provided that licensing boards be assessed a pro rata share of expenses incurred by other state departments in servicing board needs such as payroll, personnel actions, procurement, central mailing, and the like. The board was informed on September 17, 1981 that its share of expenses assessed by the Departments of Administration, Finance, and Employee Relations amounted to \$3,819.00 for FY 1982 and charges assessed by the Department of Commerce for services rendered amounted to \$23,636.00 for the same period.

The fact that board fee-generated revenues for Fiscal Year 1982 are projected to fall short of these new disbursement requirements by approximately \$30,000.00 requires that a fee increase be made in accordance with Minnesota Statutes Section 214.06, Subdivision 1 (1980). Laws of 1981, Chapter 357 permits the Board to adjust fees without public hearing when the total fees estimated to be received during the fiscal biennium will not exceed 110 percent of the sum of all direct appropriations, transfers in, and salary supplements for that purpose for the biennium. Board fee-generated income is deposited in the State General Fund with Board expenses paid from an appropriation made by the Legislature on a biennial basis.

The proposed change to 4 MCAR Section 7.004C. will authorize the Board to increase the biennial license fee up to \$50.00 per profession with the approval of the Commissioner of Finance. The Commissioner of Finance has approved raising the biennial license fee from \$34.00 to \$42.00 for the Fiscal Year 1983-1984 biennium. This increase is expected to generate \$54,000.00 in additional funds which are designed to offset the newly assessed departmental costing charges. License fees for new licensees will be prorated over six-month periods over each biennium as in the current rule. The Board projects that this proposed fee increase will generate sufficient funds to cover increased expenses due to department assessments.



Lowell E. Torseth
Executive Secretary