

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
Governing Fees of the Board

STATEMENT OF NEED
AND REASONABLENESS
OF PROPOSED RULES

STATEMENT OF NEED AND AUTHORITY

Minnesota Statutes, Sections 326.02 to 326.15 (1988) provide for the regulation of architects, engineers, land surveyors and landscape architects. This statute was originally enacted as Minnesota Laws 1921, Chapter 523. Chapter 523, Section 9, permitted the Board of Architecture, Engineering and Land Surveying to subject applicants to an examination which would test qualifications and to fix standards for determining qualifications of applicants for registration. Subsequent to the original enactment in 1921 granting the Board authority over architects, engineers and land surveyors, the Legislature added to that responsibility the regulation of landscape architects in Minnesota Laws 1975, Chapter 329. Presently, the Board exercises regulatory authority through its rulemaking power given in Minnesota Statutes, Section 326.06 and 326.10, Subdivision 1, Clause (1) (1988).

Minnesota Statutes, Section 214.06 (1988) 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 equal anticipated expenditures during the fiscal biennium. It further provides that examination fees shall be set by rule so that the total amount of annual examination income approximately meets the anticipated cost of administering examinations during each year of the fiscal biennium.

FACTS ESTABLISHING REASONABLENESS

The Board fee-generated revenues for the Fiscal Year 90-91 Biennium are not projected to equal anticipated expenditures. Increases in the cost of national examinations purchased by the Board necessitate increasing certain examination fees. The additional income generated by these increased examination fees will not equal the funds appropriated by the Legislature for the 1990-91 Biennium. This requires that license fees be increased to \$58 for the two year licensing period beginning July 1, 1990. Minnesota Statutes, Section 16A.128 (1988) permits the Board to adjust fees, with the approval of the Commissioner of Finance, so that the total fees estimated to be received during the fiscal biennium will not exceed the sum of all direct appropriations, indirect costs, transfer in, and salary supplements for that purpose for the biennium. The approval of the Commissioner of Finance for this fee adjustment is at Appendix 1 and is incorporated herein as a part of this Statement of Need and Reasonableness. 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 Minnesota Rules, Part 1800.0500, Subpart 1 strikes the word "an" as redundant and the phrase "landscape architect-in-training" because there is no written examination for landscape architect-in-training.

The proposed change to Subpart 3 would increase the biennial license fee from \$52.00 to \$58.00 and the semi-annual prorated increase in fee by \$1.50 for each succeeding six month period. This proposed change is made, as stated earlier herein, to offset the increased appropriation made by the 1989 Legislature and in keeping with the requirements of Minnesota Statutes, Section 214.06 (1988). The phrase "of licensees" is added to clarify the fact that a licensee must renew his or her license in a timely manner in order for his/her name to be listed in the roster of licensees.

The proposed changes to Minnesota Rules, Part 1800.0500, Subpart 5.A. result from the fact that the current total of the application and examination fees do not cover the cost of administering the Uniform Architect Registration Examination (ARE). The examination fee increased from \$340 to \$385 to cover the current shortfall for 1990 and from \$385 to \$475 for 1991. The National Council of Architectural Registration Examination Boards (NCARB) is increasing the cost of the ARE by \$10 per part effective with the 1991 examination administration.

The proposed changes to Minnesota Rules, Part 1800.0500, Subpart 5.B. are made because of the addition of 16 hours of

Special Structural examinations by the National Council of Examiners of Engineers and Surveyors (NCEES). A person must be licensed as a Professional Engineer (Civil) in order to be permitted to take both the eight-hour Special Structural I and the Special Structural II Examinations. Successful completion of both examinations entitles the licensee to be listed in the roster of licensees as a Professional Engineer (Civil/Structural). The increase in the examination fee is due to an increase in costs of the examination by the NCEES.

The proposed changes to Minnesota Rules, Part 1800.0500, Subpart 5.D. result from an increase in the cost of the examination to the Board in both 1990 and 1991 by the Council of Landscape Architectural Registration Boards (CLARB). The proposed fee will cover the cost of administering the examination.

The proposed changes to Minnesota Rules, Part 1800.0500, Subpart 6.A. result from the fact that current re-examination fees do not cover the increased cost of the examination documents purchased from the National Council of Architectural Registration Boards (NCARB) nor do they include administration costs nor shipping charges. The increased fees shown in Subpart 6.A.(1) through (9). will cover the cost of administering these re-examinations.

The proposed changes to Minnesota Rules, Part 1800.0500, Subpart 6.B. result from the fact that the current re-examination fees do not cover the total cost of administering the Fundamentals

of Engineering (FE) and the Principles and Practice of Engineering (P&PE) Examinations to re-examination applicants. The proposed fees for the FE and P&PE Examinations will cover the cost of administering these re-examinations. The Special Structural examinations are a new product offered by the National Council of Examiners of Engineers and Surveyors (NCEES).

The proposed changes to Minnesota Rules, Part 1800.0500, Subpart 6.C. result from the fact that the current re-examination fees do not cover the administering the Principles and Practice of Land Surveying (PLS) Examinations to re-examination applicants. The proposed re-examination fees will cover the cost of administering these re-examinations.

The proposed changes to Minnesota Rules, Part 1800.0500, Subpart 6.D. result from the fact that the Council of Landscape Architectural Registration Boards (CLARB) has increased the price of the examination payable in consecutive years by its member boards.

The Board has considered the impact that the proposed fee increases will have on small business as required in Minnesota Statutes, Section 14.115, Subdivision 2, Clauses (a) through (e) as follows:

Clause (a) The establishment of less stringent compliance or reporting requirements for small businesses. The Board believes that this is not applicable for this rule change in

that the Board licenses individuals rather than corporations, partnerships or other firms. All of the fee increases involve licensing examinations and will be paid by individuals seeking licensure. These changes do not impose any stringent compliance or reporting requirements on small business.

Clause (b) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses. The fee changes requested do not impose schedules or deadlines for compliance on small businesses.

Clause (c) The consolidation or simplification of compliance or reporting requirements for small businesses. This method is not applicable to small businesses for the reasons stated in Clauses (a) and (b).

Clause (d) The establishment of performance standards for small businesses to replace design or operational standards required in the rule. The proposed changes do not impose performance standards on small business nor does the rule contain design or operational standards.

Clauses (e) The exemption of small businesses from any or all requirements in the rule. As stated in Clause (a), the proposed fee changes in this rule effect individuals rather than firms. Those small businesses engaged in the practice of architecture, engineering, land surveying or landscape

architecture are required by law to have a properly licensed person in responsible charge of the professional services offered. The fees to be paid are the responsibility of the person seeking licensure rather than the firm employing those individuals.

It is the opinion of the Board that the requested fee changes will have negligible impact on small businesses doing business in the State of Minnesota. The proposed rule was sent to each of the major professional societies on February 6, 1986. The Board has received no criticism of its proposal to modify its fee schedule.



Lowell E. Torseth
Executive Secretary

Dated: February 1, 1990