

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE

Senate Bill 283

(Chair, Education, Health, and Environmental Affairs Committee)(By Request - Departmental - Labor, Licensing and Regulation) and Senator Middleton

Education, Health, and Environmental Affairs

Economic Matters

State Board of Architects - Retired Status Licenses

This departmental bill specifies that the State Board of Architects may issue a retired status license to an experienced architect under certain circumstances. Under the bill, the holder of a retired status license may use the designation of "Architect Emeritus" but may not engage in the practice of architecture.

Fiscal Summary

State Effect: Minimal decrease in special fund revenues beginning in FY 2012 due to an expected low number of individuals who place their licenses on retired status in lieu of full renewal. No effect on expenditures.

Local Effect: None.

Small Business Effect: The Department of Labor, Licensing, and Regulation (DLLR) has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Bill Summary: Licensees may be issued a retired status license if they have 25 years of experience practicing architecture, have been licensed in Maryland for at least 5 years, are not subject to pending disciplinary action related to the practice of architecture, and pay the board a fee (to be set by regulation). Holders of a retired status license may reactivate their licenses if they meet the board's continuing education requirements – no

more than 24 credit hours – are not subject to related disciplinary action, and pay the board a reactivation fee.

Current Law: The practice of architecture means the provision of a service or creative work regarding the addition to, alteration of, or construction of a building that requires education, training, and experience in architecture. Architectural practice includes planning, architectural design, consultation, and evaluation.

An individual practicing architecture in Maryland is required to hold a license from the State Board of Architects. To qualify, an individual must hold a degree from an accredited school of architecture and have practical work experience in the field. An applicant is also required to pass an examination determined by the board.

The board issues licenses on a two-year, staggered basis. At the time of renewal, licensees must submit to the board a renewal application and pay a fee of \$68. A reinstatement fee of \$100 must be paid if the license is not renewed on time. If a license is not reinstated within two years, the board may require the individual to reapply for a license in the same manner as an applicant who applies for an original license.

Including the State Board of Architects, there are five design boards within DLLR. The other boards regulate engineers, interior designers, landscape architects, and professional land surveyors. Chapter 227 of 2003 established the State Occupational and Professional Licensing Design Boards' Fund as a special, nonlapsing fund in DLLR to cover the operating costs for all five boards.

Background: Chapter 397 of 2003 required board licensees to meet continuing education requirements prior to license renewal. DLLR advises that the board is aware of many experienced architects in the State who have expressed interest in retiring their licenses. The concept of retired or emeritus status is common in a regulatory model that includes a continuing education or continuing professional competency requirement as a condition of licensure renewal. For example, Chapter 124 of 2010 established both a continuing professional competency requirement for professional engineers in the State and an emeritus status that allowed experienced individuals to use the title "professional engineer, retired" if they chose not to fulfill the new licensing requirements. Similarly, Chapter 384 of 2003 established a retired status license for professional land surveyors.

As of September 2010, about 6,300 architects were licensed by the board.

State Fiscal Effect: Special fund revenues to the State Occupational and Professional Licensing Design Boards' Fund decrease minimally in fiscal 2012 and in future years as licensees choose to retire, instead of renew, their licenses. In doing so, these individuals likely pay a one-time fee that is lower than the biennial renewal fee. Legislative Services

estimates that the number of licensees who choose to forgo renewal is expected to be about 15 per year. If, *for illustrative purposes only*, 15 licensees per year choose to place their licenses on retired status, revenues to the special fund decrease by approximately \$645 per year, assuming a retired status license fee of \$25, which is comparable to that of the State Board for Professional Land Surveyors.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Labor, Licensing, and Regulation; Department of Legislative Services

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ncs/mcr

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: State Board of Architects – Retired Status Licenses

BILL NUMBER: SB 283

PREPARED BY: Department of Labor, Licensing, and Regulation

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

The proposed legislation will have no impact on small business in Maryland.