

PROPOSED RULEMAKING

STATE REGISTRATION BOARD FOR PROFESSIONAL ENGINEERS, LAND SURVEYORS AND GEOLOGISTS

[49 PA. CODE CH. 37]

Biennial Renewal Fees and Examination Fees

The State Registration Board for Professional Engineers, Land Surveyors and Geologists (Board) proposes to amend § 37.17 (relating to fees) to read as set forth in Annex A.

Description of Proposed Rulemaking

Section 37.17 sets forth a schedule of fees charged by the Board. The proposed rulemaking would raise the biennial renewal fees for professional engineers, professional land surveyors and professional geologists from \$25 to \$50; delete the examination fees for all three license classes; and make minor editorial changes.

Background and Need for Proposed Rulemaking

a. New Biennial Renewal Fees

Section 9 of the Engineer, Land Surveyor and Geologist Registration Law (Registration Law) (63 P. S. § 156)

provides that the Board's biennial revenues from fees, fines and civil penalties shall meet or exceed the Board's biennial expenditures. Because fines and civil penalties have historically accounted for a small percentage of the Board's total revenues, the Board must generate most of its revenues from fees.

The Board's principal sources of fee revenues are the fees charged to licensees for biennial renewal of their registrations. The biennial renewal fees account for approximately 77% of the Board's fee revenues during each biennial renewal period. The biennial renewal fees defray general operating expenses and overhead—primarily in the areas of investigation, prosecution and enforcement—that are not susceptible of being apportioned to a specific segment of persons and entities regulated by the Board and, therefore, are borne equally by the entire regulated community.

The current \$25 biennial renewal fees for professional engineers and professional land surveyors were established in 1978 by section 101 of the Bureau of Professional and Occupational Affairs Fee Act (63 P. S. § 1401-101). The current \$25 biennial renewal fee for professional geologists was adopted in 1994.

A recent analysis prepared by the Department of State's Bureau of Finance and Operations (BFO) determined that the Board's current biennial renewal fee structure is inadequate to meet the Board's revenue needs. As reflected by the following revenue and expense data and projections provided by the BFO, the Board will continue to run large deficits unless the biennial renewal fees are increased:

<i>Financial Status</i>	<i>FY02-03</i>	<i>FY03-04</i>	<i>FY04-05</i>	<i>FY05-06</i>	<i>FY06-07</i>
Beginning Balance:	\$239,400.75	(\$482,638.94)	(\$109,531.91)	(\$270,639.68)	\$30,360.32
Revenue:	\$161,960.31	\$1,199,107.03	\$145,000.00	\$1,105,000.00	\$145,000.00
Prior Yr. Returned Funds:	0	0	\$474,892.23	0	0
Total Revenue:	\$401,361.06	\$716,468.09	\$510,360.32	\$834,360.32	\$175,360.32
Adjust. For Prior Year Expenses:	0	0	0	0	0
Expenses:	\$884,000.00	\$826,000.00	\$781,000.00	\$804,000.00	\$828,000.00
Remaining Balance:	(\$482,638.94)	(\$109,531.91)	(\$270,639.68)	\$30,362.32	(\$652,639.68)

To close the gap between the Board's revenues and expenses, the BFO recommended that the Board increase the biennial renewal fees for all three licensure classes from \$25 to \$50, effective with the biennial renewal period that begins October 1, 2005. The higher biennial renewal fees would raise biennial renewal revenues from the current to \$960,125.00 to \$1,920,250. The BFO estimates that these additional biennial revenues would enable the Board to have positive balances for the foreseeable future, including approximately \$815,861.32 at the end of FY08-09.

b. Deletion of Examination Fees

The examinations for certification as an engineer-in-training and surveyor-in-training and for licensure as a

professional engineer, professional land surveyor and professional geologist are developed, administered and graded by independent testing organizations under contract with the Commonwealth. The Board has no role in establishing examination fees. Examination fees are established by contract between the independent testing organizations and the Commonwealth and are remitted by examination candidates directly to those organizations. The Board proposes to discontinue the practice of periodically amending its regulations to publish updated schedules of examination fees. Accordingly, the proposed rulemaking would delete all references to examination fees. The Board would continue to provide current examination fee information to examination candidates on its website.

c. Editorial Changes

The proposed rulemaking would make minor editorial changes to descriptions of the fees for consistency of usage in the fee schedule.

Fiscal Impact

The proposed rulemaking would generate approximately \$960,125 in additional biennial renewal fee revenues, broken down as follows:

<i>Certification Class</i>	<i>No. of Renewing Licensees</i>	<i>Fee Increase</i>	<i>Additional Revenues</i>
Professional Engineer	32,355 ×	\$25	\$808,875
Professional Land Surveyor	3,413 ×	\$25	\$85,325
Professional Geologist	2,637 ×	\$25	\$65,925

Paperwork Requirements

The proposed rulemaking would require the Board to change its biennial renewal form to reflect the new fees. The proposed rulemaking would not create additional paperwork requirements for the regulated community.

Effective Date

The proposed rulemaking would become effective upon publication of the final-form rulemaking in the *Pennsylvania Bulletin*. The new biennial renewal fees would apply to licensees who renew their registrations for the biennial renewal period beginning October 1, 2005.

Statutory Authority

Section 9 of the Registration Law requires the Board to establish fees by regulation and to ensure that revenues derived from fees, fines and civil penalties are adequate to cover the Board's expenditures over a biennial period. Section 4(e) of the Registration Law (63 P. S. § 151(e)) contemplates that the Board may assess biennial renewal fees by regulation.

The Board considers the proposed rulemaking to be both required by law and the least restrictive means of covering the cost of activities that the Board is required to perform.

Regulatory Review

On December 22, 2004, under authority of section 5(a) and (f) of the Regulatory Review Act (71 P. S. § 745.5(a) and (f)), the Board submitted copies of this proposed rulemaking, a Regulatory Analysis Form and a Fee Report Form to the Independent Regulatory Review Commission (IRRC). Copies of the Regulatory Analysis and Fee Report Forms are available to the public upon request.

In accordance with section 5(a) and (f) of the Regulatory Review Act, the Board will deliver copies of this proposed rulemaking and the Regulatory Analysis and Fee Report Forms to the Chairpersons of the Senate Standing Committee on Consumer Protection and Professional Licensure and the House Standing Committee on Professional Licensure by the second Monday after the date on which committee designations for the 2005-2006 session of the General Assembly are published in the *Pennsylvania Bulletin*.

Under section 5(g) of the Regulatory Review Act, IRRC may convey comments, recommendations or objections to the proposed rulemaking within 30 days after the close of

the public comment period, specifying the regulatory review criteria that have not been met. The Regulatory Review Act sets forth procedures that permit the Board, the General Assembly and the Governor to review IRRC's comments, recommendations or objections prior to final adoption of the proposed rulemaking.

Public Comment

The Board invites interested persons to submit written comments, suggestions or objections regarding the proposed rulemaking to Steven Wennberg, Counsel, State Registration Board for Professional Engineers, Land Surveyors and Geologists, P. O. Box 2649, Harrisburg, PA 17105-2649 within 30 days following publication of this notice of proposed rulemaking in the *Pennsylvania Bulletin*.

GEORGE ROMAN, P. E., P.L.S.,
President

Fiscal Note: 16A-478. No fiscal impact; (8) recommends adoption.

Annex A

TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS

**PART I. DEPARTMENT OF STATE
SUBPART A. PROFESSIONAL AND OCCUPATIONAL AFFAIRS**

CHAPTER 37. STATE REGISTRATION BOARD FOR PROFESSIONAL ENGINEERS, LAND SURVEYORS AND GEOLOGISTS

QUALIFICATIONS FOR LICENSURE

§ 37.17. Schedule of fees.

(a) *Professional engineers and professional land surveyors.* The Board will charge the following fees:

[Examination for licensure as a professional engineer.....	\$105
October 1998 examination and thereafter ...	\$120
Professional Engineer Exam Review (Optional).....	\$75
Examination for licensure as a professional land surveyor.....	\$187
October 1998—April 1999 examination.....	\$227
October 1999 examination and thereafter ...	\$252
Pennsylvania Fundamentals of Land Surveying Portion.....	\$42
N.C.E.E.S. Fundamentals of Land Surveying Portion.....	\$40
October 1998 examination and thereafter ...	\$65
N.C.E.E.S. Principles and Practices of Land Surveying.....	\$60
October 1998—April 1999 examination.....	\$75
October 1999 examination and thereafter ...	\$100
Administration (to be added to total parts taken at one sitting).....	\$45
Examination for certification as engineer-in-training.....	\$75]
Biennial renewal of registration.....	\$50

(b) *Professional geologists.* The Board will charge the following fees:

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Biennial renewal [fee] of registration ... [\$25] \$50

PROPOSED RULEMAKING

Temporary permit [fee]	\$25
[Fundamentals of Geology Examination	\$150
Principles/Practices of Geology Examina-	
tion	\$150
Examination Access Fee (to be added to each	
examination taken)	\$25
Administration (to be added to total parts taken	
at one sitting).....	\$45]

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