

- Proposed Amendments to Title 16, California Code of Regulations sections 407 – Fees (Possible Action)

The Board proposes that beginning with the April 2012 exam administration, licensing applicants will pay the required national exam-related fees directly to NCEES and application review fees to the Board.

It is expected that NCEES will assume administration of the national exams in California beginning with the October 2011 dates. The NCEES fees currently paid by the Board directly to NCEES include an exam book fee (\$10 per book) and an exam scoring fee (that ranges from \$45 for the fundamental exams to as much as \$400 for one of the structural engineer modules).

Exam-related fees paid directly to NCEES in lieu of the Board collecting and passing those fees on to NCEES will reduce Board revenue required to fund exams each FY. This reduction in Board revenue required and exam expenses budgeted each FY requires a restructure of the Board's regulatory fee structure.

Currently licensing applicants pay a \$275 application fee for professional exams and \$100 for in-training exams directly to the Board. This current application fee structure fails to fund the actual costs associated with developing and/or administering all national and state examinations (which involves cashiering, technical review, Board staff exam administration, site rental, proctors, printing exam books, and security) national exam book fees, and national exam scoring fees.

For those licenses that also require a state exam, the same \$275 and/or \$100 fee also fails to fund the actual costs associated with state exam development and scoring expenses.

Historically, renewal fees for all currently licensed professionals subsidized all exam-related expenses. The proposed Board Rule 407 amended fees will reduce the Board's revenue by an estimated \$2 million equaling the anticipated budgeted expense reduction for national exams. In other words, the expense reduction cancels out the impact of the revenue reduction. For this reason, the proposed regulatory fee change has minimal impact to the Board's fund condition. The proposed fees will generate revenue adequate to maintain a 3-6 month fiscal reserve as recommended by Department of Finance for future expense increases.

The benefit to the Board for this proposal is the elimination of the \$6.2 liability for the potential loss of a national examination. It is anticipated that this will also reduce the overall state government expenses by \$2 million each FY. The dilemma of requesting budget augmentations in a timely enough manner to ensure the Board's expense budget can fund NCEES fee increases approved every few fiscal years will also be eliminated.

Board Rules and Regulations Relating to the Practices of Professional Engineering and Land Surveying

California Code of Regulations Title 16, Division 5

Article 1. General Provisions

407. Fees.

(a) All fees required by provisions of the code as implemented by the board shall be transmitted by money order, bank draft, cash or check, payable to the Department of Consumer Affairs, at Sacramento.

(b) The following is the prescribed application fee for:

(1) Authority to use the title "structural engineer"	\$275110
(2) Authority to use the title "geotechnical engineer"	\$275110
(3) Licensure as a professional engineer	\$275110
(4) Licensure as a professional land surveyor	\$275110
(5) Certification as an engineer-in-training or as a land surveyor-in-training	\$10040

(c) The following is the prescribed state exam fee for:

<u>(1) Civil Seismic</u>	\$110
<u>(2) Civil Surveying</u>	\$110
<u>(3) Geotechnical</u>	\$110
<u>(4) Land Surveying</u>	\$110
<u>(5) Traffic</u>	\$110

~~(ed)~~ The two-year biennial renewal fee for a license that expires on or after July 1, 2003, shall be \$150. ~~The fee for renewal of a license that expires on or after October 1, 2005, July 1, 2012 shall be \$125110.~~

~~(d) The fee for an examination appeal filed pursuant to Rule 444 shall be \$134.00.~~

(e) The fee for each retired license shall be \$87.50; no renewal fee or other fee shall be charged for the retired license. (As used in this subdivision, "license" includes certificate of registration or license as a professional engineer, licensure as a professional land surveyor, and certificates of authority to use the titles "structural engineer," "geotechnical engineer," "soil engineer," "soils engineer," or "consulting engineer.")

(f) Fees required under provisions of this rule transmitted through the United States mail shall be deemed filed on the date shown by the post office cancellation mark stamped on the envelope containing it, or on the date mailed if satisfactory proof is made that mailing occurred on an earlier date.

(g) Renewal applications filed with the Board more than thirty (30) days after 12 midnight on the expiration date pursuant to the Professional Land Surveyors' Act and more than sixty (60) days after 12 midnight on the expiration date pursuant to the Professional Engineers Act and not accompanied by the prescribed delinquent penalty fee equal to 50 percent of the renewal fee, shall be returned by the executive officer with a statement of the reason therefor.

(h) Refund of fees submitted to the Board shall be made only as follows:

(1) Any application fees or penalties imposed and collected illegally, by mistake, inadvertence or error shall be refunded in full.

(2) An applicant for licensure as a professional engineer, for licensure as a professional land surveyor, for permission to use the title “structural engineer” or “geotechnical engineer,” for certification as an engineer-in-training or for certification as a land surveyor-in-training found not eligible for admission to the examination requested is entitled to a refund of one-half of the application fee. Upon request, one-half of the application fee shall be refunded to the estate of an applicant who dies prior to taking an examination.