



## **JOB CREATION COMMITTEE**

---

**DRAFT:** Annual Report of Recommendations for the  
Professional Licensing Agency's Occupational Licensing  
Boards

June 17, 2015

# **Table of Contents**

<b>ABOUT THIS REPORT .....</b>	<b><u>1</u></b>
<b>BACKGROUND INFORMATION ON OCCUPATIONAL LICENSING .....</b>	<b><u>2</u></b>
STATE OF INDIANA .....	<u>3</u>
WHEN GOVERNMENTS LICENSE .....	<u>4</u>
<b>PURPOSE OF OCCUPATIONAL REGULATION REVIEW .....</b>	<b><u>6</u></b>
<b>JCC ASSESSMENT FRAMEWORK.....</b>	<b><u>6</u></b>
PART A .....	<u>7</u>
PART B .....	<u>8</u>
ASSESSMENT FRAMEWORK SAMPLE SCORING SHEET.....	<u>10</u>
<b>INFORMAL OPINION, WORKING CAPITAL FUND.....</b>	<b><u>13</u></b>
<b>COMMITTEE REPORTS &amp; RECOMMENDATIONS .....</b>	<b><u>15</u></b>
INDIANA BOARD OF ACCOUNTANCY .....	<u>15</u>
STATE BOARD OF REGISTRATION FOR ARCHITECTS AND LANDSCAPE ARCHITECTS.....	<u>25</u>
HOME INSPECTOR LICENSING BOARD.....	<u>37</u>
STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS .....	<u>45</u>
STATE BOARD OF REGISTRATION FOR PROFESSIONAL SURVEYORS .....	<u>55</u>
MANUFACTURED HOME INSTALLER LICENSING BOARD.....	<u>69</u>
PRIVATE INVESTIGATOR AND SECURITY GUARD LICENSING BOARD.....	<u>77</u>
STATE BOARD OF FUNERAL AND CEMETERY SERVICE .....	<u>86</u>
COMMITTEE ON HEARING AID DEALER EXAMINERS .....	<u>97</u>
INDIANA PLUMBING COMMISSION.....	<u>104</u>
INDIANA AUCTIONEER COMMISSION .....	<u>116</u>
<b>SCORING SHEETS FROM BOARD MEMBERS .....</b>	<b><u>EXHIBIT A</u></b>
NICHOLAS RHOAD, CHAIRMAN .....	<u>124</u>
COLONEL RICHARD WILSON .....	<u>126</u>
DR. MATT WILL .....	<u>128</u>
JOHN WRIGHT, CPA .....	<u>131</u>
TIM REED.....	<u>134</u>
CHAD TIMMERMAN .....	<u>137</u>
AVERAGE SCORES FROM ALL VOTING MEMBERS.....	<u>139</u>
<b>ACTIVE LICENSE TOTALS PER BOARD.....</b>	<b><u>EXHIBIT B</u></b>
<b>IPLA INFOGRAPHIC DEPICTING LICENSE GROWTH.....</b>	<b><u>EXHIBIT C</u></b>

<b>ASSESSMENT FRAMEWORK FOR OCCUPATIONAL REGULATIONS ....</b>	<b><a href="#"><u>EXHIBIT D</u></a></b>
<b>JCC MEMBER BIOS .....</b>	<b><a href="#"><u>APPENDIX I</u></a></b>
<b>JCC MEETING AGENDAS.....</b>	<b><a href="#"><u>APPENDIX II</u></a></b>
<b>JCC MEETING MINUTES.....</b>	<b><a href="#"><u>APPENDIX III</u></a></b>
<b>PRESENTATION MATERIALS &amp; HANDOUTS FROM SPEAKERS .....</b>	<b><a href="#"><u>APPENDIX IV</u></a></b>

## ABOUT THIS REPORT

The Job Creation Committee (“JCC”) submits this report to the governor and the Legislative Services Agency pursuant to IC 25-1-16-13, which states:

“Sec. 13. The committee shall submit a report to the: (1) governor; and (2) legislative services agency; not later than July 1 of each year. The report submitted to the legislative services agency must be in an electronic format under IC 5-14-6.

In review of the occupational licensing boards overseen by the Indiana Professional Licensing Agency (“IPLA”), the criteria for review were established in IC 25-1-16-8, which states:

“Sec. 8. (a) The committee shall review and evaluate each regulated occupation and board. The review and evaluation must include the following:

- (1) The functions, powers, and duties of the regulated occupation and the board, including any functions, powers, or duties that are inconsistent with current or projected practice of the occupation.
- (2) An assessment of the management efficiency of the board.
- (3) An assessment of the regulated occupation's and the board's ability to meet the objectives of the general assembly in licensing the regulated occupation.
- (4) An assessment of the necessity, burden, and alternatives to the licenses issued by the board.
- (5) An assessment of the fees that the board charges for licenses.(6) Any other criteria identified by the committee.

(b) The committee shall prepare a report concerning each regulated occupation and board that the committee reviews and evaluates. The report must contain the following:

- (1) The number of individuals who are licensed in the regulated occupation.
- (2) A summary of the board's functions and actions.
- (3) The budget and other fiscal factors of regulating the regulated occupation, including the actual cost of administering license applications, renewals, and issuing licenses.
- (4) An assessment of the effect of the regulated occupation on the state's economy, including consumers and businesses.
- (5) Any recommendations for legislation, including whether:



- (A) the regulation of a regulated occupation should be modified;
- (B) the board should be combined with another board;
- (C) whether the board or the regulation of the regulated occupation should be terminated;
- (D) whether a license should be eliminated; or
- (E) whether multiple licenses should be consolidated into a single license.

(6) Any recommendations for administrative changes.

(7) Information that supports the committee's recommendations.

(c) This section does not apply to fees that support dedicated funds. After the committee has reviewed and evaluated a regulated occupation and board, the committee shall provide the agency and the board that is the subject of the committee's evaluation with recommendations for fees that the board should charge for application fees, renewal fees, and fees to issue licenses. The recommendation for fees must comply with the requirements under IC 25-1-8-2. However, the recommendation must not exceed the lesser of either one hundred dollars (\$100) or the actual administrative cost to process the application or renew or issue the license.

## **I. BACKGROUND INFORMATION ON OCCUPATIONAL LICENSING**

“The topic of occupational licensing in economics dates back at least to the comment by Adam Smith that trades conspire to reduce the availability of skilled craftsmen in order to raise wages. The public policy and legal communities, however, have noted that regulating occupations in order to protect the public against incompetent, untrustworthy, or irresponsible practitioners is in the public’s interest (*Thomas v. Collins* 1945).

Occupational regulation in the United States takes three forms. The least restrictive form is registration, in which individuals file their names, addresses, and qualifications with a government agency before practicing their occupation. The registration process may include posting a bond or filing a fee. In contrast, certification permits any person to perform the relevant tasks, but the government—or sometimes a private, nonprofit agency—administers an examination and certifies those who have achieved the level of skill and knowledge for certification. For example, travel agents and car mechanics are generally certified but not licensed. The toughest form of regulation is licensure; this form of regulation is often referred to as “the right to practice.” Under licensure laws, working in an occupation for compensation without first meeting government standards is illegal. In 2003 the Council of State Governments

estimated that more than 800 occupations were licensed in at least one state and that more than 1,100 occupations were licensed, certified, or registered (CLEAR 2004).<sup>1</sup>

*The most common regulatory structures used by state and local governments to oversee occupations are as follows: licensure, certification and registration.*

### **(A) State of Indiana**

The IPLA is the umbrella agency for 38 professional boards and commissions that regulate 493,079 professionals and businesses licensed to perform 134 different occupations.<sup>2</sup> More than 332,000 people are licensed by other state agencies.<sup>3</sup> However, an even larger percentage of workers are licensed as these totals exclude an unknown number of licenses issued (discretionally) by Indiana's municipalities for fields such as electrical, refrigeration, high pressure steam (HVACR), wrecking, heating and air conditioning, and so forth. Currently, Indiana's labor force<sup>4</sup> includes 3,254,974 residents aged sixteen (16) and older.<sup>5</sup> As such, approximately 25 percent of Indiana's labor force requires a state license to practice.<sup>6</sup>

Workers in Indiana earn an average annual income of \$38,812.<sup>7</sup> Excluding outliers, licensed professionals, on average, earn between \$29,000 and \$74,000.<sup>8</sup> Looking nationally within these

---

<sup>1</sup> Analyzing the Extent and Influence of Occupational Licensing on the Labor Market Author(s): Morris M. Kleiner and Alan B. Krueger Source: Journal of Labor Economics, Vol. 31, No. 2, The Princeton Data Improvement Initiative (Part 2, April 2013), pp. S173-S202 Published by: The University of Chicago Press on behalf of the Society of Labor Economists and the NORC at the University of Chicago Stable URL: <http://www.jstor.org/stable/10.1086/669060>.

<sup>2</sup> Total number of active licensees as of May 22, 2015 these boards oversee 27,167 entity licenses spread across 63 different types.

<sup>3</sup> Indiana agencies with largest number of active individual licenses are as follows: 172,984 by Alcohol & Tobacco Commission (209,180 total, including business permits, as of Sept. 26, 2014); 6460 by Dept. of Natural Resources (as of Sept. 25, 2014); 18,538 by Indiana Supreme Court (as of May 15, 2014); 12,158 by Gaming Commission (as of May 15, 2014); 63,247 by Dept. of Insurance (as of April 8, 2014); 58,709 [teachers] by Dept. of Education (as of 2010-2011 school year).

<sup>4</sup> IN Departmentt of Workforce Development, *Hoosiers by the Numbers*. Available at <http://www.hoosierdata.in.gov/nav.asp?id=40>. ("For statistical purposes, the labor force is the sum of persons employed and persons unemployed and looking for work.")

<sup>5</sup> 3,066,027 employed/188,945 unemployed; seasonally adjusted with March 2015 data. Indiana University's Kelley School of Business, *STATS Indiana*. Available at [http://www.stats.indiana.edu/laus\\_sa/laus\\_view1.html](http://www.stats.indiana.edu/laus_sa/laus_view1.html) (as of May 22, 2015).

<sup>6</sup> Calculation adjusted for out-of-state residents to whom state agencies have issued licenses.

<sup>7</sup> 2013 "Per Capita Personal Income" in Indiana. U.S. Dept. of Commerce, Bureau of Economic Analysis. Available at <http://www.bea.gov/iTable/iTable.cfm?reqid=70&step=1&isuri=1&acrdn=3#reqid=70&step=30&isuri=1&7022=21&7023=0&7024=non-industry&7033=-1&7025=0&7026=18000&7027=2013&7001=421&7028=-1&7031=0&7040=-1&7083=levels&7029=21&7090=70>.

<sup>8</sup> Estimate based sample population of professionals working in different geographic areas in Indiana.

licensed professions, practitioners are paid about 18 percent higher wages due to the limitation of competition into the marketplace from the barriers to entry that is a direct result of licensing regimes. The government specifying a competency threshold for education attainment and internships/apprenticeships are positively associated with wages as there are costs associated with completing these requirements that are the responsibility of the applicant. The economic trend is consistent with a monopoly model of occupational licensing in which supply is more restricted if the licensing authority operates on a wider geographic level (i.e. municipality, state or national compact requirements).<sup>9</sup> Also estimated nationally, the “cost of licensing ... in the form of lost jobs is between 0.5% and 1.0 percent” of the labor force.<sup>10</sup> Applying the lower percentage to Indiana would result in approximately 16,000 new jobs. Consequently, more people could work and earn higher incomes if Indiana licensed fewer occupations.<sup>11</sup>

## **(A) When Governments License**

### *(1) Economics 101*

People looking to purchase services from licensed professionals base their buying decisions in part on accessibility and price. Those who decide to purchase services have access to licensed providers and can afford to pay the necessary remuneration. Those who decide not to purchase professional services are either without access or the means to pay for the services.

When the government decides to license an occupation, it restricts the supply of people who can legally perform the occupation’s “scope of practice.”<sup>12</sup> Thus, the ability of consumers to choose is limited by shrinking the available supply of labor, which in turn, increases the prices offered by licensed professionals at an estimated 15 percent or more.<sup>13</sup> This is especially detrimental to people who live in sparsely populated areas and/or are impoverished. In Indiana, more than 1.47 million people (or 22% of the total population) live in rural communities and approximately 15 percent live in poverty.<sup>14,15</sup>

---

<sup>9</sup> Analyzing the Extent and Influence of Occupational Licensing on the Labor Market Author(s): Morris M. Kleiner and Alan B. Krueger Source: Journal of Labor Economics, Vol. 31, No. 2, The Princeton Data Improvement Initiative (Part 2, April 2013), pp. S173-S202 Published by: The University of Chicago Press on behalf of the Society of Labor Economists and the NORC at the University of Chicago Stable URL: <http://www.jstor.org/stable/10.1086/669060>.

<sup>10</sup> *Hearing*, (testimony of Professor and Economist Morris Kleiner) (Research by Professor Kleiner, Professor Alan Krueger of Princeton University and the former chairman of President Obama’s White House Council of Economic Advisers, and Professor Alexandre Mas of Princeton University and former Chief Economist in the U.S. Department of Labor and the Office of Management and Budget under President Obama).

<sup>11</sup> *Hearing*, (testimony of Prof. Morris Kleiner).

<sup>12</sup> *Hearing*, (testimony of Prof. Gary Wolfram for Self-Certification Registration meeting, 2014).

<sup>13</sup> *Hearing*, (testimony of Prof. Morris Kleiner).

<sup>14</sup> United States Department of Agriculture, Economic Research Service. Based on 2013 census data. Available at [http://www.ers.usda.gov/data-products/state-fact-sheets/state-data.aspx?StateFIPS=18&StateName=Indiana#.VCiPQbTp\\_RY](http://www.ers.usda.gov/data-products/state-fact-sheets/state-data.aspx?StateFIPS=18&StateName=Indiana#.VCiPQbTp_RY).

## (2) *Stunting Middle Class Growth*

Melony Armstrong recently testified before Congress about Mississippi's burdensome licensing requirements imposed on African hair braiders and hair braiding instructors.<sup>16</sup> In 2004, Ms. Armstrong teamed with others to eliminate "needless government-created barriers."<sup>17</sup> Mississippi eventually changed its laws to require only that hair braiders pay a \$25 registration fee and abide by relevant sanitation codes.<sup>18</sup>

Indiana still requires someone to obtain a cosmetology license to braid hair; meaning the person must, among other things, graduate from beauty culture school, which requires 1500 hours of training, and pass the examination for cosmetologist license applicants.<sup>19</sup> In 2014, Indiana's State Board of Cosmetology and Barber Examiners denied licensure to someone because she disclosed on her application that she worked in a salon "and performed hair braiding." The Board denied her application for practicing without a license.<sup>20</sup> Even though this might seem unreasonable, the board was merely applying the statutory prohibition against "styling, arranging ... or similarly treating hair" without a cosmetology license.<sup>21</sup>

As these hair braiding examples show, licensing prevents those with unique skill-sets from working in professions in which they are otherwise capable to perform.<sup>22</sup> Licensing's "barriers" are often too costly to overcome, especially for those who have neither the time nor the resources to pursue a license.<sup>23</sup>

---

<sup>15</sup> Population Reference Bureau, "People Below the Poverty Level in the Past 12 Months (1-Year ACS)." (2012). Available at <http://www.prb.org/DataFinder/Topic/Rankings.aspx?ind=185> (last visited September 30, 2014).

<sup>16</sup> *Barriers to Opportunity: Do Occupational Licensing Laws Unfairly Limit Entrepreneurship and Jobs?: Hearing to examine the proliferation of occupational licensing laws and the impact these have on business opportunities Before the SUBCOMM. on Contracting and Workforce of the H. COMM. on Small Business*, 113th Cong. 2-3 (2014) (written statement of Melony Armstrong, African Hairbraider, Owner of "Naturally Speaking" Salon, Tupelo, MS) (requirements included 3200 hours of cosmetology school and tuition, exam fees, and three different licensing fees).

<sup>17</sup> *Id.* at 3.

<sup>18</sup> *Id.* at 3-4.

<sup>19</sup> Ind. Code § 25-8-9-3.

<sup>20</sup> *Id.* § 25-1-11-19(b)(1) ("The board may refuse to issue a license ... to an applicant for licensure if the applicant practiced without a license in violation of the law.").

<sup>21</sup> *Id.* § 25-8-2-5

<sup>22</sup> DICK M. CARPENTER, LISA KNEPPER, ANGELA C. ERICKSON & JOHN K. ROSS, LICENSE TO WORK: A NATIONAL STUDY OF BURDENS FROM OCCUPATIONAL LICENSING 6 (Institute for Justice 2012) (written testimony of Lee McGrath supplied to Self-Certification Registry Legislative Panel).

<sup>23</sup> *Expanding Opportunity in America: A Discussion Draft from the H. BUDGET COMM.* 66 113th Cong. (2014) (authored by Chairman Paul Ryan & House Budget Committee Staff) ("Eliminating irrational or unnecessary licensing requirements would not be a panacea, but it would open up new opportunities for low-income families and reduce costs for consumers.").

Licensing also limits “employer choice,” i.e. restricting the applicant pool to only those who have licenses. The better option is the “let-the-best-man-win approach,” which allows applicants to send “signals” about their qualifications or experience, and let employers choose the person they believe is the best fit for the job, licensed or not.<sup>24</sup>

## **II. PURPOSE OF OCCUPATIONAL REGULATION REVIEW**

In the past 25 years, professional licensing has significantly increased in Indiana. Currently, over 200 occupations and approximately 490,000 individuals and businesses possess some type of license overseen by the IPLA, including but not limited to physicians, accountants, dietitians, landscape architects, cosmetologists and funeral directors (Exhibit A)<sup>25</sup>. While the majority of state licenses are held by the IPLA, this doesn’t include the state licenses held by other state agencies or required by municipalities.

It is the opinion of the JCC that the growth in licensing regimes – and the inability to remove regulatory, licensing structures once enacted by the General Assembly – appears to be related to four main factors: 1) the absence of a formal set of standards to determine whether an occupation should be licensed, fully weighing the economic principles of public safety and consumer choice, 2) political organizations, i.e. trade associations, who lobby for increase protections of their industries in order to insulate their professions from free market principles, 3) the unwillingness of the General Assembly to reduce regulations in licensed professions given the considerable financial investment made by education providers and practitioners to meet state requirements and obtain a license, and 4) the previous lack of regulatory oversight in Indiana following the elimination of the Indiana Sunset Evaluation Commission (“ISEC”).

The formal charge of the ISEC, which was created by the General Assembly in 1979, was to review licensing regulations. In the mid-1980’s, the Commission was eliminated. Since that time, the State has added more than 80 new license types. Over the last five years, a renewed focus has been on regulatory structures in Indiana and the impact of the regimes on the economy. Other review boards have been created since the elimination of the ISEC.

In 2010, the Regulated Occupations Evaluation Committee (ROEC) was created. This committee was later dissolved to be the Eliminate, Reduce, and Streamline Employee Regulation (ERASER) Committee in 2013. The committee was again restructured to the current form that is the Job Creation Committee. The lack of consistency and constant change of this regulatory oversight body has hindered its ability to effectively reverse the tide of licensing realized in Indiana.

## **III. JCC ASSESSMENT FRAMEWORK**

In order to evaluate and review all license types, the JCC established a method for evaluating each of the regulated occupations in a fair and consistent way. The JCC held public meetings,

---

<sup>24</sup> *Hearing*, (testimony of McGrath).

<sup>25</sup> Indiana Professional Licensing Agency as of May 22, 2015 (See Exhibit A).

during which testimony was presented by IPLA staff pertinent to board operations, the Office of the Attorney General on the consumer complaint process, industry stakeholders regarding their profession, association representatives covering their role in the industry and the general public. IPLA staff worked with all individuals and associations who testified, so they knew the statutory obligations of the JCC and the types of questions that would need to be answered.

The JCC is required by statute to report the following, pursuant to IC 25-1-16-8:

- (1) The number of individuals licensed in the regulated occupation.
- (2) A summary of the board's functions and actions.
- (3) The budget and other fiscal factors of regulating the regulated occupation, including the actual cost of administering license applications, renewals, and issuing licenses.
- (4) An assessment of the effect of the regulated occupation on the state's economy, including consumers and businesses.
- (5) Any recommendations for legislation, including whether:
  - (a) the regulation of a regulated occupation should be modified;
  - (b) the board should be combined with another board; or
  - (c) whether the board or the regulation of the regulated occupation should be terminated;
  - (d) whether a license should be eliminated; or
  - (e) whether multiple licenses should be consolidated into a single license.
- (6) Any recommendations for administrative changes.

These questions are answered individually in the board review sections of the report.

### **(A) Part A**

The criteria developed for Part A aims to evaluate the public need for the profession to be regulated by the State of Indiana. The aim of Part A is to evaluate the value of the license by determining the level of risk, alternatives to regulation and ultimately the cost-benefit impact. Five basic scoring criteria were established to do so:

1. **Risk Analysis.** Do consumers face a significant risk of harm from purchasing the goods or services of a particular professional? What is the nature of the harm, the likelihood and severity of the harm, and the potential for irreversible harm to the consumer?

2. **Informed Consumer Choice/Trial and Error.** To what extent do individual consumers have the experience or ability, by means of trial and error, to make informed risk-benefit decisions about purchasing goods or services from a particular professional?
3. **Self-regulation by the Profession.** Is the profession capable of organizing itself (on a local, state, national or international basis) to ensure an acceptable degree of competence without any regulatory program?
4. **Legal Alternatives to Regulation.** In the absence of an IPLA regulatory program, would consumers have adequate legal protections to deter incompetent or fraudulent behavior by professionals and to seek redress or compensation for avoidable harms?
5. **Benefit-Cost Determination.** Are the consumer benefits of an IPLA regulatory program (e.g., reduced harm to consumers and/or higher levels of public trust in professionals) likely to justify the anticipated costs of a regulatory system (e.g., licensing fees, potentially higher prices for goods or services, and any administrative costs of implementing and enforcing a meaningful regulatory system)?

Following the presentation of a licensing board under review, including substantial question and answer dialogue and public comments, the JCC members then discussed the information provided, tabling final recommendations until having meetings in June. At the June 2 and 17 meetings, the JCC scored the professions and deliberated over recommendations to streamline each regulated profession.

The average score of all the JCC members is used to help address the overall question of whether or not the State of Indiana should be involved in any form of regulation (e.g. licensing, certification or registration) of a particular occupation. The JCC evaluation calls for a systematic review of all professional license types within a five year period. This broad review of all license types is similar to a sunset review approach in that all licenses are included in the review and will be evaluated based on their merits under the same framework. However, the JCC acknowledges that many true “sunset” recommendations, outside of the administration’s capabilities through internal policies and rule promulgation, require legislative action in order to discontinue or change how a profession is regulated.

## **(B) Part B**

In addition to Part A, a list of questions was developed to explore possible reforms to licensing that might increase consumer protection as well as reduce any regulatory burden. The questions aim to determine whether the program is working properly, whether it is cost-effective, and whether any other reforms are appropriate. The JCC has five years to review all 38 boards overseen by the IPLA, so the process continues to be ongoing (Exhibit C).

From September 18, 2014 to April 16, 2015, 11 boards were reviewed by the JCC. Here’s a list of the boards and when they were reviewed:

**September 18, 2014**

- Indiana Board of Accountancy

**October 16, 2014**

- State Board of Registration for Architects and Landscape Architects
- Home Inspector Licensing Board

**January 15, 2015**

- State Board of Registration for Professional Engineers
- State Board of Registration for Professional Surveyors

**February 19, 2015**

- Private Investigator and Security Guard Licensing Board
- Manufactured Home Installer Licensing Board

**March 19, 2015**

- State Board of Funeral and Cemetery Service
- Committee on Hearing Aid Dealer Examiners

**April 16, 2015**

- Indiana Plumbing Commission
- Indiana Auctioneer Commission

From the review of these 11 boards, 45 different license types are covered. As described earlier in the report, each JCC member evaluated and scored each license type individually under Part A of the framework. Each member also thoroughly reviewed all submitted documentation and presentation materials submitted to the JCC. All of the voting members' scores were averaged to determine the overall score. These figures were used to guide the recommendations for each board and license type.

The JCC believes that the framework and review of current licenses would benefit future legislative discussions when considering the impact of adding more regulations or licenses. As such, in recent years, proposals to add licenses have included the following occupations: midwives (passed), diabetes educators (passed), court reporters (failed), playground installers (failed), electricians (failed), among others. Review prior to the establishment of the license type could ensure that Indiana only approves new regulations after due consideration of all relevant factors. The review, a "sunrise" review, might be similar to the JCC evaluation framework outlined in this report, including an assessment of risks, alternatives to regulation, cost-benefit analysis, and consideration of resources available for administrative oversight.



### (C) Assessment Framework Sample Scoring Sheet

Board	License Type	1. Risk Analysis. Do consumers face a significant risk of harm from purchasing the goods or services of a particular professional? What is the nature of the harm, the likelihood and severity of the harm, and the potential for irreversible harm to the consumer? (1= Minimal risk; 5= High risk)	2. Informed Consumer Choice/Trial and Error. To what extent do individual consumers have the experience or ability, by means of trial and error, to make informed risk-benefit decisions about purchasing goods or services from a particular professional? (1= High capability/access to information; 5= Minimal capability/access to information)	3. Self-regulation by the Profession. Is the profession capable of organizing itself (on a local, state, national or international basis) to ensure an acceptable degree of competence without any regulatory program? (1= High capability; 5= Minimal or no capability)	4. Legal Alternatives to Regulation. In the absence of an IPLA regulatory program, would consumers have adequate legal protections to deter incompetent or fraudulent behavior by professionals and to seek redress or compensation for avoidable harms? (1= Adequate alternative protections available; 5= No adequate alternatives available)	5. Cost-Benefit Determination. Are the consumer benefits of an IPLA regulatory program (e.g., reduced harm to consumers and/or higher levels of public trust in professionals) likely to justify the anticipated costs of a regulatory system (e.g., licensing fees, potentially higher prices for goods or services, and any administrative costs of implementing and enforcing a meaningful regulatory system)? (1=Costs exceed benefits; 5= Benefits exceed costs)	6. Case for the professional license. Overall, how do you score the case for this profession to be licensed? (1= Extremely weak; 5= Extremely strong)	Sum (1-5)	Average (1-5)
Accountancy	Certified Public Accountant								
Accountancy	Accountancy Professional Corporation								
Accountancy	Firm Permit to Practice Accounting								
Architects/Landscape Architects	Architect								
Architects/Landscape Architects	Landscape Architect								
Architects/Landscape Architects	Architect Professional Corporation								
Home Inspectors	Licensed Home Inspector								
Home Inspectors	CE Provider - Home Inspector								
Home Inspectors	Pre-Course - Home Inspector								
Home Inspectors	Instructor - Home Inspector								
Engineers	Professional Engineer								
Engineers	Engineer Intern								

Engineers	Engineering Professional Corporation								
Surveyors	Professional Surveyor								
Surveyors	Surveyor Intern								
Surveyors	Land Surveyor Professional Corporation								
Surveyors	CE Provider - Land Surveyor								
Surveyors	Land Surveyor Firm								
PIs/SGs	Private Investigator Firm								
PIs/SGs	Security Guard Agency								
Manf. Home Installers	Manufactured Home Installer								
Manf. Home Installers	CE Provider - Manf. Home Installer								
Manf. Home Installers	Pre-Course - Manf. Home Installer								
Funeral/Cemetery Service	Funeral Director								
Funeral/Cemetery Service	Funeral Director Intern								
Funeral/Cemetery Service	Embalmer Only								
Funeral/Cemetery Service	Funeral Home								
Funeral/Cemetery Service	Certificate of Authority								
Funeral/Cemetery Service	Crematorium								
Funeral/Cemetery Service	Cemetery								
Funeral/Cemetery Service	Funeral Branch								
Funeral/Cemetery Service	CE Provider - Funeral								
Funeral/Cemetery Service	Funeral Director Courtesy Card								
Hearing Aid Dealer Examiners	Hearing Aid Dealer								
Hearing Aid Dealer Examiners	Student Hearing Aid Dealer								
Plumbing	Plumbing Contractor								

Plumbing	Journeyman Plumber								
Plumbing	Plumbing Corporation								
Plumbing	Plumbing Apprentice								
Plumbing	Temporary Plumbing Contractor								
Plumbing	Plumbing Apprenticeship Program								
Auctioneering	Auctioneer								
Auctioneering	Auction Company								
Auctioneering	CE Provider - Auctioneer								
Auctioneering	CE Pre-Course Auctioneer								

#### **IV. INFORMAL OPINION, WORKING CAPITAL FUND**

**To:** Job Creation Committee Members

**From:** Colonel Richard Wilson

**Subject:** Informal Opinion Re. the Creation of a Working Capital Fund

Informal Opinion and Recommendation to the Governor and Legislative Service Agency in conjunction with the Report of the Jobs Creation Committee of the Indiana Professional Licensing Agency (IPLA), dated July 1, 2015, regarding creation of a Working Capital Fund (WCF).

During the course of receiving testimony and conducting research within the charter of the Committee it became apparent that in addition to the specific questions mandated in the legislation creating this committee, an additional efficiency that might better serve both the State and the regulated trades and professions would be the establishment of a working capital fund for the IPLA.

For the purposes of this recommendation we submit the following definition in support: "Working capital funds ... are a financial tool used by the government to increase business efficiency by restructuring the way in which money is used. Assets in a working capital fund are capitalized and subsequently offset with income generated from the fund's operations. All assets in the fund can be used to finance future operations, and there are no fiscal year restrictions that must be considered since working capital funds are no-year funds. WCF allows for better decision making by opening up possibilities that would otherwise not be possible under standard accounting rules."<sup>1</sup>

Benefits of this type of arrangement include but are not limited to 1) eliminates the need for an annual appropriation for the IPLA; 2) provides transparency in the actual regulatory costs of the individual licenses allowing the cost of the license to be moderated; allows linkage to the real cost of maintaining the licensure regime as opposed to some arbitrary fee schedule set by a Board; and 3) the regulated trade or profession practitioners provide the revenue to maintain the licensure and oversight regime thereby providing an incentive to bring standardization to licensure fees and moderate the associated regulatory costs across all of the regulated trades and professions.

The Government Accountability Office (GAO), in a report issued in 1994 provided some insight into the positive attributes of the Working Capital Fund for financing government administrative activities. In the report, "GAO reviewed the: (1) budgetary approaches used by the Departments of Labor and Justice and the General Services Administration to finance their administrative services; and (2) potential effect of proposals to establish franchise and innovation funds.

"GAO found that: (1) officials from the three agencies stated that their current working capital funds (WCF) give managers considerable control and flexibility in providing administrative services..."<sup>2</sup> Additionally, legislative bodies can create flexibility so obstacles do not prevent agencies from providing centralized services"<sup>3</sup> [which in the case of the IPLA, could leverage the

back-room and I&T operations for other state agencies that regulate those trades and professions that are not under the umbrella of the IPLA]. In some cases, as the GAO report continues, "Congress has expanded the agencies' authority by broadening the funds' statutory purposes, providing new sources of funding, and allowing accumulation of additional reserves." <sup>4</sup> The WCF also provides a vehicle to incentivize reducing costs as mentioned above, and WCF will help achieve greater efficiencies and cost reductions in an environment of fiscal reform, management reform, competing legislative priorities, and uncertain available resources while simultaneously moderating the cost of entry into the regulated trades and professions by keeping fees comparatively low.

I strongly urge the Committee support and recommend to the General Assembly that the necessary government steps be taken for the Indiana Professional Licensing Agency to become a Working Capital Fund organization.

Cordially,

Colonel Richard Wilson

- 
1. "Overview of Working Capital Funds" - Financial Web, <http://www.finweb.com/investing/overview-of-working-capital-funds.html#ixzz3bvwoJz8> (accessed June 2, 2015)
  2. U.S. GAO - Working Capital Funds: Three Agency Perspectives, <http://www.gao.gov/products/AIMD-94-121> (accessed June 2, 2015)
  3. *Ibid.*
  4. *Ibid.*

## **V. COMMITTEE REPORTS AND RECOMMENDATIONS**

### **(A) Indiana Board of Accountancy**

- 1. Identify the functions, powers, and duties of the regulated occupation and the board, including any functions, powers or duties that are inconsistent with current or projected practice of the occupation.**

#### Definition of the Practitioner

#### **IC 25-2.1-1-10: "Practice of Accountancy"**

*Sec. 10. (a) "Practice of accountancy" means the performance or the offering to perform by a licensee of a service involving:*

- (1) the use of accounting or auditing skills, including the issuance of reports on financial statements;*
- (2) management advisory, financial advisory, or consulting services; or*
- (3) the preparation of tax returns or the furnishing of advice on tax matters.*

*(b) The term does not include the performance or offering of the following services if the person performing or offering the services is not a licensee and no representation is made that the person performing or offering the service is a licensee:*

- (1) The selling and installing of data processing or bookkeeping equipment and forms.*
- (2) The preparation of tax returns.*
- (3) The performance of bookkeeping.*

#### Establishment of the Board

#### **IC 25-2.1-2-3: Membership of board; qualifications**

*Sec. 3. (a) The board consists of six (6) members appointed by the governor.*

*(b) Five (5) members must meet the following conditions:*

- (1) Be a resident of Indiana.*
- (2) Be a certified public accountant under IC 25-2.1-3 or IC 25-2.1-4.*

*(c) One (1) member must meet the following conditions:*

- (1) Be a resident of Indiana.*
- (2) Be a consumer who is not certified under this article but has professional or practical experience in the use of accounting services and financial statements that qualify the individual to make judgments about the qualifications and conduct of individuals and firms under this article.*

### Role of the Board

The Indiana Board of Accountancy was created by IC 25-2.1-2-2 and is statutorily responsible for the administration and enforcement of IC 25-2.1-2.

---

Nothing was discovered that indicates the board or licensees are acting in a manner inconsistent with the current or projected practice of the occupation; however, other methods were identified to improve the regulatory management structure of the program.

## **2. Assess the structure and the management efficiency of the board and the Indiana Professional Licensing Agency.**

The IPLA helps facilitate the responsibilities of the Indiana Board of Accountancy by employing one (1) director, one (1) assistant director, three (3) customer service representatives, and one (1) compliance officer. The annual salary budget for all six employees is \$162,186. In factoring the costs to process licenses, it is important to recognize that the IPLA is an umbrella agency for 38 additional boards and commissions. The staffers working for the Board of Accountancy also serve other boards. “Group 14” also manages licensing board operations for massage therapists, optometrists, plumbers, physical therapists and occupational therapists.

Additionally, the agency’s executive staff provides services to the entire agency and should be considered in this analysis. This includes the executive director, deputy director, chief legal counsel, staff attorney, director of communication and legislative affairs, controller, controller staff, IT director and IT staff. The cost of administering and managing accountancy-related licenses would be even higher when factoring in the attorney general’s office, which includes their expenses of Advisory Counsel to the Board, prosecution and senior management from both advisory and litigation.

The IPLA manages 13,913 active licenses for the Board of Accountancy.

The director, assistant director and compliance officer salaries are partially funded by the enforcement fund. The director and assistant director have approximately 20% (\$15,064) of their annual salaries (\$75,322) paid for through this fund while the compliance officer has a varying percentage based on the amount of time that individual spends on the accountancy profession.

## **3. Assess the regulated occupation's and the board's ability to meet the objectives of the General Assembly in licensing the regulated occupation.**

The IPLA and the Board of Accountancy have met the standards and statutes imposed by the General Assembly in providing adequate service to the accountancy profession and its licensees. The CPA Society did offer recommendations to improve the functionality of the board in regulating the industry. For more information, please see recommendations from the CPA society (No. 8) and the policy statement from the committee (No. 10) regarding the operational structure of the agency and the board.

#### **4. Assess the fees that the board charges for licenses.**

The IPLA has a General Fund appropriation that is not board specific and is used to support the agency's operations for all 38 of its licensing boards and commissions. Licensing fees are not dedicated to the profession. The Accountancy Board does have an "Investigative Fund," and it is worth exploring legislative options to better utilize and administer those resources. An assessment of the fees charged by the Board is as follows:

##### **CPA Certificate of Registration - 3 years**

- First year of cycle (July 1, 2015 - June 30, 2016) - \$85\*
- Second year of cycle (July 1, 2016 - June 30, 2017) - \$60\*
- Third year of cycle (July 1, 2017 - June 30, 2018) - \$35\*

##### **CPA Application**

- Reciprocity - \$85\*
- Transfer of Grades - \$85\*

##### **CPA/AP/PA Renewal - 3 years**

- Renewal - \$105.00\*\*
- Reinstatement
  - Expired 0-3 years - \$50
  - Expired more than 3 years - \$85

##### **Permit for Firms - 3 years**

- Issuance - \$30
- Renewal - \$30
- Restoration Fee - \$50

##### **Professional Corporation - 2 years**

- Issuance - \$25
- Renewal - \$20



\*Fees include an additional \$10 for the accountancy investigative fund  
\*\*Fee includes an additional \$30 for the accountancy investigative fund  
872 IAC 1-1-10.5 - Accountant Investigative Fund  
IC 25-1-8 Fees

The Enforcement Fund is established by IC 25-2.1-8-4.

*Sec. 4. (a) The accountant investigative fund is established to provide funds for administering and enforcing the provisions of this article, including investigating and taking enforcement action against violators of this article. The fund shall be administered by the Indiana Professional Licensing Agency.*

Since the creation of the fund, \$475,964 has been paid into the fund and \$241,759 has been paid out.

- i. Monies paid to the fund may include those paid by licensees (for example, the \$105 renewal fee is broken down so that \$75.00 of that fee goes towards the PLA's general fund, while \$30.00 goes towards the enforcement fund and monies from civil penalties.
- ii. Monies going out of the fund include salary costs, fringe, supplies, out-of-state travel, registration and dues, IOT fees, tech support, postage and an HR service fee. For 2014, all of these fees combined to cost roughly \$33,404.

**5. List the number of individuals who are licensed in the regulated occupation.**

To date, the total number of active licenses with the Indiana Board of Accountancy is 13,913.

**Certified Public Accountant (CPA)**

- *Required for anyone practicing accounting services in the State of Indiana*
  - a.) 12,328 active licenses in Indiana
  - b.) 990 new licenses issued in past three-year renewal cycle (6/2012-9/2014)

**Public Accountants (PA)**

- *Performs same functions as a CPA but not allowed to perform attest services*
  - a.) 65 active licenses in Indiana
  - b.) These licenses are no longer issued

**Accounting Practitioner (AP)**

- a.) 11 active licenses in Indiana
- b.) These licenses are no longer issued.

**Accountancy Professional Corporation**

- *Required by businesses that fall under the professional corporation description (IC 23-1.5-2)*

- a.) 297 active corporate licenses
- b.) 9 licenses issued in past three-year renewal cycle (6/2012-9/2014)

**Firm Permit**

- *Required for all accounting businesses in Indiana (IC 25-2.1-5)*

- a.) 1,212 active permits
- b.) 117 permits licenses issued in past three-year renewal cycle (6/2012-9/2014)

**6. Provide the budget and other fiscal factors for regulating the regulated occupation, including the actual cost of administering license applications, renewals and issuing licenses.**

The IPLA has a General Fund appropriation that is not board specific. The General Fund appropriation is used to support the agency operations for 38 licensing boards and staff. Licensing fees are not dedicated to the profession. The Accountancy Board does have an “Investigative Fund,” and it is worth exploring legislative options to better utilize and administer those resources.

To review the staffing costs associated with administering licenses and renewals for the Indiana Board of Accountancy, please see No. 2. For the costs associated with having the Board and paying per diem, travel and court reporters for board meetings, please see the last page of this section after the recommendation from the Committee.

**7. Provide an assessment of the effect of the regulated occupation on the state's economy, including consumers and businesses.**

*(According to the Indiana CPA Society)*

Excerpt from the International Federation of Accountants® IFAC Policy Position 1: Regulation of the Accountancy Profession, September 2011, The Accountancy Profession:

“Members of the accountancy profession contribute to their communities in a wide variety of different roles, and within a range of different organizations.

Professional accountants work in, and contribute to, virtually all sectors of the economy, fulfilling diverse roles.

Professional accountants:

- Contribute to the growth of individual companies, support and sustain non-profit organizations, and assist governments in achieving their economic and social objectives
- Promote financial market performance, through the reporting of, and providing assurance on, financial information on which investors and other stakeholders rely in making resource-allocation decisions.

In these ways and others, professional accountants contribute to the growth of economies and ultimately to the well-being of society.”

—

Additional excerpt from a report on US Accounting Services published in March of this year.

“Firms in the accounting profession are certified to audit the accounting records of public and private organizations and to attest to compliance with generally accepted accounting practices. Certified public accountants (CPAs) provide a variety of accounting services, including auditing accounting records, designing accounting systems, preparing financial statements, developing budgets and providing advice on matters related to accounting.” [IBISWorld.com](http://IBISWorld.com)

- With the majority of CPA Society members in public accounting and approximately 36 percent of membership holding positions in industry, government and education, CPAs effect countless business decisions being made in Indiana and elsewhere every day. They contribute immeasurably to the economic success of the state, the country and Indiana citizens.
- For more than 100 years, the profession has provided essential services to both individuals and companies of all sectors and sizes in support of a system of voluntary tax compliance at the federal and state level.

#### **8. Assess the necessity, burden, and alternatives to the licenses issued by the board.**

The field of accountancy is regulated in all other states. The Committee did not find that Indiana’s licensing requirements and structure to be burdensome for licensees.

Following the discovery of the ENRON scandal in 2001, CPAs and firms conducting audits for public companies were under increased scrutiny. They are required to be licensed under the accounting and auditing standards established by the Sarbanes-Oxley Act, which was enacted in 2002 (Public Law 107-204., 107th Congress).

Prior to 2007, Indiana had multiple licenses for accounting professionals: Certified Public Accountant, Public Accountant and Accounting Practitioner. Effective July 1, 2007, the AP and PA classes of accounting licenses were discontinued and existing licensees were grand-fathered in the statute (IC 25-2.1-6-4.5).

Alternatives to the licensing structures currently in place were discussed, but the Committee does not see a more efficient avenue to administratively handle the workload to license certified public accountants in Indiana. The associations were not in favor of taking on current PLA duties.

For additional information, please see the policy statement recommendation (No. 10).

**9. List any other criteria identified by the Committee.**

The Indiana CPA Society recommended changes and clarifications to the statute that the Committee finds persuasive.

The Indiana CPA Society recommends the following for consideration regarding continuing education requirements and best practices for the industry:

- i. Competency-based pilot program
  - The Indiana CPA Society has been drafting the guidelines for this program and wouldn't require the IPLA to create the criteria.
- ii. Duplication of functions
  - CPA Society currently does many functions that PLA also does, i.e. auditing. The CPA Society would be willing to take on sole control of this process and others.

*The Indiana CPA Society recommends the following changes:*

- i. Consider private sector support for administrative functions of IPLA
- ii. CPE audit, draft rules, peer review, license renewal
- iii. Create a new model for professional development
- iv. Develop education at all levels that recognize the use of technology and new learning methodology

- v. Establish a regulatory framework for new professional development model for license renewal
- vi. Indiana innovation and leadership

*The Indiana CPA Society recommends the following statutory changes:*

- i. Better utilization of the Enforcement Fund
  - 1. Established in 2007 (IC 25-2.1-8-4)

The JCC recommends that the governor support, and the Indiana General Assembly adopt, legislation to accomplish the stated goals as outlined above.

- 10. Include any recommendations for legislation, including whether: the regulation of a regulated occupation should be modified; the board should be combined with another board; or whether the board or the regulation of the regulated occupation should be terminated; whether a license should be eliminated; or whether multiple licenses should be consolidated into a single license. The report should also include any recommendations for administrative changes and information that supports the committee's recommendations. This section does not apply to fees that support dedicated funds. After the committee has reviewed and evaluated a regulated occupation and board, the committee shall provide the agency and the board that is the subject of the committee's evaluation with recommendations for fees that the board should charge for application fees, renewal fees, and fees to issue licenses. The recommendation for fees must comply with the requirements under IC 25-1-8-2. However, the recommendation must not exceed the lesser of either one hundred dollars (\$100) or the actual administrative cost to process the application or renew or issue the license.**

This is the Job Creation Committee's policy statement for the Indiana Board of Accountancy and the regulation of the accounting field:

*The Job Creation Committee recommends that Indiana continue to license Certified Public Accountants in the State of Indiana. The Committee further recommends that an outside entity, professional organization or association be the responsible entity for the administrative functions of licensing CPA's as an agent of the State of Indiana and that this entity also be responsible for setting the acceptable level of qualifying and continuing education standards for the industry. The Committee also recommends that the "Firm Permit" license type be continued as it is required for the professional practice of accounting in Indiana. The firm permit license requirement is needed in all 50 states and keeping this licensure requirement allows Indiana licensees to have reciprocity with other states. The Committee also recommends that a licensing board still*

*exist to enforce licensure law and discipline licensees who violate license law and that those cases are prosecuted by the Indiana Attorney General's Office.*

## Indiana Board of Accountancy Costs

<b>Board Member Travel Reimbursements</b>	17-Jan-14	21-Feb-14	25-Apr-14	16-May-14	18-Jul-14	12-Sep-14	21-Nov-14
Randall Effner	\$17.60	\$17.60	\$17.60	\$17.60	\$17.60	\$17.60	\$17.60
Jamie O'Brien	\$280.73	\$280.73	\$267.22	\$272.73	\$285.73	\$254.22	\$272.73
Michael Vargo	\$24.64	--	\$24.64	\$24.64	\$24.64	\$24.64	\$24.64
JP Kane	--	\$30.80	\$30.80	\$30.80	\$30.80	\$30.80	\$30.80
Angela Zirkelbach	--	\$16.72	--	--	--	\$16.72	--
Gregory Coy	--	--	--	--	--	--	--
<b>Monthly Totals</b>	<b>\$322.97</b>	<b>\$345.85</b>	<b>\$340.26</b>	<b>\$345.77</b>	<b>\$358.77</b>	<b>\$343.98</b>	<b>\$345.77</b>
<b>Total Travel Costs</b>	<b>\$2,403.37</b>						

<b>Board Member Per Diem Payments</b>	17-Jan-14	21-Feb-14	25-Apr-14	16-May-14	18-Jul-14	12-Sep-14	21-Nov-14
Randall Effner	\$50.00	\$50.00	\$50.00	\$50.00	--	--	--
Jamie O'Brien	\$50.00	\$50.00	\$50.00	\$50.00	--	--	--
Michael Vargo*	\$50.00	--	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
JP Kane	--	\$50.00	\$50.00	\$50.00	--	--	--
Angela Zirkelbach	\$50.00	\$50.00	\$50.00	\$50.00	--	--	--
Gregory Coy	--	--	--	--	--	--	--
<b>Monthly Totals</b>	<b>\$200.00</b>	<b>\$200.00</b>	<b>\$250.00</b>	<b>\$250.00</b>	<b>\$50.00</b>	<b>\$50.00</b>	<b>\$50.00</b>
<b>Per Diem Total</b>	<b>\$1,050.00</b>	<i>*As of 12/11/14, Vargo was the only member to complete per diem forms.</i>					

<b>Court Reporter Costs</b>	17-Jan-14	21-Feb-14	25-Apr-14	16-May-14	18-Jul-14	12-Sep-14	21-Nov-14
Circle City Court Reporters	\$135.00	\$190.00	\$180.00	\$90.00	\$90.00*	\$270.00*	\$202.50
<b>Total for Court Reporters</b>	<b>\$1,157.50</b>	<i>*Costs were paid from the Accountancy Investigative Dedicated Fund.</i>					

<b>TOTAL Board Operations Costs for 2014</b>	<b>\$4,610.87</b>
--	-------------------

**(B) State Board of Registration for Architects and Landscape Architects**

- 1. Identify the functions, powers, and duties of the regulated occupation and the board, including any functions, powers or duties that are inconsistent with current or projected practice of the occupation.**

Definition of the Practitioner

**IC 25-4-1-17: Acts constituting practice of architecture**

*Sec. 17. The practice of architecture is the performance of professional services embracing the safe, healthful, scientific, aesthetic or orderly coordination of the planning, designing, erection, alteration or enlargement of any public or private building or buildings, structure or structures, project or projects, or any part thereof, or the equipment or utilities thereof or the accessories thereto, when such professional services require the application of the art and science of construction based upon the principles of mathematics, aesthetics, or the physical science acquired by education or training, and when such services are performed through the media of consultation, evaluation, investigation, preliminary study, plans, specifications, contract documents, or supervision of construction. Any one (1), or any combination of the foregoing services by a person shall constitute the practice of architecture. A building is any structure consisting of foundation, floors, walls, columns, girders, beams and roof, or a combination of any number of these parts, with or without other parts and appurtenances thereto.*

**IC 25-4-2-1: Landscape Architects**

*Sec. 1. (a) As used in this chapter, "board" means the board of registration for architects and landscape architects as established under IC 25-4-1-2.*

*(b) As used in this chapter, "landscape architecture" means the practice of professional services such as consultation, investigation, reconnaissance, research, planning, design, or responsible supervision to develop land areas for the dominant purpose of preserving, enhancing, or determining:*

- (1) proper land uses;*
- (2) natural land features;*
- (3) ground cover and planting;*
- (4) naturalistic and aesthetic values;*
- (5) the settings and approaches to structures or other improvements;*
- (6) the natural environment of a facility, an individual building, or other structure;*
- (7) site specific natural surface and subsoil drainage systems;*
- (8) landscape grading, swales, curbs, and walkways; and*
- (9) any inherent problems of the land relating to erosion, overuse, blight, or other hazards. The term includes the location and arrangement of the*



*proposed tangible objects and features that are incidental and necessary to accomplish the purposes of landscape architecture.*

### Establishment of the Board

In 1929, the State created an architect board. The statute establishing certification for landscape architects was added in 1981. It prohibited a practitioner from using the title “landscape architect” unless certified by the Board. In 1985, it was changed to a practice act, requiring that anyone practicing landscape architecture be registered, even if they don’t use that exact title under IC 25-4-1-2.

The State Board of Registration for Architects and Landscape Architects is currently comprised of eight members appointed by the governor: five members are registered architects who have had at least ten years of architectural practice; two are registered landscape architects who have had at least 10 years of landscape architectural practice; and one member is a consumer member. All appointments are made for three year terms. There are no limits to the number of terms an appointee can serve.

### Role of the Board

The Board’s primary functions are to review credentials for architect and landscape architect applicants, administer licenses to qualified individuals and implement administrative disciplinary actions against licensees who are not practicing according to the Board’s statutes and rules.

The Board also investigates the unlicensed practices of individuals and firms offering architecture and landscape architecture services in Indiana.

The Professional Licensing Agency leads in crafting legislation with input from the State Registration of Architects & Landscape Architects on related matters that work to benefit Hoosier consumers and Hoosier licensees in their industry.

---

Nothing was discovered that indicates the board or licensees are acting in a manner inconsistent with the current or projected practice of the occupation; however, recommendations are being made by the Committee to improve the regulatory management structure of the profession and how funds are utilized. Please see the Committee’s statement in No. 10 of this report for the recommendations and additional information.

## **2. Assess the structure and the management efficiency of the board and the Indiana Professional Licensing Agency.**

The Indiana State Board of Registration of Architects & Landscape Architects operates with one board director (BD), one assistant director (AD) and four customer service representatives (CSR). The starting salary for a CSR is \$22,724. The starting salary for an AD is \$33,748, and board directors start at \$41,574. Fringe benefits are in addition to these figures. The annual salary budget for all 6 employees is approximately \$166,218.

Of note, the BD and AD salaries are partially funded (10% of their annual salaries) by the Investigative Fund, which totals approximately \$7,532.00.

In factoring the costs to process licenses, it is important to recognize that the IPLA is an umbrella agency for 38 additional boards and commissions. The staffers working for the Indiana State Board of Registration of Architects & Landscape Architects also serve other boards. Specifically, “Group 10” includes Architects/Landscape Architects, Professional Engineers, Land Surveyors, Athletic Trainers and Private Investigators/Security Guards. These boards and the composition of each group are assigned by the agency director.

The agency’s executive staff also provides services to the entire agency and should be considered in this analysis. This includes the executive director, deputy director, chief legal counsel, staff attorney, communications director, legislative director, controller, controller staff, IT director and IT staff. The cost of administering and managing these licenses would be even higher when factoring in the attorney general’s office, which includes their expenses of Advisory Counsel to the Board, prosecution and senior management from both advisory and litigation.

**3. Assess the regulated occupation's and the board's ability to meet the objectives of the General Assembly in licensing the regulated occupation.**

The IPLA and the Indiana State Board of Registration of Architects & Landscape Architects have met the standards and statutes imposed by the General Assembly in providing adequate service to the architecture profession and its licensees. Based on the information provided to the Committee, recommendations were submitted. The policy statement from the Committee is No. 10 regarding the operational structure of the agency and the board.

**4. Assess the fees that the board charges for licenses.**

The IPLA has a General Fund appropriation that is not board specific and is used to support the agency’s operations for all 38 of its licensing boards and commissions. Licensing fees are not dedicated to the profession. The State Board of Registration of Architects & Landscape Architects does have an “Investigative Fund,” and the Committee finds it persuasive for the fees being

paid into the account to be reviewed by the Board given that much of the fund is underutilized. An assessment of the fees charged by the Board is as follows:

**Application by Examination - \$170**

**Application by Reciprocity**

Reciprocity applicants are candidates who have been licensed as an architect/landscape architect in another state, which may or may not be substantially equivalent. The application varies whether they are reciprocating their license with or without National Council of Architectural Registration Boards (NCARB) or Council of Landscape Architectural Registration Boards (CLARB).

a.) Reciprocity *with* NCARB or CLARB - **\$220**

b.) Reciprocity *without* NCARB or CLARB - **\$520**

**Renewal 12/31/odd year - \$120**

**Reinstatement after 3 or less years - \$170**

**Reinstatement after 3 or more years - \$340**

**Professional Corporation Application Fee - \$25**

*According to the Indiana Chapter of the American Society of Landscape Architects (INASLA), the biennial fee for a landscape architect license is consistent with the national average of \$110.*

—

Investigative Fund established by IC 25-4-1-32,

*Sec. 32. (a) The registered architects and registered landscape architects investigative fund is established to provide funds for administering and enforcing the provisions of this article, including investigating and taking enforcement action against violators of this article. The fund shall be administered by the attorney general and the Indiana professional licensing agency...*

*(e) Money in the fund is continually appropriated for use by the attorney general and the Indiana professional licensing agency to administer and enforce the provisions of this article and to conduct investigations and take enforcement action against persons violating the provisions of this article.*

Since the creation of the fund in October 2012, \$73,540 has been paid into the fund and \$16,967 has been paid out.

- a) Monies paid in to the fund may include those paid by licensees (for example, the \$120.00 renewal fee is broken down so that \$100.00 of that fee goes towards the PLA's general fund while \$20.00 goes towards the enforcement fund) and monies from civil penalties.
- b) Monies going out of the fund include salary costs, fringe, supplies, out-of-state travel, registration and dues, IOT fees, tech support, postage, and an HR service fee. Projected costs for 2015, all of these fees combined to cost roughly \$34,124.

**5. List the number of individuals who are licensed in the regulated occupation.**

To date, the total number of active licenses with the State Board of Registration of Architects & Landscape Architect is **3793**.

**Architects**

*- Required for anyone practicing architect services in the State of Indiana*

- a.) 3286 active licenses in Indiana
- b.) 142 new licenses issued since January 1, 2014 (beginning of renewal cycle)

**Landscape Architects**

*- Required for anyone practicing landscape architect services in the State of Indiana*

- a.) 411 active licenses in Indiana
- b.) 24 new licenses issued since January 1, 2014 (beginning of new renewal cycle)

**Architect Professional Corporation**

*- Required by businesses that fall under the professional corporation description (IC 23-1.5-2 and IC 23-1.5-2-3(a)(2))*

- a.) 96 active corporate licenses

**6. Provide the budget and other fiscal factors for regulating the regulated occupation, including the actual cost of administering license applications, renewals and issuing licenses.**

The IPLA has a General Fund appropriation that is not board specific. The General Fund appropriation is used to support the agency operations for 38 licensing boards and staff. Licensing fees, as outlined in No. 4 of this report, are not dedicated to the profession. Indiana State Board of Registration of Architects & Landscape Architects does have an Investigative Fund (IC 25-4-1-32), and the Committee finds it persuasive for the fees being paid into the account to be reviewed by the Board given that much of the fund is underutilized. Of the \$73,540 collected from licensing fees, only \$16,967 has been spent. The fund pays for salary costs, fringe, supplies, out-of-state travel, registration and dues,

IOT fees, tech support, postage, and an HR service fee. The specific fee of \$20 could be reduced or use of the fund increased by the agency. The statutes in place grant enough flexibility where a legislative fix should not be necessary.

To review the staffing costs associated with administering licenses and renewals for the State Board of Registration of Architects & Landscape Architects, please see No. 2. For the costs associated with having the Board and paying per diem, travel and court reporters for board meetings, please see the last page of this section after the recommendation from the Committee.

**7. Provide an assessment of the effect of the regulated occupation on the state's economy, including consumers and businesses.**

*(According to the American Institute of Architects)*

The health of the economy is tied to the building sector. When the building sector expands, it positively impacts every other U.S. sector and industry. Virtually every U.S. industry – from steel, concrete, insulation, mechanical and electrical equipment, solar systems, glass, wood, metals, tile, fabrics, engineering, banking, development, real estate, manufacturing, construction, wholesale, retail and distribution – depends on the demand for products and services generated by the construction industry.

Architecture is the leading edge of the construction industry that accounts for one in nine dollars of Gross Domestic Product. Every \$1 million invested in building design and construction yields 28.5 full-time jobs. When a client hires an architect, 30 additional jobs are created to build what the architects design.

Architecture is a small business profession: more than 97 percent of architecture firms employ 50 or fewer people. Many are sole practitioners.

Average salaries at firms range from around \$150,000 for firm leaders to \$40,000 for new hires. Most firms offer a salary increase to employees when they become licensed.

The licensure of architects and landscape architects is based on a national licensing model which is integrally related to educational standards as defined and accredited by NAAB/LAAB, minimum levels of work experience (Intern Development Program) as determined by NCARB/CLARB, and the completion and passing of testing parameters (Architect Registration Examination) set by NCARB/CLARB. However, none of these agencies is involved in the granting of licenses to individuals, but serve mainly as the repository of information about candidates seeking licensure and professionals granted licenses by the individual States. The Indiana Board of Licensure for Architects and Landscape Architects is served by these organizations in the licensing of both professions. State licensing

rules and statutes are based upon this relationship and unilateral changing would cause undo hardships for those practicing architecture and landscape architecture in the State of Indiana. The State has greatly benefitted from this symbiotic relationship by greatly reduced administrative cost.

---

*(According to the Indiana Chapter of the American Society of Landscape Architects)*

Landscape Architects bring more the state's economy than the traditional 'curb appeal' that is typically associated with landscapes. As with architecture, landscape architecture is the leading edge of the construction industry. With projects ranging from community planning and design, to transportation planning, to park and recreation design, landscape architects plan much of the built environment.

Following are a few points relating specifically to economics tied to transportation issues, especially pedestrian/bicycle infrastructure:

Communities with walkable streets and sidewalks have higher real estate values. A recent study, *Walking the Walk: How Walkability Raises Home Values in U.S. Cities*, showed that houses with the above average levels of walkability command a premium of about \$4,000 - \$34,000 over houses with just average levels of walkability.

Bicycle and pedestrian projects are helping provide economic development to local economies as well as state-wide economies. For example, the state of New Jersey recently calculated that in total, active transportation-related infrastructure, businesses, and events were estimated to have contributed \$497.46 million to the New Jersey economy in 2011, which was nearly eight times the estimated \$63 million invested in infrastructure that year.

Active transportation projects create jobs: A study conducted by the Political Economy Research Institute found that for each \$1 million spent on bike lanes, approximately 14 jobs are created. Compare this to \$1 million spent on road repair work that generated about seven jobs.

Increasingly, small towns and rural communities need more bicycle and walking projects. Between 6.9 percent – 9.6 percent of all trips are made by biking and walking. A recent study, *Active Transportation Beyond Urban Centers: Walking and Biking in Small Towns and Rural America*, demonstrates that rural communities increasingly want more walkable and bicycle-friendly communities to attract businesses and tourism and attract and retain much-needed workers.

The average salary for landscape architecture professionals is \$71,100 according to a 2010 national survey by the American Society of Landscape Architects (ASLA). The average salary for licensed landscape architects is \$77,700 – representing 73 percent of all respondents. The average salary of those without a license is \$52,700.

**8. Assess the necessity, burden and alternatives to the licenses issued by the board.**

Architects and landscape architects are regulated in all other states. The Committee did not find that Indiana’s licensing requirements and structure to be burdensome for licensees, but the Board should review the fee structure. The fee structure should not be a disincentive for possible entrants into the profession nor an unnecessary form of taxation required of those in the industry. Indiana’s licensing fees are about average when compared to other states for the architecture and landscape architecture industries.

Alternatives to the licensing structures currently in place were discussed, but the Committee does not see a more efficient avenue to administratively handle the workload to license architects and landscape architects in Indiana. The associations were not in favor of taking on current PLA duties. The Committee does see landscape architecture as a good candidate for the self-certification registry which is outlined in the recommendation for No. 10.

**9. List any other criteria identified by the Committee.**

The Indiana Chapter of the American Society of Landscape Architects (INASLA) is a non-profit organization consisting of nearly 200 members. The INASLA Executive Committee is comprised solely of volunteers. Landscape Architects are designers of outdoor and public spaces to achieve safe, environmental, socio-behavioral, and/or aesthetic outcomes. Landscape Architects involve the systematic investigation of existing social, ecological, and geological conditions and processes in the landscape, and the design that will produce a desired outcome. The scope of the profession includes: urban planning and design; parks and recreational planning; environmental restoration; visual resource management; green infrastructure planning and provision; private residential design planning; all at varying scales of design, safety and management.

During the JCC meeting, it was noted that due to economic conditions, internship opportunities in the architecture and landscape architecture fields was limited. Jason Shelley with AIA acknowledged that the association was aware of the problem. He noted that (from the meeting minutes):

“Recessions hit this industry hard since construction slows when the economy is bad, so without new construction, fewer architects

are needed. NCARB and AIA are very concerned about the age of current licensees in the profession, as approximately 50% of AIA members and NCARB subscribers will be retiring in the next ten years. There might be a nation-wide shortage of architects on the horizon.”

When asked by the Committee whether the internship requirement was possibly limiting the entrance of architects, AIA thought that it could be a restrictor, but the industry couldn’t afford to lower licensure standards without jeopardizing public safety.

- 10. Include any recommendations for legislation, including whether: the regulation of a regulated occupation should be modified; the board should be combined with another board; or whether the board or the regulation of the regulated occupation should be terminated; whether a license should be eliminated; or whether multiple licenses should be consolidated into a single license. The report should also include any recommendations for administrative changes and information that supports the Committee's recommendations. This section does not apply to fees that support dedicated funds. After the Committee has reviewed and evaluated a regulated occupation and board, the Committee shall provide the agency and the board that is the subject of the Committee's evaluation with recommendations for fees that the board should charge for application fees, renewal fees, and fees to issue licenses. The recommendation for fees must comply with the requirements under IC 25-1-8-2. However, the recommendation must not exceed the lesser of either one hundred dollars (\$100) or the actual administrative cost to process the application or renew or issue the license.**

This is the Job Creation Committee’s policy statement for the State Board of Registration for Architects and Landscape Architects and the regulation of the architecture field:

*The Job Creation Committee recommends that Indiana continue to license architects as an important means to protect the public health, safety and welfare of Hoosiers, but the Committee does not recommend the continued licensure of landscape architects. Architects are regulated in all U.S. states and continuing to license these practitioners is important for reciprocity.*

*For landscape architects, there is sufficient competition in the marketplace and high education standards necessary to be hired by a private sector business, where the threat to public safety and need for government involvement is low. The scope of practice for the profession also does not justify the need for the most burdensome regulatory mechanism of licensure, which limits entrants into the marketplace and creates more bureaucratic red tape for practitioners to navigate through before being employed.*



*If licensure was eliminated for landscape architects by the General Assembly, the Job Creation Committee sees the Indiana Chapter of the American Society of Landscape Architects as an excellent candidate to apply to the self-certification registry.*

*The Committee found that the current licensing board structure is appropriate for the profession, and the field of architecture need not combine with another licensing board. If landscape architects were no longer licensed in Indiana, the need for the combined board structure would not be necessary and only architects need serve on the board. The licensing board should continue to enforce licensure law and discipline licensees who violate license law and that those cases are prosecuted by the Indiana Attorney General's Office.*

*The Committee further recommends that the Board look into the required fees being paid by licensees as Indiana should be a model for efficient and limited governance. Reducing the barriers to entry for these professions would be ideal given the aging demographic, but it should not come at the sacrifice of public safety.*

*The Investigative Fund (IC 25-4-1-32) should be evaluated more comprehensively as these funds are not being fully utilized. Of the \$73,540 collected from licensing fees, only \$16,967 has been spent. The additional fees specific to the Investigative Fund should be lowered or the use of the fund increased. The AIA testified in favor of expanded enforcement capabilities. The Committee recommends that the Attorney General's office continue to lead such efforts in conjunction with the IPLA. The Board should not have the authority to pursue the unlicensed practice of architecture in Indiana.*

## State Board of Registration for Architects and Landscape Architects Costs

<b>Board Member Travel Reimbursements</b>	<b>8-Jan-14</b>	<b>12-Mar-14</b>	<b>14-May-14</b>	<b>9-Jul-14</b>	<b>12-Nov-14</b>
Les Smith	\$48.40	\$48.40	\$48.40	\$48.40	\$48.40
Debra Schmucker	\$18.48	--	\$18.48	\$18.48	\$18.48
Dale Stickel	\$278.09	\$291.09	--	\$291.09	\$268.08
Daniel Weinheimer	\$14.96	\$14.96	\$14.96	\$14.96	\$14.96
Hal Kovart	\$251.69	--	\$98.56	\$98.56	\$98.56
Dave Rausch	\$14.08	\$14.08	--	\$14.08	\$14.08
Jerome Eide	--	--	\$274.57	\$121.44	--
Richard Fetz	\$12.32	--	\$12.32	--	\$12.32
Todd Scroggins (New Member)	--	--	--	--	--
<b>Monthly Totals</b>	<b>\$638.02</b>	<b>\$368.53</b>	<b>\$467.29</b>	<b>\$607.01</b>	<b>\$474.88</b>
<b>Total Travel Costs</b>	<b>\$2,555.73</b>				

<b>Board Member Per Diem Payments</b>	<b>8-Jan-14</b>	<b>12-Mar-14</b>	<b>14-May-14</b>	<b>9-Jul-14</b>	<b>12-Nov-14</b>
Les Smith	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
Debra Schmucker	\$50.00	--	\$50.00	\$50.00	\$50.00
Dale Stickel	\$50.00	\$50.00	--	\$50.00	\$50.00
Daniel Weinheimer	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
Hal Kovart	\$50.00	--	\$50.00	--	--
Dave Rausch	\$50.00	\$50.00	--	--	--
Jerome Eide	--	--	\$50.00	--	--
Richard Fetz	\$50.00	--	\$50.00	--	--
Todd Scroggins	--	--	--	--	--
<b>Monthly Totals</b>	<b>\$350.00</b>	<b>\$200.00</b>	<b>\$300.00</b>	<b>\$200.00</b>	<b>\$200.00</b>
<b>Per Diem Total</b>	<b>\$1,250.00</b>				

*As of 12/31/2014, only four members completed their per diem paperwork to be paid following 7/1/2014.*

<b>Court Reporter Costs</b>	<b>8-Jan-14</b>	<b>12-Mar-14</b>	<b>14-May-14</b>	<b>9-Jul-14</b>	<b>12-Nov-14</b>
Circle City Court Reporters	\$90.00	\$90.00	\$90.00	\$90.00	--
<b>Total for Court Reporters</b>	<b>\$360.00</b>				

*The July 2014 court reporter costs were paid from the Architect and Landscape Architect Investigative Fund. Future invoices are to be paid from this dedicated fund.*

<b>Dues and Subscription Costs</b>	<b>FY 2014</b>	<b>FY 2015</b>
CLARB	\$5,485.00	\$10,985.00
NCARB	\$11,000.00	\$11,000.00
<b>Total</b>	<b>\$16,485.00</b>	<b>\$21,985.00</b>

*The Subscription costs are paid for using the Investigative Fund.*

<b>TOTAL Board Operations Costs for 2014</b>	<b>\$20,650.73</b>
--	--------------------

**(C) Home Inspector Licensing Board**

- 1. Identify the functions, powers, and duties of the regulated occupation and the board, including any functions, powers or duties that are inconsistent with current or projected practice of the occupation.**

Definition of the Practitioner

**IC 25-20.2-1-1: Application of article; exclusions**

*Sec. 1. (a) This article applies to an individual who conducts home inspections for compensation.*

*(b) This article does not apply to the following:*

*(1) An individual who is acting within the scope of the individual's employment as:*

*(A) a code enforcement official for the state or a political subdivision of the state; or*

*(B) a representative of a state or local housing agency or authority acting under the authority of the United States Department of Housing and Urban Development.*

*(2) An individual who is:*

*(A) either:*

*(i) registered as an architect under IC 25-4;*

*(ii) registered as a professional engineer under IC 25-31; or*

*(iii) licensed as a plumbing contractor or journeyman plumber under IC 25-28.5; and (B) acting within the scope of the individual's registration or license.*

*(3) An individual who is licensed under IC 25-34.1 as a real estate broker and is acting within the scope of the individual's license.*

*(4) An individual who is licensed or certified under IC 25-34.1 as a real estate appraiser and is acting within the scope of the individual's license or certificate.*

*(5) An individual who holds a certificate of authority under IC 27-1-27-2 as a public adjuster and is acting within the scope of the individual's certificate.*

*(6) An individual who holds a permit, certificate, or license to:*

*(A) use and apply pesticides; or*

*(B) make diagnostic inspections and reports for wood destroying pests; under IC 15-16-5 and is acting within the scope of the individual's certificate or license.*

*(7) An individual who holds a license from a political subdivision as a tradesperson or home builder and is acting within the scope of the individual's license.*

## **IC 25-20.2-2-6: "Home inspection"**

*Sec. 6. "Home inspection" means a visual analysis for the purpose of providing a professional opinion of the condition of a residential dwelling and the dwelling's carports or garages, any reasonably accessible installed components, and the operation of the dwelling's systems, including any controls normally operated by the owner of the dwelling, for the following components:*

- (1) Heating systems.*
- (2) Cooling systems.*
- (3) Electrical systems.*
- (4) Plumbing systems.*
- (5) Structural components.*
- (6) Foundations.*
- (7) Roof coverings.*
- (8) Exterior and interior components.*
- (9) Attic spaces.*
- (10) Basement or crawl space, if any.*
- (11) Any other site aspects that affect the residential dwelling.*

*The term does not include a code compliance inspection.*

### **Establishment of the Board**

In 2003, the State created the Home Inspector Licensing Board. The Board is comprised of seven members appointed by the governor: four members are Indiana licensed home inspectors actively engaged in the practice for at least 5 years prior to appointment; one member is a home builder actively engaged in the practice for at least 5 years prior to appointment; one member is a licensed real estate broker actively engaged in the practice for at least 5 years prior to appointment; and one member serves as a consumer (IC 25-20.2-3-2).

Each member serves on three year terms and cannot serve more than six consecutive years (IC 25-20.2-3-3).

### **Role of the Board**

The Board's primary functions are to review credentials for home inspector applicants, administer licenses to qualified individuals and implement administrative disciplinary actions against licensees who are not practicing according to the Board's statutes and rules.

The Board also investigates the unlicensed practices of individuals offering home inspection services in Indiana.

The Professional Licensing Agency leads in crafting legislation with input from the Home Inspector Licensing Board on related matters that work to benefit Hoosier consumers and Hoosier licensees in their industry.

---

Nothing was discovered that indicates the board or licensees are acting in a manner inconsistent with the current or projected practice of the occupation; however, recommendations are being made by the Committee to change the regulatory management structure of the profession. Please see the Committee's statement in No. 10 of this report for the recommendations and additional information.

**2. Assess the structure and the management efficiency of the board and the Indiana Professional Licensing Agency.**

The Home Inspector Licensing Board operates with one board director (BD), one assistant director (AD) and four customer service representatives (CSR). The starting salary for a CSR is \$22,724. The starting salary for an AD is \$33,748, and board directors start at \$41,574. Fringe benefits are in addition to these figures. The annual salary budget for all 6 employees is approximately \$166,218.

In factoring the costs to process licenses, it's important to recognize that the IPLA is an umbrella agency for 38 additional boards and commissions. The staffers working for the Home Inspector Licensing Board also serve other boards. Specifically, "Group 9" includes the Indiana Real Estate Commission, Manufactured Home Installer Licensing Board, Indiana Auctioneer Commission and Real Estate Appraiser Licensure & Certification Board. These boards and the composition of each group are assigned by the agency director.

The agency's executive staff also provides services to the entire agency and should be considered in this analysis. This includes the executive director, deputy director, chief legal counsel, staff attorney, communications director, legislative director, controller, controller staff, IT director and IT staff. The cost of administering and managing these licenses would be even higher when factoring in the attorney general's office, which includes their expenses of Advisory Counsel to the Board, prosecution and senior management from both advisory and litigation.

**3. Assess the regulated occupation's and the board's ability to meet the objectives of the General Assembly in licensing the regulated occupation.**

The IPLA and the Home Inspector Licensing Board have met the standards and statutes imposed by the General Assembly in providing adequate service to the home inspector profession and its licensees. Based on the information provided to the Committee, recommendations were submitted. The policy statement from the

Committee is No. 10 regarding the operational structure of the agency and the board. The Committee is proposing changes to the how this profession is regulated.

**4. Assess the fees that the board charges for licenses.**

The IPLA has a General Fund appropriation that is not board specific and is used to support the agency's operations for all 38 of its licensing boards and commissions. Licensing fees are not dedicated to the profession. An assessment of the fees charged by the Board is as follows:

<b>Application for licensure as a home inspector</b>	<b>\$450</b>
<b>Biennial home inspector license renewal fee</b>	<b>\$400</b>
<b>Application for Pre-licensing course provider</b>	<b>\$500</b>
<b>Biennial Pre-licensing course provider renewal fee</b>	<b>\$500</b>
<b>Application for continuing education provider</b>	<b>\$500</b>
<b>Biennial continuing education provider renewal fee</b>	<b>\$500</b>
<b>Reinstatement of expired home inspector license (under 3 years)</b>	<b>\$450</b>
<b>Reinstatement of expired home inspector license (over 3 years)</b>	<b>\$900</b>
<b>Activation of retired license</b>	<b>\$400</b>

*This Board currently has the highest fees of any board overseen by the IPLA. Testimony delivered by Danny Maynard of the Indiana Chapter of the American Society of Home Inspectors (INASHI) stated that the fees were set at such a level to keep "hobbyists out of the marketplace." The agency and the board have since started the process of lowering the application fee to \$50. This is expected to go into effect before 2016.*

**5. List the number of individuals who are licensed in the regulated occupation.**

**Home Inspectors**

- a.) 640 active licenses in Indiana
- b.) 23 retired licenses
- c.) 61 new licenses issued in 2012
- d.) 96 new licenses issued in 2013
- e.) 96 new licenses issued in 2014

**6. Provide the budget and other fiscal factors for regulating the regulated occupation, including the actual cost of administering license applications, renewals and issuing licenses.**

The IPLA has a General Fund appropriation that is not board specific. The General Fund appropriation is used to support the agency operations for 38 licensing boards and staff. Licensing fees, as outlined in No. 4 of this report, are not dedicated to the profession.

To review the staffing costs associated with administering licenses and renewals for the Home Inspector Licensing Board, please see No. 2. For the costs associated with having the Board and paying per diem, travel and court reporters for board meetings, please see the last page of this section after the recommendation from the Committee.

**7. Provide an assessment of the effect of the regulated occupation on the state's economy, including consumers and businesses.**

*According to the American Society of Home Inspectors*, home inspections started in the mid-1970s and consumer demand for the service has been growing. Further, ASHI estimates that 77 percent of the homes sold in the United States and Canada today are inspected prior to purchase.

Danny Maynard, Executive Director for the Indiana Chapter of the American Society for Home Inspectors, stated the benefits to licensing home inspectors as:

- 1) Known Standards of Practice
- 2) Established Code of Ethics
- 3) Uniform Reporting Writing Standards
- 4) Pre-Licensing Training (higher education attainment to practice)
- 5) Competency Testing
- 6) Registration and Approval of Pre-Licensing Educational Providers.
- 7) Continuing Education Requirements

It was also noted as a positive economic effect that there are relatively few complaints against home inspectors. According to the Attorney General's Office, there were 19 complaints filed against home inspectors in 2014. Of all the complaints received by the Attorney General's office since 2008, 54 percent have resulted in no violation found. Of the cases that move to litigation, an overwhelming majority result in either no sanction, reprimand by the board or a warning letter.

According to the U.S. Bureau of Labor Statistics (BLS), in May 2012 construction and building inspectors had a median annual wage of \$53,450 ([www.bls.gov](http://www.bls.gov)). The



lowest ten percent of salaries reported were \$32,050 or under, while those in the highest ten percent made \$83,760 or more a year, according to the BLS. PayScale.com reported in January 2014 that most home inspectors earned between \$25,223 and \$86,831 annually. The lowest mean pay range was \$27,730-\$46,860 and was found in states that included South Dakota, Maine, Indiana, Tennessee, Oklahoma and Idaho.

While the importance of a home inspection prior to purchase should not be understated by the Committee, there is not a compelling economic reason for the state's regulatory involvement in this industry. It is the opinion of the Committee that real estate professionals will continue to suggest and consumers demand home inspections prior to purchasing a home. There is sufficient information available for the public to make an informed decision, not warranting government involvement to aid consumers in their decision-making or to maintain a consistent set of standards for practitioners.

**8. Assess the necessity, burden and alternatives to the licenses issued by the board.**

It is the Committee's opinion that licensure and the currently required fees to be a home inspector in Indiana serve as an unduly burden to practitioners and increase the barriers to entry. Requiring practitioners to pay \$450 to be a home inspector amounts to more than a 1 income percent tax on that individual's practice. The fee structure should not be a disincentive for possible entrants into the profession nor an unnecessary form of taxation required of those in the industry. The fees should fund state, administrative costs instead of serving as a revenue generator for the state and a major obstacle for potential and current practitioners in the private sector.

Alternatives to the licensing structures currently in place for home inspectors were discussed, and the Committee finds them persuasive. A voluntary system, such as the self-certification registry, would be a more appropriate regulatory avenue for the state and this profession versus licensing.

**9. List any other criteria identified by the Committee.**

None.

**10. Include any recommendations for legislation, including whether: the regulation of a regulated occupation should be modified; the board should be combined with another board; or whether the board or the regulation of the regulated occupation should be terminated; whether a license should be eliminated; or whether multiple licenses should be consolidated into a single license. The report should also include any recommendations for administrative changes and information that supports the Committee's**

**recommendations. This section does not apply to fees that support dedicated funds. After the Committee has reviewed and evaluated a regulated occupation and board, the Committee shall provide the agency and the board that is the subject of the Committee's evaluation with recommendations for fees that the board should charge for application fees, renewal fees, and fees to issue licenses. The recommendation for fees must comply with the requirements under IC 25-1-8-2. However, the recommendation must not exceed the lesser of either one hundred dollars (\$100) or the actual administrative cost to process the application or renew or issue the license.**

This is the Job Creation Committee's policy statement for the Home Inspector Licensing Board and the regulation of the home inspector field:

*The Job Creation Committee recommends that the State of Indiana no longer require the licensing of home inspectors and eliminate the Home Inspector Licensing Board. There was little evidence to suggest that the State should be the main regulating authority for the profession. The health, safety and well-being of Hoosiers is not endangered by negligent practitioners, nor is the work completed by home inspectors necessary for real estate transactions. It is a choice made by the buyer and seller as a condition of the transaction.*

*There is sufficient competition in the marketplace, numerous education providers, two main national trade organizations that develop standards of practice and offer educational opportunities and sufficient opportunities for resolution in civil court for dissatisfied consumers. There are also significant barriers to entry into this profession and extreme costs and fees for both pre-licensing and continuing education. Moreover, since the board's inception, there have been minimal disciplinary cases, indicating little to no consumer harm. Also of importance, the typical customer for a home inspector is a real estate licensee, who is not an uninformed consumer.*

## Indiana Home Inspector Licensing Board Costs

<b>Board Member Travel Reimbursements</b>	<b>11-Mar-14</b>	<b>15-Jul-14</b>	<b>2-Dec-14</b>
Mark Genung	\$7.92	\$7.92	\$7.92
John Hatfield	\$188.32	\$188.32	\$359.45
John Longenecker	\$149.96	\$146.96	\$146.96
Phillip Thornberry	\$0.00	\$0.00	\$0.00
Paul Shoopman	\$0.00	\$0.00	\$0.00
<b>Monthly Totals</b>	<b>\$346.20</b>	<b>\$343.20</b>	<b>\$514.33</b>
<b>Total Travel Costs</b>	<b>\$1,203.73</b>		

<b>Board Member Per Diem Payments</b>	<b>11-Mar-14</b>	<b>15-Jul-14</b>	<b>2-Dec-14</b>
Mark Genung	\$50.00	---	\$50.00
John Hatfield	\$50.00	---	---
John Longenecker	\$50.00	\$50.00	\$50.00
Phillip Thornberry	---	---	---
Paul Shoopman	---	---	---
<b>Monthly Totals</b>	<b>\$150.00</b>	<b>\$50.00</b>	<b>\$100.00</b>
<b>Per Diem Total</b>	<b>\$300.00</b>		

*As of Dec. 2014, only two board members had completed the paper work necessary to receive per diem payments.*

<b>Court Reporter Costs</b>	<b>11-Mar-14</b>	<b>15-Jul-14</b>	<b>2-Dec-14</b>
Accurate Reporting of Indiana	\$150.00	\$150.00	---
<b>Total for Court Reporters</b>	<b>\$300.00</b>		

<b>TOTAL Board Operations Costs for 2014</b>	<b>\$1,803.73</b>
--	-------------------

**(D) State Board of Registration for Professional Engineers**

- 1. Identify the functions, powers, and duties of the regulated occupation and the board, including any functions, powers or duties that are inconsistent with current or projected practice of the occupation.**

Definition of the Practitioner

**IC 25-31-1-2: Definition of Engineering**

*Sec. 2. As used in this chapter:*

*(b) "Professional engineer" means an individual who, by reason of that individual's special knowledge of the mathematical and physical sciences and the principles and methods of engineering analysis and design which are acquired by education and practical experience, is qualified to engage in the practice of engineering as attested by that individual's registration as a professional engineer.*

*(c) "Engineering intern" means an individual who:*

*(1) is a graduate from an approved engineering curriculum of four (4) years or more or who has acquired, through engineering education and experience in engineering work, knowledge and skill approximating that obtained by graduation in an approved engineering curriculum of four (4) years or more;*

*(2) has successfully passed an examination as prescribed in section 14 of this chapter; and*

*(3) has been issued by the board an appropriate certificate of enrollment as an engineering intern.*

*(d) "Practice of engineering" means any service or creative work that the adequate performance of requires engineering education, training, and experience in the application of special knowledge of the mathematical, physical, and engineering sciences to services or creative work that includes the following:*

*(1) Consultation.*

*(2) Investigation.*

*(3) Evaluation.*

*(4) Planning, including planning the use of land and water.*

*(5) The design of or the supervision of the design of engineering works and systems.*

*(6) Engineering surveys and studies or the supervision of engineering surveys and studies, including all surveying activities required to support the sound conception, planning, design, construction, maintenance, and operation of engineered projects, but not including the surveying of real property for the establishment of land boundaries, subdivisions, rights-of-*

*way, easements, and the dependent or independent surveys or resurveys of the public land survey system.*

*(7) Evaluation of construction for the purpose of assuring compliance with specifications, plans, and designs, in connection with any public or private utilities, structures, buildings, machines, equipment, processes, work systems, or projects.*

### Establishment of the Board

In 1935, the State of Indiana required that engineers be licensed. It was a combined Board charged with regulating both the practice of engineering and the practice of land surveying. In 1991, the State Board of Registration for Land Surveyors was established, and the State Board of Registration for Professional Engineers began hearing cases solely involving the engineering profession. The makeup of the board is outlined in statute below:

### **IC 25-31-1-3: State board of registration for professional engineers**

*Sec. 3. (b) The board consists of seven (7) members, six (6) of whom shall be registered professional engineers.*

*(c) One (1) member must be appointed to represent the general public who is:*

*(1) a resident of this state; and*

*(2) not associated with professional engineering other than as a consumer.*

*(d) All members of the board shall be appointed by the governor.*

*(e) Six (6) professional engineer members shall be appointed to the board and shall at the time of appointment consist of:*

*(1) one (1) member from industry;*

*(2) one (1) member from government;*

*(3) one (1) member from education;*

*(4) two (2) members from private practice; and*

*(5) one (1) member at large.*

*(f) A person appointed as a professional engineer member of the board must:*

*(1) be a citizen of the United States;*

*(2) have been a resident of this state for a period of at least five (5) years immediately before the time of the member's appointment;*

*(3) be registered as a professional engineer and must have been engaged in the lawful practice of engineering for at least twelve (12) years; and*

*(4) have been in responsible charge of engineering work or engineering teaching for at least five (5) years.*

*(g) Every member of the board shall be appointed for a term of four (4) years and shall serve until the member's successor is appointed and qualified.*

### Role of the Board

The Board's primary functions are to review credentials for professional engineer applicants, administer licenses to qualified individuals and implement administrative disciplinary actions against licensees who are not practicing according to the Board's statutes and rules.

The Board also investigates the unlicensed practices of individuals offering engineering services in Indiana.

The Professional Licensing Agency leads in crafting legislation with input from the State Board of Registration for Professional Engineers on related matters that work to benefit Hoosier consumers and Hoosier licensees in their industry.

—

Nothing was discovered that indicates the board or licensees are acting in a manner inconsistent with the current or projected practice of the occupation; however, recommendations are being made by the Committee to change the regulatory management structure of the profession. Please see the Committee's statement in No. 10 of this report for the recommendations and additional information.

## **2. Assess the structure and the management efficiency of the board and the Indiana Professional Licensing Agency.**

The State Board of Registration for Professional Engineers operates with one board director (BD), one assistant director (AD) and four customer service representatives (CSR). The starting salary for a CSR is \$22,724. The starting salary for an AD is \$33,748, and board directors start at \$41,574. Fringe benefits are in addition to these figures. The annual salary budget for all 6 employees is approximately \$166,218.

In factoring the costs to process licenses, it's important to recognize that the IPLA is an umbrella agency for 38 additional boards and commissions. The staffers working for the State Board of Registration for Professional Engineers also serve other boards. Specifically, "Group 10" includes the State Board of Registration for Professional Surveyors, State Board of Registration for Architects and Landscape Architects, Indiana Athletic Trainers Board and Private Investigator and Security Guard Licensing Board. These boards, and the composition of each group, are assigned by the agency director.

The agency's executive staff also provides services to the entire agency and should be considered in this analysis. This includes the executive director, deputy

director, chief legal counsel, staff attorney, communications director, legislative director, controller, controller staff, IT director and IT staff. The cost of administering and managing these licenses would be even higher when factoring in the attorney general's office, which includes their expenses of Advisory Counsel to the Board, prosecution and senior management from both advisory and litigation.

**3. Assess the regulated occupation's and the board's ability to meet the objectives of the General Assembly in licensing the regulated occupation.**

The IPLA and the State Board of Registration for Professional Engineers have met the standards and statutes imposed by the General Assembly in providing adequate service to the home inspector profession and its licensees. Based on the information provided to the Committee, recommendations were submitted. The policy statement from the Committee is No. 10 regarding the operational structure of the agency and the board. The Committee is proposing changes to the how this profession is regulated.

**4. Assess the fees that the board charges for licenses.**

The IPLA has a General Fund appropriation that is not board specific and is used to support the agency's operations for all 38 of its licensing boards and commissions. Licensing fees are not dedicated to the profession. An assessment of the fees charged by the Board is as follows:

First-Time Indiana Professional Engineer Examination Applicants

- a.) The National Council of Examiners for Engineering and Surveying (NCEES) aids in the servicing of licenses.
  - i. NCEES develops, administers and scores the examinations used for engineering and surveying licensure. NCEES also promotes and facilitates professional mobility and uniformity of the licensure processes by supplying records, study materials, credential evaluations and exam administration.
  - ii. Annual NCEES membership dues \$6,500, which are paid by the IPLA.
- b.) Initial application candidates have an application fee payable to the Board. The application fee is \$300.00.

Comity applicants

- a.) Comity applicants are candidates who are or have been licensed as a professional engineer in another state, which may or may not be substantially equivalent.

b.) Comity application fee is \$500.00

Other associated fees

a.) Issuance fee

- i. August 1 of odd year through July 31 of even year – \$50.00
- ii. August 1 of even year through July 31 of odd year - \$100.00

b.) Renewal fee (3 years or less) = \$100.00

c.) Reinstatement fee (more than 3 years) = \$400.00

d.) Professional corporation application fee = \$25.00

**IC 25-31-1-35 Investigative fund; administration by attorney general and licensing agency; appropriation**

*Sec. 35. (a) The registered professional engineers and registered engineering interns investigative fund is established to provide funds for administering and enforcing the provisions of this article, including investigating and taking enforcement action against violators of this article. The fund shall be administered by the attorney general and the licensing agency.*

*(b) The expenses of administering the fund shall be paid from the money in the fund. The fund consists of money from the fee imposed upon registered professional engineers and registered engineering interns under section 9(b) of this chapter.*

*(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested*

Since the fund was created in 2005 by the General Assembly, the Board has never created rules to collect fees to use the fund. There is currently no money being collected or any money in the fund to be used.

**5. List the number of individuals who are licensed in the regulated occupation.**

**Engineer Intern** – a professional candidate learning the practice of professional engineer services in the State of Indiana

- a.) 23,464 active licenses in Indiana
- b.) 97 new licenses issued since August 1, 2014

**Professional Engineers** – required for anyone practicing professional engineer



services in the State of Indiana

- a.) 11,789 active licenses in Indiana
- b.) 325 new licenses issued since August 1, 2014

**Engineer Professional Corporation** – required by businesses that fall under the professional corporation description (IC 23-1.5-2 and IC 23-1.5-2-3(a)(2))

- a.) 139 active corporate licenses

The total number of active licenses with the State Board of Registration of Professional Engineers is **35,253**.

**6. Provide the budget and other fiscal factors for regulating the regulated occupation, including the actual cost of administering license applications, renewals and issuing licenses.**

The IPLA has a General Fund appropriation that is not board specific. The General Fund appropriation is used to support the agency operations for 38 licensing boards and staff. Licensing fees, as outlined in No. 4 of this report, are not dedicated to the profession.

To review the staffing costs associated with administering licenses and renewals for the State Board of Registration for Professional Engineers, please see No. 2. For the costs associated with having the Board and paying per diem, travel and court reporters for board meetings, please see the last page of this section after the recommendation from the Committee.

**7. Provide an assessment of the effect of the regulated occupation on the state's economy, including consumers and businesses.**

*(Information accumulated from the report given by the Indiana Society of Professional Engineers.)*

Licensure is the mark of a professional and distinguishes practitioners (PE can be added after name) in the marketplace. Consumers and businesses know that in working with (licensed) professional engineers, there is a high quality associated with the work produced.

The economic impact can be measured in the costs of engineering failures and the reason for higher regulatory reform. The welfare of all Hoosiers working in metropolitan areas is at stake if the state's infrastructure, buildings, etc. are not properly constructed. Here's a timeline of major engineering failures:

- June 5, 1976 – Teton Dam Collapse
  - o 14 people died
  - o >1\$ billion cost

- July 17, 1981 – Hyatt Regency Bridge Collapse
  - o 114 people died
  - o >200 people injured
- April 28, 1986 – Cherobyl Nuclear Power Plant Accident
  - o >20 people killed
  - o .5 million people injured
- August 1, 2007 – Minneapolis I-35W Bridge Collapse
  - o 13 people killed
  - o 145 people injured

These accidents occurred with the engineering field being regulated, but the volume of accidents could have been higher without the current structure in place. Some of the economic impact is preventing disasters from happening in the first place.

Revenue generated for the State from licensing fees is between approximately \$350k and \$400k.

Currently, only a licensed engineer may prepare, sign and seal, and submit engineering plans and drawings to a public authority for approval, or seal engineering work for public and private clients. For those considering a career in education, many states have been increasingly requiring that those individuals teaching engineering to be licensed.

With the growing complexity and the increasing diversity of modern construction processes and techniques, the engineer in construction must readily be able to communicate and exchange ideas and views with other licensed design engineers. For those pursuing careers in industry, licensure has recently taken on increased meaning with heightened public attention concerning product safety, environmental issues, and design defects. Employers have found it advantageous to identify to the courts and the public those employees who have met at least a minimum level of competence.

#### **8. Assess the necessity, burden and alternatives to the licenses issued by the board.**

It is the Committee's opinion that licensure and the currently required fees to be a professional engineer in Indiana are similar to other professions, but the fees could be lowered to be less of a burden on practitioners.

Alternatives to the licensing structures currently in place for professional engineers were discussed, and the Committee finds them persuasive. A voluntary system, such as the self-certification registry, would be a great regulatory structure for the profession.

**9. List any other criteria identified by the Committee.**

None.

**10. Include any recommendations for legislation, including whether: the regulation of a regulated occupation should be modified; the board should be combined with another board; or whether the board or the regulation of the regulated occupation should be terminated; whether a license should be eliminated; or whether multiple licenses should be consolidated into a single license. The report should also include any recommendations for administrative changes and information that supports the Committee's recommendations. This section does not apply to fees that support dedicated funds. After the Committee has reviewed and evaluated a regulated occupation and board, the Committee shall provide the agency and the board that is the subject of the Committee's evaluation with recommendations for fees that the board should charge for application fees, renewal fees, and fees to issue licenses. The recommendation for fees must comply with the requirements under IC 25-1-8-2. However, the recommendation must not exceed the lesser of either one hundred dollars (\$100) or the actual administrative cost to process the application or renew or issue the license.**

This is the Job Creation Committee's policy statement for the State Board of Registration for Professional Engineers and the regulation of the professional engineer field:

*The Job Creation Committee recommends that the State of Indiana no longer require the licensing of engineers and eliminate the State Board of Registration for Professional Engineers. all license under this profession. In order to practice in this profession, it is industry standard for the individual to have a degree from an accredited university. The public is protected in that plans are reviewed before construction can begin, and buildings are inspected by local officials before they can be occupied.*

*Since 2008, only one engineer has had their license revoked. The number of complaints received for this profession by the Attorney General's office is very low. There is considerable regulatory oversight of this profession by other government entities; the legal system maintains a necessary level of accountability for practitioners and recourse for aggrieved consumers, negating the importance of administrative law; and private sector factors, i.e. high competition in the field, will keep education and training standards high. All of this considered, the bureaucracy already in place through other entities and factors, ensures a high level of safety and reliability, making the necessity of licensing the individual a redundant function of the public's resources.*

## **State Board of Registration for Professional Engineers**

<b>Board Member Travel Reimbursements</b>	<b>16-Jan-14</b>	<b>20-Mar-14</b>	<b>13-May-14</b>	<b>17-Jul-14</b>	<b>18-Sep-14</b>	<b>20-Nov-14</b>
Mark Downey	\$13.20	\$13.20	--	--	--	--
Vincent Drnevich	\$59.84	\$59.84	\$59.84	\$59.84	--	\$59.84
Harold Snead	\$194.37	--	\$194.37	\$194.37	\$214.37	\$194.37
Kenneth Spaulding	\$279.53	\$303.53	\$279.53	--	--	--
John Sauer	--	--	--	--	--	--
Stephen Gillman	--	--	--	--	--	--
Opal Kuhl	--	--	--	--	--	\$56.32
<b>Monthly Totals</b>	<b>\$546.94</b>	<b>\$376.57</b>	<b>\$533.74</b>	<b>\$254.21</b>	<b>\$214.37</b>	<b>\$310.53</b>

<b>Total Travel Costs</b>	<b>\$2,236.36</b>
---------------------------	-------------------

<b>Board Member Per Diem Payments</b>	<b>16-Jan-14</b>	<b>20-Mar-14</b>	<b>13-May-14</b>	<b>17-Jul-14</b>	<b>18-Sep-14</b>	<b>20-Nov-14</b>
Mark Downey	\$50.00	\$50.00	--	--	--	--
Vincent Drnevich	\$50.00	\$50.00	--	--	--	--
Harold Snead	\$50.00	--	\$50.00	\$50.00	\$50.00	\$50.00
Kenneth Spaulding	\$50.00	\$50.00	--	--	--	--
John Sauer	--	--	--	--	--	--
Stephen Gillman	--	--	--	--	--	--
Opal Kuhl	--	--	--	--	--	--
<b>Monthly Totals</b>	<b>\$200.00</b>	<b>\$150.00</b>	<b>\$50.00</b>	<b>\$50.00</b>	<b>\$50.00</b>	<b>\$50.00</b>

<b>Per Diem Total</b>	<b>\$550.00</b>
-----------------------	-----------------

*As of December 2014, only 1 member had completed the paper work to receive per diem payments.*

<b>Court Reporter Costs</b>	16-Jan-14	20-Mar-14	13-May-14	17-Jul-14	18-Sep-14	20-Nov-14
Circle City Court Reporters	\$90.00	\$270.00	\$90.00	\$90.00	\$135.00	--

<b>Total for Court Reporters</b>	<b>\$675.00</b>
----------------------------------	-----------------

<b>Dues and Subscription Costs</b>	<b>FY 2014</b>	<b>FY 2015</b>
NCEES	\$6,500.00	\$6,500.00
<b>Total</b>	<b>\$6,500.00</b>	<b>\$6,500.00</b>

*The Subscription costs are paid for using General Fund appropriations.*

<b>TOTAL Board Operations Costs for 2014</b>	<b>\$9,961.36</b>
--	-------------------

**(E) State Board of Registration for Professional Surveyors**

- 1. Identify the functions, powers, and duties of the regulated occupation and the board, including any functions, powers or duties that are inconsistent with current or projected practice of the occupation.**

Definition of the Practitioner

**IC 25-21.5-1-7: “Practice of Surveying”**

*Sec. 7. (a) "Practice of surveying" means providing, or offering to provide, professional services involving:*

- (1) the making of geometric measurements of, and gathering related information pertaining to, the physical or legal features of the earth, improvements on the earth, the space above the earth, or any part of the earth; and*
- (2) the use and development of the measurements and information gathered under subdivision (1) into survey products, including graphics, digital data, maps, plats, plans, reports, and descriptions and projects.*

*(b) Professional services provided under the practice of surveying include consultation, investigation, testimony evaluation, expert technical testimony, planning, mapping, assembling, and interpreting gathered measurements and information related to any of the following:*

- (1) Determining the configuration or contour of the earth's surface or the position of fixed objects thereon by measuring lines and angles and applying the principles of mathematics or photogrammetry.*
- (2) Determining the size and shape of the earth, or any point on the earth, by performing geodetic surveys using angular and linear measurements through spatially oriented spherical geometry.*
- (3) Determining, by the use of principles of surveying, the position for any nonboundary related survey control monument or reference point, or setting, resetting, or replacing any nonboundary related monument or reference point.*
- (4) Locating, relocating, establishing, reestablishing, laying out, retracing, or marking any property or boundary line or corner of any tract of land or of any right-of-way or easement.*
- (5) Making any survey or preparing any plat for the subdivision of any tract of land.*
- (6) Determining, by the use of principles of surveying, the position for any boundary related survey monument or reference point, or setting, resetting, or replacing any monument or reference point.*
- (7) Preparing a description for any parcel or boundary of land, or for any right-of-way or easement, except when prepared by an attorney who is licensed to practice law in Indiana.*

*(8) Determining the amount of acreage contained in any parcel of land, except when determined by an attorney who is licensed to practice law in Indiana.*

*(9) Performing construction staking or layout of the control for any elements of an engineering, building, or construction project, if the position of an element is:*

*(A) dependent on;*

*(B) in specific relation to; or*

*(C) in close proximity to; a boundary, property line, or corner, including easements and rights-of-way.*

*(10) For and within subdivisions being designed by a professional surveyor, the preparation and furnishing of plats, plans, and profiles for roads, storm drainage, sanitary sewer extensions, and the location of residences or dwellings where the work involves the use and application of standards prescribed by local, state, or federal authorities.*

*(11) All work incidental to cleaning out, reconstructing, or maintaining existing open and tile drains.*

*(12) Creating, preparing, or modifying electronic or computerized data relative to the performance of the activities described in this subsection.(c) Activities included within the practice of surveying that must be accomplished under the responsible charge of a professional surveyor, unless specifically exempted under subsection (d), include the following:*

*(1) The creation of maps and geo-referenced data bases representing authoritative locations for boundaries, fixed works, or topography, either by terrestrial surveying methods or by photogrammetric or GNSS locations. This includes maps and geo-referenced data bases prepared by any person, firm, or government agency if that data is provided to the public as a survey product.*

*(2) Original data acquisition, or the resolution of conflicts between multiple data sources, when used for the authoritative location of features within the following data themes:*

*(A) Geodetic control.*

*(B) Orthoimagery.*

*(C) Elevation and bathymetry.*

*(D) Fixed works.*

*(E) Government boundaries.*

*(F) Cadastral information.*

*(3) Certification of positional accuracy of maps or measured survey data.*

*(4) Measurement, adjustment, and authoritative interpretation of raw survey data.*

*(5) GIS-based parcel or cadastral mapping used for authoritative boundary definition purposes wherein land title or development rights for individual parcels are, or may be, affected.*

*(6) Interpretation of maps, deeds, or other land title documents to resolve conflicting data elements within cadastral documents of record.*

*(7) Acquisition of field data required to authoritatively position fixed works or cadastral data to geodetic control.*

*(8) Adjustment or transformation of cadastral data to improve the positional accuracy of the parcel layer or layers with respect to the geodetic control layer within a GIS for purposes of affirming positional accuracy.*

*(d) A distinction is made in this subsection, in the use of electronic systems, between making or documenting original measurements in the creation of survey products and the copying, interpretation, or representation of those measurements in systems. Further, a distinction is made according to the intent, use, or purpose of measurement products in electronic systems, between the determination of authoritative locations and the use of those products as a locational reference for planning, infrastructure management, and general information. The following items are not included as activities within the definition of the practice of surveying:*

*(1) The creation of general maps:*

*(A) prepared by private firms or government agencies for use as guides to motorists, boaters, aviators, or pedestrians;*

*(B) prepared for publication in a gazetteer or atlas as an educational tool or reference publication;*

*(C) prepared for or by educational institutions for use in the curriculum of any course of study;*

*(D) produced by any electronic or print media firm as an illustrative guide to the geographic location of any event; or*

*(E) prepared by lay persons for conversational or illustrative purposes, including advertising material and users' guides.*

*(2) The transcription of previously geo-referenced data into a geographic information system by manual or electronic means, and the maintenance thereof, if the data are clearly not intended to indicate the authoritative location of property boundaries, the precise definition of the shape or contour of the earth, and the precise location of fixed works of humans.*

*(3) The transcription of public record data, without modification except for graphical purposes, into geographic information systems-based cadastral, including tax maps, zoning maps, and associated records by manual or electronic means, and the maintenance of that cadastral, if the data are clearly not intended to authoritatively represent property boundaries.*

*(4) The preparation of any document by any agency of the federal government that does not define real property boundaries, including civilian and military versions of quadrangle topographic maps, military maps, satellite imagery, and other similar documents.*



*(5) The incorporation or use of documents or data bases prepared by any federal agency into a geographic information system, including federal census and demographic data, quadrangle topographic maps, and military maps.*

*(6) Inventory maps and data bases created by any organization, in either hard copy or electronic form, of physical features, facilities, or infrastructure that are wholly contained within properties to which the organization has rights or for which the organization has management responsibility. The distribution of these maps and data bases outside the organization must contain appropriate metadata describing, at a minimum, the accuracy, method of compilation, data source or sources, and date or dates, and disclaimers of use clearly indicating that the data are not intended to be used as a survey product.*

*(7) Maps, cross-sections, graphics, and data bases depicting the distribution of natural resources or phenomena prepared by foresters, geologists, soil scientists, geophysicists, biologists, archeologists, historians, or other persons qualified to document and interpret the data in the context of their respective practices.*

*(8) Maps and geo-referenced data bases depicting physical features and events prepared by any government agency if the access to that data is restricted by statute, including geo-referenced data generated by law enforcement agencies involving crime statistics and criminal activities.*

*(9) Classified parcels developed in accordance with IC 6-1.1-6-9(c).*

*(e) The use of photogrammetric methods or similar remote sensing technology to perform any part of the practice of surveying as defined in this section may be performed only under the direct control and supervision of a professional surveyor or professional photogrammetrists who maintain a current title of "Certified Photogrammetrist" from a national scientific organization having a process for certifying photogrammetrists.*

*(f) The practice of surveying encompasses a number of disciplines, including geodetic surveying, hydrographic surveying, cadastral surveying, construction staking, route surveying, photogrammetric surveying, and topographic surveying. A professional surveyor may practice only within the surveyor's area of expertise.*

### Establishment of the Board

Professional surveyors have been regulated and licensed in Indiana since the 1935; the same year the State of Indiana required that engineers be licensed. It was a combined board charged with regulating both the practice of engineering and the practice of land surveying. In the 1960's, the highly specialized nature of boundary surveying as separate and distinct from engineering was acknowledged and surveying licensure was completely separated from the practice of engineering at that time.

In 1991, the combined board split, establishing the State Board of Registration for Land Surveyors and the State Board of Registration for Professional Engineers.

The makeup of the board is outlined in statute below:

**IC 25-21.5-2-2: State board of registration for professional surveyor, membership**

*Sec. 2. (a) The board consists of seven (7) members appointed by the governor.*

*(b) One (1) member must be appointed to represent the general public who is:*

*(1) a resident of Indiana; and*

*(2) not associated with surveying other than as a consumer.*

*(c) Six (6) members must be registered professional surveyors who engage in the practice of surveying and who each meet the following conditions:*

*(1) Is a citizen of the United States.*

*(2) Has been a resident of Indiana for at least five (5) years immediately before the member's appointment.*

*(3) Is registered in Indiana as a professional surveyor.*

*(4) Has been engaged in the lawful practice of surveying for at least eight (8) years.*

*(5) Has been in charge of surveying work or surveying teaching for at least five (5) years.*

*(d) Of the registered professional surveyors appointed under subsection (c), three (3) must be engaged in the practice of surveying on a full-time basis, and at least two (2) must be engaged in the practice of surveying on a part-time basis.*

**Role of the Board**

The Board's primary functions are to review credentials for professional surveyor applicants, administer licenses to qualified individuals and implement administrative disciplinary actions against licensees who are not practicing according to the Board's statutes and rules.

The Board also investigates the unlicensed practices of individuals offering land surveying services in Indiana.

The Professional Licensing Agency leads in crafting legislation with input from the State Board of Registration for Professional Surveyors on related matters that work to benefit Hoosier consumers and Hoosier licensees in their industry.

Nothing was discovered that indicates the board or licensees are acting in a manner inconsistent with the current or projected practice of the occupation; however, recommendations are being made by the Committee. Please see the Committee's statement in No. 10 of this report for the recommendations and additional information.

**2. Assess the structure and the management efficiency of the board and the Indiana Professional Licensing Agency.**

The State Board of Registration for Professional Surveyors operates with one board director (BD), one assistant director (AD) and four customer service representatives (CSR). The starting salary for a CSR is \$22,724. The starting salary for an AD is \$33,748, and board directors start at \$41,574. Fringe benefits are in addition to these figures. The annual salary budget for all 6 employees is approximately \$166,218.

In factoring the costs to process licenses, it's important to recognize that the IPLA is an umbrella agency for 38 additional boards and commissions. The staffers working for the State Board of Registration for Professional Surveyors also serve other boards. Specifically, "Group 10" includes the State Board of Registration for Professional Engineers, State Board of Registration for Architects and Landscape Architects, Indiana Athletic Trainers Board and Private Investigator and Security Guard Licensing Board. These boards, and the composition of each group, are assigned by the agency director.

The agency's executive staff also provides services to the entire agency and should be considered in this analysis. This includes the executive director, deputy director, chief legal counsel, staff attorney, communications director, legislative director, controller, controller staff, IT director and IT staff. The cost of administering and managing these licenses would be even higher when factoring in the attorney general's office, which includes their expenses of Advisory Counsel to the Board, prosecution and senior management from both advisory and litigation.

**3. Assess the regulated occupation's and the board's ability to meet the objectives of the General Assembly in licensing the regulated occupation.**

The IPLA and the State Board of Registration for Professional Surveyors have met the standards and statutes imposed by the General Assembly in providing adequate service to the land surveying profession and its licensees. Based on the information provided to the Committee, recommendations were submitted. The policy statement from the Committee is No. 10 regarding the operational structure of the agency and the board. The Committee is proposing changes to the how this profession is regulated.

#### **4. Assess the fees that the board charges for licenses.**

The IPLA has a General Fund appropriation that is not board specific and is used to support the agency's operations for all 38 of its licensing boards and commissions. Licensing fees are not dedicated to the profession. An assessment of the fees charged by the Board is as follows:

##### First-Time Indiana Professional Surveyor Examination Applicants

The National Council of Examiners for Engineering and Surveying (NCEES) aids in the servicing of licenses. NCEES develops, administers and scores the examinations used for engineering and surveying licensure. NCEES also promotes and facilitates professional mobility and uniformity of the licensure processes by supplying records, study materials, credential evaluations and exam administration.

Annual NCEES membership dues are \$6,500. The initial application candidates have an application fee payable to the Board. The application fee is \$300.00.

##### Comity applicants

- a.) Comity applicants are candidates who are or have been licensed as a professional engineer in another state, which may or may not be substantially equivalent.
- b.) Comity application fee is \$500.00.

##### Other associated fees

- a.) Issuance fees for August 1 of odd year through July 31 of even year are \$50.00, while August 1 of even year through July 31 of odd year - \$100.00
- b.) Renewal fee (3 years or less) = \$100.00
- c.) Reinstatement fee (more than 3 years) = \$400.00
- d.) Professional corporation application fee = \$25.00

#### **IC 25-21.5-11-4 Investigative fund; administration by attorney general and licensing agency; appropriation**

*Sec. 4. (a) The professional surveyor and surveyor intern investigative fund is established to provide funds for administering and enforcing the provisions of this article, including investigating and taking enforcement action against violators of*

*this article. The fund shall be administered by the attorney general and the licensing agency.*

*(b) The expenses of administering the fund shall be paid from the money in the fund. The fund consists of money from a fee imposed upon professional surveyors and surveyor interns under IC 25-21.5-3-4(b).*

*(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.*

*(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund. If the total amount in the fund exceeds five hundred thousand dollars (\$500,000) at the end of a state fiscal year after payment of all claims and expenses, the amount that exceeds five hundred thousand dollars (\$500,000) reverts to the state general fund.*

*(e) Money in the fund is continually appropriated for use by the attorney general and the licensing agency to administer and enforce the provisions of this article and to conduct investigations and take enforcement action against persons violating the provision of this article.*

—  
This fund has never been created or utilized and has a balance of \$0.

**5. List the number of individuals who are licensed in the regulated occupation.**

**Land Surveyor-in-Training** – a professional candidate learning the practice of professional surveyor services in the State of Indiana

- a.) 408 active licenses in Indiana
- b.) 4 new licenses issued since January 1, 2014

**Professional Surveyor** – required for anyone practicing professional surveyor services in the State of Indiana

- a.) 838 active licenses in Indiana
- b.) 10 new licenses issued since January 1, 2014

**Engineer Professional Corporation** – required by businesses that fall under the professional corporation description (IC 23-1.5-2 and IC 23-1.5-2-3(a)(2))

- a.) 115 active corporate licenses

The total number of active licenses with the State Board of Registration for Professional Surveyors is 1361.

**6. Provide the budget and other fiscal factors for regulating the regulated occupation, including the actual cost of administering license applications, renewals and issuing licenses.**

The IPLA has a General Fund appropriation that is not board specific. The General Fund appropriation is used to support the agency operations for 38 licensing boards and staff. Licensing fees, as outlined in No. 4 of this report, are not dedicated to the profession.

To review the staffing costs associated with administering licenses and renewals for the State Board of Registration for Professional Surveyors, please see No. 2. For the costs associated with having the Board and paying per diem, travel and court reporters for board meetings, please see the last page of this section after the recommendation from the Committee.

**7. Provide an assessment of the effect of the regulated occupation on the state's economy, including consumers and businesses.**

*(Information accumulated from report given by the Indiana Society of Professional Land Surveyors)*

“Numbers are difficult to assimilate for several reasons:

- 1) some aspects of surveying may also be practiced by professional engineers,
- 2) many surveying firms also employ engineers, and
- 3) many engineering firms employ surveyors only in support of their engineering projects.

But, ISPLS estimates that there are perhaps 2,000 persons directly employed as or by professional surveyors in the State of Indiana.

The average salary of a Professional Surveyor varies widely depending on a number of factors:

- 1) the size of firm they work for,
- 2) the type of work they perform, and
- 3) where their businesses are located.

Notwithstanding that, salaries likely range from perhaps an annual salary of \$50,000 for the practitioner with a very small business or a junior Professional Surveyor, to perhaps \$100,000 for a very senior staff surveyor or survey manager in a large firm. The pay of survey technicians likewise varies for the same reasons, with annual incomes likely ranging from around \$25,000 for an entry-level office technician to over \$60,000 for a senior, experienced field technician.

Licensure - or the lack thereof - does not have a direct impact on the amount of economic activity since the ‘drivers’ of economic activity that generate surveying work are not in the control of surveyors. Private developers, lenders, governmental entities and property owners are the initiators of activities that will require the services of professional surveyors; surveyors generally do not generate their own work, they are hired by others.

The small numbers of persons involved in surveying activities cited above are deceiving since every single public and private infrastructure project necessarily involves surveyors at the very beginning, often throughout the project, and typically at the end for as-built documentation purposes. In addition, conveyances of commercial property or property being purchased or financed for development nearly always involve a specialized type of boundary survey (the nationally-recognized ‘ALTA/ACSM Land Title Survey’) that lenders and title companies rely on to assess the risks involved in lending and insuring projects.

Surveying licensure is important because it supports economic development in Indiana in many ways. Development, infrastructure and land conveyancing may be the most important economically because they are directly tied to a tremendous amount of related economic activity.

Contracts for surveying on infrastructure projects of any significant size require that the work be performed by licensed surveyors. Such contracts virtually always require that the survey provider carry professional liability insurance, which is generally not available unless the provider is a licensed surveyor. Similarly, lenders across the United States typically require that a Land Title Survey be performed as a condition of the mortgage on commercial or industrial property. Lenders universally require that such surveys be performed by licensed surveyors.

Taking the above facts into account means that very significant economic activity related to development, infrastructure and property would grind to a halt in fairly short order without surveying licensure to assure lending institutions, title companies and clients that the work is being done by qualified, competent persons. It is not an exaggeration to say that if money and title insurance are not available, these activities will simply cease. Because these activities almost always reach across state lines in one manner or other, certification is not a substitute for licensure for the sophisticated clients involved in these sorts of activities.

Aside from those obvious issues, the entire land tenure system in Indiana (and every other state, for that matter) hinges on the professional surveyor. It is widely recognized that private property ownership is a cornerstone of a democratic society. Providing for the integrity of those property boundaries is a necessity and the surveyor is the only person educated, experienced and qualified to provide for

that veracity. This is the primary reason that surveyors are licensed in all 50 states and have been for many decades.

Many, if not most clients require professional liability insurance on their projects - which will be available only to out-of-state licensed surveyors. If Indiana deregulated the profession, out-of-state surveyors will be the only ones who will be able to secure contracts on federal highway projects, U.S. Corps of Engineers projects, utility projects that cross state lines and the many other projects that require a licensed professional. Ultimately, Hoosier surveyors will find themselves out of a job because, without licensure, they will not be able to meet the requirements of most such clients.

Furthermore, deregulating the professional will prevent Hoosier surveyors from obtaining licensure by comity in any other state. Many Indiana surveyors are licensed and perform work in adjoining states. In addition, young and up-coming Indiana surveyors will never be able to gain the required experience under a licensed professional to qualify for licensure in another state, so they will simply not remain in Indiana. At least three surveying programs at Indiana colleges and universities would cease to exist.

In short, the deregulation of the surveying profession would, ironically, not equal more jobs for Hoosiers; it would actually destroy jobs in Indiana.”

**8. Assess the necessity, burden and alternatives to the licenses issued by the board.**

It is the Committee’s opinion that licensure and the currently required fees to be a professional land surveyor in Indiana are unnecessary.

Alternatives to the licensing structures currently in place for professional land surveyors were discussed, and the Committee finds them persuasive. A voluntary system, such as the self-certification registry, would be a great fit for the profession and is the recommendation of the Committee.

**9. List any other criteria identified by the Committee.**

None.

**10. Include any recommendations for legislation, including whether: the regulation of a regulated occupation should be modified; the board should be combined with another board; or whether the board or the regulation of the regulated occupation should be terminated; whether a license should be eliminated; or whether multiple licenses should be consolidated into a single license. The report should also include any recommendations for administrative changes and information that supports the Committee's**



**recommendations. This section does not apply to fees that support dedicated funds. After the Committee has reviewed and evaluated a regulated occupation and board, the Committee shall provide the agency and the board that is the subject of the Committee's evaluation with recommendations for fees that the board should charge for application fees, renewal fees, and fees to issue licenses. The recommendation for fees must comply with the requirements under IC 25-1-8-2. However, the recommendation must not exceed the lesser of either one hundred dollars (\$100) or the actual administrative cost to process the application or renew or issue the license.**

This is the Job Creation Committee's policy statement for the State Board of Registration for Professional Surveyors and the regulation of the surveyor field:

*The Job Creation Committee recommends that the State no longer license surveyors and the eliminate the State Board of Registration for Professional Surveyors. There is very little established harm to consumers that has been documented under this profession. With additions of new technology, the risk to consumers will continue to decrease.*

*The Committee does see this professions as a good candidate for the self-certification registry should the Legislature remove the need for licensure.*

## **State Board of Registration for Professional Surveyors**

<b>Board Member Travel Reimbursements</b>	24-Jan-14	4-Apr-14	25-Jul-14	3-Oct-14
Christine Arnold	\$9.68	\$18.48	--	\$9.68
Richard Hudson	\$144.46	\$144.46	--	\$124.96
Doug Lechner	--	--	--	--
John Stephens	--	--	\$74.80	--
Michael Deboy	\$26.40	--	--	\$26.40
Ross Holloway	--	\$17.60	\$17.60	--
Gary Kent	--	--	--	--
<b>Monthly Totals</b>	<b>\$180.54</b>	<b>\$180.54</b>	<b>\$92.40</b>	<b>\$161.04</b>

<b>Total Travel Costs</b>	<b>\$614.52</b>
---------------------------	-----------------

<b>Board Member Per Diem Payments</b>	24-Jan-14	4-Apr-14	25-Jul-14	3-Oct-14
Christine Arnold	\$50.00	\$50.00	--	\$50.00
Richard Hudson	\$50.00	\$50.00	--	\$50.00
Doug Lechner	--	--	--	--
John Stephens	--	--	--	--
Michael Deboy	\$50.00		\$50.00	\$50.00
Ross Holloway	--	\$50.00	\$50.00	--
Gary Kent	--	--	--	--
<b>Monthly Totals</b>	<b>\$150.00</b>	<b>\$150.00</b>	<b>\$100.00</b>	<b>\$150.00</b>

<b>Per Diem Total</b>	<b>\$550.00</b>
-----------------------	-----------------

*As of December 2014 only 3 board members had completed the paper work to receive per diem payments.*

<b>Court Reporter Costs</b>	24-Jan-14	4-Apr-14	25-Jul-14	3-Oct-14
Circle City Court Reporters	\$360.00	\$270.00	\$135.00	\$378.00

<b>Total for Court Reporters</b>	<b>\$1,143.00</b>
----------------------------------	-------------------

<b>Dues and Subscription Costs</b>	<b>FY 2014</b>	<b>FY 2015</b>
NCEES	\$6,500.00	\$6,500.00
<b>Total</b>	<b>\$6,500.00</b>	<b>\$6,500.00</b>

*The Subscription costs are paid for using General Fund appropriations.*

<b>TOTAL Board Operations Costs for 2014</b>	<b>\$8,807.52</b>
--	-------------------

**(F) Manufactured Home Installer Licensing Board**

- 1. Identify the functions, powers, and duties of the regulated occupation and the board, including any functions, powers or duties that are inconsistent with current or projected practice of the occupation.**

Definition of the Practitioner

**IC 25-23.7-2-4: "Installer"**

*Sec. 4. "Installer" means an individual who contracts to install or installs a manufactured home.*

**IC 25-23.7-2-7: "Manufactured home"**

*Sec. 7. "Manufactured home" means a:*

- (1) dwelling meeting the definition set forth in IC 22-12-1-16; or*
- (2) mobile home being installed in a mobile home community.*

Establishment of the Board

The Board was established in accordance with IC 25-23.7 in 2002.

**IC 25-23.7-3-2: Members**

*Sec. 2. (a) The board consists of nine (9) members appointed by the governor as follows:*

- (1) Four (4) members who are installers, each of whom:*
  - (A) is licensed in Indiana as an installer; and*
  - (B) has been actively engaged in the installation of manufactured homes for at least five (5) years immediately before the member's appointment to the board.*
- (2) One (1) member who represents manufactured home manufacturers with production facilities in Indiana.*
- (3) One (1) member who represents manufactured home dealers.*
- (4) One (1) member who is an operator or who is employed by an operator of a mobile home community licensed under IC 16-41-27.*
- (5) One (1) member who is an owner of or who is employed by a primary inspection agency, a designation issued under 24 CFR3282 by the United States Department of Housing and Urban Development.*
- (6) One (1) member who represents the general public and who is not associated with the manufactured home industry other than as a consumer.*

*(b) The members of the board must be residents of Indiana.*

Role of the Board

The Board's primary functions are to review credentials for manufactured home installer applicants, administer licenses to qualified individuals and implement administrative disciplinary actions against licensees who are not practicing according to the Board's statutes and rules.

The Board also investigates the unlicensed practices of individuals offering manufactured home installation services in Indiana.

The Professional Licensing Agency leads in crafting legislation with input from the Manufactured Home Installer Licensing Board on related matters that work to benefit Hoosier consumers and Hoosier licensees in their industry.

—

Nothing was discovered that indicates the board or licensees are acting in a manner inconsistent with the current or projected practice of the occupation; however, recommendations are being made by the Committee. Please see the Committee's statement in No. 10 of this report for the recommendations and additional information.

## **2. Assess the structure and the management efficiency of the board and the Indiana Professional Licensing Agency.**

The Manufactured Home Installer Licensing Board operates with one board director (BD), one assistant director (AD) and four customer service representatives (CSR). The starting salary for a CSR is \$22,724. The starting salary for an AD is \$33,748, and board directors start at \$41,574. Fringe benefits are in addition to these figures. The annual salary budget for all 6 employees is approximately \$166,218.

In factoring the costs to process licenses, it's important to recognize that the IPLA is an umbrella agency for 38 additional boards and commissions. The staffers working for the Manufactured Home Installer Licensing Board also serve other boards. Specifically, "Group 9" includes the Indiana Real Estate Commission, Indiana Real Estate Appraiser Board, Home Inspector Licensing Board, and the Indiana Auctioneer Commission. These boards, and the composition of each group, are assigned by the agency director.

The agency's executive staff also provides services to the entire agency and should be considered in this analysis. This includes the executive director, deputy director, chief legal counsel, staff attorney, communications director, legislative director, controller, controller staff, IT director and IT staff. The cost of administering and managing these licenses would be even higher when factoring in the attorney general's office, which includes their expenses of Advisory Counsel to the Board, prosecution and senior management from both advisory and litigation.

**3. Assess the regulated occupation's and the board's ability to meet the objectives of the General Assembly in licensing the regulated occupation.**

The IPLA and the Manufactured Home Installer Licensing Board have met the standards and statutes imposed by the General Assembly in providing adequate service to the manufactured home installer profession and its licensees. Based on the information provided to the Committee, recommendations were submitted. The policy statement from the Committee is No. 10 regarding the operational structure of the agency and the board. The Committee is proposing changes to the how this profession is regulated.

**4. Assess the fees that the board charges for licenses.**

The IPLA has a General Fund appropriation that is not board specific and is used to support the agency's operations for all 38 of its licensing boards and commissions. Licensing fees are not dedicated to the profession. An assessment of the fees charged by the Board is as follows:

a.) Application Fee	\$150
b.) Quadrennial Renewal Fee	\$50
c.) Reinstatement of expired license (under 3 years)	\$100
d.) Reinstatement of expired license (over 3 years)	\$200

**5. List the number of individuals who are licensed in the regulated occupation.**

**Manufactured Home Installer** – An individual may not install a manufactured home without first obtaining from the board a license authorizing the individual to install a manufactured home. A political subdivision may not require a licensee to submit to any other form of licensing except for that required by a political subdivision for onsite electrical, plumbing or mechanical systems installation. However, this article does not limit the power of a political subdivision to regulate the quality and character of work performed by a licensee through the enforcement of building codes or conducting inspections.

**\*\*Exception to licensure** - An individual acting at all times at the direction and under the supervision of a licensed installer need not be licensed in order to install a manufactured home. A licensee is fully responsible for all installation work performed under the licensee's direction or supervision.

- 126 active licenses
- 11 inactive licenses
- 6 new licenses issued in 2013
- 2 new licenses issued in 2014
- 0 licenses issued to date in 2015 (as of 2/12/2015)

### **Pre-Licensing Course Providers**

Approval by the Board is required to offer a pre-licensing course to applicants for licensure. There are three active providers:

1. Indiana Manufactured Housing Association, CE10600353
2. James K. Keller, CE21000939
3. Tyson Marketing, CE21100021

### **Continuing Education Course Providers**

Continuing education course providers are approved by the Board or automatically approved under IC 25-1-4-0.2. There are two active providers:

1. Indiana Manufactured Housing Association, CE10700587
2. Tyson Marketing, CE21100037

### **6. Provide the budget and other fiscal factors for regulating the regulated occupation, including the actual cost of administering license applications, renewals and issuing licenses.**

The IPLA has a General Fund appropriation that is not board specific. The General Fund appropriation is used to support the agency operations for 38 licensing boards and staff. Licensing fees, as outlined in No. 4 of this report, are not dedicated to the profession.

To review the staffing costs associated with administering licenses and renewals for the Manufactured Home Installer Licensing Board, please see No. 2. For the costs associated with having the Board and paying per diem, travel and court reporters for board meetings, please see the last page of this section after the recommendation from the Committee.

### **7. Provide an assessment of the effect of the regulated occupation on the state's economy, including consumers and businesses.**

*(Information accumulated from report given by the Indiana Manufactured Housing Association Recreation Vehicle Indiana Council, Inc.)*

As you are aware by now, federal law required manufactured home installers to be licensed. Federal law also mandates minimum standards in training, licensing, installing and inspecting these homes. What you may not be aware of is that this federal law was established at the request of the industry. Manufactured homes are engineered and constructed to rigorous standards with a multi-stage inspection and approval process. However, the benefits of the indoor, highly regimented

system building process can be destroyed by a poor installation. Improper installation can create a variety of problems ranging from cracked drywall and improper fitting of doors and windows to serious safety issues with broken utility connections.

As a product that is largely focused on the affordable housing market we are keenly aware of any increased costs that will eventually be passed on to the consumer. There are obvious costs involved in the installer licensing process, including bonding, education and applications. There could also be an opportunity cost to an installer who has to attend continuing education class, although the current requirement of 10 CE hours in four years makes that negligible.

Home manufacturers have long claimed that the number one reason for warranty claims by new homeowners is due to improper installation of the home. All home manufacturers build expenses into the cost of the home to cover the anticipated warranty service. Historically, these expenses were as high as 4-5% of the home costs. Now they are down around 1-2% of the cost of the home.

According to the US Census Bureau, in 2013 the average sale price of a new manufactured home in Indiana was \$50,100. For each 1% a manufacturer saves in warranty costs up to \$510 can be kept as profit or passed on as savings to the consumer. If costs were lowered by 3% the warranty expense of each home would drop \$1,530. Considering that 823 new manufactured homes were sold (and presumably installed) in Indiana last year the economic impact would be around \$1.26 million for calendar year 2014. Over the 4 year period of all installer licenses the economic impact could be around \$5 million.

These figures relate only to trackable expenses as there is no way to quantify how much a money a homeowner invests to correct issues with their home after the warranty period expires or as of a result of poor secondary installations.”

**8. Assess the necessity, burden and alternatives to the licenses issued by the board.**

It is the Committee’s opinion that licensure and the currently required fees to be a manufactured home installer in Indiana are appropriate.

Alternatives to the licensing structures currently in place for manufactured home installers were discussed, and the Committee finds that the state should continue to monitor the profession instead of the federal government. A voluntary system, such as the self-certification registry, would not work for this profession.

**9. List any other criteria identified by the Committee.**

None.



10. **Include any recommendations for legislation, including whether: the regulation of a regulated occupation should be modified; the board should be combined with another board; or whether the board or the regulation of the regulated occupation should be terminated; whether a license should be eliminated; or whether multiple licenses should be consolidated into a single license. The report should also include any recommendations for administrative changes and information that supports the Committee's recommendations. This section does not apply to fees that support dedicated funds. After the Committee has reviewed and evaluated a regulated occupation and board, the Committee shall provide the agency and the board that is the subject of the Committee's evaluation with recommendations for fees that the board should charge for application fees, renewal fees, and fees to issue licenses. The recommendation for fees must comply with the requirements under IC 25-1-8-2. However, the recommendation must not exceed the lesser of either one hundred dollars (\$100) or the actual administrative cost to process the application or renew or issue the license.**

This is the Job Creation Committee's policy statement for the Manufactured Home Installer Licensing Board and the regulation of the manufactured home installation field:

*The Job Creation Committee recommends keeping the Manufactured Home Installer Licensing Board and its current regulatory structure because the federal government requires either federal or state oversight of the profession. The Committee finds that the current regulatory structure in place is working and having the state rely upon the federal government for administering the state's license would be inefficient and less effective for Hoosier licensees. The current board poses little economic impact on the state, meeting only twice a year, and issues very few licenses.*

## **Manufactured Home Installer Licensing Board Costs**

<b>Board Member Travel Reimbursements</b>	<b>25-Feb-14</b>	<b>24-Jun-14</b>
Robert Young	\$13.20	\$13.20
Gregory Dickman	\$124.96	\$124.96
Galen Yoder	\$98.56	\$102.96
Patrick Cross	\$143.44	--
W. Joe Schulz	\$74.80	\$74.80
Dan Dodge	\$46.64	--
Mark Wisely	--	--
Evor Johns	--	--
	--	--
<b>Monthly Totals</b>	<b>\$501.60</b>	<b>\$315.92</b>
<b>Total Travel Costs</b>	<b>\$817.52</b>	

<b>Board Member Per Diem Payments</b>	<b>25-Feb-14</b>	<b>24-Jun-14</b>
Robert Young	\$50.00	\$50.00
Gregory Dickman	\$50.00	--
Galen Yoder	\$50.00	--
Patrick Cross	\$50.00	--
W. Joe Schulz	\$50.00	--
Dan Dodge	\$50.00	--
Mark Wisely	--	--
Evor Johns	--	--
	--	--
<b>Monthly Totals</b>	<b>\$300.00</b>	<b>\$50.00</b>
<b>Per Diem Total</b>	<b>\$350.00</b>	

*As of December 2014, only 1 board member had completed the paper work to receive per diem payments.*

Court Reporter Costs	25-Feb-14	24-Jun-14
Accurate Reporting of Indiana	\$150.00	\$150.00
<b>Total for Court Reporters</b>	<b>\$300.00</b>	

<b>TOTAL Board Operations Costs for 2014</b>	<b>\$1,467.52</b>
--	-------------------

**(G) Private Investigator and Security Guard Licensing Board**

- 1. Identify the functions, powers, and duties of the regulated occupation and the board, including any functions, powers or duties that are inconsistent with current or projected practice of the occupation.**

Definition of the Firm

**IC 25-30-1-2: "Definitions"**

*Sec. 2. (3) "Private investigator firm" means the business of:*

*(A) making, for hire or reward, investigation or investigations for the purpose of obtaining information with reference to:*

*(i) a crime against the state or wrongs done or threatened;*

*(ii) the habits, conduct, movements, whereabouts, association, transactions, reputation, or character of a person;*

*(iii) credibility of witnesses or other persons;*

*(iv) the location or recovery of lost, abandoned, unclaimed, or stolen property;*

*(v) the causes, origin, or responsibility for fires or accidents or injuries to real or personal property; or*

*(vi) the truth or falsity of a statement or representation;*

*(B) securing, for hire or reward, evidence to be used for authorized investigation committees or boards of award or arbitration or in the trial of civil or criminal cases; or*

*(C) providing, for hire or reward, undercover investigators to detect and prevent fraud and theft in the workplace or elsewhere.*

Establishment of the Board

The Board was established in accordance with IC 25-30-1-5.2 in 2007.

**IC 25-30-1-5.2: Private investigator and security guard licensing board; establishment; members; terms; salaries**

*Sec. 5.2. (a) The private investigator and security guard licensing board is established.*

*(b) The board consists of:*

*(1) the superintendent of the state police department or the superintendent's designee; and*

*(2) the following six (6) members appointed by the governor from different geographic regions of Indiana as determined by the governor:*

*(A) Two (2) individuals who are associated with a private investigator firm licensed under this article.*

*(B) Two (2) individuals who are associated with a security guard agency licensed under this article.*

*(C) One (1) local law enforcement official.*

*(D) One (1) person who is not associated with the private investigator firm or security guard agency other than as a consumer.*

*(c) Each member of the board appointed by the governor shall serve a term of two (2) years.*

*(d) The governor may remove a board member appointed by the governor for incompetency or failure to perform the member's duties under this chapter.*

*(e) A vacancy in the membership of the board shall be filled by appointment by the governor for the unexpired term.*

*(f) Each member of the board who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). Each member of the board is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.*

### Role of the Board

The Board's primary functions are to review credentials for private investigator and security guard firms, administer licenses to these qualified firms and implement administrative disciplinary actions against licensed businesses who are not practicing according to the Board's statutes and rules.

The Professional Licensing Agency leads in crafting legislation with input from the Private Investigator and Security Guard Licensing Board on related matters that work to benefit Hoosier consumers and licensees in their industry.

---

Nothing was discovered that indicates the Board or licensed businesses are acting in a manner inconsistent with the current or projected practice of the occupation; however, recommendations are being made by the Committee. Please see the Committee's statement in No. 10 of this report for the recommendations and additional information.

## **2. Assess the structure and the management efficiency of the board and the Indiana Professional Licensing Agency.**

The Private Investigator and Security Guard Licensing Board operates with one board director (BD), one assistant director (AD) and four customer service representatives (CSR). The starting salary for a CSR is \$22,724. The starting salary for an AD is \$33,748, and board directors start at \$41,574. Fringe benefits

are in addition to these figures. The annual salary budget for all 6 employees is approximately \$166,218.

In factoring the costs to process licenses, it's important to recognize that the IPLA is an umbrella agency for 38 additional boards and commissions. The staffers working for the Private Investigator and Security Guard Licensing Board also serve other boards. Specifically, "Group 10" includes the State Board of Registration for Professional Engineers, State Board of Registration for Professional Surveyors, State Board of Registration for Architects and Landscape Architects, Indiana Athletic Trainer Board and the Indiana State Board of Health Facility Administrators. These boards, and the composition of each group, are assigned by the agency director.

The agency's executive staff also provides services to the entire agency and should be considered in this analysis. This includes the executive director, deputy director, chief legal counsel, staff attorney, communications director, legislative director, controller, controller staff, IT director and IT staff. The cost of administering and managing these licenses would be even higher when factoring in the attorney general's office, which includes their expenses of Advisory Counsel to the Board, prosecution and senior management from both advisory and litigation.

**3. Assess the regulated occupation's and the board's ability to meet the objectives of the General Assembly in licensing the regulated occupation.**

The IPLA and the Private Investigator and Security Guard Licensing Board have met the standards and statutes imposed by the General Assembly in providing adequate service to the private investigator and security guard professions and its licensees. Based on the information provided to the Committee, recommendations were submitted. The policy statement from the Committee is No. 10 regarding the operational structure of the agency and the board. The Committee is proposing changes to the how this profession is regulated.

**4. Assess the fees that the board charges for licenses.**

The IPLA has a General Fund appropriation that is not board specific and is used to support the agency's operations for all 38 of its licensing boards and commissions. Licensing fees are not dedicated to the profession. An assessment of the fees charged by the Board is as follows:

Private Investigator Firm License Fees

- a.) Issuance Fee \$300.00
- b.) Issuance Fee \$150.00 (if less than one year before quadrennial renewal date)

- c.) Renewal Fee \$300
- d.) Renewal Late Fee \$50

**Security Guard Agency Fees**

- a.) Issuance Fee \$300
- b.) Issuance Fee \$150 (if less than one year before quadrennial renewal date)
- c.) Renewal Fee \$300
- d.) Renewal Late Fee \$50

**5. List the number of individuals who are licensed in the regulated occupation.**

**Private Investigator Firm License** – A firm is required to be licensed if that entity practices private investigator services (IC 25-30-1-2 Definitions) in the State of Indiana.

- a.) 517 active licenses in Indiana
- b.) 48 new licenses issued since January 1, 2014

**Security Guard Agency License** – An agency is required to be licensed if that entity provides security services (IC 25-30-1.3-5 "Security guard agency") in the State of Indiana.

- a.) 393 active licenses in Indiana
- b.) 19 new licenses issued since January 1, 2014

The total number of active licenses with the Private Investigator and Security Guard Licensing Board is 910.

**6. Provide the budget and other fiscal factors for regulating the regulated occupation, including the actual cost of administering license applications, renewals and issuing licenses.**

The IPLA has a General Fund appropriation that is not board specific. The General Fund appropriation is used to support the agency operations for 38 licensing boards and staff. Licensing fees, as outlined in No. 4 of this report, are not dedicated to the profession.

To review the staffing costs associated with administering licenses and renewals for the Private Investigator and Security Guard Licensing Board, please see No. 2. For the costs associated with having the Board and paying per diem, travel and court reporters for board meetings, please see the last page of this section after the recommendation from the Committee.

**7. Provide an assessment of the effect of the regulated occupation on the state's economy, including consumers and businesses.**

*(Information in part accumulated from the report given by Presented by the Indiana Association of Professional Investigators and the Indiana Society of Professional Investigators.)*

The associations believe that the licensing of private investigators (PI) and security guard (SG) companies is necessary to protect the public from unscrupulous, predatory and unqualified operators and to provide a necessary level of quality assurance to business owners and the public at large.

The associations see no economic value to the state or to the public in the deregulation of the PI and SG sectors, and in fact, it could lead to negative consequences in a substantial increase in consumer frauds and additional burdens on our law enforcement communities. Our present codes require only that one individual be eligible for licensing for each business, and those eligibility standards are minimal. The licensing fee is insignificant as a part of start-up costs (\$75 per year).

The associations routinely handle sensitive business and personal matters for our clients, which require the use and protection of confidential and proprietary information and the safeguarding of valuable client assets and personnel. In the absence of licensing, any individual could present himself to the public at large as a “private investigator” and make outrageous claims as to what they could do. In the absence of licensing the public would be in constant danger of exploitation by fraudsters, sexual predators and scam artists. Most guard company owners have a law enforcement background and are skilled in the protection of personnel and assets. Without licensing and regulation, individuals without any experience or training could offer guard services, placing the public and business owners in danger.

Although the associations believe that our codes could be enhanced to provide great assurances to the public and business communities, we equally believe that our minimum licensing standards must be maintained in the interest of public safety.

According to the US Census Bureau, in 2014 the mean salary for a security guard in Indiana was \$27,590 with an hourly rate of \$13.26. For private investigators, the average salary was between \$42,000 and \$50,000. Information specific to Indiana was not available.”

#### **8. Assess the necessity, burden and alternatives to the licenses issued by the board.**

It is the Committee’s opinion that licensure and the currently required fees to be a private investigator or security guard firm in Indiana are appropriate.



Alternatives to the licensing structures currently in place for private investigator or security guard firms were discussed, and the Committee finds unpersuasive. A voluntary system, such as the self-certification registry, would be difficult to regulate given the high turnover of professionals in the fields. Licensing individual private investigators and security guards was previously done and deemed too onerous to administer and adequately regulate/oversee.

The Committee does want the General Assembly to look at the idea of having the Indiana Department of Homeland Security or the Indiana State Police administer the licenses for these firms given the involvement with public safety and law enforcement.

**9. List any other criteria identified by the Committee.**

None.

**10. Include any recommendations for legislation, including whether: the regulation of a regulated occupation should be modified; the board should be combined with another board; or whether the board or the regulation of the regulated occupation should be terminated; whether a license should be eliminated; or whether multiple licenses should be consolidated into a single license. The report should also include any recommendations for administrative changes and information that supports the Committee's recommendations. This section does not apply to fees that support dedicated funds. After the Committee has reviewed and evaluated a regulated occupation and board, the Committee shall provide the agency and the board that is the subject of the Committee's evaluation with recommendations for fees that the board should charge for application fees, renewal fees, and fees to issue licenses. The recommendation for fees must comply with the requirements under IC 25-1-8-2. However, the recommendation must not exceed the lesser of either one hundred dollars (\$100) or the actual administrative cost to process the application or renew or issue the license.**

This is the Job Creation Committee's policy statement for the Private Investigator and Security Guard Licensing Board and the regulation of the private investigator and security guard fields:

*The Committee recommends the continued licensure of private investigator and security guard licensing firms. The Committee is not convinced that the Indiana Professional Licensing Agency is the best government agency to oversee this profession and suggests the General Assembly evaluate further the potential to transfer the licensing responsibilities from the IPLA to the Indiana State Police or the Indiana Department of Homeland Security. The individuals associated with this profession have significant access to individuals' private information and*

*access to vulnerable citizens, such as children. PIs/SGs consistently manage significant amounts of personal information and are often involved in court cases (divorce, custody, insurance, employment). They often have access to individuals in the course of their duty who are the consumer providing compensation for the work that is being provided.*

*Finally, a child or a person not familiar with the uniforms of local law enforcement may mistake a security guard for a law enforcement officer. Due to their professional expertise, a law enforcement agency could be much more equipped to manage the regulation of this profession. Two police officers already sit on the licensing board, indicating that there needs to be police oversight of this profession.*

## **Private Investigator and Security Guard Licensing Board**

<b>Board Member Travel Reimbursements</b>	<b>9-Jan-14</b>	<b>13-Mar-14</b>	<b>8-May-14</b>	<b>10-Jul-14</b>	<b>11-Sep-14</b>	<b>13-Nov-14</b>
Don Johnson	---	---	---	---	---	---
Penelope Hughes	\$6.16	\$6.16	---	---	---	\$6.16
Lt. Darrell Ledsinger	---	---	---	---	---	---
Lewis LaMaster	\$73.92	\$73.92	\$73.92	\$73.92	\$73.92	\$73.92
Bob Caldwell	---	\$248.74	\$109.12	---	\$109.12	\$109.12
C. Tim Wilcox	---	\$22.00	\$22.00	\$22.00	---	\$22.00
Randy Sidwell	---	---	---	---	---	---
<b>Monthly Totals</b>	<b>\$80.08</b>	<b>\$350.82</b>	<b>\$205.04</b>	<b>\$95.92</b>	<b>\$183.04</b>	<b>\$211.20</b>
<b>Total Travel Costs</b>	<b>\$1,126.10</b>					

<b>Board Member Per Diem Payments</b>	<b>9-Jan-14</b>	<b>13-Mar-14</b>	<b>8-May-14</b>	<b>10-Jul-14</b>	<b>11-Sep-14</b>	<b>13-Nov-14</b>
Don Johnson	---	---	---	---	---	---
Penelope Hughes	\$50.00	\$50.00	---	---	---	---
Lt. Darrell Ledsinger	---	---	---	---	---	---
Lewis LaMaster	\$50.00	\$50.00	\$50.00	---	---	---
Bob Caldwell	---	\$50.00	\$50.00	---	---	---
C. Tim Wilcox	---	\$50.00	\$50.00	\$50.00	---	\$50.00
Randy Sidwell	---	---	---	---	\$50.00	\$50.00
<b>Monthly Totals</b>	<b>\$100.00</b>	<b>\$200.00</b>	<b>\$150.00</b>	<b>\$50.00</b>	<b>\$50.00</b>	<b>\$100.00</b>
<b>Per Diem Total</b>	<b>\$650.00</b>					

*As of 12/31/2014 only 2 board members had completed the paper work to receive per diem payments. State Employees are exempt from receiving payment.*

<b>Court Reporter Costs</b>	<b>9-Jan-14</b>	<b>13-Mar-14</b>	<b>8-May-14</b>	<b>10-Jul-14</b>	<b>11-Sep-14</b>	<b>13-Nov-14</b>
Accurate Reporting of Indiana	\$90.00	\$90.00	\$90.00	\$135.00	\$0.00	\$90.00
<b>Total for Court Reporters</b>	<b>\$495.00</b>					
<b>TOTAL Board Operations Costs for 2014</b>	<b>\$2,271.10</b>					

**(H) State Board of Funeral and Cemetery Service**

- 1. Identify the functions, powers, and duties of the regulated occupation and the board, including any functions, powers or duties that are inconsistent with current or projected practice of the occupation.**

Funeral and Cemetery Definitions

**IC 25-15-2: Definitions**

**IC 25-15-2-3.5 "Branch location"**

*Sec. 3.5. As used in this chapter, "branch location" means a physical structure:*

- (1) that is owned or leased by a person, not in conjunction with any other person, who owns and operates a licensed funeral home in the same or adjoining county;*
- (2) where human remains are prepared for a viewing, a funeral, or final disposition after initial preparation in a funeral home;*
- (3) where memorial visitation or the viewing of human remains is conducted before or as part of a memorial or funeral service; and*
- (4) where funerals that are not primarily for religious or worship purposes are conducted or held.*

**IC 25-15-2-9 "Embalming"**

*Sec. 9. "Embalming" means the temporary preservation and disinfection of human remains by the internal or external application of chemicals or by other methods in preparation for disposition.*

**IC 25-15-2-15 "Funeral home"**

*Sec. 15. "Funeral home" means a physical structure where:*

- (1) human remains are prepared for a funeral or final disposition;*
- (2) human remains are held for disposition;*
- (3) there is an embalming room in compliance with licensure requirements of this article where at least one (1) of the following takes place:*
  - (A) The embalming of human remains.*
  - (B) The prevention of the spread of infectious or contagious disease from human remains.*
  - (C) The aspiration of internal body fluids and gasses from human remains.*
  - (D) The temporary storage of non-casketed human remains awaiting final disposition.*
  - (E) The dressing, final preparation, and casketing of human remains;*
- (4) memorial visitation or the viewing of human remains is conducted before or as part of a memorial or funeral service; and*

*(5) funerals whose primary function is not for a religious or worship purpose are conducted or held*

### **IC 25-15-2-17 "Funeral services"**

*Sec. 17. As used in this chapter, "funeral services" means:*

- (1) accepting, holding, caring for, or preparing human remains for a funeral or final disposition, including embalming (where authorized) and the practice of restorative arts;*
- (2) at need counseling of survivors of a deceased individual on:*
  - (A) the services, methods, and alternatives for final disposition of human remains; and*
  - (B) the requirements of federal and state law applicable to the sale of funeral services and merchandise;*
- (3) arranging, supervising, or conducting a funeral service in conjunction with the memorialization or the disposition of human remains, (however, "funeral services" does not include interment services performed in a cemetery by cemetery personnel), including attendance at services held in cemeteries or crematories where third persons are directly responsible for the physical acts associated with interment or final disposition of human remains;*
- (4) selling or offering to sell funeral merchandise described in IC 30-2-13-8 to a consumer at the time of need or in advance of need;*
- (5) selling or offering to sell funeral services described in IC 30-2-13-8 at the time of need or in advance of need;*
- (6) managing a funeral home or branch location licensed under IC 25-15-4-1 or IC 25-15-4-1.1; and*
- (7) arranging for the final disposition of human remains in compliance with public health and safety laws and in a manner that prevents the spread of infectious disease.*

### **Establishment of the Board**

The Board was established in accordance with IC 25-15-2 in 1985. Prior to that date, the board was established as the Embalmers and Funeral Directors Board. The Board's current structure was established in accordance with IC 25-15-9-1 in 1991.

### **IC 25-15-9-2 Members; chairman**

*Sec. 2. (a) The board consists of eleven (11) members as follows:*

- (1) Ten (10) members appointed by the governor for terms of four (4) years.*
- (2) The commissioner of the state department of health or the commissioner's designee.*

*(b) The board shall elect a chairman from the board's own membership every two (2) years to serve a term of two (2) years. The chairman shall be elected*

*alternately from those board members appointed under sections 3 and 4 of this chapter.*

**IC 25-15-9-3 Funeral directors; members**

*Sec. 3. Four (4) of the board's appointed members must be licensed funeral directors, in good standing, without any association with a school of mortuary science other than as a preceptor or supervisor of a funeral service intern.*

**IC 25-15-9-4 Cemetery owners or managers; members**

*Sec. 4. Four (4) of the board's appointed members must be active in the cemetery industry in Indiana, either as an owner or a manager of an operating cemetery property.*

**IC 25-15-9-5 Consumers; members**

*Sec. 5. Two (2) of the board's appointed members must be residents of Indiana who are not associated with the practice of funeral service or a cemetery operation other than as consumers.*

**IC 25-15-9-6 Party affiliation; members**

*Sec. 6. Not more than five (5) of the board's appointed members may be affiliated with the same political party.*

**IC 25-15-9-7 Number of terms; limitation**

*Sec. 7. The board's appointed members may serve only two (2) terms on the board, including prior service either as a member of the state board of funeral service or the state board of embalmers and funeral directors. A member of the board may serve until the member's successor is appointed and qualified under this chapter*

**Role of the Board**

Primary functions are to review credentials license applicants, administer licenses to qualified individuals and facilities, consider requests for restitution from consumer protection funds, promulgate rules, and implement administrative disciplinary actions against licensees who are not practicing according to the Board's statutes and rules.

The Professional Licensing Agency crafts legislation with input from the Board on related matters that work to benefit Hoosier consumers and Hoosier licensees in their industry.

The Board is in existence to maintain Indiana's health, fiscal health, safety, and welfare of the public and practitioners as it pertains to the regulation of the funeral and cemetery industry.

—

Nothing was discovered that indicates the Board or licensed businesses are acting in a manner inconsistent with the current or projected practice of the occupation; however, recommendations are being made by the Committee. Please see the Committee's statement in No. 10 of this report for the recommendations and additional information.

**2. Assess the structure and the management efficiency of the board and the Indiana Professional Licensing Agency.**

The State Board of Funeral and Cemetery Service operates with one board director (BD), one assistant director (AD) and five customer service representatives (CSR) and four compliance officers (CO). The starting salary for a CSR is \$22,724. The starting salary for an AD and CO is \$33,748, and board directors start at \$41,574. Fringe benefits are in addition to these figures. The annual salary budget for all 6 employees is approximately \$323,934.

In factoring the costs to process licenses, it's important to recognize that the IPLA is an umbrella agency for 38 additional boards and commissions. The staffers working for the State Board of Funeral and Cemetery Service also serve other boards. Specifically, "Group 12" also includes the State Board of Cosmetology and Barber Examiners. These boards, and the composition of each group, are assigned by the agency director.

The agency's executive staff also provides services to the entire agency and should be considered in this analysis. This includes the executive director, deputy director, chief legal counsel, staff attorney, communications director, legislative director, controller, controller staff, IT director and IT staff. The cost of administering and managing these licenses would be even higher when factoring in the attorney general's office, which includes their expenses of Advisory Counsel to the Board, prosecution and senior management from both advisory and litigation.

**3. Assess the regulated occupation's and the board's ability to meet the objectives of the General Assembly in licensing the regulated occupation.**

The IPLA and the State Board of Funeral and Cemetery Service have met the standards and statutes imposed by the General Assembly in providing adequate service to funeral and cemetery licensees. Based on the information provided to the Committee, recommendations were submitted. The policy statement from the Committee is No. 10 regarding the operational structure of the agency and the board. The Committee is proposing changes to the how this profession is regulated.



#### **4. Assess the fees that the board charges for licenses.**

The IPLA has a General Fund appropriation that is not board specific and is used to support the agency's operations for all 38 of its licensing boards and commissions. Licensing fees are not dedicated to the profession. An assessment of the fees charged by the Board is as follows:

##### **Funeral Director Intern**

- a.) The applicant would need to pass the International Conference of Funeral Service Examining Boards Arts and Sciences examination. Fees are paid directly to the Conference.
- b.) The applicant would then apply for the license and pay the \$25.00 application/license fee.
- c.) The license is valid for two years and may be renewed for one more year by filing a renewal application and fee of \$25.00.

##### **Funeral Director**

- a.) The applicant would apply for the license and pay the \$50.00 application/license fee and the \$50.00 examination fee.
- b.) The applicant would then need to pass the funeral director law examination.
- c.) The license is valid for two years and may be renewed by filing a renewal application and fee of \$50.00.

##### **Funeral Director by Reciprocity**

- a.) The applicant would apply for the license and pay the \$50.00 application/license fee and the \$50.00 examination fee.
- b.) The applicant would then need to pass the funeral director law examination.
- c.) Reciprocity applicants are not required to obtain one year work experience as a funeral director intern in Indiana as a non-reciprocity applicant would.
- d.) The license is valid for two years and may be renewed by filing a renewal application and fee of \$50.00.

##### **Embalmer**

- a.) The board no longer issues an embalmer license however existing embalmer licenses may be renewed by filing a renewal application and renewal fee of \$50.00.

##### **Courtesy Card**

- a.) The applicant would apply for the license and pay the \$150.00 application/license fee.
- b.) The license is valid for two years and may be renewed by filing a renewal application and fee of \$150.00.

- c.) Pursuant to IC 25-15-10(4), the Board must consider the fees charged by states bordering Indiana that issue courtesy cards to charge a fee that is consistent with fees charged by those states.

**Funeral Home and Funeral Home Branch**

- a.) The applicant would apply for the license and pay the \$50.00 application/license fee.
- b.) The applicant would then need to pass inspection for issuance of the license.
- c.) The license is valid for two years and may be renewed by filing a renewal application and fee of \$50.00.

**Crematory**

- a.) The applicant would apply for the registration. There is no fee pursuant to statute.
- b.) The registration does not expire.

**Cemetery**

- a.) The applicant would apply for the registration and pay the \$100.00 fee pursuant to IC 25-15-9-17(b).
- b.) The registration does not expire.

**5. List the number of individuals who are licensed in the regulated occupation.**

**Funeral Director** – Required for anyone practicing funeral service without supervision in the State of Indiana.

- a.) 2488 active licenses in Indiana
- b.) 163 new licenses issued in past two year renewal cycle (1/2013-12/2014)

**Funeral Director Intern** – Required for anyone practicing funeral service under the supervision of a FD to gain experience to become a funeral director in the State of Indiana

- a.) 49 active licenses in Indiana
- b.) 96 new licenses issued in past two years (1/2013-12/2014)

**Embalmer (EM)** – Required for anyone practicing embalming services in the State of Indiana.

- a.) 6 active licenses
- b.) No longer issue new embalmers licenses, however existing licenses are eligible for renewal every two years.

**Courtesy Card** – Established January 2013; required for a funeral director licensed in a bordering state that offers a courtesy card to Indiana funeral directors that would like to perform limited services without obtaining a funeral director

license by reciprocity. The courtesy card provides for limited funeral director services.

- a.) 82 active licenses in Indiana
- b.) 82 new licenses issued in past two year renewal cycle (1/2013-12/2014)

**Funeral Home** – Required facility to hold and prepare human remains for viewing, a funeral, or final disposition.

- a.) 576 active licenses
- b.) 42 licenses issued in past two year renewal cycle (1/2013-12/2014)

**Funeral Home Branch** – Required facility where human remains are prepared for viewing, a funeral, or final disposition after initial preparation of the body in a funeral home.

- a.) 97 active licenses
- b.) 19 licenses issued in past two year renewal cycle (1/2013-12/2014)

**Total number of licenses with the State Board of Funeral and Cemetery Service**

- a.) Active – 3298
- b.) Probation – 13
- c.) Inactive – 47
- d.) Expired – 1151

**6. Provide the budget and other fiscal factors for regulating the regulated occupation, including the actual cost of administering license applications, renewals and issuing licenses.**

The IPLA has a General Fund appropriation that is not board specific. The General Fund appropriation is used to support the agency operations for 38 licensing boards and staff. Licensing fees, as outlined in No. 4 of this report, are not dedicated to the profession.

To review the staffing costs associated with administering licenses and renewals for the State Board of Funeral and Cemetery Service, please see No. 2. For the costs associated with having the Board and paying per diem, travel and court reporters for board meetings, please see the last page of this section after the recommendation from the Committee.

**7. Provide an assessment of the effect of the regulated occupation on the state's economy, including consumers and businesses.**

*(Information in part accumulated from the report presented by the Indiana Funeral Directors Association and the Indiana Cemetery Association.)*

The funeral service industry is not a growing segment of the economy due to changes in funeral customs which has led to a decrease in the number of funeral homes. The industry is primarily comprised of family-run businesses that have worked in the industry for generations. The Indiana Funeral Directors Association believes that the manner in which funeral service is practiced is vital to the health, welfare, and safety of the citizens of Indiana.

Regulation of funeral service through formal licensing of funeral homes and funeral directors has been the practice in Indiana and 48 other states for decades. The rationale for doing so is still valid. (Colorado, the one exception, recently saw the need to increase their regulatory level.)

Reasons for licensing:

- The purchase of a funeral is a unique transaction under trying circumstances. The public needs to know that the person they have placed their trust in has met certain educational requirements and complies with strict licensing standards.
- The handling of human remains requires a knowledge of infectious disease and requires safe handling protocols.
- Money paid in advance and held for future use deserves state protection that only licensing can provide.
- The public is best served when a licensing board is in place to handle consumer complaints.
- Only a licensing board can take immediate and emergency action against a practitioner to protect the public in rare cases where it is warranted.

Recommendations from IFDA:

1. Increase the entry level educational standard to a bachelor's degree to be in line with a growing number of other states as well as other comparable professions. (Indiana is falling behind and pay differential could cost us good candidates.)
2. Increase in the number of continuing education hours for re-licensure to help insure up-to-date practices and legal compliance.
3. Retention of current size and structure of board, but streamlining of complaint process.
4. Better and sooner "triage" of complaints by a practitioner.
5. Fines used towards enforcement with an increase of inspections and inspectors.

According to the US Census Bureau, in 2014 the mean salary for a mortician, undertaker and funeral director in Indiana was \$44,650.

**8. Assess the necessity, burden and alternatives to the licenses issued by the board.**

It is the Committee's opinion that licensure and the currently required fees to be work in the funeral/cemetery industry in Indiana are appropriate.

Alternatives to the licensing structures currently in place for this industry were discussed, and the Committee finds these alternatives unpersuasive. The Committee does recommend changes for the industry, which are outlined in No. 10.

**9. List any other criteria identified by the Committee.**

None.

**10. Include any recommendations for legislation, including whether: the regulation of a regulated occupation should be modified; the board should be combined with another board; or whether the board or the regulation of the regulated occupation should be terminated; whether a license should be eliminated; or whether multiple licenses should be consolidated into a single license. The report should also include any recommendations for administrative changes and information that supports the Committee's recommendations. This section does not apply to fees that support dedicated funds. After the Committee has reviewed and evaluated a regulated occupation and board, the Committee shall provide the agency and the board that is the subject of the Committee's evaluation with recommendations for fees that the board should charge for application fees, renewal fees, and fees to issue licenses. The recommendation for fees must comply with the requirements under IC 25-1-8-2. However, the recommendation must not exceed the lesser of either one hundred dollars (\$100) or the actual administrative cost to process the application or renew or issue the license.**

This is the Job Creation Committee's policy statement for the State Board of Funeral and Cemetery Service and the regulation of the funeral/cemetery fields:

*The Job Creation Committee recommends keeping the State Board of Funeral and Cemetery Service, but it recommends removing the funeral director intern license as these licensees always have to be under the direct and immediate supervision of a licensed funeral director. The Committee believes strongly in the need for professional development and believes that the state should be more apprehensive to put up barriers to entry for those with the least means. The State has a compelling interest in regulating the safe disposal of human remains as a matter of public safety and infectious disease control.*

## State Board of Funeral and Cemetery Service

<b>Board Member Travel Reimbursements</b>	<b>6-Feb-14</b>	<b>3-Apr-14</b>	<b>12-Jun-14</b>	<b>26-Jun-14</b>	<b>7-Aug-14</b>	<b>2-Oct-14</b>	<b>4-Dec-14</b>
David McComb	\$121.44	---	\$121.44	---	\$121.44	---	---
Matthew Drury	\$25.52	\$25.52	\$25.52	---	---	---	---
James Todd	\$42.24	\$42.24	\$42.24	---	\$42.24	---	---
John Gerlach	\$288.65	\$265.65	\$301.65	---	\$286.67	---	---
Theodore Mau	\$11.44	\$11.44	\$11.44	\$11.44	\$11.44	\$11.44	\$11.44
Anne Patterson	---	\$26.40	---	---	---	---	---
Roland Cutter	\$64.24	\$64.24	\$64.24	\$64.24	\$64.24	\$64.24	\$64.24
Tasha Smith	---	---	---	---	---	---	---
Paul St. Pierre	---	---	---	---	---	---	---
Samuel Frain	---	\$101.20	\$101.20	\$101.20	\$101.20	\$101.20	\$101.20
Donald Alford	---	---	---	---	---	\$186.56	\$186.56
Robert Loose	---	---	---	---	---	\$38.72	\$38.72
Thomas Sproles	---	---	---	---	---	\$44.88	\$44.88
Chistopher Cooke	---	---	---	---	---	\$201.52	\$201.52
<b>Monthly Totals</b>	<b>\$553.53</b>	<b>\$536.69</b>	<b>\$667.73</b>	<b>\$176.88</b>	<b>\$627.23</b>	<b>\$648.56</b>	<b>\$648.56</b>
<b>Total Travel Costs</b>	<b>\$3,859.18</b>						

<b>Board Member Per Diem Payments</b>	<b>6-Feb-14</b>	<b>3-Apr-14</b>	<b>12-Jun-14</b>	<b>26-Jun-14</b>	<b>7-Aug-14</b>	<b>2-Oct-14</b>	<b>4-Dec-14</b>
David McComb	\$50.00	---	\$50.00	---	---	---	---
Matthew Drury	\$50.00	\$50.00	\$50.00	---	---	---	---
James Todd	\$50.00	\$50.00	\$50.00	---	\$50.00	---	---
John Gerlach	---	---	---	---	---	---	---

Theodore Mau	\$50.00	\$50.00	\$50.00	\$50.00	---	---	---
Anne Patterson	\$50.00	\$50.00	\$0.00	---	---	---	---
Roland Cutter	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
Tasha Smith	---	---	---	---	---	---	---
Paul St. Pierre	---	---	---	---	---	---	---
Samuel Frain	---	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
Donald Alford	---	---	---	---	---	\$50.00	\$50.00
Robert Loose	---	---	---	---	---	\$50.00	\$50.00
Thomas Sproles	---	---	---	---	---	\$50.00	\$50.00
Chistopher Cooke	---	---	---	---	---	\$50.00	\$50.00
<b>Monthly Totals</b>	<b>\$300.00</b>	<b>\$300.00</b>	<b>\$300.00</b>	<b>\$150.00</b>	<b>\$150.00</b>	<b>\$300.00</b>	<b>\$300.00</b>
<b>Per Diem Total</b>	<b>\$1,800.00</b>						

*As of 2/5/15 all members had completed the paper work to receive per diem payments.*

<b>Court Reporter Costs</b>	<b>6-Feb-14</b>	<b>3-Apr-14</b>	<b>12-Jun-14</b>	<b>26-Jun-14</b>	<b>7-Aug-14</b>	<b>2-Oct-14</b>	<b>4-Dec-14</b>
Accurate Reporting of Indiana	\$150.00	\$150.00	\$200.00	---	\$150.00	---	\$125.00
<b>Total for Court Reporters</b>	<b>\$775.00</b>						

<b>Dues and Subscription Costs</b>	<b>FY 2014</b>	<b>FY 2015</b>
The International Conference of Funeral Services Exam Bds.	\$250.00	\$250.00
<b>Total</b>	<b>\$250.00</b>	<b>\$250.00</b>

*Paid out of the Dedicated Funeral Education Fund 40310*

<b>TOTAL Board Operations Costs for 2014</b>	<b>\$6,684.18</b>
--	-------------------

**(I) Committee of Hearing Aid Dealer Examiners**

- 1. Identify the functions, powers, and duties of the regulated occupation and the board, including any functions, powers or duties that are inconsistent with current or projected practice of the occupation.**

Hearing Aid Dealer and Other Pertinent Definitions

**IC 25-20-1-1 Definitions**

*Sec. 1. Except as the context requires otherwise:*

*"Hearing aid" shall mean any instrument or device worn on the human body, designed and fit for an individual with a hearing loss and any parts, attachments or accessories of such an instrument or device. The term does not include a personal sound amplifier.*

*"Personal sound amplifier" means a device that simply magnifies sound and does not address an individual's specific hearing loss.*

*"Fit hearing aids" shall mean the hearing aid dealer's or salesman's evaluation or measurement of the powers or range of human hearing for the subsequent selection or adaption or sale of hearing aids.*

*"Dispense hearing aids" shall mean the sale, lease or rental of a hearing aid to anyone other than a hearing aid dealer. "Hearing aid dealer" shall mean any person who fits or dispenses hearing aids and who receives a commission or salary derived from the sale of such devices or maintenance of such devices except any person who serves said dealer only in an administrative or clerical manner and who does not evaluate, fit or dispense hearing aids shall be excluded.*

*"Audiologist" means an individual holding a license to practice audiology issued under IC 25-35.6.*

*"Registration" shall refer to the legal privilege given a person who holds a hearing aid dealer certificate of registration; and*

*"Temporary Registration" shall refer to the legal privilege given a person who holds a temporary hearing aid dealer certificate of registration.*

Establishment of the Board

The Committee of Hearing Aid Dealer Examiners was created in 1981 (IC 25-20-1-1.5).

**IC 25-20-1-1.5 Committee of hearing aid dealer examiners**

*Sec. 1.5. (a) There is established the committee of hearing aid dealer examiners which consists of five (5) members all appointed by the governor to a term of three (3) years. Three (3) members must be hearing aid dealers licensed under this chapter, who are residents of this state and who have been practicing as hearing aid dealers for at least one (1) year prior to their appointment. One (1) member must be an otolaryngologist in this state, who is a resident of this state*



*and who has been engaged in the practice of otolaryngology for at least one (1) year prior to appointment to the committee. One (1) member must be a resident of this state who is in no way associated with the business of hearing aid dealers, audiology, or speech-language pathology other than as a consumer. Whenever a vacancy occurs on the committee, the governor shall appoint a successor to serve the remainder of the term of the vacated member.*

*(b) Three (3) members present constitute a quorum.*

*(c) The members serve without compensation, except that each member is entitled to the salary per diem as provided by IC 4-10-11-2.1 and to reimbursement for travel, lodging, meals, and other expenses as provided in the state travel policies and procedures established by the department of administration and approved by the state budget agency.*

### Role of the Board

Primary functions are to review credentials license applicants, administer licenses to qualified individuals, consider requests for restitution from consumer protection funds, promulgate rules, and implement administrative disciplinary actions against licensees who are not practicing according to the Board's statutes and rules.

The Professional Licensing Agency crafts legislation with input from the Board on related matters that work to benefit Hoosier consumers and Hoosier licensees in their industry.

The Board is in existence to maintain Indiana's health, fiscal health, safety, and welfare of the public and practitioners as it pertains to the regulation of the funeral and cemetery industry.

—

Nothing was discovered that indicates the Board or licensed businesses are acting in a manner inconsistent with the current or projected practice of the occupation; however, recommendations are being made by the Committee. Please see the Committee's statement in No. 10 of this report for the recommendations and additional information.

## **2. Assess the structure and the management efficiency of the board and the Indiana Professional Licensing Agency.**

The Committee of Hearing Aid Dealer Examiners operates with one board director (BD), one assistant director (AD) and four customer service representatives (CSR). The starting salary for a CSR is \$22,724. The starting salary for an AD is \$33,748, and board directors start at \$41,574. Fringe benefits are in addition to these figures. The annual salary budget for all 6 employees is approximately \$166,218.

In factoring the costs to process licenses, it's important to recognize that the IPLA is an umbrella agency for 38 additional boards and commissions. The staffers working for the State Board of Funeral and Cemetery Service also serve other boards. Specifically, "Group 4" also includes the Board of Pharmacy and the Speech-Language Pathology Audiology Board. These boards, and the composition of each group, are assigned by the agency director.

The agency's executive staff also provides services to the entire agency and should be considered in this analysis. This includes the executive director, deputy director, chief legal counsel, staff attorney, communications director, legislative director, controller, controller staff, IT director and IT staff. The cost of administering and managing these licenses would be even higher when factoring in the attorney general's office, which includes their expenses of Advisory Counsel to the Board, prosecution and senior management from both advisory and litigation.

**3. Assess the regulated occupation's and the board's ability to meet the objectives of the General Assembly in licensing the regulated occupation.**

The IPLA and the Committee of Hearing Aid Dealer Examiners have met the standards and statutes imposed by the General Assembly in providing adequate service to licensed practitioners. Based on the information provided to the Committee, recommendations were submitted. The policy statement from the Committee is No. 10 regarding the operational structure of the agency and the board. The Committee is proposing changes to the how this profession is regulated.

**4. Assess the fees that the board charges for licenses.**

The IPLA has a General Fund appropriation that is not board specific and is used to support the agency's operations for all 38 of its licensing boards and commissions. Licensing fees are not dedicated to the profession. An assessment of the fees charged by the Board is as follows:

The initial application for a Hearing Aid Dealer registration costs \$60. This registration is set on a biennial renewal cycle expiring on June 30<sup>th</sup>. To renew a hearing aid dealer registration, a licensee must pay \$40. If a licensee is renewing a permit late and it's less than three years since the registration was first granted, then the cost to renew is \$90 (\$50 penalty fee plus biennial renewal of \$40). If it's more than three years since the license was active, then it's \$100 (renewal fee plus initial application fee).

Student hearing aid dealer permits cost \$20 annually from the time of issuance. These permits are not on a renewal cycle.

Hearing aid dealers are required to complete twenty hours of continuing education credit prior to renewal. A registrant may use only credit hours earned in continuing education courses completed after the last date the registrant renewed a certificate of registration. Credit may be received only by completing continuing education courses that have been approved by the committee, the American Speech-Language-Hearing Association or the National Institute for Hearing Instrument Studies. A copy of the original certificate of completion must be included.

**5. List the number of individuals who are licensed in the regulated occupation.**

**Hearing Aid Dealer** – Any person who fits or dispenses hearing aids and who receives a commission or salary derived from the sale of such devices or maintenance of such devices except any person who serves said dealer only in an administrative or clerical manner and who does not evaluate, fit or dispense hearing aids shall be excluded.

- a.) 287 active licenses
- b.) 16 new licenses issued in the last year

**Student Hearing Aid Dealer** – A student applicant employed or directly supervised in the fitting of hearing aids by a registrant holding a valid registration.

- a.) 63 active licenses
- b.) 51 new licenses issued in the last year

Total Number of Licenses = 350

**6. Provide the budget and other fiscal factors for regulating the regulated occupation, including the actual cost of administering license applications, renewals and issuing licenses.**

The IPLA has a General Fund appropriation that is not board specific. The General Fund appropriation is used to support the agency operations for 38 licensing boards and staff. Licensing fees, as outlined in No. 4 of this report, are not dedicated to the profession.

To review the staffing costs associated with administering licenses and renewals for the Committee on Hearing Aid Dealer Examiners, please see No. 2. For the costs associated with having the Board and paying per diem, travel and court reporters for board meetings, please see the last page of this section after the recommendation from the Committee.

**7. Provide an assessment of the effect of the regulated occupation on the state's economy, including consumers and businesses.**

*(Information in part accumulated from the report presented by the International Hearing Society.)*

The Committee on Hearing Aid Dealer Examiners is one of the smallest boards overseen by the IPLA, having approximately 350 practitioners. This board meets only twice a year and handles very little administrative business as there are few to no complaints filed against practitioners.

The International Hearing Society (IHS) believes that it is a matter of public safety for there to be an independent board, which focuses on the practice of dispensing hearing aids. It's the best way to ensure the highest standards of consumer protection and public safety.

According to the US Census Bureau, in 2014 the mean salary for a hearing aid specialist in Indiana was \$40,580.

**8. Assess the necessity, burden and alternatives to the licenses issued by the board.**

It is the Committee's opinion that licensure and the currently required fees to be work in the hearing aid industry in Indiana are appropriate and very low.

Alternatives to the licensing structures currently in place for this industry were discussed, and the Committee finds these alternatives persuasive. The specific recommendations are outlined in No. 10.

**9. List any other criteria identified by the Committee.**

The Committee was given a letter from Cynthia Hoest, President of the Colorado Hearing Society. In this letter, it described the cause and effect of Colorado's actions in deregulating hearing aid professionals. Colorado has since passed language again regulating the profession because there was "a huge influx of unscrupulous, untrained and incapable people dispensing hearing aids."

The Attorney General's office has only revoked 2 hearing dealer licenses since the inception of the board. The Committee finds the letter unpersuasive given the information age we are now currently in versus the information that was available to consumers in 1986 when this deregulation took place in Colorado. The Committee strongly believes there are less cumbersome ways to protect the public when necessary, and less regulations in this field would be of benefit to consumers.

- 10. Include any recommendations for legislation, including whether: the regulation of a regulated occupation should be modified; the board should be combined with another board; or whether the board or the regulation of the regulated occupation should be terminated; whether a license should be eliminated; or whether multiple licenses should be consolidated into a single license. The report should also include any recommendations for administrative changes and information that supports the Committee's recommendations. This section does not apply to fees that support dedicated funds. After the Committee has reviewed and evaluated a regulated occupation and board, the Committee shall provide the agency and the board that is the subject of the Committee's evaluation with recommendations for fees that the board should charge for application fees, renewal fees, and fees to issue licenses. The recommendation for fees must comply with the requirements under IC 25-1-8-2. However, the recommendation must not exceed the lesser of either one hundred dollars (\$100) or the actual administrative cost to process the application or renew or issue the license.**

This is the Job Creation Committee's policy statement for the Committee of Hearing Aid Dealer Examiners and the regulation of the hearing aid field:

*The Job Creation Committee recommends eliminating the Committee of Hearing Aid Dealer Examiners and removing the need for licensure of the hearing aid industry. In regards to the hearing aid dealer, the Committee recommends elimination because the patient is already under the care of a physician. The student hearing aid dealer license is even more unnecessary as these licensees are under the supervision of a licensed hearing aid dealer. At a minimum, the Committee recommends to the General Assembly, the elimination of this license.*

## **Committee on Hearing Aid Dealer Examiners**

<b>Board Member Travel Reimbursements</b>	<b>13-Feb-14</b>	<b>9-Apr-14</b>	<b>9-Jul-14</b>	<b>8-Oct-14</b>
Alan Reese	\$265.57	\$242.57	\$265.57	\$99.44
Robert Payne	\$9.68	\$11.44	\$11.44	\$11.44
Richard Miyamoto, M.D.	---	\$10.56	\$10.56	\$10.56
Anthony Gigli	---	---	---	---
<b>Monthly Totals</b>	<b>\$275.25</b>	<b>\$264.57</b>	<b>\$287.57</b>	<b>\$121.44</b>
<b>Total Travel Costs</b>	<b>\$948.83</b>			

<b>Board Member Per Diem Payments</b>	<b>13-Feb-14</b>	<b>9-Apr-14</b>	<b>9-Jul-14</b>	<b>8-Oct-14</b>
Alan Reese	\$50.00	\$50.00	\$50.00	\$50.00
Robert Payne	\$50.00	\$50.00	---	---
Richard Miyamoto, M.D.	---	\$50.00	\$50.00	\$50.00
Anthony Gigli	---	---	---	---
<b>Monthly Totals</b>	<b>\$100.00</b>	<b>\$150.00</b>	<b>\$100.00</b>	<b>\$100.00</b>
<b>Per Diem Total</b>	<b>\$450.00</b>			

*As of 12/31/2014 only 2 board members had completed the paper work to receive per diem payments.*

<b>TOTAL Board Operations Costs for 2014</b>	<b>\$1,398.83</b>
--	-------------------

**(J) Indiana Plumbing Commission**

- 1. Identify the functions, powers, and duties of the regulated occupation and the board, including any functions, powers or duties that are inconsistent with current or projected practice of the occupation.**

Plumbing Definitions

**IC 25-28.5-1-2 Definitions**

*Sec. 2. As used in this chapter:*

*(1) "Plumbing" means the practice of and the materials and fixtures used in the installation, maintenance, extension, and alteration of all piping, fixtures, appliances, and appurtenances in connection with any of the following:*

*(A) Sanitary drainage or storm drainage facilities, the venting system, and the public or private water supply systems, within or adjacent to any building or structure.*

*(B) The practice and materials used in the installation, maintenance, extension, or alteration of the stormwater, liquid waste, or sewerage, and water supply systems of any premises to the private property line or to their connection with any point of public disposal or other acceptable terminal.*

*The term does not include the planning, designing, and installation of sanitation and water systems in vehicles commonly known as mobile homes, the drilling of wells, the installation of pumps, pressure tanks, and piping incidental to the drilling or repair of a well system, the sale or installation of water softening equipment and apparatuses and services of the same, or the business of manufacturing or selling plumbing fixtures; appliances, equipment, or hardware; the installation of automatic sprinklers, the overhead or underground water supplies or standpipes when connected to an automatic sprinkler system or to their related devices or appurtenances connecting thereto; nor does the term include the work referred to in section 32(i) of this chapter; nor does the term include the planning or design of water supply or sewage systems which would ordinarily be performed as "the practice of engineering", as defined in IC 25-31-1, or the "practice of architecture", as defined in IC 25-4-1.*

*(2) "Plumbing contractor" means any person who, for compensation, undertakes to, or submits a bid to, or does himself or herself or by others, construct, repair, alter, remodel, add to, subtract from, or improve plumbing and who is responsible for substantially all the plumbing within the entire project, or one who fabricates units or plumbing substantially completed and ready for installation.*

*(3) "Journeyman plumber" means a person who engages or offers to engage in, as an occupation or trade, the construction, installation, alteration, maintenance, repair, remodeling, or removal and replacement of plumbing under the supervision, direction, and responsibility of a licensed plumbing contractor.*

*(4) "Maintenance man" means a person who is employed on a permanent basis to keep the premises of a business establishment in good repair.*

- (5) "Contracting" means, except as exempted in this chapter, engaging in a business as a contractor.
- (6) "Person" means a natural person, except in the case of a plumbing contractor, in which case it may mean the partners or members of a partnership, limited partnership, or any form of unincorporated enterprise, owned by two (2) or more persons, and as applied to "corporation" in addition to the corporate entity means the officers or directors and employees thereof.
- (7) "Commission" means the Indiana plumbing commission created by this chapter.
- (8) "License" means a certificate issued by the commission established by this chapter which confers upon the holder the privilege to act as a plumbing contractor or a journeyman plumber as defined in this chapter.
- (9) "Farmstead" means a farm dwelling together with other buildings, structures, equipment, piping, and other plumbing materials and supplies, located upon a parcel of real estate used primarily for agricultural purposes located outside the corporate limits of a municipality and not connected to a public water supply.
- (10) "Licensing agency" means the Indiana professional licensing agency established under IC 25-1-5-3.
- (11) "Apprentice plumber" means an individual who:
- (A) is learning the plumbing trade; and
  - (B) is under the direction and immediate supervision of a licensed plumbing contractor or a licensed journeyman plumber.
- (12) "Registration" means the granting of a certificate by the commission that authorizes an individual to act as an apprentice plumber.

#### Establishment of the Board

The Indiana Plumbing Commission was created in 1972 (IC 25-28.5-1-3). At no time shall there be more than four members of the same political faith on the commission. No person, other than the representative of the state department of health, shall act as a member of the commission while holding another elective or appointive office either state or federal.

#### **IC 25-28.5-1-4 Members of commission; appointment; terms; vacancies; dual office holding prohibited**

*Sec. 4. (a) The commission shall consist of six (6) members to be appointed by the governor. Each member appointed shall be a citizen and resident of this state. Two (2) of the members shall be actively engaged in the plumbing contracting business for not less than five (5) years immediately prior to his appointment or shall have had ten (10) years experience in the plumbing contracting business. Two (2) of the members shall be persons who for not less than five (5) years immediately prior to their appointment have been employed as journeymen plumbers. One (1) member shall be the commissioner of the state department of health or a member of the commissioner's professional staff. One (1) member, appointed to represent the general public, may never have been associated with*



*plumbing in anyway other than as a consumer. The term of all members of the commission shall be for three (3) years and until their successors are appointed and qualified.*

*(b) Members appointed by the governor to fill vacancies shall hold office for the unexpired term. At no time shall there be more than four (4) members of the same political faith on the commission. No person, other than the representative of the state department of health, shall act as a member of the commission while holding another elective or appointive office either state or federal*

### Role of the Board

Primary functions are to review credentials license applicants, administer licenses to qualified individuals, consider requests for restitution from consumer protection funds, promulgate rules, and implement administrative disciplinary actions against licensees who are not practicing according to the Board's statutes and rules.

The Professional Licensing Agency crafts legislation with input from the Board on related matters that work to benefit Hoosier consumers and Hoosier licensees in their industry.

The Board is in existence to maintain Indiana's health, fiscal health, safety, and welfare of the public and practitioners as it pertains to the regulation of the funeral and cemetery industry.

—

Nothing was discovered that indicates the Board or licensed individuals are acting in a manner inconsistent with the current or projected practice of the occupation; however, recommendations are being made by the Committee. Please see the Committee's statement in No. 10 of this report for the recommendations and additional information.

## **2. Assess the structure and the management efficiency of the board and the Indiana Professional Licensing Agency.**

The Indiana Plumbing Commission operates with one board director (BD), one assistant director (AD) and four customer service representatives (CSR). The starting salary for a CSR is \$22,724. The starting salary for an AD is \$33,748, and board directors start at \$41,574. Fringe benefits are in addition to these figures. The annual salary budget for all 6 employees is approximately \$166,218.

In factoring the costs to process licenses, it's important to recognize that the IPLA is an umbrella agency for 38 additional boards and commissions. The staffers working for the State Board of Funeral and Cemetery Service also serve other boards. Specifically, "Group 14" also includes the boards the oversee accountants,

massage therapists, optometrists, physical therapists and occupational therapists. These boards, and the composition of each group, are assigned by the agency director.

The agency's executive staff also provides services to the entire agency and should be considered in this analysis. This includes the executive director, deputy director, chief legal counsel, staff attorney, communications director, legislative director, controller, controller staff, IT director and IT staff. The cost of administering and managing these licenses would be even higher when factoring in the attorney general's office, which includes their expenses of Advisory Counsel to the Board, prosecution and senior management from both advisory and litigation.

**3. Assess the regulated occupation's and the board's ability to meet the objectives of the General Assembly in licensing the regulated occupation.**

The IPLA and the Indiana Plumbing Commission have met the standards and statutes imposed by the General Assembly in providing adequate service to licensed practitioners. Based on the information provided to the Committee, recommendations were submitted. The policy statement from the Committee is No. 10 regarding the operational structure of the agency and the board. The Committee is proposing changes to the how this profession is regulated.

**4. Assess the fees that the board charges for licenses.**

The IPLA has a General Fund appropriation that is not board specific and is used to support the agency's operations for all 38 of its licensing boards and commissions. Licensing fees are not dedicated to the profession. An assessment of the fees charged by the Board is as follows:

1. Plumbing Apprentice Application fee	\$10
2. Plumbing Apprentice Renewal fee	\$10
3. Journeyman Plumber Application fee	\$30
4. Journeyman Plumber Issuance fee	\$30 even yrs. /\$15 odd yrs.
5. Journeyman Plumber Renewal fee	\$30 (every 2 yrs)
6. Journeyman Plumber Reinstate fee	\$60
7. Plumbing Contractor Application fee	\$50
8. Plumbing Contractor Issuance fee	\$100 even yrs. /\$50 odd yrs.
9. Plumbing Contractor Renewal fee	\$50 (every 2 yrs)
10. Plumbing Contractor Reinstate fee	\$200
11. Temporary Contractor license fee	\$25
12. Plumbing Contractor Corp. Application fee	\$50
13. Plumbing Contractor Corp. Renewal fee	\$100
14. Plumbing Contractor Corp. Reinstate fee	\$200

\*\*\*A \$50 late fee is assessed for licenses expired less than 3 years\*\*\*

—

### **Plumbers Recovery Fund, IC 25-28.5-2**

The Plumbers Recovery Fund is administered by the Indiana Plumbing Commission and is established so that if any aggrieved person obtains a final judgment in any court against any plumbing contractor to recover damages for a violation under IC 25-1-11 or the plumbing codes of the state (with or without a finding by the Indiana Plumbing Commission) that results in an actual cash loss to the aggrieved person, the person may, upon termination of all proceedings, including appeals and proceedings supplemental to judgment for collection purposes, file a verified application in the court in which the judgment was entered for an order directing payment out of the Plumbers Recovery Fund of the amount of actual and direct loss in the transaction that remains unpaid upon the judgment. The amount of actual and direct loss may include court costs but may not include attorney's fees or punitive damages awarded. The amount that may be paid from the Plumbers Recovery Fund may not exceed \$20,000 per judgment and an aggregate lifetime limit of \$50,000 with respect to any one licensee.

The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

Money in the fund at the end of a state fiscal year does not revert to the state general fund, except if the total amount in the Plumbers Recovery Fund (including principal and interest) exceeds \$550,000 at the end of a state fiscal year after the payment of all claims and expenses, the amount in excess of \$550,000 reverts to the state General Fund

If the total amount in the Plumbers Recovery Fund (including principal and interest) plus estimated revenues from the fee assessed under section 2.1 of this chapter from July 1 of the current year through June 30 of the next year will be less than \$330,000 on June 30 in an odd-numbered year after the payment of all claims and expenses, the Indiana Plumbing Commission shall assess a surcharge in order to maintain the fund at an approximate level of \$400,000.

As of March 31, 2015, the Plumbers Recovery Fund balance was at \$504,885.84, which requires no collection of the fee. The last payment out of the fund was August 2012.

### **5. List the number of individuals who are licensed in the regulated occupation.**

**Plumbing Apprentice** – an individual who: (A) is learning the plumbing trade; and (B) is under the direction and immediate supervision of a licensed plumbing contractor or a licensed journeyman plumber.

- a) 1,087 active licenses
- b) 400 licenses issued in 2013
- c) 417 licenses issued in 2014
- d) 38 licenses issued to date in 2015 (as of 4/13/2015)

**Journeyman Plumber** – a person who engages or offers to engage in, as an occupation or trade, the construction, installation, alteration, maintenance, repair, remodeling, or removal and replacement of plumbing under the supervision, direction, and responsibility of a licensed plumbing contractor.

- a) 4,538 active licenses
- b) 107 licenses issued in 2013
- c) 55 licenses issued in 2014
- d) 14 licenses issued to date in 2015 (as of 4/13/2015)

**Plumbing Contractor** – any person who, for compensation, undertakes to, or submits a bid to, or does himself or herself or by others, construct, repair, alter, remodel, add to, subtract from, or improve plumbing and who is responsible for substantially all the plumbing within the entire project, or one who fabricates units or plumbing substantially completed and ready for installation.

- a) 3,339 active licenses
- b) 86 licenses issued in 2013
- c) 82 licenses issued in 2014
- d) 15 licenses issued to date in 2015 (as of 4/13/2015)

**Temporary Contractor** – an individual who has an ownership interest in or is an officer of a contracting business if the plumbing contractor licensee operating the business has died or is physically or mentally unable to operate the business. The commission may issue the license for the period needed to dispose of the contracting business or to otherwise meet the emergency giving rise to the need for the license. However, a temporary contractor's license may not be issued for a period, including all renewals, exceeding two (2) years.

- a) 1 active licenses
- b) 2 licenses issued in 2013
- c) 1 licenses issued in 2014
- d) 0 licenses issued to date in 2015 (as of 4/13/2015)

**Corporate Plumbing Contractor** – In the case of a corporation engaged in the business of a plumbing contractor, the corporation must be licensed as a plumbing

contractor and must file with the commission an application as provided for in this chapter

- a) 529 active licenses
- b) 20 licenses issued in 2013
- c) 33 licenses issued in 2014
- d) 4 licenses issued to date in 2015 (as of 4/13/2015)

### **Approved Apprentices Programs**

There are 17 approved plumbing apprentice providers in the State of Indiana.

### **Continuing Education Course Providers**

The 17 approved Plumbing Apprentice Programs are also approved as continuing education providers by the Commission.

## **6. Provide the budget and other fiscal factors for regulating the regulated occupation, including the actual cost of administering license applications, renewals and issuing licenses.**

The IPLA has a General Fund appropriation that is not board specific. The General Fund appropriation is used to support the agency operations for 38 licensing boards and staff. Licensing fees, as outlined in No. 4 of this report, are not dedicated to the profession.

To review the staffing costs associated with administering licenses and renewals for the Indiana Plumbing Commission, please see No. 2. For the costs associated with having the Board and paying per diem, travel and court reporters for board meetings, please see the last page of this section after the recommendation from the Committee.

## **7. Provide an assessment of the effect of the regulated occupation on the state's economy, including consumers and businesses.**

*(Information in part accumulated from the report presented by the Plumbing Heating Cooling Contractors Association)*

### **From PHCC:**

An unlicensed, untrained person performing plumbing work can cause a cross connection that can put themselves and the community they live in at risk of sickness, disease, and potential criminal and civil proceedings against them.

- The Center for Disease Control has documented 57 waterborne disease outbreaks related to cross-connections, resulting in 9, 734 illnesses.

- A Craun and Calderon report found that 30.3 percent of waterborne disease outbreaks in community systems were caused by contamination of water in the distribution system.
- The Center for Disease Control and Prevention has prepared Ebola guidance for Workers Handling Untreated Sewage from Ebola cases in the United States that address personal protective equipment (PPE) use and PPE disposal actions. Specifically they provide protocols for plumbers.

According to the World Health Organization: *“The safety and abundance of drinking water is, of course, a concern for most people all over the world, but what is not often emphasized is the work the plumbing industry contributes every day to alleviate these concerns. Over the life of a plumbing system, periodic maintenance is required. The chances of the system continuing to function in the safest manner possible grow exponentially when the person performing that maintenance is a trained professional.”*

Given the increasing emphasis on college education, fewer people are entering the trades than ever before. At the same time, the level of knowledge and skill required of a plumber continues to grow as the industry becomes increasingly complex. Experience has demonstrated that the most practical and sound method of preparing workers for employment in skilled occupations is through planned apprenticeship.

Lieutenant Gov. Sue Ellspermann recently spoke at an event by challenging employers to do even more to invest in young talent in Indiana. The Indiana Career Council's strategic plan calls for 60% of the state's workers to have in-demand postsecondary skills and credentials by 2025. Aligning and engaging industry, education and the emerging workforce in work-and-learn models is a key strategy for Indiana's economic development.

Indiana Commissioner for Higher Education Teresa Lubbers recently spoke on Inside Indiana Business and said “It is abundantly clear that students who have opportunities to apply their classroom learning in a real-world setting are better prepared to meet employer expectations and succeed in their careers. We want work-and-learn experiences to become the new standard on our campuses and in our classrooms.”

Apprentice programs are indeed post-secondary education that allows individuals to achieve specialized training while earning a paycheck and contributing to the overall economy. The Plumbing apprenticeship programs are a proven example of work and learn. Apprentices finish their four-year training with good paying, secure employment and no debt. These programs are run by the industry – training individuals in a trade that cannot be outsourced—and at NO COST to the Indiana taxpayer.

- August 2012 US Department of Labor showed that skilled tradesmen who participate in an apprentice program typically earn almost a quarter-million dollars more than nonparticipants over the course of their careers.

The demand for plumbers continues to increase at a rate outpacing most other trades. According to the 2010/11 edition of Occupational Outlook Handbook published by US Department of Labor Statistics, the need for plumbers will probably grow faster than average compared to other occupations through 2018. The Indiana Department of Workforce Development named “Plumber” as the 20<sup>th</sup> hottest job of the future in Indiana. Hoosier Hot 50 Jobs is a listing of the 50 fastest growing, high-wage jobs of tomorrow. The list's ranking for Hoosier Hot 50 Jobs is based on expected demand and wages in 2022 for the state of Indiana. Even though the Hoosier Hot 50 Jobs focuses on the jobs of tomorrow, there are several professions that are hot now and “Plumber” is indicated as such

—

The Bureau of Labor Statistics figures released in May 2013 show the median income for plumbers across the country as \$53,820 per year, or \$25.88 per hour. Apprentice hourly wages start at a percentage hourly rate of a journeyman, and increase each school semester (of 8 semesters) a certain percentage. For example, the first semester is 50%, second is 55%, through the 8<sup>th</sup> semester to 95%.

**8. Assess the necessity, burden and alternatives to the licenses issued by the board.**

It is the Committee’s opinion that licensure is necessary in this field. This is further explained in No. 10. The currently required fees to work in the plumbing industry in Indiana are fairly competitive and not extraordinarily high in comparison with other licensed professions or in comparison to fees required in other states. The fees structure should be reviewed by the Indiana Plumbing Commission in an effort to lower the burden of entry for applicants and practitioners.

Alternatives to the licensing structures currently in place for this industry were discussed, and the Committee finds these alternatives unpersuasive. The specific recommendations are outlined in No. 10.

**9. List any other criteria identified by the Committee.**

The Committee suggests the Legislature remove the political requirements when appointing board members to the Indiana Plumbing Commission. This requirement is rare for the 38 occupational licensing boards overseen by the IPLA, and it is an unnecessary statutory requirement when considering the best qualified candidate to serve on the board. It also poses an administrative burden in how a political party is determined i.e. voting records, how the applicant identifies at the time of appointment, etc.

**10. Include any recommendations for legislation, including whether: the regulation of a regulated occupation should be modified; the board should be**

combined with another board; or whether the board or the regulation of the regulated occupation should be terminated; whether a license should be eliminated; or whether multiple licenses should be consolidated into a single license. The report should also include any recommendations for administrative changes and information that supports the Committee's recommendations. This section does not apply to fees that support dedicated funds. After the Committee has reviewed and evaluated a regulated occupation and board, the Committee shall provide the agency and the board that is the subject of the Committee's evaluation with recommendations for fees that the board should charge for application fees, renewal fees, and fees to issue licenses. The recommendation for fees must comply with the requirements under IC 25-1-8-2. However, the recommendation must not exceed the lesser of either one hundred dollars (\$100) or the actual administrative cost to process the application or renew or issue the license.

This is the Job Creation Committee's policy statement for the Indiana Plumbing Commission and the regulation of the plumbing field:

*The Job Creation Committee recommends keeping the Indiana Plumbing Commission as an important means to maintaining the health and safety of Hoosiers. The individuals involved in this profession effectively and reliably move our most precious resource – water – which has a direct bearing on all operations of our economy; everything from indoor, residential plumbing to the cooling system operations in a manufacturing plant. They are also responsible for our sanitation systems, which limit the spread of disease and other health concerns.*

*The Committee does strongly recommend the elimination of the plumbing apprentice license as this individual is always under the direct and immediate supervision of a licensed plumber. When explained to the committee, this license was merely a “badge of honor” for practitioners. There's a cost to the state in administering each license, and the regulatory burden should be limited for those wanting to enter the workforce, especially on the first rung of the ladder.*



## **Indiana Plumbing Commission**

<b>Board Member Travel Reimbursements</b>	<b>22-Jan-14</b>	<b>26-Mar-14</b>	<b>28-May-14</b>	<b>23-Jul-14</b>	<b>24-Sep-14</b>	<b>19-Nov-14</b>
William Ciriello	---	---	---	---	---	---
Matt Buczolich	\$150.28	\$156.78	\$156.78	---	---	---
Eric Ott	\$150.28	\$156.78	\$156.78	\$137.28	\$0.00	\$132.28
Robert Synko	---	---	---	---	---	---
Owen Stephens	---	\$149.74	\$149.74	\$130.24	\$130.24	---
John Van Cleve	---	---	\$71.28	\$71.28	\$71.28	\$71.28
<b>Monthly Totals</b>	<b>\$300.56</b>	<b>\$463.30</b>	<b>\$534.58</b>	<b>\$338.80</b>	<b>\$201.52</b>	<b>\$203.56</b>
<b>Total Travel Costs</b>	<b>\$2,042.32</b>					

<b>Board Member Per Diem Payments</b>	<b>22-Jan-14</b>	<b>26-Mar-14</b>	<b>28-May-14</b>	<b>23-Jul-14</b>	<b>24-Sep-14</b>	<b>19-Nov-14</b>
William Ciriello	---	---	---	---	---	---
Matt Buczolich	\$50.00	\$50.00	\$50.00	---	---	---
Eric Ott	\$50.00	\$50.00	\$50.00	---	---	---
Robert Synko	---	---	---	---	---	---
Owen Stephens	---	\$50.00	---	---	---	---
John Van Cleve	---	---	\$50.00	\$50.00	\$50.00	\$50.00
<b>Monthly Totals</b>	<b>\$100.00</b>	<b>\$150.00</b>	<b>\$150.00</b>	<b>\$50.00</b>	<b>\$50.00</b>	<b>\$50.00</b>
<b>Per Diem Total</b>	<b>\$550.00</b>					

*As of 12/31/2014 only 1 board member had completed the paper work to receive per diem payments and 1 of those waives.*

<b>Court Reporter Costs</b>	<b>22-Jan-14</b>	<b>26-Mar-14</b>	<b>28-May-14</b>	<b>23-Jul-14</b>	<b>24-Sep-14</b>	<b>19-Nov-14</b>
-----------------------------	------------------	------------------	------------------	------------------	------------------	------------------

Circle City Reporters	\$270.00	\$382.50	\$180.00	\$225.00	\$270.00	\$270.00
<b>Total for Court Reporters</b>	<b>\$1,597.50</b>					

<b>TOTAL Board Operations Costs for 2014</b>	<b>\$4,189.82</b>
--	-------------------

**(K) Indiana Auctioneer Commission**

- 1. Identify the functions, powers, and duties of the regulated occupation and the board, including any functions, powers or duties that are inconsistent with current or projected practice of the occupation.**

Scope of Practice

**IC 25-6.1-1-2 Scope of article**

*Sec. 2. This article provides licensing and registration for persons engaged in operating, conducting or otherwise producing auctions. No other agency or political subdivision of the state shall impose on a licensee or seller at auction any registration or license requirement or any license or employment fee or charge on account of such auction activities.*

Auctioneering Definitions

**IC 25-6.1-1-3 Definitions**

*Sec. 3. As used in this article:*

*"Auction" means a sale transaction conducted by means of oral or written exchanges between an auctioneer and the members of the auctioneer's audience, which exchanges consist of a series of invitations for offers for the purchase of goods or real estate made by the auctioneer and offers to purchase made by members of the audience and culminate in the acceptance by the auctioneer of the highest or most favorable offer made by a member of the participating audience.*

*"Auction company" means any person or persons who, as a part of its business, arranges, manages, sponsors, advertises, or carries out auctions.*

*"Auctioneer" means an individual who is engaged in, or who by advertising or otherwise holds the individual out as being available to engage in, the calling for, the recognition of, and the acceptance of offers for the purchase of goods or real estate at an auction.*

Establishment of the Board

The Indiana Auctioneering Commission was established in accordance with IC 25-6.1-2 in 1977.

**IC 25-6.1-2-1 Creation and membership**

*Sec. 1. Creation and Membership. (a) The Indiana auctioneer commission is created consisting of six (6) members, not more than four (4) of whom may be members of the same political party.*

*(b) A member of the commission is appointed by the governor to serve for a term of three (3) years and until his successor is appointed and qualified. A vacancy arising on the commission shall be filled by the governor, and the individual*

*appointed to fill such vacancy shall serve for the unexpired term of the individual whose vacancy is being filled.*

*(c) Five (5) individuals appointed to membership on the commission must be citizens of Indiana and engaged as auctioneers for a period of not less than five (5) years immediately preceding their appointment. One (1) individual appointed to membership on the commission must be a citizen of Indiana who has not been associated with auctioneering in any way other than as a consumer.*

*(d) An individual may not act as a member of the commission while holding another elected or appointed office in either the state or federal government.*

### Role of the Board

Primary functions are to review credentials license applicants, administer licenses to qualified individuals, consider requests for restitution from consumer protection funds, promulgate rules, and implement administrative disciplinary actions against licensees who are not practicing according to the Board's statutes and rules.

The Professional Licensing Agency crafts legislation with input from the Board on related matters that work to benefit Hoosier consumers and Hoosier licensees in their industry.

The Board is in existence to maintain Indiana's health, fiscal health, safety, and welfare of the public and practitioners as it pertains to the regulation of the funeral and cemetery industry.

—

Nothing was discovered that indicates the Board or licensed individuals are acting in a manner inconsistent with the current or projected practice of the occupation; however, recommendations are being made by the Committee. Please see the Committee's statement in No. 10 of this report for the recommendations and additional information.

## **2. Assess the structure and the management efficiency of the board and the Indiana Professional Licensing Agency.**

The Indiana Auctioneer Commission operates with one board director (BD), one assistant director (AD) and five customer service representatives (CSR). The starting salary for a CSR is \$22,724. The starting salary for an AD is \$33,748, and board directors start at \$41,574. Fringe benefits are in addition to these figures. The annual salary budget for all 6 employees is approximately \$188,942.

In factoring the costs to process licenses, it's important to recognize that the IPLA is an umbrella agency for 38 additional boards and commissions. The staffers working for the Indiana Auctioneer Commission also serve other boards.

Specifically, “Group 9” also includes the Indiana Real Estate Commission, Indiana Real Estate Appraiser Board, Home Inspector Licensing Board and the Manufactured Home Installer Board. These boards, and the composition of each group, are assigned by the agency director.

The agency’s executive staff also provides services to the entire agency and should be considered in this analysis. This includes the executive director, deputy director, chief legal counsel, staff attorney, communications director, legislative director, controller, controller staff, IT director and IT staff. The cost of administering and managing these licenses would be even higher when factoring in the attorney general’s office, which includes their expenses of Advisory Counsel to the Board, prosecution and senior management from both advisory and litigation.

**3. Assess the regulated occupation's and the board's ability to meet the objectives of the General Assembly in licensing the regulated occupation.**

The IPLA and the Indiana Auctioneer Commission have met the standards and statutes imposed by the General Assembly in providing adequate service to licensed practitioners. Based on the information provided to the Committee, recommendations were submitted. The policy statement from the Committee is No. 10 regarding the operational structure of the agency and the board. The Committee is proposing changes to the how this profession is regulated.

**4. Assess the fees that the board charges for licenses.**

The IPLA has a General Fund appropriation that is not board specific and is used to support the agency’s operations for all 38 of its licensing boards and commissions. Licensing fees are not dedicated to the profession. An assessment of the fees charged by the Board is as follows:

Application fee	\$35
Examination fee	\$70
Reciprocal application fee	\$70
Quadrennial Renewal Fee	\$70
Reinstatement of expired license (under 3 years)	\$120
Reinstatement of expired license (over 3 years)	\$105

—

**Auctioneer Recovery Fund**

The balance of the fund at the end of 2014 was \$358,522. If the balance is below the \$360,000 threshold as of 6/30/2015, fees will be assessed during the next renewal cycle to bring the balance back to the statutory level of \$400,000. The last claim against the fund was in April 2014.

**IC 25-6.1-8-1 Establishment of fund; administration; investments**

*Sec. 1. (a) The auctioneer recovery fund is established for the purpose set out in this chapter. The fund shall be administered by the auctioneer commission. (b) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund. (c) Money in the fund at the end of a fiscal year does not revert to the state general fund, except as provided in section 2.1 of this chapter.*

**IC 25-6.1-8-2 Surcharge; formula; assessment**

*Sec. 2. (a) If the total amount in the auctioneer recovery fund (including principal and interest) is less than three hundred sixty thousand dollars (\$360,000) on June 30 in an odd-numbered year after the payment of all claims and expenses, the auctioneer commission shall assess a surcharge according to the following formula in order to maintain the fund at an approximate level of four hundred thousand dollars (\$400,000):*

*STEP ONE: Determine the amount remaining in the fund on June 30 of the current year after all expenses and claims have been paid.*

*STEP TWO: Subtract the amount determined under STEP ONE from four hundred thousand dollars (\$400,000).*

*STEP THREE: Determine the number of licensees who had licenses in effect on June 30 of the current year.*

*STEP FOUR: Divide the number determined under STEP TWO by the number determined under STEP THREE.*

*(b) The auctioneer commission shall assess the surcharge described in subsection (a) against each licensee who:*

*(1) receives an initial license; or*

*(2) receives a renewal license.*

*(c) The auctioneer commission shall assess the surcharge described in subsection (a) for the two (2) year period beginning on July 1 of the current year through June 30 of the next odd-numbered year.*

*(d) The surcharge assessed under this section is in addition to any other fee under this article.*

**5. List the number of individuals who are licensed in the regulated occupation.**

**Auctioneer** – An individual who is engaged in, or who by advertising or otherwise holds the individual out as being available to engage in, the calling for, the recognition of, and the acceptance of offers for the purchase of goods or real estate at an auction.

- a) 2932 active licenses
- b) 244 inactive licenses
- c) 137 licenses issued in 2013

- d) 106 licenses issued in 2014
- e) 21 licenses issued to date in 2015 (as of 3/18/2015)

**Auction Company** – any person or persons who, as a part of its business, arranges, manages, sponsors, advertises, or carries out auctions.

- a) 395 active licenses
- b) 22 licenses issued in 2013
- c) 112 licenses issued in 2014 (due to elimination of the Auction House license)
- d) 9 licenses issued to date in 2015 (as of 3/18/2015)

#### **Pre-Licensing Course Providers**

Approval by the Commission is required to offer a pre-licensing course to applicants for licensure. There are 17 active providers in the state.

#### **Continuing Education Course Providers**

Continuing education course providers are approved by the Commission or automatically approved under IC 25-1-4-0.2. There are 21 active providers in the state.

### **6. Provide the budget and other fiscal factors for regulating the regulated occupation, including the actual cost of administering license applications, renewals and issuing licenses.**

The IPLA has a General Fund appropriation that is not board specific. The General Fund appropriation is used to support the agency operations for 38 licensing boards and staff. Licensing fees, as outlined in No. 4 of this report, are not dedicated to the profession.

To review the staffing costs associated with administering licenses and renewals for the Indiana Auctioneer Commission, please see No. 2. For the costs associated with having the Board and paying per diem, travel and court reporters for board meetings, please see the last page of this section after the recommendation from the Committee.

### **7. Provide an assessment of the effect of the regulated occupation on the state's economy, including consumers and businesses.**

*(Information from the report presented by the Indiana Auctioneers Association)*

Auctions are used to liquidate a variety of assets in a fair and commercially reasonable manner to attain the highest dollar in the current market.

Examples include but are not limited to: real estate, personal or estate items, business assets (tangible & intangible), livestock and farm products, machinery, mineral rights, automobiles, state and county surplus, bankruptcy, foreclosure, divorce and settling estates.

Numbers are difficult to assimilate for several reasons regarding the economic impact of the industry. There are approximately 2,900 active auctioneer licenses with an additional 394 auctioneer company licenses (as of February 2015). The average salary of a professional auctioneer varies widely depending on a number of factors, such as what type of auctions is being conducted: livestock, auto, general household, estates, real estate, etc. Other factors include whether an auctioneer is contracted simply to call the bid and is compensated as such, or whether the auctioneer is doing all aspects of the transaction. The wage of an auctioneer is also dependent on whether they are working for an auction company or working independently? There are many facets to the auction industry, and therefore, it is very difficult to pin down the average wage of an auctioneer (BLS data not available).

Indiana has the lowest auctioneer license fees in the United States among those states that require licensure.

For Neighboring States:

- Ohio auctioneer fees are \$200.00 initially with a bond and \$200.00 renewal biennial.
- Illinois auctioneer fees are \$200.00 initially with a renewal fee of \$450.00 every other year if paid by January 1. After January 1 the fee is \$500.00.
- Kentucky auctioneer fees are \$150.00 initial and \$150.00 annual renewal.

**8. Assess the necessity, burden and alternatives to the licenses issued by the board.**

It is the Committee's opinion that licensure is unnecessary in this field. This is further explained in No. 10. The currently required fees to work in the auctioneering industry in Indiana are appropriate and very low in comparison with other licensed professions.

Alternatives to the licensing structures currently in place for this industry were discussed, and the Committee finds these alternatives persuasive. The specific recommendations are outlined in No. 10.

**9. List any other criteria identified by the Committee.**

At the very least, the Committee suggests the Legislature remove the political requirements when appointing board members to the Indiana Auctioneer Commission. This requirement is rare for the 38 occupational licensing boards



overseen by the IPLA, and it is an unnecessary statutory requirement when considering the best qualified candidate to serve on the board. It also poses an administrative burden in how a political party is determined i.e. voting records, how the applicant identifies at the time of appointment, etc.

- 10. Include any recommendations for legislation, including whether: the regulation of a regulated occupation should be modified; the board should be combined with another board; or whether the board or the regulation of the regulated occupation should be terminated; whether a license should be eliminated; or whether multiple licenses should be consolidated into a single license. The report should also include any recommendations for administrative changes and information that supports the Committee's recommendations. This section does not apply to fees that support dedicated funds. After the Committee has reviewed and evaluated a regulated occupation and board, the Committee shall provide the agency and the board that is the subject of the Committee's evaluation with recommendations for fees that the board should charge for application fees, renewal fees, and fees to issue licenses. The recommendation for fees must comply with the requirements under IC 25-1-8-2. However, the recommendation must not exceed the lesser of either one hundred dollars (\$100) or the actual administrative cost to process the application or renew or issue the license.**

This is the Job Creation Committee's policy statement for the Indiana Auctioneer Commission and the regulation of the hearing aid field:

*The Job Creation Committee recommends eliminating the Indiana Auctioneer Board and the necessity of licensing auctioneers. Although the individuals in this profession manage financial transactions for their customers, there are substantial protections and trade association involvement in the industry to continue to protect customers without the government's direct involvement in who can and cannot perform the job duties. Just as individuals in the banking industry don't require a license, auctioneers should not either.*

*The Job Creation Committee does see the Indiana Auctioneer Association as a good candidate for the self-certification registry.*

## **Indiana Auctioneer Commission**

<b>Board Member Travel Reimbursements</b>	<b>24-Jan-14</b>	<b>18-Mar-14</b>	<b>13-May-14</b>	<b>19-Aug-14</b>	<b>1-Dec-14</b>
Jimmie Yagle	---	\$85.36	\$85.36	\$245.49	\$85.36
Jack Fife	\$7.04	\$7.04	\$7.04	\$7.04	---
Jack Lawson	---	\$16.72	\$16.72	\$16.72	---
Greg Michael	---	\$58.96	\$58.96	\$232.09	\$58.96
Larry Arnold	---	---	---	\$123.20	\$123.20
John Kruse	---	---	---	---	---
Peter Shawver	---	---	---	---	---
<b>Monthly Totals</b>	<b>\$7.04</b>	<b>\$168.08</b>	<b>\$168.08</b>	<b>\$624.54</b>	<b>\$267.52</b>
<b>Total Travel Costs</b>	<b>\$1,235.26</b>				

<b>Board Member Per Diem Payments</b>	<b>24-Jan-14</b>	<b>18-Mar-14</b>	<b>13-May-14</b>	<b>19-Aug-14</b>	<b>1-Dec-14</b>
Jimmie Yagle	---	\$50.00	\$50.00	\$50.00	\$50.00
Jack Fife	\$50.00	\$50.00	\$50.00	\$50.00	---
Jack Lawson	---	\$50.00	\$50.00	\$50.00	---
Greg Michael	---	\$50.00	\$50.00	\$50.00	\$50.00
Larry Arnold	---	---	---	---	---
John Kruse	---	---	---	---	---
Peter Shawver	---	---	---	---	\$50.00
<b>Monthly Totals</b>	<b>\$50.00</b>	<b>\$200.00</b>	<b>\$200.00</b>	<b>\$200.00</b>	<b>\$150.00</b>
<b>Per Diem Total</b>	<b>\$800.00</b>				

*As of 12/31/2014 only 4 board members had completed the paper work to receive per diem payments.*

<b>Court Reporter Costs</b>	<b>24-Jan-14</b>	<b>18-Mar-14</b>	<b>13-May-14</b>	<b>19-Aug-14</b>	<b>1-Dec-14</b>
-----------------------------	------------------	------------------	------------------	------------------	-----------------

Accurate Reporting of Indiana	---	\$150.00	---	\$150.00	---
Circle City Reporting	---	---	---	---	\$315.00
Total for Court Reporters	<b>\$615.00</b>				

<b>TOTAL Board Operations Costs for 2014</b>	<b>\$2,650.26</b>
--	-------------------

# EXHIBIT A – Scoring Sheets from Board Members – Chairman Nicholas Rhoad

Board	License Type	1. Risk Analysis. Do consumers face a significant risk of harm from purchasing the goods or services of a particular professional? What is the nature of the harm, the likelihood and severity of the harm, and the potential for irreversible harm to the consumer? (1= Minimal risk; 5= High risk)	2. Informed Consumer Choice/Trial and Error. To what extent do individual consumers have the experience or ability, by means of trial and error, to make informed risk-benefit decisions about purchasing goods or services from a particular professional? (1= High capability/access to information; 5= Minimal capability/access to information)	3. Self-regulation by the Profession. Is the profession capable of organizing itself (on a local, state, national or international basis) to ensure an acceptable degree of competence without any regulatory program? (1= High capability; 5= Minimal or no capability)	4. Legal Alternatives to Regulation. In the absence of an IPLA regulatory program, would consumers have adequate legal protections to deter incompetent or fraudulent behavior by professionals and to seek redress or compensation for avoidable harms? (1= Adequate alternative protections available; 5= No adequate alternatives available)	5. Cost-Benefit Determination. Are the consumer benefits of an IPLA regulatory program (e.g., reduced harm to consumers and/or higher levels of public trust in professionals) likely to justify the anticipated costs of a regulatory system (e.g., licensing fees, potentially higher prices for goods or services, and any administrative costs of implementing and enforcing a meaningful regulatory system)? (1= Costs exceed benefits; 5= Benefits exceed costs)	6. Case for the professional license. Overall, how do you score the case for this profession to be licensed? (1= Extremely weak; 5= Extremely strong)	Sum (1-5)	Average (1-5)
Accountancy	Certified Public Accountant	3	1	2	1	2	1	10	1.7
Accountancy	Accountancy Professional Corporation	1	1	2	1	2	1	8	1.3
Accountancy	Firm Permit to Practice Accounting	1	1	2	1	2	1	8	1.3
Architects	Architect	1	1	1	1	1	1	6	1
Architects	Landscape Architect	1	1	1	1	1	1	6	1
Architects	Architect Professional Corporation	1	1	1	1	1	1	6	1
Home Inspectors	Licensed Home Inspector	1	1	1	1	1	1	6	1
Home Inspectors	CE Provider - Home Inspector	1	1	1	1	1	1	6	1
Home Inspectors	Pre-Course - Home Inspector	1	1	1	1	1	1	6	1
Home Inspectors	Instructor - Home Inspector	1	1	1	1	1	1	6	1
Engineers	Professional Engineer	1	1	1	1	1	1	6	1
Engineers	Engineer Intern	1	1	1	1	1	1	6	1
Engineers	Engineering Professional Corporation	1	1	1	1	1	1	6	1
Surveyors	Professional Surveyor	1	1	1	1	1	1	6	1
Surveyors	Surveyor Intern	1	1	1	1	1	1	6	1
Surveyors	Land Surveyor Professional Corporation	1	1	1	1	1	1	6	1
Surveyors	CE Provider - Land Surveyor	1	1	1	1	1	1	6	1
Surveyors	Land Surveyor Firm	1	1	1	1	1	1	6	1
PIs/SGs	Private Investigator Firm	5	5	5	5	5	5	30	5
PIs/SGs	Security Guard Agency	5	5	5	5	5	5	30	5
Manf. Home Installers	Manufactured Home Installer	2	2	2	1	1	2	10	1.7
Manf. Home Installers	CE Provider - Manf. Home Installer	1	1	1	1	1	1	6	1.0
Manf. Home Installers	Pre-Course - Manf. Home Installer	1	1	1	1	1	1	6	1.0
Funeral/Cemetery Service	Funeral Director	2	1	1	1	1	2	8	1.3
Funeral/Cemetery Service	Funeral Director Intern	1	1	1	1	1	1	6	1.0
Funeral/Cemetery Service	Embalmer Only	2	1	1	1	1	2	8	1.3
Funeral/Cemetery Service	Funeral Home	2	1	1	1	1	2	8	1.3
Funeral/Cemetery Service	Certificate of Authority	1	1	1	1	1	2	7	1.2
Funeral/Cemetery Service	Crematorium	1	1	1	1	1	2	7	1.2
Funeral/Cemetery Service	Cemetery	1	1	1	1	1	2	7	1.2
Funeral/Cemetery Service	Funeral Branch	1	1	1	1	1	2	7	1.2
Funeral/Cemetery Service	CE Provider - Funeral	1	1	1	1	1	1	6	1.0
Funeral/Cemetery Service	Funeral Director Courtesy Card	1	1	1	1	1	1	6	1.0
Examiners	Hearing Aid Dealer	4	1	1	1	1	2	10	1.7
Examiners	Student Hearing Aid Dealer	4	1	1	1	1	2	10	1.7
Plumbing	Plumbing Contractor	4	1	1	1	2	2	11	1.8
Plumbing	Journeyman Plumber	4	1	1	1	2	2	11	1.8

**EXHIBIT A – Scoring Sheets from Board Members – Chairman Nicholas Rhoad**

Plumbing	Plumbing Corporation	1	1	1	1	1	1	6	1.0
Plumbing	Plumbing Apprentice	1	1	1	1	1	1	6	1.0
Plumbing	Temporary Plumbing Contractor	1	1	1	1	1	1	6	1.0
Plumbing	Plumbing Apprenticeship Program	1	1	1	1	1	1	6	1.0
Auctioneering	Auctioneer	3	3	3	1	2	3	15	2.5
Auctioneering	Auction Company	1	1	1	1	1	1	6	1.0
Auctioneering	CE Provider - Auctioneer	1	1	1	1	1	1	6	1.0
Auctioneering	CE Pre-Course Auctioneer	1	1	1	1	1	1	6	1.0

**EXHIBIT A – Scoring Sheets from Board Members – Col. Richard Wilson**

Board	License Type	1. Risk Analysis. Do consumers face a significant risk of harm from purchasing the goods or services of a particular professional? What is the nature of the harm, the likelihood and severity of the harm, and the potential for irreversible harm to the consumer? (1= Minimal risk; 5= High risk)	2. Informed Consumer Choice/Trial and Error. To what extent do individual consumers have the experience or ability, by means of trial and error, to make informed risk-benefit decisions about purchasing goods or services from a particular professional? (1= High capability/access to information; 5= Minimal capability/access to information)	3. Self-regulation by the Profession. Is the profession capable of organizing itself (on a local, state, national or international basis) to ensure an acceptable degree of competence without any regulatory program? (1= High capability; 5= Minimal or no capability)	4. Legal Alternatives to Regulation. In the absence of an IPLA regulatory program, would consumers have adequate legal protections to deter incompetent or fraudulent behavior by professionals and to seek redress or compensation for avoidable harms? (1= Adequate alternative protections available; 5= No adequate alternatives available)	5. Cost-Benefit Determination. Are the consumer benefits of an IPLA regulatory program (e.g., reduced harm to consumers and/or higher levels of public trust in professionals) likely to justify the anticipated costs of a regulatory system (e.g., licensing fees, potentially higher prices for goods or services, and any administrative costs of implementing and enforcing a meaningful regulatory system)? (1= Costs exceed benefits; 5= Benefits exceed costs)	6. Case for the professional license. Overall, how do you score the case for this profession to be licensed? (1= Extremely weak; 5= Extremely strong)	Sum (1-5)	Average (1-5)
Accountancy	Certified Public Accountant	5	1.5	3	5	5	5	24.5	4.1
Accountancy	Accountancy Professional Corporation	1.5	1.5	1.5	2.5	1.5	1.5	10	1.7
Accountancy	Firm Permit to Practice Accounting	1.5	1.5	1.5	2.5	1.5	1.5	10	1.7
Architects/Landscape Architects	Architect	4	1.5	3	3	3	3	17.5	2.9
Architects/Landscape Architects	Landscape Architect	2	1.5	3	3	3	1.5	14	2.3
Architects/Landscape Architects	Architect Professional Corporation	1	1	3	1	3	5	14	2.3
Home Inspectors	Licensed Home Inspector	1	1	1	1	1	1	6	1.0
Home Inspectors	CE Provider - Home Inspector	1	1	1	1	1	1	6	1.0
Home Inspectors	Pre-Course - Home Inspector	1	1	1	1	1	1	6	1.0
Home Inspectors	Instructor - Home Inspector	1	1	1	1	1	1	6	1.0
Engineers	Professional Engineer	5	1.5	3	5	5	5	24.5	4.1
Engineers	Engineer Intern	3	4	2	3	3	2	17	2.8
Engineers	Engineering Professional Corporation	1	1	3	1	3	5	14	2.3
Surveyors	Professional Surveyor	5	1.5	3	5	5	5	24.5	4.1
Surveyors	Surveyor Intern	3	4	2	3	3	2	17	2.8
Surveyors	Land Surveyor Professional Corporation	1	4	3	1	3	5	17	2.8
Surveyors	CE Provider - Land Surveyor	3	4	3	1	3	5	19	3.2
Surveyors	Land Surveyor Firm	3	4	2	3	3	2	17	2.8
PIs/SGs	Private Investigator Firm	4	2	4	4	1	1	16	2.7
PIs/SGs	Security Guard Agency	4	2	4	4	1	1	16	2.7
Manf. Home Installers	Manufactured Home Installer	5	1.5	3	5	5	5	24.5	4.1
Manf. Home Installers	CE Provider - Manf. Home Installer	3	4	2	3	3	2	17	2.8
Manf. Home Installers	Pre-Course - Manf. Home Installer	3	4	2	3	3	2	17	2.8
Funeral/Cemetery Service	Funeral Director	3	2	3	3	3	4	18	3
Funeral/Cemetery Service	Funeral Director Intern	1	2	3	3	3	4	16	2.7
Funeral/Cemetery Service	Embalmer Only	3	2	3	3	3	4	18	3
Funeral/Cemetery Service	Funeral Home	3	2	3	3	3	4	18	3
Funeral/Cemetery Service	Certificate of Authority	3	2	3	3	3	4	18	3
Funeral/Cemetery Service	Crematorium	3	2	3	3	3	4	18	3

**EXHIBIT A – Scoring Sheets from Board Members – Col. Richard Wilson**

Funeral/Cemetery Service	Cemetery	3	2	3	3	3	4	18	3
Funeral/Cemetery Service	Funeral Branch	2	2	3	3	3	4	17	2.8
Funeral/Cemetery Service	CE Provider - Funeral	2	3	3	3	3	4	18	3
Funeral/Cemetery Service	Funeral Director Courtesy Card	1	3	3	3	3	4	17	2.8
Hearing Aid Dealer Examiners	Hearing Aid Dealer	1	1	1	1	1	1	6	1.0
Hearing Aid Dealer Examiners	Student Hearing Aid Dealer	1	1	1	1	1	1	6	1.0
Plumbing	Plumbing Contractor	1	1	3	1	3	5	14	2.3
Plumbing	Journeyman Plumber	5	1.5	3	3	5	5	22.5	3.8
Plumbing	Plumbing Corporation	1	1	3	1	3	5	14	2.3
Plumbing	Plumbing Apprentice	3	4	3	3	3	3	19	3.2
Plumbing	Temporary Plumbing Contractor	1	1	3	1	3	3	12	2
Plumbing	Plumbing Apprenticeship Program	1	1	3	1	3	3	12	2
Auctioneering	Auctioneer	5	2	3	5	4	4	23	3.8
Auctioneering	Auction Company	1	1	5	2	2	1	12	2
Auctioneering	CE Provider - Auctioneer	1	1	5	2	2	1	12	2
Auctioneering	CE Pre-Course Auctioneer	1	1	5	2	2	1	12	2

**EXHIBIT A – *Scoring Sheets from Board Members – Dr. Matt Will***

Board	License Type	1. Risk Analysis. Do consumers face a significant risk of harm from purchasing the goods or services of a particular professional? What is the nature of the harm, the likelihood and severity of the harm, and the potential for irreversible harm to the consumer? (1= Minimal risk; 5= High risk)	2. Informed Consumer Choice/Trial and Error. To what extent do individual consumers have the experience or ability, by means of trial and error, to make informed risk-benefit decisions about purchasing goods or services from a particular professional? (1= High capability/access to information; 5= Minimal capability/access to information)	3. Self-regulation by the Profession. Is the profession capable of organizing itself (on a local, state, national or international basis) to ensure an acceptable degree of competence without any regulatory program? (1= High capability; 5= Minimal or no capability)	4. Legal Alternatives to Regulation. In the absence of an IPLA regulatory program, would consumers have adequate legal protections to deter incompetent or fraudulent behavior by professionals and to seek redress or compensation for avoidable harms? (1= Adequate alternative protections available; 5= No adequate alternatives available)	5. Cost-Benefit Determination. Are the consumer benefits of an IPLA regulatory program (e.g., reduced harm to consumers and/or higher levels of public trust in professionals) likely to justify the anticipated costs of a regulatory system (e.g., licensing fees, potentially higher prices for goods or services, and any administrative costs of implementing and enforcing a meaningful regulatory system)? (1=Costs exceed benefits; 5= Benefits exceed costs)	6. Case for the professional license. Overall, how do you score the case for this profession to be licensed? (1= Extremely weak; 5= Extremely strong)	Sum (1-5)	Average (1-5)
Accountancy	Certified Public Accountant	3	1	1	1	1	2	7	1.4
Accountancy	Accountancy Professional Corporation	3	1	1	1	1	2	7	1.4
Accountancy	Firm Permit to Practice Accounting	3	1	1	1	1	2	7	1.4
Architects/Landscape Architects	Architect	3	3	1	1	1	2	9	1.8
Architects/Landscape Architects	Landscape Architect	2	2	1	1	1	1	7	1.4
Architects/Landscape Architects	Architect Professional Corporation	2	2	1	1	1	1	7	1.4
Home Inspectors	Licensed Home Inspector	3	2	1	1	1	2	8	1.6
Home Inspectors	CE Provider - Home Inspector	3	4	1	2	1	1	11	2.2
Home Inspectors	Pre-Course - Home Inspector	3	4	1	1	1	2	10	2
Home Inspectors	Instructor - Home Inspector	3	4	1	2	1	1	11	2.2
Engineers	Professional Engineer	3	2	1	2	1	2	9	1.8
Engineers	Engineer Intern	1	4	1	2	1	1	9	1.8



**EXHIBIT A – Scoring Sheets from Board Members – Dr. Matt Will**

Engineers	Engineering Professional Corporation	2	3	1	2	1	2	9	1.8
Surveyors	Professional Surveyor	4	2	1	1	2	2	10	2
Surveyors	Surveyor Intern	2	4	1	1	2	1	10	2
Surveyors	Land Surveyor Professional Corporation	2	3	1	1	2	2	9	1.8
Surveyors	CE Provider - Land Surveyor	1	4	1	3	1	1	10	2
Surveyors	Land Surveyor Firm	1	3	1	1	2	2	8	1.6
PIs/SGs	Private Investigator Firm	1	4	3	2	1	2	11	2.2
PIs/SGs	Security Guard Agency	1	4	3	2	1	2	11	2.2
Manf. Home Installers	Manufactured Home Installer	3	2	2	1	2	2	10	2
Manf. Home Installers	CE Provider - Manf. Home Installer	1	4	2	2	1	1	10	2
Manf. Home Installers	Pre-Course - Manf. Home Installer	3	3	2	1	2	2	11	2.2
Funeral/Cemetery Service	Funeral Director	4	1	1	1	3	4	10	2
Funeral/Cemetery Service	Funeral Director Intern	2	4	1	1	1	1	9	1.8
Funeral/Cemetery Service	Embalmer Only	2	3	1	1	2	4	9	1.8
Funeral/Cemetery Service	Funeral Home	2	1	1	1	3	4	8	1.6
Funeral/Cemetery Service	Certificate of Authority	2	3	1	1	3	4	10	2
Funeral/Cemetery Service	Crematorium	2	2	1	1	2	4	8	1.6
Funeral/Cemetery Service	Cemetery	2	2	1	1	2	3	8	1.6
Funeral/Cemetery Service	Funeral Branch	1	2	1	1	1	1	6	1.2
Funeral/Cemetery Service	CE Provider - Funeral	1	4	1	2	1	1	9	1.8
Funeral/Cemetery Service	Funeral Director Courtesy Card	2	1	1	1	3	4	8	1.6
Hearing Aid Dealer Examiners	Hearing Aid Dealer	1	3	2	1	1	1	8	1.6
Hearing Aid Dealer Examiners	Student Hearing Aid Dealer	1	3	2	1	1	1	8	1.6
Plumbing	Plumbing Contractor	2	2	1	1	1	1	7	1.4

**EXHIBIT A – Scoring Sheets from Board Members – Dr. Matt Will**

Plumbing	Journeyman Plumber	2	2	1	1	1	1	7	1.4
Plumbing	Plumbing Corporation	2	2	1	1	1	1	7	1.4
Plumbing	Plumbing Apprentice	2	2	1	1	1	1	7	1.4
Plumbing	Temporary Plumbing Contractor	2	2	1	1	1	1	7	1.4
Plumbing	Plumbing Apprenticeship Program	2	2	1	2	1	1	8	1.6
Auctioneering	Auctioneer	1	3	1	1	1	1	7	1.4
Auctioneering	Auction Company	1	3	1	1	1	1	7	1.4
Auctioneering	CE Provider - Auctioneer	1	4	1	2	1	1	9	1.8
Auctioneering	CE Pre-Course Auctioneer	1	3	1	1	1	1	7	1.4

**EXHIBIT A – *Scoring Sheets from Board Members – John Wright***

Board	License Type	1. Risk Analysis. Do consumers face a significant risk of harm from purchasing the goods or services of a particular professional? What is the nature of the harm, the likelihood and severity of the harm, and the potential for irreversible harm to the consumer? (1= Minimal risk; 5= High risk)	2. Informed Consumer Choice/Trial and Error. To what extent do individual consumers have the experience or ability, by means of trial and error, to make informed risk-benefit decisions about purchasing goods or services from a particular professional? (1= High capability/access to information; 5= Minimal capability/access to information)	3. Self-regulation by the Profession. Is the profession capable of organizing itself (on a local, state, national or international basis) to ensure an acceptable degree of competence without any regulatory program? (1= High capability; 5= Minimal or no capability)	4. Legal Alternatives to Regulation. In the absence of an IPLA regulatory program, would consumers have adequate legal protections to deter incompetent or fraudulent behavior by professionals and to seek redress or compensation for avoidable harms? (1= Adequate alternative protections available; 5= No adequate alternatives available)	5. Cost-Benefit Determination. Are the consumer benefits of an IPLA regulatory program (e.g., reduced harm to consumers and/or higher levels of public trust in professionals) likely to justify the anticipated costs of a regulatory system (e.g., licensing fees, potentially higher prices for goods or services, and any administrative costs of implementing and enforcing a meaningful regulatory system)? (1=Costs exceed benefits; 5= Benefits exceed costs)	6. Case for the professional license. Overall, how do you score the case for this profession to be licensed? (1= Extremely weak; 5= Extremely strong)	Sum (1-5)	Average (1-5)
Accountancy	Certified Public Accountant	4	4	3	3	5	5	24	4.0
Accountancy	Accountancy Professional Corporation	4	4	2	3	5	5	23	3.8
Accountancy	Firm Permit to Practice Accounting	4	4	2	3	5	5	23	3.8
Architects/Landscape Architects	Architect	4	4	2	3	4	4	21	3.5
Architects/Landscape Architects	Landscape Architect	2	4	4	3	3	2	18	3.0
Architects/Landscape Architects	Architect Professional Corporation	1	1	1	1	1	1	6	1.0
Home Inspectors	Licensed Home Inspector	2	2	5	4	2	2	17	2.8
Home Inspectors	CE Provider - Home Inspector	2	2	5	4	2	2	17	2.8
Home Inspectors	Pre-Course - Home Inspector	2	2	5	4	2	2	17	2.8
Home Inspectors	Instructor - Home Inspector	2	2	5	4	2	2	17	2.8
Engineers	Professional Engineer	4	4	2	3	5	5	23	3.8
Engineers	Engineer Intern	1	1	1	1	1	1	6	1.0

**EXHIBIT A – Scoring Sheets from Board Members – John Wright**

Engineers	Engineering Professional Corporation	1	1	1	1	1	1	6	1.0
Surveyors	Professional Surveyor	3	3	2	3	4	4	19	3.2
Surveyors	Surveyor Intern	1	1	1	1	1	1	6	1.0
Surveyors	Land Surveyor Professional Corporation	1	1	1	1	1	1	6	1.0
Surveyors	CE Provider - Land Surveyor	2	2	2	2	2	2	12	2.0
Surveyors	Land Surveyor Firm	1	1	1	1	1	1	6	1.0
Pls/SGs	Private Investigator Firm	4	4	4	3	3	4	22	3.7
Pls/SGs	Security Guard Agency	3	3	4	3	3	3	19	3.2
Manf. Home Installers	Manufactured Home Installer	3	3	4	3	3	3	19	3.2
Manf. Home Installers	CE Provider - Manf. Home Installer	2	2	2	2	2	2	12	2.0
Manf. Home Installers	Pre-Course - Manf. Home Installer	2	2	2	2	2	2	12	2.0
Funeral/Cemetery Service	Funeral Director	3	3	3	3	3	3	18	3.0
Funeral/Cemetery Service	Funeral Director Intern	1	1	1	14	1	1	19	3.2
Funeral/Cemetery Service	Embalmer Only	3	3	3	3	3	3	18	3.0
Funeral/Cemetery Service	Funeral Home	3	3	3	3	3	3	18	3.0
Funeral/Cemetery Service	Certificate of Authority	2	2	2	2	2	2	12	2.0
Funeral/Cemetery Service	Crematorium	4	4	4	3	3	4	22	3.7
Funeral/Cemetery Service	Cemetery	3	3	2	3	3	3	17	2.8
Funeral/Cemetery Service	Funeral Branch	2	2	2	2	2	2	12	2.0
Funeral/Cemetery Service	CE Provider - Funeral	2	2	2	2	2	2	12	2.0
Funeral/Cemetery Service	Funeral Director Courtesy Card	2	4	4	3	2	2	17	2.8
Hearing Aid Dealer Examiners	Hearing Aid Dealer	3	3	3	3	3	3	18	3.0
Hearing Aid Dealer Examiners	Student Hearing Aid Dealer	1	1	1	1	1	1	6	1.0
Plumbing	Plumbing Contractor	4	4	2	3	5	5	23	3.8

**EXHIBIT A – Scoring Sheets from Board Members – John Wright**

Plumbing	Journeyman Plumber	3	3	3	3	3	3	18	3.0
Plumbing	Plumbing Corporation	1	1	1	1	1	1	6	1.0
Plumbing	Plumbing Apprentice	3	3	3	3	3	3	18	3.0
Plumbing	Temporary Plumbing Contractor	2	2	2	2	2	2	12	2.0
Plumbing	Plumbing Apprenticeship Program	2	2	2	2	2	2	12	2.0
Auctioneering	Auctioneer	3	3	4	3	3	3	19	3.2
Auctioneering	Auction Company	2	3	4	3	2	2	16	2.7
Auctioneering	CE Provider - Auctioneer	2	2	2	2	2	2	12	2.0
Auctioneering	CE Pre-Course Auctioneer	2	2	2	2	2	2	12	2.0

**EXHIBIT A – *Scoring Sheets from Board Members – Tim Reed***

Board	License Type	1. Risk Analysis. Do consumers face a significant risk of harm from purchasing the goods or services of a particular professional? What is the nature of the harm, the likelihood and severity of the harm, and the potential for irreversible harm to the consumer? (1= Minimal risk; 5= High risk)	2. Informed Consumer Choice/Trial and Error. To what extent do individual consumers have the experience or ability, by means of trial and error, to make informed risk-benefit decisions about purchasing goods or services from a particular professional? (1= High capability/access to information; 5= Minimal capability/access to information)	3. Self-regulation by the Profession. Is the profession capable of organizing itself (on a local, state, national or international basis) to ensure an acceptable degree of competence without any regulatory program? (1= High capability; 5= Minimal or no capability)	4. Legal Alternatives to Regulation. In the absence of an IPLA regulatory program, would consumers have adequate legal protections to deter incompetent or fraudulent behavior by professionals and to seek redress or compensation for avoidable harms? (1= Adequate alternative protections available; 5= No adequate alternatives available)	5. Cost-Benefit Determination. Are the consumer benefits of an IPLA regulatory program (e.g., reduced harm to consumers and/or higher levels of public trust in professionals) likely to justify the anticipated costs of a regulatory system (e.g., licensing fees, potentially higher prices for goods or services, and any administrative costs of implementing and enforcing a meaningful regulatory system)? (1=Costs exceed benefits; 5= Benefits exceed costs)	6. Case for the professional license. Overall, how do you score the case for this profession to be licensed? (1= Extremely weak; 5= Extremely strong)	Sum (1-5)	Average (1-5)
Accountancy	Certified Public Accountant	5	3	3	4	5	5	25	4.2
Accountancy	Accountancy Professional Corporation	5	3	3	4	5	5	25	4.2
Accountancy	Firm Permit to Practice Accounting	5	3	3	4	5	5	25	4.2
Architects/Landscape Architects	Architect	5	3	2	4	5	5	24	4.0
Architects/Landscape Architects	Landscape Architect	4	3	2	4	4	4	21	3.5
Architects/Landscape Architects	Architect Professional Corporation	4	3	2	4	4	4	21	3.5
Home Inspectors	Licensed Home Inspector	1	1	1	1	1	1	6	1.0
Home Inspectors	CE Provider - Home Inspector	1	1	1	1	1	1	6	1.0
Home Inspectors	Pre-Course - Home Inspector	1	1	1	1	1	1	6	1.0
Home Inspectors	Instructor - Home Inspector	1	1	1	1	1	1	6	1.0
Engineers	Professional Engineer	5	3	3	4	5	5	25	4.2
Engineers	Engineer Intern	4	3	3	3	4	4	21	3.5

**EXHIBIT A – Scoring Sheets from Board Members – Tim Reed**

Engineers	Engineering Professional Corporation	4	3	3	3	4	4	21	3.5
Surveyors	Professional Surveyor	4	3	3	4	5	5	24	4.0
Surveyors	Surveyor Intern	4	3	3	3	4	4	21	3.5
Surveyors	Land Surveyor Professional Corporation	4		3	3	4	4	18	3.0
Surveyors	CE Provider - Land Surveyor	4	3	4	3	4	4	22	3.7
Surveyors	Land Surveyor Firm	4	3	3	3	4	4	21	3.5
Pls/SGs	Private Investigator Firm	4	3	3	4	4	4	22	3.7
Pls/SGs	Security Guard Agency	4	3	3	4	4	4	22	3.7
Manf. Home Installers	Manufactured Home Installer	4	3	3	4	4	4	22	3.7
Manf. Home Installers	CE Provider - Manf. Home Installer	4	3	3	4	4	4	22	3.7
Manf. Home Installers	Pre-Course - Manf. Home Installer	4	3	3	4	4	4	22	3.7
Funeral/Cemetery Service	Funeral Director	5	3	3	4	5	5	25	4.2
Funeral/Cemetery Service	Funeral Director Intern	5	3	3	4	5	5	25	4.2
Funeral/Cemetery Service	Embalmer Only	5	3	3	4	5	5	25	4.2
Funeral/Cemetery Service	Funeral Home	5	3	3	4	5	5	25	4.2
Funeral/Cemetery Service	Certificate of Authority	4	3	3	4	4	4	22	3.7
Funeral/Cemetery Service	Crematorium	5	3	3	4	5	5	25	4.2
Funeral/Cemetery Service	Cemetery	5	3	3	4	5	5	25	4.2
Funeral/Cemetery Service	Funeral Branch	4	3	3	4	4	4	22	3.7
Funeral/Cemetery Service	CE Provider - Funeral	4	3	3	4	4	4	22	3.7
Funeral/Cemetery Service	Funeral Director Courtesy Card	3	3	3	3	3	3	18	3.0
Hearing Aid Dealer Examiners	Hearing Aid Dealer	4	3	3	4	4	4	22	3.7
Hearing Aid Dealer Examiners	Student Hearing Aid Dealer	3	3	3	3	3	3	18	3.0
Plumbing	Plumbing Contractor	4	3	3	4	4	4	22	3.7

**EXHIBIT A – Scoring Sheets from Board Members – Tim Reed**

Plumbing	Journeyman Plumber	4	3	3	4	4	4	22	3.7
Plumbing	Plumbing Corporation	3	3	3	3	3	3	18	3.0
Plumbing	Plumbing Apprentice	3	3	3	3	3	3	18	3.0
Plumbing	Temporary Plumbing Contractor	3	3	3	3	3	3	18	3.0
Plumbing	Plumbing Apprenticeship Program	4	3	3	4	4	4	22	3.7
Auctioneering	Auctioneer	5	3	3	4	4	5	24	4.0
Auctioneering	Auction Company	4	3	3	4	4	4	22	3.7
Auctioneering	CE Provider - Auctioneer	4	3	3	4	4	4	22	3.7
Auctioneering	CE Pre-Course Auctioneer	4	3	3	4	4	4	22	3.7



**EXHIBIT A – *Scoring Sheets from Board Members – Chad Timmerman***

Board	License Type	1. Risk Analysis. Do consumers face a significant risk of harm from purchasing the goods or services of a particular professional? What is the nature of the harm, the likelihood and severity of the harm, and the potential for irreversible harm to the consumer? (1= Minimal risk; 5= High risk)	2. Informed Consumer Choice/Trial and Error. To what extent do individual consumers have the experience or ability, by means of trial and error, to make informed risk-benefit decisions about purchasing goods or services from a particular professional? (1= High capability/access to information; 5= Minimal capability/access to information)	3. Self-regulation by the Profession. Is the profession capable of organizing itself (on a local, state, national or international basis) to ensure an acceptable degree of competence without any regulatory program? (1= High capability; 5= Minimal or no capability)	4. Legal Alternatives to Regulation. In the absence of an IPLA regulatory program, would consumers have adequate legal protections to deter incompetent or fraudulent behavior by professionals and to seek redress or compensation for avoidable harms? (1= Adequate alternative protections available; 5= No adequate alternatives available)	5. Cost-Benefit Determination. Are the consumer benefits of an IPLA regulatory program (e.g., reduced harm to consumers and/or higher levels of public trust in professionals) likely to justify the anticipated costs of a regulatory system (e.g., licensing fees, potentially higher prices for goods or services, and any administrative costs of implementing and enforcing a meaningful regulatory system)? (1=Costs exceed benefits; 5= Benefits exceed costs)	6. Case for the professional license. Overall, how do you score the case for this profession to be licensed? (1= Extremely weak; 5= Extremely strong)	Sum (1-5)	Average (1-5)
Accountancy	Certified Public Accountant	3	4	1	3	2	3	13	2.6
Accountancy	Accountancy Professional Corporation	2	5	1	2	1	2	13	2.2
Accountancy	Firm Permit to Practice Accounting	2	4	2	3	2	3	16	2.6
Architects/Landscape Architects	Architect	4	3	2	1	1	1	12	2.2
Architects/Landscape Architects	Landscape Architect	3	2	2	1	1	1	10	1.8
Architects/Landscape Architects	Architect Professional Corporation	4	2	2	2	1	1	12	2.2
Home Inspectors	Licensed Home Inspector	4	4	2	2	2	2	16	2.8
Home Inspectors	CE Provider - Home Inspector	4	4	2	2	2	2	16	2.8
Home Inspectors	Pre-Course - Home Inspector	1	1	2	2	2	2	10	1.6
Home Inspectors	Instructor - Home Inspector	1	3	1	1	1	1	8	1.4
Engineers	Professional Engineer	3	2	1	1	1	1	9	1.6
Engineers	Engineer Intern	1	1	1	1	1	1	6	1

**EXHIBIT A – Scoring Sheets from Board Members – Chad Timmerman**

Engineers	Engineering Professional Corporation	2	1	1	1	1	1	7	1.2
Surveyors	Professional Surveyor	2	2	1	1	1	1	8	1.4
Surveyors	Surveyor Intern	1	1	1	1	1	1	6	1
Surveyors	Land Surveyor Professional Corporation	1	1	1	1	1	1	6	1
Surveyors	CE Provider - Land Surveyor	1	1	1	1	1	1	6	1
Surveyors	Land Surveyor Firm	1	2	1	1	1	1	7	1.2
PIs/SGs	Private Investigator Firm	1	1	1	1	1	1	6	1
PIs/SGs	Security Guard Agency	1	1	1	1	1	1	6	1
Manf. Home Installers	Manufactured Home Installer	3	2	1	1	1	2	10	1.6
Manf. Home Installers	CE Provider - Manf. Home Installer	3	2	1	1	1	2	10	1.6
Manf. Home Installers	Pre-Course - Manf. Home Installer	3	1	1	1	1	1	8	1.4
Funeral/Cemetery Service	Funeral Director	1	1	1	1	1	1	6	1
Funeral/Cemetery Service	Funeral Director Intern	1	1	1	1	1	1	6	1
Funeral/Cemetery Service	Embalmer Only	2	1	1	1	1	1	7	1.2
Funeral/Cemetery Service	Funeral Home	1	1	1	1	1	1	6	1
Funeral/Cemetery Service	Certificate of Authority	1	1	1	1	1	1	6	1
Funeral/Cemetery Service	Crematorium	2	1	1	1	1	1	7	1.2
Funeral/Cemetery Service	Cemetery	2	1	1	1	1	1	7	1.2
Funeral/Cemetery Service	Funeral Branch	2	1	1	1	1	1	7	1.2
Funeral/Cemetery Service	CE Provider - Funeral	2	1	1	1	1	1	7	1.2
Funeral/Cemetery Service	Funeral Director Courtesy Card	1	1	1	1	1	1	6	1
Hearing Aid Dealer Examiners	Hearing Aid Dealer	3	2	1	1	1	2	10	1.6
Hearing Aid Dealer Examiners	Student Hearing Aid Dealer	1	1	1	1	1	1	6	1
Plumbing	Plumbing Contractor	2	1	1	1	1	1	7	1.2

**EXHIBIT A – Scoring Sheets from Board Members – Chad Timmerman**

Plumbing	Journeyman Plumber	2	1	1	1	1	1	7	1.2
Plumbing	Plumbing Corporation	2	1	1	1	1	1	7	1.2
Plumbing	Plumbing Apprentice	2	1	1	1	1	1	7	1.2
Plumbing	Temporary Plumbing Contractor	2	1	1	1	1	1	7	1.2
Plumbing	Plumbing Apprenticeship Program	1	1	1	1	1	1	6	1
Auctioneering	Auctioneer	1	1	1	1	1	1	6	1
Auctioneering	Auction Company	1	1	1	1	1	1	6	1
Auctioneering	CE Provider - Auctioneer	1	1	1	1	1	1	6	1
Auctioneering	CE Pre-Course Auctioneer	1	1	1	1	1	1	6	1

## EXHIBIT A – Scoring Sheets from Board Members – Average Score Compilation

### Average Scores from the Committee Members per License

Board	License Type	Nick Rhoad	Richard Wilson	Matt Will	John Wright	Tim Reed	Chad Timmerman	Sum of Average Scores	Average (1-5) 1 = the lowest need for licensure, 5 = the highest need for licensure.
Accountancy	Certified Public Accountant	1.67	4.08	1.40	4.00	4.17	2.60	17.92	2.99
Accountancy	Accountancy Professional Corporation	1.33	1.67	1.40	3.83	4.17	2.20	14.60	2.43
Accountancy	Firm Permit to Practice Accounting	1.33	1.67	1.40	3.83	4.17	2.60	15.00	2.50
Architects/Landscape Architects	Architect	1.00	2.92	1.80	3.50	4.00	2.20	15.42	2.57
Architects/Landscape Architects	Landscape Architect	1.00	2.33	1.40	3.00	3.50	1.80	13.03	2.17
Architects/Landscape Architects	Architect Professional Corporation	1.00	2.33	1.40	1.00	3.50	2.20	11.43	1.91
Home Inspectors	Licensed Home Inspector	1.00	1.00	1.60	2.83	1.00	2.80	10.23	1.71
Home Inspectors	CE Provider - Home Inspector	1.00	1.00	2.20	2.83	1.00	2.80	10.83	1.81
Home Inspectors	Pre-Course - Home Inspector	1.00	1.00	2.00	2.83	1.00	1.60	9.43	1.57
Home Inspectors	Instructor - Home Inspector	1.00	1.00	2.20	2.83	1.00	1.40	9.43	1.57
Engineers	Professional Engineer	1.00	4.08	1.80	3.83	4.17	1.60	16.48	2.75
Engineers	Engineer Intern	1.00	2.83	1.80	1.00	3.50	1.00	11.13	1.86
Engineers	Engineering Professional Corporation	1.00	2.33	1.80	1.00	3.50	1.20	10.83	1.81
Surveyors	Professional Surveyor	1.00	4.08	2.00	3.17	4.00	1.40	15.65	2.61
Surveyors	Surveyor Intern	1.00	2.83	2.00	1.00	3.50	1.00	11.33	1.89
Surveyors	Land Surveyor Professional Corporation	1.00	2.83	1.80	1.00	3.00	1.00	10.63	1.77
Surveyors	CE Provider - Land Surveyor	1.00	3.17	2.00	2.00	3.67	1.00	12.83	2.14
Surveyors	Land Surveyor Firm	1.00	2.83	1.60	1.00	3.50	1.20	11.13	1.86
PIs/SGs	Private Investigator Firm	5.00	2.67	2.20	3.67	3.67	1.00	18.20	3.03
PIs/SGs	Security Guard Agency	5.00	2.67	2.20	3.17	3.67	1.00	17.70	2.95
Manf. Home Installers	Manufactured Home Installer	1.67	4.08	2.00	3.17	3.67	1.60	16.18	2.70
Manf. Home Installers	CE Provider - Manf. Home Installer	1.00	2.83	2.00	2.00	3.67	1.60	13.10	2.18
Manf. Home Installers	Pre-Course - Manf. Home Installer	1.00	2.83	2.20	2.00	3.67	1.40	13.10	2.18
Funeral/Cemetery Service	Funeral Director	1.33	3.00	2.00	3.00	4.17	1.00	14.50	2.42
Funeral/Cemetery Service	Funeral Director Intern	1.00	2.67	1.80	3.17	4.17	1.00	13.80	2.30
Funeral/Cemetery Service	Embalmer Only	1.33	3.00	1.80	3.00	4.17	1.20	14.50	2.42
Funeral/Cemetery Service	Funeral Home	1.33	3.00	1.60	3.00	4.17	1.00	14.10	2.35
Funeral/Cemetery Service	Certificate of Authority	1.17	3.00	2.00	2.00	3.67	1.00	12.83	2.14
Funeral/Cemetery Service	Crematorium	1.17	3.00	1.60	3.67	4.17	1.20	14.80	2.47
Funeral/Cemetery Service	Cemetery	1.17	3.00	1.60	2.83	4.17	1.20	13.97	2.33
Funeral/Cemetery Service	Funeral Branch	1.17	2.83	1.20	2.00	3.67	1.20	12.07	2.01
Funeral/Cemetery Service	CE Provider - Funeral	1.00	3.00	1.80	2.00	3.67	1.20	12.67	2.11
Funeral/Cemetery Service	Funeral Director Courtesy Card	1.00	2.83	1.60	2.83	3.00	1.00	12.27	2.04
Hearing Aid Dealer Examiners	Hearing Aid Dealer	1.67	1.00	1.60	3.00	3.67	1.60	12.53	2.09
Hearing Aid Dealer Examiners	Student Hearing Aid Dealer	1.67	1.00	1.60	1.00	3.00	1.00	9.27	1.54
Plumbing	Plumbing Contractor	1.83	2.33	1.40	3.83	3.67	1.20	14.27	2.38
Plumbing	Journeyman Plumber	1.83	3.75	1.40	3.00	3.67	1.20	14.85	2.48
Plumbing	Plumbing Corporation	1.00	2.33	1.40	1.00	3.00	1.20	9.93	1.66
Plumbing	Plumbing Apprentice	1.00	3.17	1.40	3.00	3.00	1.20	12.77	2.13
Plumbing	Temporary Plumbing Contractor	1.00	2.00	1.40	2.00	3.00	1.20	10.60	1.77

**EXHIBIT A – Scoring Sheets from Board Members – Average Score Compilation**

Plumbing	Plumbing Apprenticeship Program	1.00	2.00	1.60	2.00	3.67	1.00	11.27	1.88
Auctioneering	Auctioneer	2.50	3.83	1.40	3.17	4.00	1.00	15.90	2.65
Auctioneering	Auction Company	1.00	2.00	1.40	2.67	3.67	1.00	11.73	1.96
Auctioneering	CE Provider - Auctioneer	1.00	2.00	1.80	2.00	3.67	1.00	11.47	1.91
Auctioneering	CE Pre-Course Auctioneer	1.00	2.00	1.40	2.00	3.67	1.00	11.07	1.84

**EXHIBIT B – Active License Totals Per Board****INDIANA PROFESSIONAL LICENSING AGENCY  
CURRENT LICENSES @ 5/22/2015**

5/22/2015

10:39:24AM

<u>LICENSE CODE/TYPE</u>	<u>NUMBER CURRENT</u>	<u>ISSUED IN LAST YEAR</u>
1 Physician	26,768	1,322
2 Osteopathic Physician	2,331	196
11 Medical Residency Permit	1,365	541
50 Medical Corporation	718	41
73 Medical Fellowship Permit	70	51
74 Genetic Counselor	66	13
75 Medical Teaching Permit	2	0
101 CSR-Physician	19,571	1,142
102 CSR-Osteopathic Physician	1,686	156
9901 Temporary MD Permit	51	51
9902 Temporary DO Permit	6	6
9974 Temp Genetic Counselor Permit	3	3
9975 Limited Scope MD	1	0
<b>TOTAL FOR Medical Licensing Board</b>	<b>52,638</b>	<b>3,522</b>
5 Physical Therapist	5,462	321
6 Phys Ther Assistant	2,879	207
53 Physical Therapy Corporation	33	0
9905 Temporary PT Permit	16	16
9906 Temporary PTA Permit	10	9
<b>TOTAL FOR Physical Therapy Committee</b>	<b>8,400</b>	<b>553</b>
7 Podiatrist	468	30
41 Limited Podiatry TMP	52	18
52 Podiatric Corporation	25	0
707 CSR-Podiatrist	392	29
9907 Podiatrist Temporary Permit	1	1
<b>TOTAL FOR Podiatric Medicine Board</b>	<b>938</b>	<b>78</b>
8 Chiropractor	1,328	67
51 Chiropractic Corporation	184	1
78 Chiro Graduate Permit	3	3
<b>TOTAL FOR Chiropractic Board</b>	<b>1,515</b>	<b>71</b>
10 Physician Assistant	1,230	176
1010 CSR-Physician Assistant	1,038	161
9910 Temporary PA Permit	2	2
<b>TOTAL FOR Physician Assistant Committee</b>	<b>2,270</b>	<b>339</b>
12 Dentist	4,123	177
13 Dental Hygienist	5,131	232
43 Dental Anesthesia Permit	238	13
54 Dental Corporation	603	19
65 Mobile Dental Facility	19	4
89 Dental Hygiene Anesthesia Permit	1,454	324
1201 CE Sponsor - Dental	46	10
1212 CSR-Dentist	3,661	163
1215 Limited Dental Residency	79	22
1220 Limited Dental Faculty	4	2
1230 Dental Instructor	9	1
1231 CSR-IU Dental Instructor	3	0
1250 Limited Charitable Dental Permit	4	4
1255 Limited Charitable Dental Hygienist Pmt	1	1
<b>TOTAL FOR Dentistry Board</b>	<b>15,375</b>	<b>972</b>

**EXHIBIT B – Active License Totals Per Board****INDIANA PROFESSIONAL LICENSING AGENCY  
CURRENT LICENSES @ 5/22/2015**

5/22/2015

10:39:24AM

<u>LICENSE CODE/TYPE</u>	<u>NUMBER CURRENT</u>	<u>ISSUED IN LAST YEAR</u>
14 Health Facility Administrator	1,307	54
15 Preceptor Eligible	163	44
16 Residential Care Administrator	62	11
47 HFA Provisional	2	2
1401 CE Sponsor - HFA	35	7
1501 HFA Preceptor	61	61
1502 RCA Preceptor	5	5
9914 HFA Temporary Permit	3	3
9916 RCA Temporary Permit	1	1
<b>TOTAL FOR Health Facility Admin Board</b>	<b>1,639</b>	<b>188</b>
17 Hearing Aid Dealer	293	15
40 Student Hearing Aid Dealer	62	47
<b>TOTAL FOR Hearing Aid Dealer Committee</b>	<b>355</b>	<b>62</b>
18 Optometrist	1,518	54
56 Optometry Corporation	165	3
1818 Optometric Legend Drug Certificate	1,372	53
<b>TOTAL FOR Optometry Board</b>	<b>3,055</b>	<b>110</b>
19 Psychologist Limited	9	0
20 Psychologist	1,765	94
57 Psychology Corporation	64	4
9820 CE Sponsor - Psychology	29	3
9919 Limited Scope Psychologist	25	14
9920 Temporary Psychologist Permit	8	8
<b>TOTAL FOR Psychology Board</b>	<b>1,900</b>	<b>123</b>
22 Speech Pathologist	2,970	229
23 Audiologist	434	15
29 SLP Support Personnel	161	65
46 CFY	166	145
58 Speech Lan PA Corporation	12	1
<b>TOTAL FOR Speech Lang Path &amp; Audio Board</b>	<b>3,743</b>	<b>455</b>
24 Veterinarian	2,538	173
25 Registered Vet Tech	1,400	178
59 Veterinarian Corporation	146	6
2424 CSR-Veterinarian	1,669	113
<b>TOTAL FOR Veterinary Board</b>	<b>5,753</b>	<b>470</b>
26 Pharmacist	10,990	529
45 Pharmacy Intern	1,671	538
48 Wholesale Drug Distributor	398	34
49 Pharmacy Corporation	2	1
60 Pharmacy	1,426	57
61 CSR	779	59
64 Non-Resident Pharmacy	1,016	223
67 Pharmacy Technician	13,648	1,786
69 Home Medical Equip Service Provider	766	111
1000 CSR-Pharmacy	1,409	56
9967 Pharmacy Tech In-Training	1,986	1,931
<b>TOTAL FOR Pharmacy Board</b>	<b>34,091</b>	<b>5,325</b>

**EXHIBIT B – Active License Totals Per Board****INDIANA PROFESSIONAL LICENSING AGENCY  
CURRENT LICENSES @ 5/22/2015**

5/22/2015

10:39:24AM

<u>LICENSE CODE/TYPE</u>	<u>NUMBER CURRENT</u>	<u>ISSUED IN LAST YEAR</u>
9 Nurse Midwife	172	21
27 Licensed Practical Nurse	26,630	1,169
28 Registered Nurse	110,326	6,706
55 Nursing Corporation	18	1
71 APN Prescriptive Authority	4,709	576
2871 CSR-Prescriptive Authority	4,631	557
9927 Temporary LPN Permit	11	9
9928 Temporary RN Permit	96	95
<b>TOTAL FOR Nursing Board</b>	<b>146,593</b>	<b>9,134</b>
30 Respiratory Care Practitioner	4,714	227
6830 Respiratory Care Professional Corp	2	0
9830 Student Temp RCP	39	38
9930 Temporary RCP Permit	12	12
<b>TOTAL FOR Respiratory Care Committee</b>	<b>4,767</b>	<b>277</b>
31 Occupational Therapist	3,149	201
32 Occ Therapy Assistant	1,806	197
6831 Occupational Therapy Corporation	4	1
9831 CE Sponsor - Occ Therapy	30	10
9931 Temporary Occ Therapist Permit	2	2
9932 Temporary OTA Permit	2	2
<b>TOTAL FOR Occupational Therapy Committee</b>	<b>4,993</b>	<b>413</b>
33 Social Worker	2,746	370
34 Clinical Social Worker	4,709	272
35 Marriage & Family Therapist	996	42
39 Mental Health Counselor	1,958	120
85 Marriage & Family Associate	99	38
86 Addiction Counselor	289	3
87 Clinical Addiction Counselor	1,438	4
88 Mental Health Associate	79	58
6833 Behavioral Sciences Corp.	15	1
9833 CE Sponsor - BHHS	116	14
9933 Temp Social Worker Permit	42	41
9934 Temp Clin Soc Worker Permit	22	22
9939 Temp Mental Hlth Coun Permit	8	8
<b>TOTAL FOR Behavioral Health Board</b>	<b>12,517</b>	<b>993</b>
36 Athletic Trainer	1,239	148
<b>TOTAL FOR Athletic Trainer Board</b>	<b>1,239</b>	<b>148</b>
37 Dietitian	1,353	124
<b>TOTAL FOR Dietitian Certification Board</b>	<b>1,353</b>	<b>124</b>
68 Multi-Profession Corporation	12	2
<b>TOTAL FOR Corporations</b>	<b>12</b>	<b>2</b>
80 Acupuncture Detox Specialist	22	2
81 Acupuncturist - DC	138	8
82 Acupuncturist - DDS	1	0
84 Licensed Acupuncturist	105	9
6884 Acupuncture Corporation	1	0
<b>TOTAL FOR Acupuncture Committee</b>	<b>267</b>	<b>19</b>



**EXHIBIT B – Active License Totals Per Board****INDIANA PROFESSIONAL LICENSING AGENCY  
CURRENT LICENSES @ 5/22/2015**

5/22/2015

10:39:24AM

<u>LICENSE CODE/TYPE</u>	<u>NUMBER CURRENT</u>	<u>ISSUED IN LAST YEAR</u>
20101 Certified Public Accountant	12,615	426
20102 Public Accountant	65	0
20103 Accounting Practitioner	11	0
20104 Accountancy Professional Corp	309	5
20106 Firm Permit to Practice Acct	1,258	54
<b>TOTAL FOR Accountancy Board</b>	<b>14,258</b>	<b>485</b>
20201 Architect	3,431	191
20202 Landscape Architect	426	22
20203 Architect Professional Corporation	100	10
<b>TOTAL FOR Architect Board</b>	<b>3,957</b>	<b>223</b>
20301 Auctioneer	3,227	111
20302 Auction House	1	0
20303 Auction Company	411	125
20304 CE Provider - Auctioneer	21	1
20305 CE Pre-Course - Auctioneer	17	2
<b>TOTAL FOR Auctioneer Commission</b>	<b>3,677</b>	<b>239</b>
20601 Esthetician	2,928	311
20602 Beauty Culture School	97	2
20603 Cosmetologist	47,275	2,130
20605 Manicurist	5,999	356
20607 Beauty Culture Salon	8,808	919
20611 Beauty Culture Instructor	1,411	104
20612 Electrologist	94	0
20614 Mobile Salon	94	35
20616 Barber	3,769	184
20618 Provisional Barber	5	2
20622 Tanning Facility	900	70
20647 Temp Beauty Culture Salon	84	84
20648 Temp Manicuring Salon	1	0
20661 Provisional Esthetician	2	1
20664 Provisional Cosmetologist	55	23
20665 Provisional Manicurist	20	12
<b>TOTAL FOR Cosmetology &amp; Barber Board</b>	<b>71,542</b>	<b>4,233</b>
20701 Private Investigator Firm	565	34
20702 Security Guard Agency	416	22
<b>TOTAL FOR Private Investig &amp; Sec Guard</b>	<b>981</b>	<b>56</b>
20801 Engineer Intern	23,509	223
20802 Professional Engineer	13,025	788
20803 Engineering Professional Corporation	140	9
<b>TOTAL FOR Engineer Board</b>	<b>36,674</b>	<b>1,020</b>

**EXHIBIT B – Active License Totals Per Board****INDIANA PROFESSIONAL LICENSING AGENCY  
CURRENT LICENSES @ 5/22/2015**

5/22/2015

10:39:24AM

<u>LICENSE CODE/TYPE</u>	<u>NUMBER CURRENT</u>	<u>ISSUED IN LAST YEAR</u>
20901 Embalmer Only	11	0
20903 Funeral Home	581	15
20904 Funeral Director	1,732	68
20905 Funeral Director Intern	46	38
20906 Certificate of Authority	640	47
20907 Crematorium	96	2
20908 Cemetery	130	5
20909 Funeral Branch	104	30
20910 CE Provider - Funeral	303	9
20911 Funeral Director Courtesy Card	81	29
<b>TOTAL FOR Funeral Board</b>	<b>3,724</b>	<b>243</b>
21001 Surveyor Intern	412	4
21002 Professional Surveyor	914	15
21003 Land Surveyor Professional Corporation	7	1
21010 CE Provider - Land Surveyor	30	2
21015 Land Surveyor Firm	116	3
<b>TOTAL FOR Land Surveyor Board</b>	<b>1,479</b>	<b>25</b>
21101 Plumber Contractor	3,377	74
21102 Journeyman Plumber	4,575	54
21103 Plumbing Corporation	533	18
21104 Plumbing Apprentice	1,114	379
21105 Temporary Plumbing Contractor	2	2
21110 Plumbing Apprenticeship Program	15	0
<b>TOTAL FOR Plumbing Commission</b>	<b>9,616</b>	<b>527</b>
21201 Appraiser Trainee	208	29
21202 Licensed Residential Appraiser	322	0
21203 Certified Residential Appraiser	1,119	55
21204 Certified General Appraiser	867	67
21205 CE Sponsor - Appraiser	22	3
21207 Appraiser Temporary Permit	257	257
21210 Instructor - Appraiser	217	17
21215 Appraisal Management Company	181	21
<b>TOTAL FOR Appraiser Board</b>	<b>3,193</b>	<b>449</b>
21301 Real Estate Broker Company	2,459	265
21304 Real Estate Broker	31,508	7,743
21306 Real Estate Associate Broker	5	0
21307 Real Estate Sales Person	17	0
21308 Real Estate School	29	4
21311 Real Estate Professional Corp	84	5
21320 Real Estate Branch Office	193	34
21323 CE Sponsor - RE Broker	75	6
21325 Instructor Registration - Real Estate	15	0
21327 Real Estate Instructor Permit	645	181
<b>TOTAL FOR Real Estate Commission</b>	<b>35,030</b>	<b>8,238</b>
21401 Licensed Home Inspector	720	111
21402 Pre-Course Provider - Home Inspector	22	0
21403 CE Provider - Home Inspector	26	1
21410 Instructor - Home Inspector	21	0
<b>TOTAL FOR Home Inspectors Board</b>	<b>789</b>	<b>112</b>

**EXHIBIT B – Active License Totals Per Board****INDIANA PROFESSIONAL LICENSING AGENCY  
CURRENT LICENSES @ 5/22/2015**

5/22/2015

10:39:24AM

<u>LICENSE CODE/TYPE</u>	<u>NUMBER CURRENT</u>	<u>ISSUED IN LAST YEAR</u>
21501    Manufactured Home Installer	143	3
21502    CE Provider - Mgf Home Installer	2	0
21503    Pre-Course - Mgf Home Installer	3	0
<b>TOTAL FOR    Manufactured Home Installers</b>	<b>148</b>	<b>3</b>
21601    Massage Therapist	4,284	361
<b>TOTAL FOR    Massage Therapy Board</b>	<b>4,284</b>	<b>361</b>
22001    Registered Interior Designer	314	21
<b>TOTAL FOR    Interior Design Registry</b>	<b>314</b>	<b>21</b>
<b>TOTAL ACTIVE LICENSES/PERMITS</b>	<b>493,079</b>	<b>39,613</b>