

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 742 requires applicants for a license to practice engineering in the state to have completed an additional 30 credit hours of upper-level undergraduate or graduate coursework approved by the Board of Engineers and Architects as a prerequisite for licensure. The new course work requirement begins on January 1, 2015. The fiscal note prepared by the Board of Engineers and Architects appears reasonable in terms of increased cash fund expenses for the board and decreased cash fund revenue pursuant to the bill beginning in 2014-15.

Expenditures: The board projects an increase in workload and expenses for staff to review the course credits of applicants for licensure. The board projects the need to contract for additional staff for reviews at an estimated cost of \$10,000 in 2014-15 and \$12,480 in 2015-16. Thereafter, on-going expenses will be inflationary in nature.

Revenues: The board projects a decrease in cash fund revenue pursuant to the bill. The board estimates there may be a short-term revenue loss from application fees and licensing fees in the initial years the bill is in effect. A reduction in applications may occur because applicants will need to acquire an additional 30 credit hours prior to licensure. There may also be a loss in licensing fees due to the deferral of applications for a period of time. Applicants for reciprocal licensure will also need to meet the additional 30 credit requirement which will likely delay their applications to practice in the state since the majority of applicants from other states would not meet the requirement. It is assumed the loss in revenue will be eliminated by 2020 when it is projected that other jurisdictions will have the same standards. The following table shows the projected loss of cash fund revenue:

Loss of Cash Fund Revenue					
	Fee	2014-15	2015-16	2016-17	2017-18
Application Fees	\$30	750	1,500	750	750
Renewal Fees	\$100	0	2,500	5,000	2,500
Reciprocal Fees	\$200	0	20,000	20,000	20,000
Reciprocal Renewal Fees	\$100	0	0	5,000	10,000
Total Est. Revenue Loss		750	24,000	25,750	23,250

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Gary Bush	DATE	2/26/08	PHONE	471-2526
COMMENTS					
BOARD OF ENGINEERS & ARCHITECTS – No basis to disagree with agency's estimate of future impact. I do believe additional costs could be present that were not initially considered.					

