

# ARIZONA STATE SENATE

## RESEARCH STAFF



TO: MEMBERS OF THE SENATE  
GOVERNMENT COMMITTEE OF  
REFERENCE

**JASON THEODOROU**  
LEGISLATIVE RESEARCH ANALYST  
GOVERNMENT COMMITTEE  
Telephone: (602) 926-3171

DATE: January 19, 2024

SUBJECT: Sunset Review of the Arizona State Board of Technical Registration

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Attached is the final report of the sunset review of the Arizona State Board of Technical Registration, which was conducted by the Senate Government Committee of Reference.

This report has been distributed to the following individuals and agencies:

Governor of the State of Arizona  
The Honorable Katie Hobbs

President of the Senate  
Senator Warren Petersen

Speaker of the House of Representatives  
Representative Ben Toma

Senate Members

Senator Jake Hoffman, Chair  
Senator Wendy Rogers, Vice-Chair  
Senator Eva Diaz  
Senator David C. Farnsworth  
Senator Juan Mendez  
Senator Janae Shamp  
Senator Priya Sundareshan  
Senator Justine Wadsack

Arizona State Board of Technical Registration  
Office of the Auditor General  
Arizona State Library, Archives and Public Records

Senate Resource Center  
Senate Republican Staff  
Senate Democratic Staff  
Senate Research Staff

Office of the Chief Clerk  
House Republican Staff  
House Democratic Staff  
House Research Staff

# Senate Government Committee of Reference Final Report

## Arizona State Board of Technical Registration

### *Background*

Pursuant to [A.R.S. § 41-2953](#), the Joint Legislative Audit Committee assigned the sunset review of the Arizona State Board of Technical Registration (AZBTR) to the Senate Government Committee of Reference and the House Commerce Committee of Reference.

The AZBTR was established in 1921 with the purpose to provide for the safety, health and welfare of the public through the promulgation and enforcement of standards of qualification for certain technical professions. These professions currently include architects, engineers, geologists, land surveyors, landscape architects, home inspectors and alarm agents. The AZBTR is a 90/10 board that is required to deposit 10 percent of all fees and other revenues into the state General Fund and 90 percent into its operational Technical Registration Fund.

The Governor appoints the 11-member board consisting of one architect, one professional engineer, one landscape architect, one geologist, one land surveyor and six public members with at least one of whom must have a legal, construction or design product background. A member is appointed for a three-year term and may not serve more than two consecutive terms. The Governor may remove a board member for misconduct, incapacity or neglect of duty. Appointment to fill a vacancy caused other than by expiration of term must be for the unexpired portion of the term. Each professional member of the AZBTR must: 1) be at least 25 years of age; and 2) have been a resident of Arizona for at least three years immediately preceding appointment. Each member who is an architect, a geologist, a landscape architect, a professional engineer or a land surveyor must have at least five years' active professional experience as attested by AZBTR registration. The AZBTR may employ an executive director to carry out its purpose.

The AZBTR's duties include: 1) adopting rules for conducting its meetings and performance of duties; 2) considering and acting on applications for registration or certification; 3) conducting examinations for in-training and professional registration; 4) hearing and acting on complaints or charges or direct an administrative law judge to hear and act on complaints and charges; 5) compelling attendance of witnesses, administering oaths and taking testimony concerning all matters coming within its jurisdiction; 6) keeping records of its proceedings and a register for registrations or certifications; and 7) doing all other things necessary to carry out its purpose ([A.R.S. Title 32, Ch. 1](#)).

The AZBTR is statutorily set to terminate on July 1, 2024, unless legislation is enacted for its continuation ([A.R.S. § 41-3024.11](#)).

### *Committee of Reference Sunset Review Activity*

Pursuant to [A.R.S. § 41-2954](#), the Senate Government Committee of Reference met on Wednesday, January 17, 2024, to review and consider the AZBTR's responses to the statutorily-outlined sunset factors and receive public testimony.

### ***Committee of Reference Recommendations***

The Senate Government Committee of Reference recommended to convert the occupational licenses under the AZBTR to a less restrictive regulation.

### ***Appendices***

1. Meeting Notice
2. Minutes of the Senate Government Committee of Reference  
Attachment A: Presentation by the AZBTR
3. Chairperson's letter requesting the AZBTR's response to sunset factors
4. The AZBTR's response to sunset factors

Interim agendas can be obtained via the Internet at <http://www.azleg.gov/Interim-Committees>

**ARIZONA STATE SENATE**

**INTERIM MEETING NOTICE**

**OPEN TO THE PUBLIC**

**SENATE GOVERNMENT COMMITTEE OF REFERENCE**

**Date:** Wednesday, January 17, 2024

**Time:** 9:00 A.M.

**Place:** SHR 1

Members of the public may access a livestream of the meeting here:  
<https://www.azleg.gov/videoplayer/?clientID=6361162879&eventID=2024011033>

**AGENDA**

1. Call to Order
2. Roll Call
3. Opening Remarks
4. ~~Sunset Review of the Arizona Commerce Authority~~
  - ~~• Presentation by the Arizona Office of the Auditor General~~
  - ~~• Response by the Arizona Commerce Authority~~
  - ~~• Public Testimony~~
  - ~~• Discussion and Recommendations~~
5. ~~Sunset Review of the Arizona Department of Administration~~
  - ~~• Presentation by the Arizona Office of the Auditor General~~
  - ~~• Response by the Arizona Department of Administration~~
  - ~~• Public Testimony~~
  - ~~• Discussion and Recommendations~~
4. Sunset Review of the Arizona Department of Homeland Security
  - Presentation by the Arizona Department of Homeland Security
  - Public Testimony
  - Discussion and Recommendations
5. Sunset Review of the Arizona Registrar of Contractors
  - Presentation by the Arizona Registrar of Contractors
  - Public Testimony
  - Discussion and Recommendations
6. Sunset Review of the Arizona State Board of Technical Registration
  - Presentation by the Arizona State Board of Technical Registration
  - Public Testimony
  - Discussion and Recommendations
7. Sunset Review of the Governor's Office on Tribal Relations
  - Presentation by the Governor's Office on Tribal Relations
  - Public Testimony
  - Discussion and Recommendations

8. Sunset Review of the State Personnel Board
  - Presentation by the State Personnel Board
  - Public Testimony
  - Discussion and Recommendations
9. Sunset Review of the Industrial Commission of Arizona
  - Presentation by the Industrial Commission of Arizona
  - Public Testimony
  - Discussion and Recommendations
10. Sunset Review of the Boiler Advisory Board
  - Presentation by the Boiler Advisory Board
  - Public Testimony
  - Discussion and Recommendations
11. Sunset Review of the Occupational Safety and Health Advisory Committee
  - Presentation by the Occupational Safety and Health Advisory Committee
  - Public Testimony
  - Discussion and Recommendations
12. Sunset Review of the Occupational Safety and Health Review Board
  - Presentation by the Occupational Safety and Health Review Board
  - Public Testimony
  - Discussion and Recommendations
13. Sunset Review of the Arizona Commerce Authority
  - Presentation by the Arizona Office of the Auditor General
  - Response by the Arizona Commerce Authority
  - Public Testimony
  - Discussion and Recommendations
14. Sunset Review of the Arizona Department of Administration
  - Presentation by the Arizona Office of the Auditor General
  - Response by the Arizona Department of Administration
  - Public Testimony
  - Discussion and Recommendations
15. Adjourn

**Members:**

Senator Jake Hoffman, Chair

Senator Wendy Rogers, Vice-chair

Senator Eva Diaz

Senator David C. Farnsworth

Senator Juan Mendez

Senator Janae Shamp

Senator Priya Sundareshan

Senator Justine Wadsack

01/11/2024

01/12/2024

hf

For questions regarding this agenda, please contact Senate Research Department.

Persons with a disability may request a reasonable accommodation such as a sign language interpreter, by contacting the Senate Secretary's Office: (602) 926-4231 (voice). Requests should be made as early as possible to allow time to arrange the accommodation.

# ARIZONA STATE SENATE

## SENATE GOVERNMENT COMMITTEE OF REFERENCE

### Minutes of the Meeting

January 17, 2024

9:00 A.M., SHR 1

**Members of the public may access a livestream of the meeting here:**

<https://www.azleg.gov/videooplayer/?clientID=6361162879&eventID=2024011033>

#### **Members Present:**

Senator Jake Hoffman, Chair  
Senator Wendy Rogers, Vice-Chair  
Senator Eva Diaz  
Senator David C. Farnsworth  
Senator Juan Mendez  
Senator Janae Shamp  
Senator Priya Sundareshan  
Senator Justine Wadsack

#### **Staff:**

Jason Theodorou, Government Research Analyst  
Alanna Bendel, Government Research Assistant Analyst  
Michael Ayala, Government Research Intern

Chairman Hoffman called the meeting to order at 9:09 a.m. and attendance was taken.

#### **OPENING REMARKS**

Senator Hoffman requested the staff introduce themselves as follows:

- Jason Theodorou, Government Research Analyst
- Alanna Bendel, Government Research Assistant Analyst
- Michael Ayala, Government Research Intern
- Jackson Cooper, Government Committee Secretary

#### **SUNSET REVIEW OF THE ARIZONA DEPARTMENT OF HOMELAND SECURITY**

##### **Presentation by the Arizona Department of Homeland Security**

**Kimberly O'Connor, Executive Deputy Director, Arizona Department of Homeland Security**, distributed and explained a PowerPoint presentation entitled "Arizona Department of Homeland Security" (Attachment A). Ms. O'Connor also distributed a booklet entitled "Sunset Review, 2024 Report" (Attachment B).

**Susan Dzbanko, Deputy Director of Grant Administration, Arizona Department of Homeland Security,** continued with the PowerPoint presentation (Attachment A).

**Ryan Murray, Deputy Director, Statewide Information Security and Privacy Office, and Interim Chief Information Security Officer, Arizona Department of Homeland Security,** continued with the PowerPoint presentation (Attachment A) and answered questions posed by the Committee.

Ms. Dzbanko answered questions posed by members of the Committee.

### **Public Testimony**

**Gil Orrantia, Former Director, Arizona Department of Homeland Security,** testified in support of the Arizona Department of Homeland Security.

**Sheriff Mark Lamb, Pinal County,** testified in support of the Arizona Department of Homeland Security.

**Sheriff Leon Wilmot, Yuma County,** testified in support of the Arizona Department of Homeland Security.

**Robert Watkins, on behalf of Sheriff Mark Danells, Cochise County,** testified in support of the Arizona Department of Homeland Security.

### **Discussion and Recommendations**

The Committee offered comments.

**Senator Rogers moved that the Senate Government Committee of Reference make the recommendation to continue the Arizona Department of Homeland Security for 2 years until July 1, 2026. The motion CARRIED with a roll call vote of 8-0-0 (Attachment 1).**

Senators Shamp, Sundareshan, Wadsack, Mendez, Rogers and Hoffman explained their vote.

## **SUNSET REVIEW OF THE ARIZONA REGISTRAR OF CONTRACTORS**

### **Presentation by the Arizona Registrar of Contractors**

**Tom Cole, Executive Deputy Director, Arizona Registrar of Contractors,** distributed and explained a PowerPoint presentation entitled "Arizona Registrar of Contractors" (Attachment C) and explained the function and purpose of the Arizona Registrar of Contractors. Mr. Cole answered questions posed by members of the Committee.

### **Public Testimony**

No public testimony took place.

## **Discussion and Recommendations**

**Senator Rogers moved that the Senate Government Committee of Reference make the recommendation to continue the Arizona Registrar of Contractors for 2 years until July 1, 2026. The motion CARRIED with a roll call vote of 8-0-0 (Attachment 2).**

Senator Hoffman explained his vote.

## **SUNSET REVIEW OF THE ARIZONA STATE BOARD OF TECHNICAL REGISTRATION**

### **Presentation by the Arizona State Board of Technical Registration**

**Judith Stapley, Executive Director, Arizona State Board of Technical Registration,** distributed and explained a PowerPoint presentation entitled "Sunset Audit Review Committee of Reference 2024" (Attachment D) and explained the function and purpose of the Arizona State Board of Technical Registration. Ms. Stapley answered questions posed by members of the Committee.

Senator Hoffman offered comments.

### **Public Testimony**

No public testimony took place.

## **Discussion and Recommendations**

**Senator Rogers moved that the Senate Government Committee of Reference make the recommendation to convert the Occupational Licenses under the Arizona State Board of Technical Registration to a less restrictive regulation.**

The Committee offered comments.

**The motion CARRIED with a roll call vote of 5-3-0 (Attachment 3).**

Senators Mendez, Sundareshan, Wadsack and Hoffman explained their vote.

## **SUNSET REVIEW OF THE GOVERNOR'S OFFICE ON TRIBAL RELATIONS**

### **Presentation by the Governor's Office on Tribal Relations**

**Jason Chavez, Director of Tribal Affairs, Governor's Office on Tribal Relations,** distributed and explained a PowerPoint presentation entitled "Governor's Office on Tribal Relations" (Attachment E) and a folder with documents referring to the Governor's Office on Tribal Relations (Attachment F). Mr. Chavez answered questions posed by the Committee.



## **Public Testimony**

**Senator Theresa Hatathlie, Legislative District 6**, testified in support of the Governor's Office on Tribal Relations.

**Senator Sally Gonzales, Legislative District 20**, testified in support of the Governor's Office on Tribal Relations and answered questions posed by the Committee.

## **Discussion and Recommendations**

**Senator Rogers moved that the Senate Government Committee of Reference make the recommendation to continue the Governor's Office on Tribal Relations for 2 years until July 1, 2026. The motion CARRIED with a roll call vote of 8-0-0 (Attachment 4).**

Senators Mendez, Sundareshan, Rogers and Hoffman explained their vote.

## **SUNSET REVIEW OF THE STATE PERSONNEL BOARD**

### **Presentation by the State Personnel Board**

**Zachariah Tolliver, Executive Director, State Personnel Board**, distributed and explained a PowerPoint presentation entitled "Arizona State Personnel Board" (Attachment G). Mr. Tolliver answered questions posed by the Committee.

## **Public Testimony**

No public testimony took place.

## **Discussion and Recommendations**

**Senator Rogers moved that the Senate Government Committee of Reference make the recommendation to continue the State Personnel Board for 2 years until July 1, 2026. The motion CARRIED with a roll call vote of 6-0-2 (Attachment 5).**

Senators Mendez and Sundareshan explained their vote.

## **SUNSET REVIEW OF THE ARIZONA COMMERCE AUTHORITY**

### **Presentation by the Arizona Office of the Auditor General**

**Monette Kiepke, Performance Audit Manager, Office of the Auditor General**, distributed and explained a PowerPoint presentation entitled "Arizona Commerce Authority, Performance Audit and Sunset Review" (Attachment H) and explained the findings from the Auditor General's Sunset Review. Ms. Kiepke answered questions posed by the Committee.

## **Response by the Arizona Commerce Authority**

**Sandra Watson, President and CEO, Arizona Commerce Authority (ACA)**, distributed and explained a PowerPoint presentation entitled "Arizona Commerce Authority, An Overview" (Attachment I) as well as a handout entitled "Update on ACA Actions In Response to September 2023 Performance Audit" (Attachment J). Ms. Watson played a video on the ACA's role in bringing Lucid Motors to Arizona. Ms. Watson answered questions posed by the Committee.

## **RECESS**

At 12:15 p.m. the Chairman recessed the meeting to the sound of the gavel.

## **RECONVENE**

At 3:33 p.m. the Chairman called the meeting to order.

## **Response by the Arizona Commerce Authority (continued)**

Ms. Watson answered additional questions posed by the Committee.

## **Public Testimony**

**Greg Blackie, Arizona Free Enterprise Club**, testified against the continuation of the Arizona Commerce Authority.

## **Discussion and Recommendations**

**Senator Rogers moved that the Senate Government Committee of Reference make the recommendation to revise or consolidate the Arizona Commerce Authority. The motion CARRIED with a roll call vote of 4-3-1 (Attachment 6).**

Senators Sundareshan, Mendez, Wadsack, Shamp, Rogers and Hoffman explained their vote.

## **SUNSET REVIEW OF THE INDUSTRIAL COMMISSION OF ARIZONA**

### **SUNSET REVIEW OF THE BOILER ADVISORY BOARD**

### **SUNSET REVIEW OF THE OCCUPATIONAL SAFETY AND HEALTH ADVISORY COMMITTEE**

### **SUNSET REVIEW OF THE OCCUPATIONAL SAFETY AND HEALTH REVIEW BOARD**

## **Presentation by the Industrial Commission of Arizona**

**Gaetano Testini, Executive Deputy Director, Industrial Commission of Arizona**, distributed and explained a PowerPoint presentation entitled "Industrial Commission of Arizona" (Attachment K) and explained the function and purpose of the Industrial

Commission of Arizona, the Occupational Safety and Health Advisory Committee, the Boiler Advisory Board, and the Occupational Safety and Health Review Board. Mr. Testini also distributed a booklet entitled "The Industrial Commission of Arizona and Related Advisory/Review Boards, Review of Sunset Factors, 2023" (Attachment L). Mr. Testini answered questions posed by the Committee.

### **Public Testimony**

No public testimony took place.

### **Discussion and Recommendations**

**Senator Rogers moved that the Senate Government Committee of Reference make the recommendation to continue the Industrial Commission of Arizona, the Boiler Advisory Board, the Occupational Safety and Health Advisory Committee and the Occupational Safety and Health Review Board for 2 years until July 1, 2026.**

Senator Hoffman offered comments.

**The motion CARRIED with a roll call vote of 7-0-1 (Attachment 7).**

Senators Mendez, Shamp, Sundareshan and Rogers explained their vote.

## **SUNSET REVIEW OF THE ARIZONA DEPARTMENT OF ADMINISTRATION**

### **Presentation by the Arizona Office of the Auditor General**

**Miguel Caro Mateus, Performance Audit Manager, Office of the Auditor General,** distributed and explained a PowerPoint presentation entitled "Arizona Department of Administration, Performance Audit and Sunset Review" (Attachment M) and explained the findings from the Auditor General's Sunset Review. Mr. Caro Mateus answered questions posed by the Committee.

### **Response by the Arizona Department of Administration**

**Elizabeth Alvarado Thorson, Executive Deputy Director, Arizona Department of Administration,** distributed and explained a PowerPoint presentation entitled "Arizona Department of Administration, Sunset Hearing Presentation" (Attachment N) and explained the purpose and function of the Arizona Department of Administration.

### **Public Testimony**

No public testimony took place.

## **Discussion and Recommendations**

**Senator Rogers moved that the Senate Government Committee of Reference make the recommendation to continue the Arizona Department of Administration for 2 years until July 1, 2026. The motion CARRIED with a roll call vote of 7-0-1 (Attachment 8).**

Senators Farnsworth, Mendez, Shamp, Sundareshan, Rogers and Hoffman explained their vote.

Attached is a list noting the individuals who registered their position on the agenda items (Attachment O).

Attached are forms noting the individuals who submitted a speaker slip on the agenda items (Attachment P).

There being no further business, the meeting was adjourned at 5:19 p.m.

Respectfully submitted,

Jackson Cooper  
Committee Secretary

(Audio recordings and attachments are on file in the Secretary of the Senate's Office/Resource Center, Room 115. Audio archives are available at <http://www.azleg.gov>)

# Sunset Audit Review Committee of Reference 2024



## Arizona State Board of Technical Registration

**Judith Stapley**  
**Executive Director**

### Arizona State Board of Technical Registration-Est. 1921

“The purpose of this chapter is to provide for the safety, health and welfare of the public through the promulgation and enforcement of standards of qualification for those individuals who are registered or certified and seeking registration or certification pursuant to this chapter.”





**The Board registers or certifies the following professions.**

**Registered professions (colloquially referred to within the agency as the “Big Five”)**

- **Architects**
- **Engineers (the Board designates 17 branches of engineering)**
- **Geologists**
- **Land Surveyors**
- **Landscape Architects**

**Certified professions**

- **Alarm Agents**
- **Alarm Business Controlling Persons**
- **Home Inspectors**

**Additionally, the Board licenses firms/branches and alarm businesses.**



## 90/10 Self Funded Agency



- The Board operates as a 90/10 self-sustaining Board. Pursuant to A.R.S. § 32-109, the Board deposits 10% percent of its revenue into the State general fund and deposits 90% of its revenue into the Board’s “Technical Registration Fund.”
- The regulation of the Board’s multiple professions allows the Board to develop a revenue base sufficient to accomplish its mission.





## Multiple Pathways of Licensure for the Board's Registered Professions

1. Traditional: Degree + Experience + Exams
2. Experience only: Experience + Exams
3. Universal Licensure: Licensed in good standing in another jurisdiction for at least one year + established residency in Arizona

## Requirements for the Board's regulated professions

- An applicant must show 96 months of experience (72 for land surveyors) and proof of passing the applicable national examinations (land surveyors must also pass a state-specific exam).
- The Board does not require education, but education does count toward experience.
- National examinations may be waived if statutory requirements are met.







## National Councils of Examination

- National Council of **Architectural** Registration Boards (NCARB)
- National Council of Examiners for **Engineering and Surveying** (NCEES)
- The Council of **Landscape Architectural** Registration Boards (CLARB)
- Association of State Boards of **Geology** (ASBOG)

### The National Examination Councils provide:

- Uniform and psychometrically sound computer-based examinations
- “Council Records”
- Mutual recognition agreements
- Disciplinary action databases



## Certification of Home Inspectors

- National examination
- 84 hours of classroom training
- 30 parallel inspections



## Certification of Alarm Agents

- Fingerprint Clearance Card.
- Temporary Certification



## Efficient Licensing Process



- Delegated authority to the Executive Director
- Use of “Council Records”
- Pool of unpaid volunteer subject matter experts (Enforcement Advisory Committee (EAC) members)
- Home inspections assessor
- Full licensing staff
- Communication with registrants



## Efficient Investigations



- Complaint intake
- Initial assessments
- Enforcement Advisory Committees (EAC) Volunteers
- Informal Settlements (Consent Agreement)
- Hearings at the Office of Administrative Hearings
- Inter-agency Service Agreement (ISA) with Attorney General's Office





## Rulemaking

- **2017-Omnibus Rule Changes**
- **2020 – Regarding Home Inspector Financial Assurance**
- **2020 - Regarding Land Surveying Standards**
- **2023- Regarding Home Inspector Standards**
- **5-year Rule Review due March 2024**



## Bills

- 2019 - HB2037 licensure through endorsement
- The bill passed through the House and Senate with no opposition
- The governor subsequently vetoed the bill.

## Possible Future Bills

- Licensure through endorsement.
- Educational program for land surveying
- Endowed Scholarship Fund
- Restructure of the Board Member Composition





Questions?



**LANDSCAPE ARCHITECTURE**  
**A STEM PROFESSION**

Living Breakwaters, Staten Island, NY. SCAPE Landscape Architecture





# Arizona State Legislature

1700 West Washington

Phoenix, Arizona 85007

June 22, 2023

Director Judith Stapley  
Arizona Board of Technical Registration  
1110 W. Washington St., Suite 240  
Phoenix, AZ 85007

Dear Director Judith Stapley:

The sunset review process prescribed in Title 41, Chapter 27, Arizona Revised Statutes, provides a system for the Legislature to evaluate the need to continue the existence of state agencies. During the sunset review process, an agency is reviewed by legislative committees of reference (CORs). On completion of the sunset review, the CORs recommend to continue, revise, consolidate or terminate the agency.

The Joint Legislative Audit Committee has assigned the sunset review of the Arizona Board of Technical Registration to the COR comprised of members of the Senate Commerce Committee and the House of Representatives Commerce Committee.

Pursuant to A.R.S. § 41-2954, the COR is required to consider certain sunset factors in deciding whether to recommend continuance, modification or termination of an agency. Please provide your agency's response to the factors listed below:

1. The key statutory objectives and purposes in establishing the agency.
2. The agency's effectiveness and efficiency in fulfilling its key statutory objectives and purposes.
3. The extent to which the agency's key statutory objectives and purposes duplicate the objectives and purposes of other governmental agencies or private enterprises.
4. The extent to which rules adopted by the agency are consistent with the legislative mandate.
5. The extent to which the agency has provided appropriate public access to records, meetings and rulemakings, including soliciting public input in making rules and decisions.
6. The extent to which the agency timely investigated and resolved complaints that are within its jurisdiction.
7. The extent to which the level of regulation exercised by the agency is appropriate as compared to other states or best practices, or both.
8. The extent to which the agency has established safeguards against possible conflicts of interest.
9. The extent to which changes are necessary for the agency to more efficiently and effectively fulfill its key statutory objectives and purposes or to eliminate statutory responsibilities that are no longer necessary.
10. The extent to which the termination of the agency would significantly affect the public health, safety or welfare.



Additionally, please provide written responses to the following:

1. The extent to which the agency potentially creates unexpected negative consequences that may require additional review by the COR, including increasing the price of goods, affecting the availability of services, limiting the abilities of individuals and businesses to operate efficiently and increasing the cost of government.
2. The extent to which the agency has addressed deficiencies in its enabling statutes.
3. The extent to which the agency has determined whether the Attorney General or any other agency in Arizona has the authority to prosecute or initiate actions.
4. The consequences of eliminating the agency or consolidating it with another agency.

Additionally, statute requires the COR to consider certain factors for each agency that administers an *occupational regulation*, which is defined as: 1) a statute, rule, practice, policy or other state law that allows an individual to use an occupational title or work in a lawful occupation; and 2) a government registration, government certification and occupational or professional license. An *occupational regulation* does not include a business license, facility license, building permit or zoning and land use regulation, except to the extent those state laws regulate an individual's personal qualification to perform a lawful occupation. If your agency falls under this category, please provide written responses to the following:

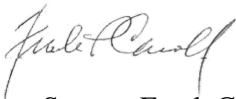
1. The extent to which the occupational regulation meets the requirements of A.R.S. § 41-3502.
2. The extent to which the failure to regulate a profession or occupation will result in:
  - a. the loss of insurance.
  - b. an impact to the ability to practice in other states or as required by federal law.
  - c. an impact to the required licensure or registration with the federal government.
  - d. the loss of constitutionally afforded practices.

Your response should be received by September 1, so that we may proceed with the sunset review and schedule the required public hearing. Please submit the requested information to:

Jason Theodorou  
Arizona State Senate  
1700 West Washington  
Phoenix, Arizona 85007

Thank you for your time and cooperation. If you have any questions, please feel free to contact me at 602-926-3249 or Jason Theodorou, the Senate Commerce Committee Research Analyst, at 602-926-3171.

Sincerely,



Senator Frank Carroll  
Senate Commerce Committee, Vice Chair

cc: Representative Justin Wilmeth, House Commerce Committee, Chair  
Paul Benny, House Commerce Committee, Analyst



**Katie Hobbs**  
Governor

**Judith Stapley**  
Executive Director

**ARIZONA STATE BOARD OF  
TECHNICAL REGISTRATION**

1110 W. Washington Street, Suite 240  
PHOENIX, ARIZONA 85007  
Phone: (602) 364-4930  
[www.btr.az.gov](http://www.btr.az.gov)

August 30, 2023

Senator Frank Carroll  
Senate Commerce Committee, Vice Chair  
1700 W. Washington  
Phoenix, AZ 85007

Re: Budget Request FY25

Senator Carroll,

Thank you for the opportunity to provide a self-assessment to be reviewed and considered by the Senate Commerce Committee of reference. We appreciate your careful consideration in deciding the future of the Board. Attached is the Board's response to the stipulated factors that the Board was asked to address as part of the sunset review process.

As an introduction, the Arizona State Board of Technical Registration is unique because it is a multidisciplinary Board that serves several different professions, including Architects, Engineers, Geologists, Land Surveyors, Landscape Architects, Home Inspectors, Alarm Agents, and their respective firms.

I can be reached at 602-364-4939 or [judith.stapley@azbtr.gov](mailto:judith.stapley@azbtr.gov) to address any questions you may have. I look forward to working with you.

Respectfully,

*Judith R. Stapley*

Judith R. Stapley  
Executive Director



**Katie Hobbs**  
Governor

**Judith Stapley**  
Executive Director

**ARIZONA STATE BOARD OF  
TECHNICAL REGISTRATION**

1110 W. Washington Street , Suite 240  
PHOENIX, ARIZONA 85007  
Phone: (602) 364-4930  
[www.btr.az.gov](http://www.btr.az.gov)

**SUNSET AUDIT RESPONSE  
2023**

## **PART I.**

### **1. THE KEY STATUTORY OBJECTIVES AND PURPOSES OF ESTABLISHING THE AGENCY**

The Legislature created the Board of Technical Registration in 1921 to protect the public's health, safety, and welfare by regulating the professions of architecture, engineering, land surveying and assaying. The Legislature added the profession of geology to the Board's jurisdiction in 1956, the profession of landscape architecture in 1968, the occupations of home inspectors, drug laboratory site remediation firms, supervisors and workers in 2003 and the alarm industry, including agents, controlling persons and businesses, in 2013. The Legislature sunsetted assayers and moved drug laboratory site remediation to the Arizona Department of Environmental Quality in 2015.

The Board's Mission Statement pursuant to A.R.S. § 32-101(A) is "... to provide for the safety, health and welfare of the public through the promulgation and enforcement of standards of qualifications for those individuals who are registered or certified and seeking registration or certification pursuant to this chapter."

Under the laws of the State of Arizona (A.R.S. § 32-106, Powers and duties) the Board shall:

- Adopt rules for the conduct of its meetings and performance of duties imposed upon it by law.
- Consider and act on or delegate the authority to act on applications for registration or certification.
- Conduct examinations for in-training and professional registration, except for an alarm business, a controlling person or an alarm agent.
- Hear and act on complaints or charges or direct an administrative law judge to hear and act on complaints and charges.
- Compel attendance of witnesses, administer oaths and take testimony concerning all matters coming within its jurisdiction. In exercising these powers, the Board may issue subpoenas for the attendance of witnesses and the production of books, records, documents and other evidence it deems relevant to an investigation or hearing.
- Keep a record of its proceedings.
- Keep a register, which shall show the date of each application for registration or certification, the name of the applicant, the practice or branch of practice in which the applicant has applied for registration, if applicable, and the disposition of the application.
- Do other things necessary to carry out the purposes of this chapter (Title 32, Chapter 1).

### **2. THE AGENCY'S EFFECTIVENESS AND EFFICIENCY IN FULFILLING ITS KEY STATUTORY OBJECTIVES AND PURPOSES.**

The Board is effective and efficient in fulfilling its key statutory objectives and purposes.

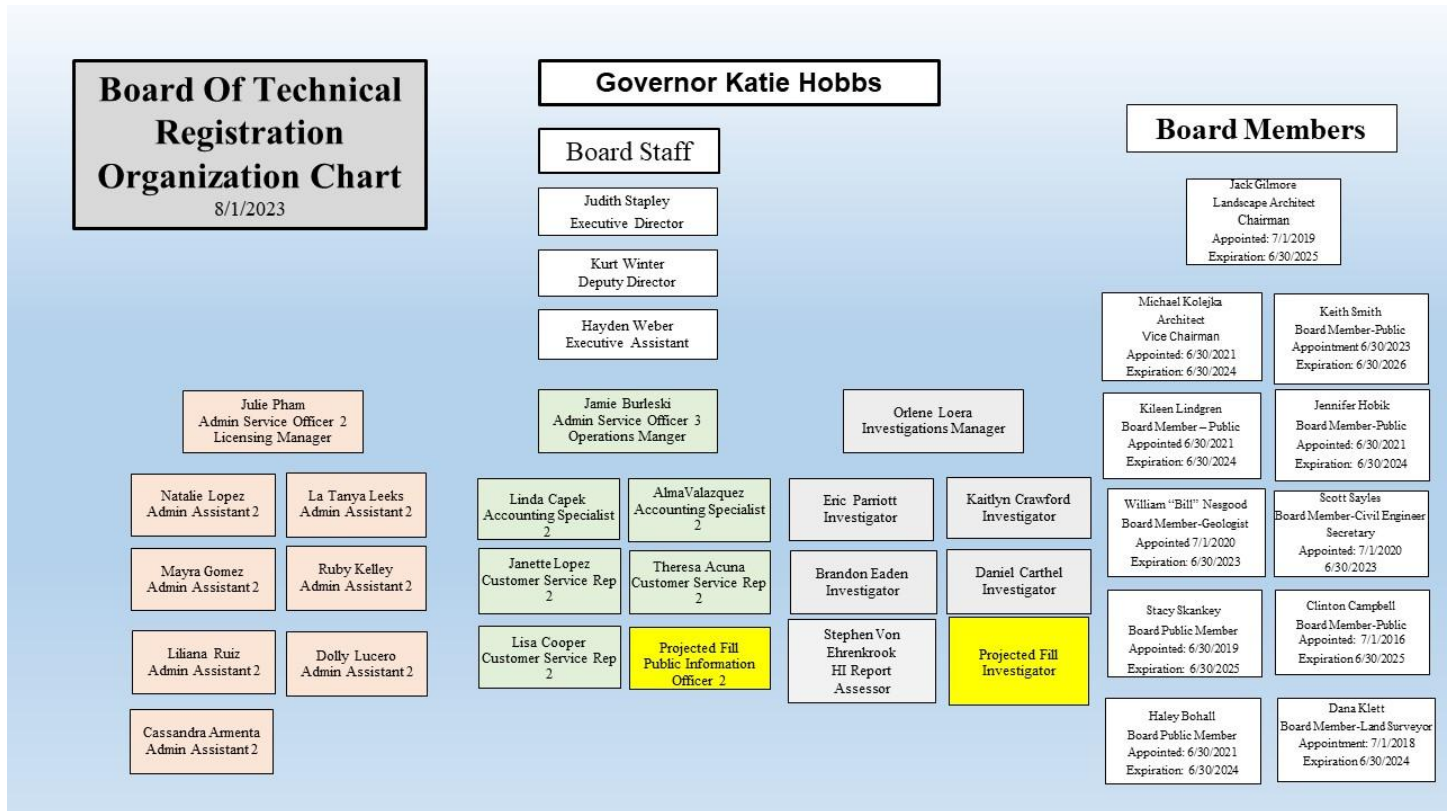
#### **Structure**

The governor appoints eleven Board members to serve on the Board. Board members serve three-year terms and can serve a maximum of two terms. The Board is composed of one of each of the following five professional registrants: an architect, engineer, geologist, land surveyor, and landscape architect; and six public members. Please note, Arizona Revised Statutes do not provide for the alarm industry or home inspectors to have representation on the Board unless appointed as a public member. The agency's Executive Director serves at the pleasure of the Board.

The agency has 25 Full-Time Employee (FTE) positions. Agency office staff is organized into four divisions: the executive team, investigations, licensing, and operations. The agency currently employs:

- an Executive Director, Deputy Director, Executive Assistant
- an Investigations Manager and four Investigators and Home Inspection Report Assessor
- a Licensing Manager, five Licensing Specialists and two Renewals Specialists
- an Operations Manager, two Accounting Staff and three Customer Service Representatives

The agency currently has one vacant Investigator position and a vacant Public Information Officer 2 position. The agency plans to fill these vacant positions.



To complement Board staff, the Board has also entered into multiple interagency service agreements with other agencies to perform its key statutory objectives and purposes effectively and efficiently.

The Board has Interagency Service Agreements (ISA) with the following:

- the Attorney General’s office for dedicated legal services (equivalent of 1 FTE)
- the Arizona Department of Administration, Central Services Bureau division for accounting, financial analyst, and budgeting services

The Board has Interagency Transfer Agreements (ITA) with the following agencies:

- the Arizona Department of Administration, Arizona Strategic Enterprise Technology division for information technology (IT) services
- the Arizona Department of Administration, General Services Division for construction, procurement, surplus, and facility management services
- the Arizona Department of Administration, Human Resources division for human resource services
- the Office of Administrative Hearings to conduct the Board’s hearings
- the Arizona State Library for file storage

## Revenue and Fees

The Board is effective and efficient in fulfilling its key statutory objectives and purposes with its current revenue base.

The Board is a 90/10 occupational Board that is self-sustaining. It deposits ten percent of its revenue in the State general fund and 90 percent of its revenue into the Board’s “Technical Registration Fund” pursuant to A.R.S. § 32-109. The Board requests funds be appropriated to the agency from the technical registration fund in its annual budget request. The regulation of multiple professions and occupations, and the attendant increase in registrants, has allowed the Board to develop a revenue base sufficient to allow it to accomplish its mission.

Board staff receives a cash flow report from the Arizona Department of Administration, Central Services Bureau, every month, which is included in the Director’s Report presented to the Board at its monthly board meeting to keep the Board informed of the agency’s current funds.

The Board provides application and registration fee waivers pursuant to A.R.S. § 41-1080.01.

The Board’s application, registration and renewal fees are comparable and consistently less than neighboring states. Professional and in-training application fees have been the same since October 2008.

### Architect Fees

	Arizona	California	Nevada	New Mexico	Utah
<b>Application</b>	\$100.00	\$400.00	\$325.00	\$125.00	\$110.00
<b>Registration (calculated yearly)</b>	\$75.00	\$200.00	\$125.00	\$162.50	\$31.50
<b>Renewal (calculated yearly)</b>	\$75.00	\$200.00	\$180.00	\$325.00	\$31.50

### Engineer Fees

	Arizona	California	Nevada	New Mexico	Utah
<b>Application</b>	\$100.00	\$175.00	\$125.00	\$250.00	\$110.00
<b>Registration (calculated yearly)</b>	\$75.00	\$90.00	\$50.00	\$77.50	\$31.50
<b>Renewal (calculated yearly)</b>	\$75.00	\$90.00	\$50.00	\$77.50	\$31.50

### Geologist Fees

	Arizona	California	Nevada	New Mexico	Utah
<b>Application</b>	\$100.00	\$175.00	N/A	N/A	\$150.00
<b>Registration (calculated yearly)</b>	\$75.00	\$90.00	N/A	N/A	\$61.50
<b>Renewal (calculated yearly)</b>	\$75.00	\$90.00	N/A	N/A	\$61.50

### Land Surveyor Fees

	Arizona	California	Nevada	New Mexico	Utah
<b>Application</b>	\$100.00	\$175.00	\$125.00	\$250.00	\$110.00
<b>Registration (calculated yearly)</b>	\$75.00	\$90.00	\$50.00	\$77.50	\$31.50
<b>Renewal (calculated yearly)</b>	\$75.00	\$90.00	\$50.00	\$77.50	\$31.50

### Landscape Architect Fees

	Arizona	California	Nevada	New Mexico	Utah
<b>Application</b>	\$100.00	\$400.00	\$200.00	\$75.00	\$110.00
<b>Registration (calculated yearly)</b>	\$75.00	\$200.00	\$275.00	\$200.00	\$31.50
<b>Renewal (calculated yearly)</b>	\$75.00	\$200.00	\$275.00	\$200.00	\$31.50

### Alarm Agent Fees

	Arizona	California	Nevada	New Mexico	Utah
<b>Application</b>	\$65.00	\$55.00	NA	\$36.00	\$60.00
<b>Registration (calculated yearly)</b>	\$65.00	\$20.00	NA	\$50.00	\$23.50
<b>Renewal (calculated yearly)</b>	\$65.00	\$20.00	NA	\$50.00	\$23.50

## Home Inspector Fees

	<b>Arizona</b>	<b>California</b>	<b>Nevada</b>	<b>New Mexico</b>	<b>Utah</b>
<b>Application</b>	\$100.00	N/A	\$100.00	\$250.00	N/A
<b>Registration (calculated yearly)</b>	\$75.00	N/A	\$132.50	\$333.33	N/A
<b>Renewal (calculated yearly)</b>	\$75.00	N/A	\$132.50	\$333.33	N/A

## Board Fees

### Registration, Certification, and Designation Applications

Alarm agent certification application = \$65.00  
Alarm business controlling person certification application = \$65.00  
Architect registration application = \$100.00  
Engineer in-training designation application = \$40.00  
Engineer registration application = \$100.00  
Geologist in-training designation application = \$40.00  
Geologist registration application = \$100.00  
Home inspector certification application = \$100.00  
Land surveyor in-training designation application = \$40.00  
Land surveyor registration application = \$100.00  
Landscape architect registration application = \$100.00

### Exam Applications

Architect exam authorization application = \$100.00  
Architect exam waiver application = \$100.00  
Engineer fundamentals exam authorization application = \$100.00  
Engineer fundamentals exam waiver application = \$100.00  
Engineer professional exam authorization application = \$100.00  
Engineer professional exam waiver application = \$100.00  
Geologist fundamental exam authorization application = \$100.00  
Geologist fundamental exam waiver application = \$100.00  
Geologist professional exam authorization application = \$100.00  
Geologist professional exam waiver application = \$100.00  
Land surveyor fundamentals exam application = \$100.00  
Land surveyor fundamentals exam waiver application = \$100.00  
Land surveyor professional exam authorization application = \$100.00  
Land surveyor professional exam waiver application = \$100.00  
Land surveyor state specific exam application = \$100.00  
Landscape architect professional exam application = \$100.00  
Landscape architect professional exam waiver application = \$100.00

### Universal Licensure Applications

Professional universal licensure registration application = \$100.00  
Home inspector universal licensure certification application = \$100.00



### **Registration & Renewals**

Alarm agent registration and renewal (triennial) = \$195.00  
Controlling person registration and renewal (triennial) = \$195.00  
Alarm business registration and renewal (triennial) = \$150.00  
Firm & Branch registration and renewal (annual) = \$50.00  
Architect registration and renewal (triennial) = \$225.00  
Engineer registration and renewal (triennial) = \$225.00  
Geologist registration and renewal (triennial) = \$225.00  
Home Inspector registration and renewal (annual) = \$75.00  
Landscape Architect registration and renewal (triennial) = \$225.00  
Land Surveyor registration and renewal (triennial) = \$225.00

### **Renewal Late Fees**

Alarm agent = \$32.50/per year late  
Alarm business controlling person = \$32.50/per year late  
Architect = \$37.50/per year late  
Engineer = \$37.50/per year late  
Geologist = \$37.50/per year late  
Home Inspectors = \$12.50/per year late  
Landscape Architect = \$37.50/per year late  
Land Surveyors = \$37.50/per year late

### **Reactivation of a Registration or Certification**

Professional registration reactivation application = \$100.00  
Home inspector certification reactivation application = \$100.00

### **Public Information Request**

List of registrants/firms (non-commercial request) = \$0.25 per name; maximum of \$300 per run  
List of registrants/firms (commercial request) = \$0.25 per name; minimum fee of \$250 per run  
Per page copy (digital and physical) = \$1.00 for up to three pages and \$0.25 for each additional page  
Audio Video copy (digital and physical) = \$15.00 per recording

### **Fees for other services the agency provides and miscellaneous fees**

Duplicate certificate = \$10.00  
Duplicate alarm agent certification card = \$10.00  
Duplicate laminated pocket card = \$10.00  
Exam proctoring fee AZ state specific land surveyor exam = \$170.00  
Exam proctoring fee geological engineer exam = \$200.00  
Local review of an examination = \$30/hour  
Returned check fee (NSF) = \$25.00  
Verification of registration/examination = \$25.00

## Licensing

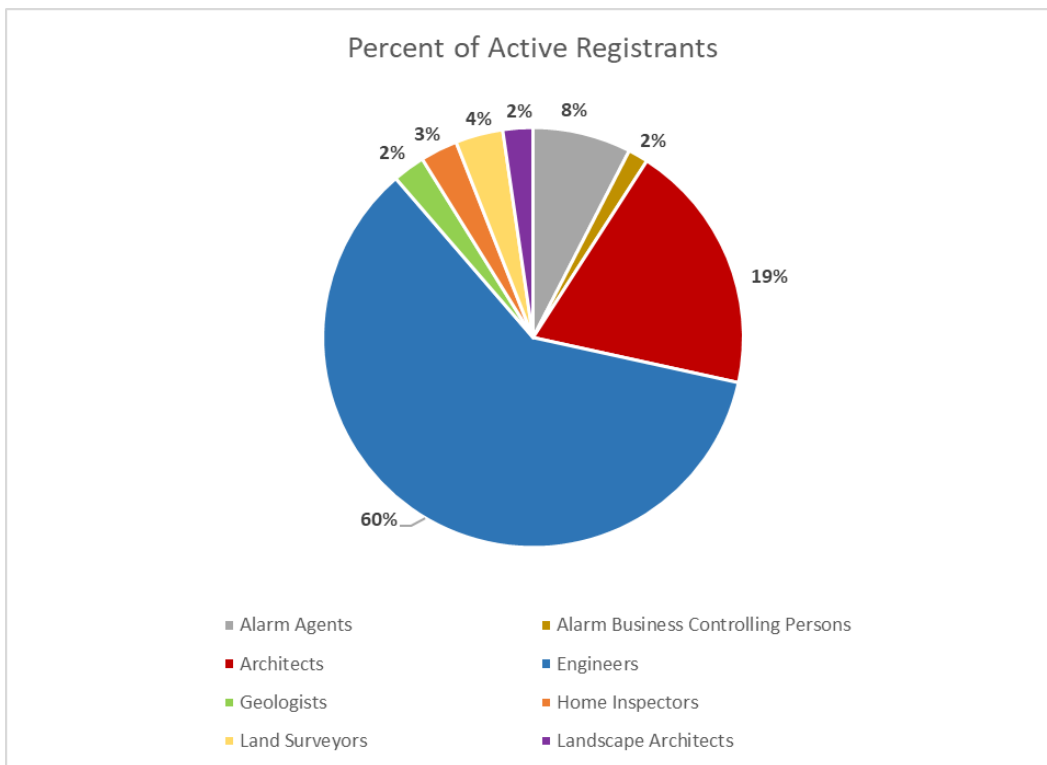
The Board effectively and efficiently processes all applications for individuals, renewals and firm registrations and proctors state specific examinations.

### Current Figures

As of June 29, 2023, the Board's total registrant population, which includes both individuals and firms/alarm businesses, was 39,491; 32,984 individuals and 6,507 firms/alarm businesses.

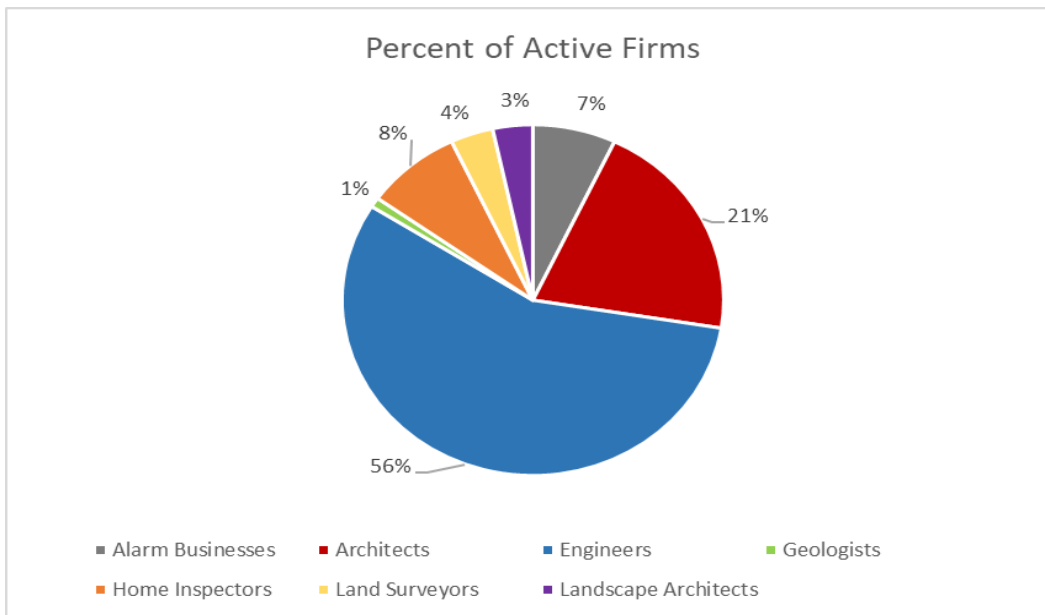
#### Individual Registrants

Profession/Occupation	# of Active Registrants
Architects	6,383
Engineers	19,867
Geologists	820
Land Surveyors	1,204
Landscape Architects	764
Alarm Agents	2,493
Alarm Business Controlling Persons	508
Home Inspectors	945



## Firms

Profession/Occupation	# of Active Firms
Architects	1,335
Engineers	3,671
Geologists	58
Land Surveyors	235
Landscape Architects	221
Alarm Businesses	458
Home Inspectors	529



## Applications

The Board has an effective application process that involves the use of volunteer subject matter experts. When the Board receives an application that requires an applicant’s education and experience be assessed, A.A.C. R4-30-201(D), explains that if necessary Board staff shall “refer completed applications to an evaluator deemed qualified by the board and chosen from the pool of enforcement advisory committee members for evaluation.”

Not all applications require the use of volunteer subject matter experts to assess applicant experience and education. Pursuant to A.R.S. § 32- 106(C), the Board may hold membership in national examination councils, which it does for each profession that has a corresponding national examination council. The national councils create records for individuals, known as national council records, which detail an individual's professional work experience, education, and the examinations they passed. All such information is heavily vetted. National examination councils do not license, certify or register individuals for any reason. The Board accepts national council records in lieu of primary source documents, such as

transcripts, and the Board, in most instances, will accept the national council’s assessment of an applicant’s education and experience. The National Association of State Boards of Geology (ASBOG) represents geologists, but ASBOG does not provide council records, therefore, all geologist applications must be assessed by one of the Board’s subject matter experts. Home inspectors do not have a representative national council. The Board’s home inspection assessor, who is a staff member, assesses home inspector applications, specifically an applicant’s parallel inspection report. Alarm agents and alarm business controlling persons do not have experience or education certification requirements.

**Requirements for Registration/Certification**

	<b>Examination (Exams may be waived)</b>	<b>Education</b>	<b>Experience</b>	<b>Fingerprint Clearance Card</b>
<b>Architect Registration</b>	Professional Exam	Not required, but education is calculated into Experience	8 years	No
<b>Engineer Registration</b>	Fundamentals Exam & Professional Exam	Not required, but education is calculated into Experience	8 years	No
<b>Geologist Registration</b>	Fundamentals Exam & Professional Exam	Not required, but education is calculated into Experience	8 years	No
<b>Land Surveyor Registration</b>	Fundamentals Exam & Professional Exam & State Specific Exam	Not required, but education is calculated into Experience	6 years	No
<b>Landscape Architect Registration</b>	Professional Exam	Not required, but education is calculated into Experience	8 years	No
<b>Alarm Agent Certification</b>	None	None	None	Yes
<b>Alarm Business Controlling Person Certification</b>	None	None	None	Yes
<b>Home Inspector Certification</b>	National Exam (This exam cannot be waived)	84 hours of classroom training	Complete 30 parallel inspections	Yes

The Board has the statutory authority to delegate to its Executive Director the ability to grant registrations and certifications and authorize candidates to take the required national examinations without full Board review pursuant to A.R.S. § 32-107, thereby allowing the Executive Director to grant most applications quickly and without the need for a full review at a monthly board meeting. Additionally, Board staff can quickly process applications when the applicant has a complete national council record (architects, engineers, land surveyors, and landscape architects), generally without a volunteer subject expert from the Board's professional volunteer pool needing to evaluate the applicant's experience and education.

The Board does not delegate its authority regarding all applications to the Executive Director. The Board reviews the following applications at monthly Board meetings to better protect the public: any application, including renewals, in which an applicant indicates that they had received disciplinary action in another jurisdiction, was convicted for something beyond a minor traffic ticket, applicant's professional exam is unknown, and/or their experience was earned under a non-registrant. Additionally, all exam waivers, application extensions, and universal licensure applications require full Board review. These matters are agendaized for review and consideration by the Board each month.

Between fiscal year 2016 and fiscal year 2023, the Board received in excess of 21,000 applications for registration, certification, in-training designation, authorization to sit for an exam and exam waivers.

Please see the tables below for a breakdown of applications the agency received and processed.

\*Due to issues with the agency's brief but detrimental engagement with GL Solutions e-licensing platform in FY2018, the number of applications received in FY2018 are not accurate and are therefore not included in the data below.

**Architect Applications for Registration:**

<b>FY</b>	<b>Apps Received</b>	<b>Apps Granted</b>	<b>Apps Denied</b>	<b>Apps Admin Closed</b>
<b>FY16</b>	420	336	0	36
<b>FY17</b>	375	278	0	30
<b>FY18</b>	*	399	0	10
<b>FY19</b>	324	293	0	9
<b>FY20</b>	337	326	0	7
<b>FY21</b>	346	319	0	7
<b>FY22</b>	389	394	0	10
<b>FY23</b>	364	338	0	16

**Engineer Applications for Registration:**

<b>FY</b>	<b>Apps Received</b>	<b>Apps Granted</b>	<b>Apps Denied</b>	<b>Apps Admin Closed</b>
<b>FY16</b>	1,013	975	0	121
<b>FY17</b>	1,300	881	0	157
<b>FY18</b>	*	1,389	1	27
<b>FY19</b>	1,133	1,077	0	23
<b>FY20</b>	1,048	997	1	13
<b>FY21</b>	1,203	1,129	1	14
<b>FY22</b>	1,364	1,344	1	19
<b>FY23</b>	1,426	1,407	0	34

**Geologist Applications for Registration:**

<b>FY</b>	<b>Apps Received</b>	<b>Apps Granted</b>	<b>Apps Denied</b>	<b>Apps Admin Closed</b>
<b>FY16</b>	40	29	0	10
<b>FY17</b>	51	18	0	11
<b>FY18</b>	*	53	0	1
<b>FY19</b>	43	27	0	8
<b>FY20</b>	32	23	0	7
<b>FY21</b>	35	37	0	2
<b>FY22</b>	30	25	0	0
<b>FY23</b>	39	43	0	0

**Land Surveyor Applications for Registration:**

<b>FY</b>	<b>Apps Received</b>	<b>Apps Granted</b>	<b>Apps Denied</b>	<b>Apps Admin Closed</b>
FY16	25	18	0	11
FY17	44	18	0	10
FY18	*	49	0	3
FY19	56	25	0	4
FY20	21	18	0	3
FY21	35	32	0	1
FY22	28	30	0	2
FY23	50	42	0	1

**Landscape Architect Applications for Registration:**

<b>FY</b>	<b>Apps Received</b>	<b>Apps Granted</b>	<b>Apps Denied</b>	<b>Apps Admin Closed</b>
FY16	36	32	0	2
FY17	39	41	0	1
FY18	*	30	0	1
FY19	31	36	0	0
FY20	36	35	0	1
FY21	43	44	0	0
FY22	39	35	0	0
FY23	53	48	0	2

**Alarm Agent Applications for Certification:**

<b>FY</b>	<b>Apps Received</b>	<b>Apps Granted</b>	<b>Apps Denied</b>	<b>Apps Admin Closed</b>
FY16	790	560	0	193
FY17	822	611	0	167
FY18	*	627	0	80
FY19	796	652	0	92
FY20	723	637	1	125
FY21	565	444	0	78
FY22	634	508	0	123
FY23	679	504	0	152

**Alarm Business Controlling Person Applications for Certification:**

<b>FY</b>	<b>Apps Received</b>	<b>Apps Granted</b>	<b>Apps Denied</b>	<b>Apps Admin Closed</b>
<b>FY16</b>	75	147	0	7
<b>FY17</b>	96	265	0	6
<b>FY18</b>	*	399	0	7
<b>FY19</b>	163	157	0	2
<b>FY20</b>	149	153	0	2
<b>FY21</b>	64	62	0	0
<b>FY22</b>	53	54	0	0
<b>FY23</b>	57	58	0	0

**Home Inspector Applications for Certification:**

<b>FY</b>	<b>Apps Received</b>	<b>Apps Granted</b>	<b>Apps Denied</b>	<b>Apps Admin Closed</b>
<b>FY16</b>	98	71	0	9
<b>FY17</b>	118	109	0	5
<b>FY18</b>	*	167	0	2
<b>FY19</b>	130	150	0	0
<b>FY20</b>	106	107	0	1
<b>FY21</b>	156	144	0	2
<b>FY22</b>	121	104	0	1
<b>FY23</b>	99	111	0	3

**Applications for Engineer in Training Designation**

<b>FY</b>	<b>Apps Received</b>	<b>Apps Granted</b>	<b>Apps Denied</b>	<b>Apps Admin Closed</b>
<b>FY16</b>	218	189	0	6
<b>FY17</b>	220	224	0	5
<b>FY18</b>	67	69	0	2
<b>FY19</b>	217	216	0	3
<b>FY20</b>	152	150	0	1
<b>FY21</b>	194	190	0	1
<b>FY22</b>	156	152	0	2
<b>FY23</b>	167	177	0	3



**Applications for Geologist in Training Designation**

<b>FY</b>	<b>Apps Received</b>	<b>Apps Granted</b>	<b>Apps Denied</b>	<b>Apps Admin Closed</b>
FY16	5	5	0	3
FY17	3	3	0	1
FY18	3	2	0	1
FY19	9	8	0	1
FY20	6	8	0	0
FY21	5	4	0	0
FY22	11	12	0	0
FY23	13	13	0	0

**Applications for Land Surveyor in Training Designation**

<b>FY</b>	<b>Apps Received</b>	<b>Apps Granted</b>	<b>Apps Denied</b>	<b>Apps Admin Closed</b>
FY16	3	2	0	1
FY17	0	0	0	0
FY18	0	0	0	0
FY19	6	5	0	0
FY20	1	1	0	0
FY21	3	2	0	0
FY22	5	6	0	0
FY23	1	2	0	0

**Universal Applications Received**

<b>FY</b>	<b>Apps Received</b>	<b>Apps Granted</b>	<b>Apps Denied</b>	<b>Apps Admin Closed</b>
FY20	34	25	0	1
FY21	38	39	0	1
FY22	36	40	0	1
FY23	40	41	0	0

### Exam Applications Received

<b>FY</b>	<b>Architect</b>	<b>Engineer</b>	<b>Geologist</b>	<b>Land Surveyor</b>	<b>Landscape Architect</b>
<b>FY16</b>	77	41	11	8	1
<b>FY17</b>	87	303	24	19	0
<b>FY18</b>	*	*	*	*	*
<b>FY19</b>	73	113	32	40	2
<b>FY20</b>	53	80	40	49	1
<b>FY21</b>	43	53	51	36	1
<b>FY22</b>	56	192	41	50	0
<b>FY23</b>	73	698	71	87	0

### Proctoring Exams

The agency proctors the Arizona Land Surveyor State Specific Exam, Arizona Geological Engineer Exam, and, until fall of 2022, all geology fundamental and professional examinations on behalf of the National Association of State Boards of Geology (ASBOG). The agency proctored the ASBOG exams twice a year, once in the fall and once in the spring. As of 2023, all ASBOG examinations are proctored online and therefore the agency no longer proctors those exams. The agency proctors the AZ land surveyor state specific exam once a month or as requested and the AZ geological engineer exam when requested.

For reference, all jurisdictions require passing a state-specific land surveyor exam as a prerequisite for registration, except for Kentucky, South Dakota, U.S Virgin Islands, Puerto Rico, American Samoa and the Northern Mariana Islands.

### Timeframes

The Board meets its statutory timeframes to process applications.

Board rules define time frames for the Board to make a final determination for professional registration applications, certification applications, in-training designation applications, exam authorization applications, and exam waiver applications (A.A.C. R4-30-209 & R4-30-210). The Board's time frames are 60 days to complete the administrative review of the application and 60 days to complete the substantive review of the application. Pursuant to A.A.C. R4-30-209 & R4-30-210, time frames are suspended and not counted in the computation of the overall time frames if the Board finds that an application is incomplete and/or deficient. If the applicant cannot timely provide the missing information or documentation, the Board may close the application. Additionally, pursuant to A.A.C. R4-30-209 & R4-30-210, weekends and holidays are not counted in the computation of the overall time frames.

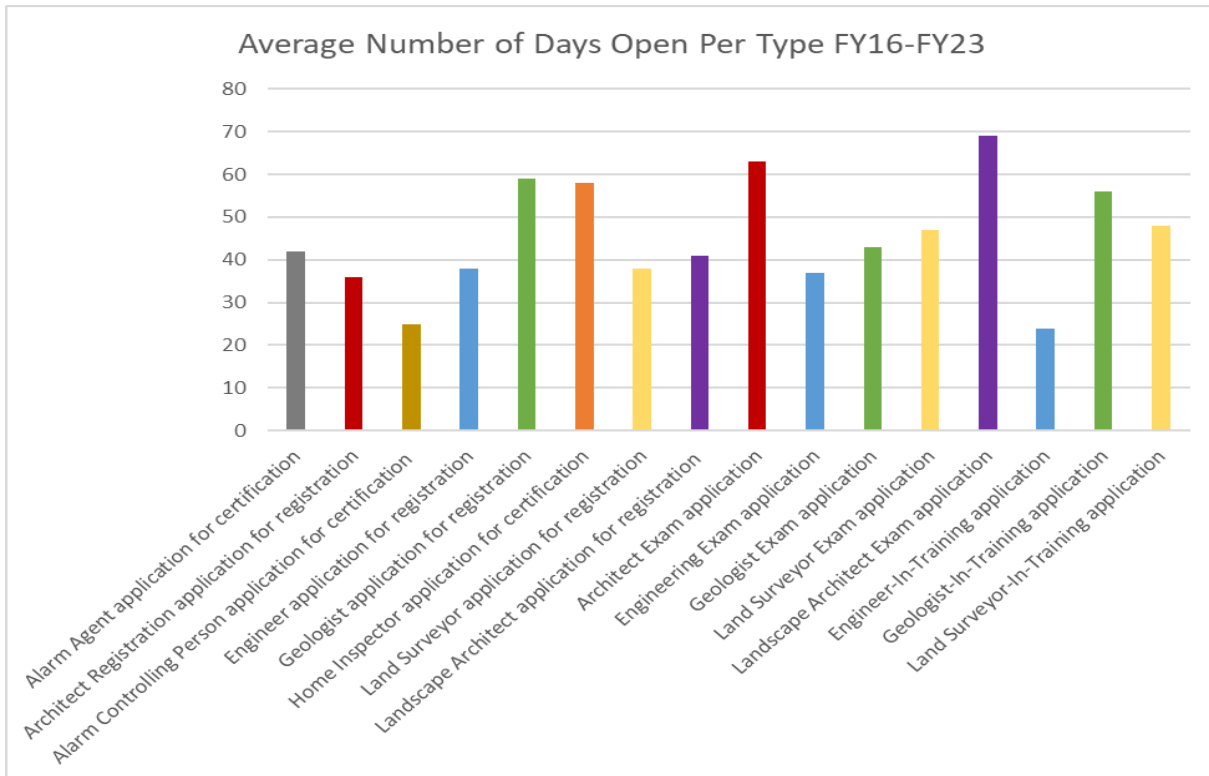
Pursuant to A.R.S. § 32-122.06, the Board shall issue or deny an alarm agent certification or renewal within ten business days of receiving an administratively complete application. Alarm agent applications follow the rules for incomplete and deficient applications quoted above. Additionally, alarm agent applications remain open after the Board has issued them a temporary alarm agent card while the applicant waits to receive a valid fingerprint clearance card. The applicant has 90 days to show proof to the Board of holding a valid fingerprint clearance card after the Board has issued them a temporary card. If they do, the Board will grant their certification. If not, the Board administratively closes the application.

The Board endeavors to remain within its statutory licensing time frames. Board staff therefore conducts an audit of applications every month, which is included in the Director’s Report presented to the Board at its monthly board meeting to keep the Board informed of the current licensing numbers.

Using the Board’s database, Board staff has calculated the average number of days applications were open based on the date the Board received the application and the date the Board made a final determination regarding an application. The Board’s database does not distinguish if a day is a workday, holiday, or weekend; when timeframes are suspended due to an incomplete/deficient application; or, if an application was approved by the Board to be put on hold; therefore, all days were included in the calculations to create the results below.

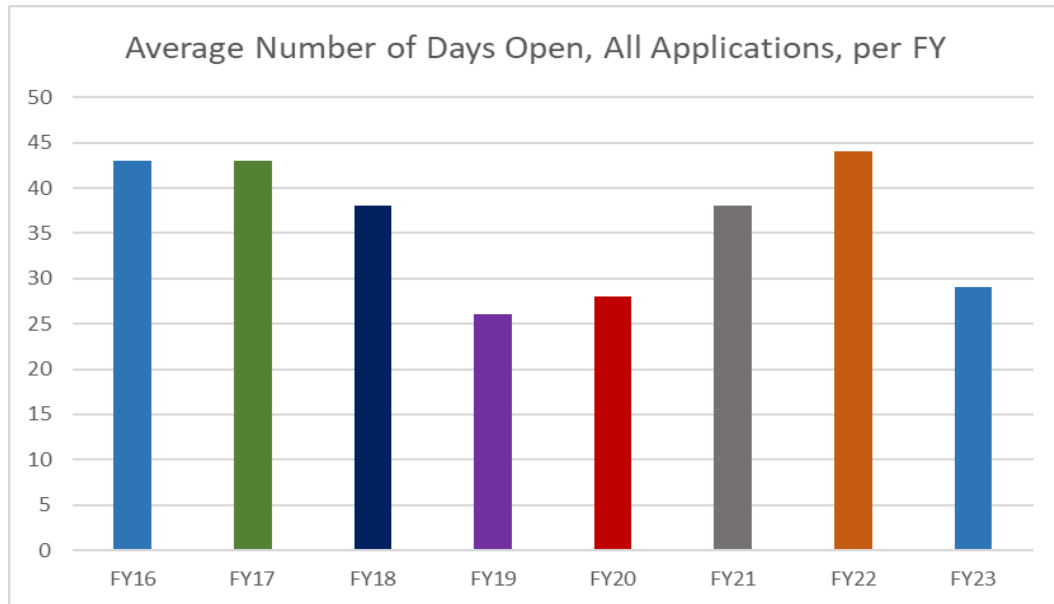
Average Number of Days Open FY2016-FY2023

- Alarm Agent application for certification 42 calendar days
- Architect Registration application for registration 36 calendar days
- Alarm Controlling Person application for certification 25 calendar days
- Engineer application for registration 38 calendar days
- Geologist application for registration 59 calendar days
- Home Inspector application for certification 58 calendar days
- Land Surveyor application for registration 38 calendar days
- Landscape Architect application for registration 41 calendar days
- Architect Exam application 63 calendar days
- Engineering Exam application 37 calendar days
- Geologist Exam application 43 calendar days
- Land Surveyor Exam application 47 calendar days
- Landscape Architect Exam application 69 calendar days
- Engineer-In-Training application 24 calendar days
- Geologist-In-Training application 56 calendar days
- Land Surveyor-In-Training application 48 calendar days



Average Number of Days Open for all applications per fiscal year

- Applications received in FY16 were open an average of 43 calendar days
- Applications received in FY17 were open an average of 43 calendar days
- Applications received in FY18 were open an average of 38 calendar days
- Applications received in FY19 were open an average of 26 calendar days
- Applications received in FY20 were open an average of 28 calendar days
- Applications received in FY21 were open an average of 38 calendar days
- Applications received in FY22 were open an average of 44 calendar days
- Applications received in FY23 were open an average of 29 calendar days

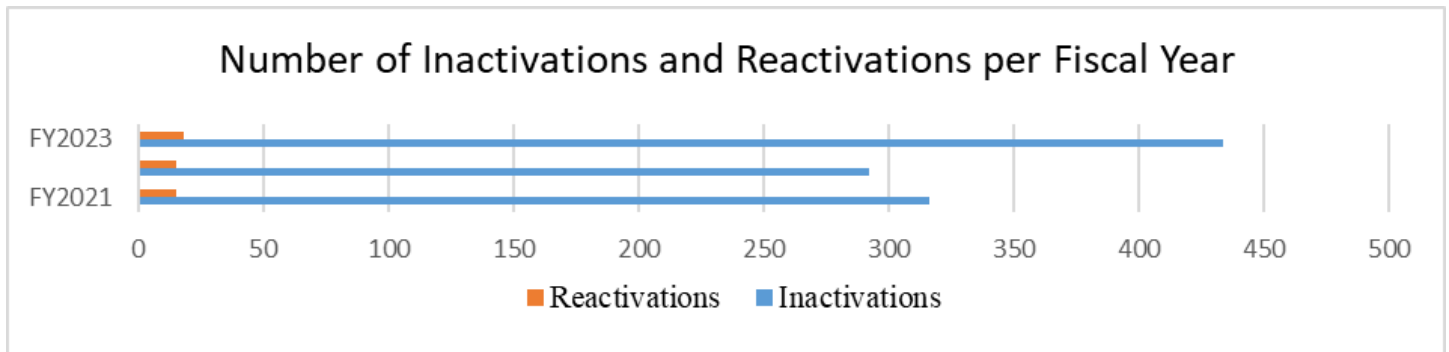


**Inactivation and Reactivation**

Pursuant to A.R.S. § 32-127, registrants may place their registration or certification on inactive status and subsequently reactivate. A registrant who is on inactive status may not provide or offer professional service in their profession unless they reactivate their registration or certification.

**Number of Inactivation and Reactivations**

	FY2021	FY2022	FY2023	Total
<b>Inactivations</b>	316	292	434	1042
<b>Reactivations</b>	15	15	18	48



## Renewals

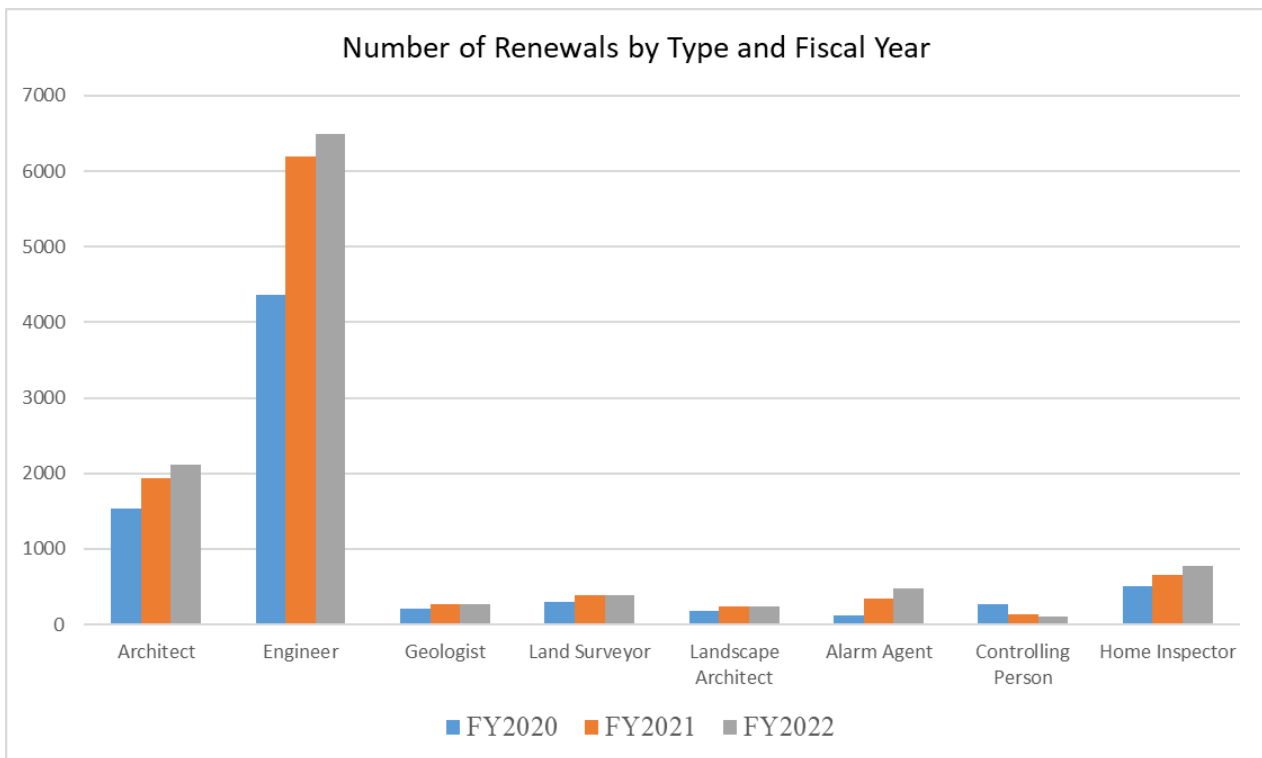
Between fiscal year 2019 and fiscal year 2023, the Board processed 37,644 renewals for certificate and registration holders. To protect the public, Board renewals specialists conduct a LexisNexis background check on every single renewal the Board processes. Renewals specialists process renewals and renewal payments the day after the agency receives them.

As a courtesy, Board staff send email reminders to registrants 90 days prior to their expiration date. If registrants have not renewed after one week of receiving the Board’s email reminder, the Board mails a renewal reminder along with the Board’s renewal form to the registrant. If registrants still have not renewed, the Board emails additional reminders 60 days and 30 days prior to their expiration date.

### Number of Renewals

	FY2020	FY2021	FY2022	FY2023	Total
<b>Architect (triannual)</b>	1540	1934	2118	1843	7435
<b>Engineer (triannual)</b>	4357	6191	6489	5334	22371
<b>Geologist (triannual)</b>	203	273	273	215	964
<b>Land Surveyor (triannual)</b>	298	383	392	371	1444
<b>Landscape Architect (triannual)</b>	183	238	246	223	890
<b>Alarm Agent (triannual)</b>	118	341	480	227	1166
<b>Controlling Person (triannual)</b>	277	142	100	89	608
<b>Home Inspector (annual)</b>	514	659	774	819	2766

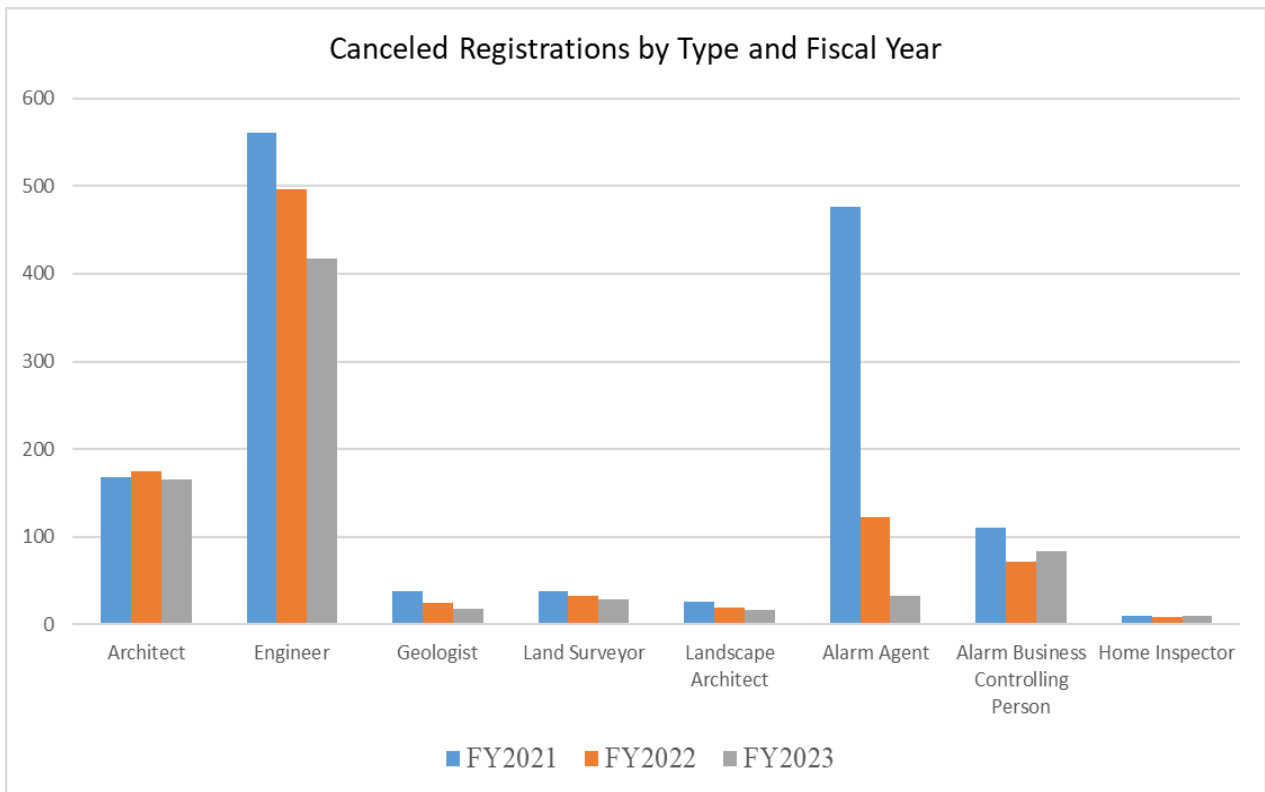
### FY2020-FY2023



### Canceled Registrations

Pursuant to A.R.S. § 32-127, the Board shall cancel a certificate or registration if it has been invalid, which occurs when a registrant fails to renew, for at least one renewal period

	FY2021	FY2022	FY2023	Total
<b>Architect</b>	168	175	165	508
<b>Engineer</b>	561	496	417	1474
<b>Geologist</b>	38	25	18	81
<b>Land Surveyor</b>	38	33	28	99
<b>Landscape Architect</b>	26	19	17	62
<b>Alarm Agent</b>	476	122	32	630
<b>Alarm Business Controlling Person</b>	110	72	83	265
<b>Home Inspector</b>	10	8	10	28

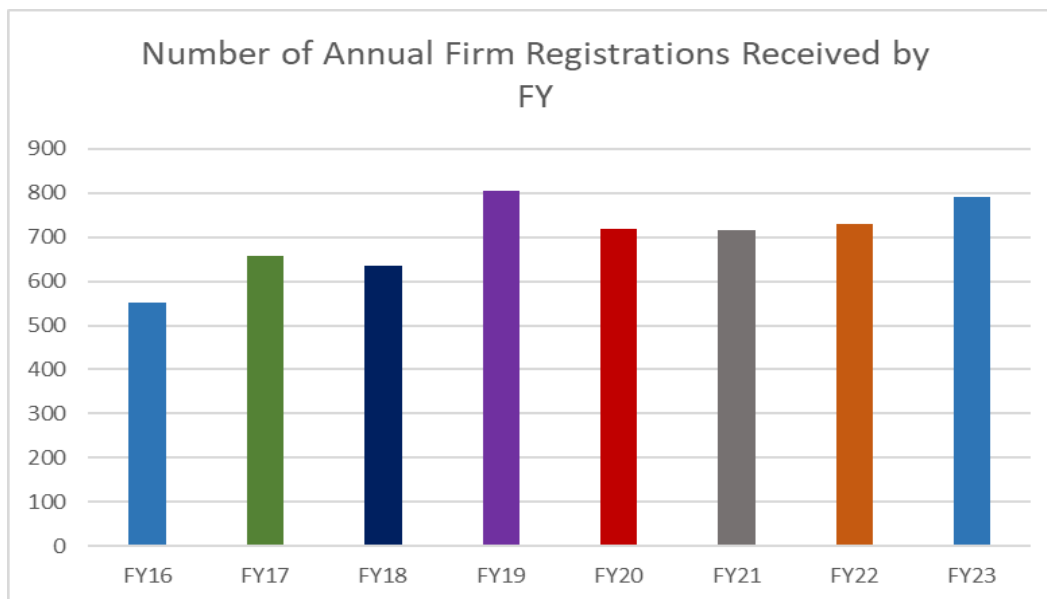


## Firms

Between fiscal year 2016 and fiscal year 2023, the Board processed 4,818 firm and branch annual registrations. Board staff process firm and branch registrations the day after the Board receives them. Firms are regulated under Board statute A.R.S. § 32-141.

### Number of Annual Firm Registrations Received

FY2016	552
FY2017	658
FY2018	636
FY2019	806
FY2020	720
FY2021	715
FY2022	731
FY2023	792



### Public Information Requests

The Board provides an online web form for public information request submissions, but accepts submissions in other formats. The Board redacts requests of personal identifying information and all confidential information pursuant to the Board's confidentiality statute, A.R.S. § 32-129.

The Board is timely in its responses to public information requests and fulfilling said requests in a reasonable amount of time.

The agency received 52 public information requests in FY2023. On average, Board staff took less than 24 hours to respond to a request for information received in FY2023. On average, it took Board staff five calendar days to complete or close a request in FY2023.

## Promulgation of Rules & Statutes

The Board continuously reviews its statutes and rules for possible amendments, repeals and additions.

The Board advocated in support of legislation for the creation of an endorsement path to licensure in 2019 to ease the application process for those licensed in other states seeking registration in Arizona. Both the House and Senate approved the legislation; however, the Governor ultimately vetoed it. The Board still wishes to pursue the creation of an endorsement path to licensure.

The Board still wishes to pursue the creation of an endorsement path to licensure.

The Board has put forth four rule packages since July 1, 2015.

- 2017 – Omnibus Rule changes (27 rules amended, 10 rules repealed)
- 2020 – Rule changes to Board’s home inspector financial assurance requirements while inactive.
- 2020 – The Board sent a request for approval to the Governor’s office to open a rules package to update the then 18-year-old land surveyor minimum standards. The Governor’s office did not give its approval and the Board was therefore unable to open a rules package.
- 2022 – The Board currently has a rule package open to update the now 20+ year old home inspector minimum standards.

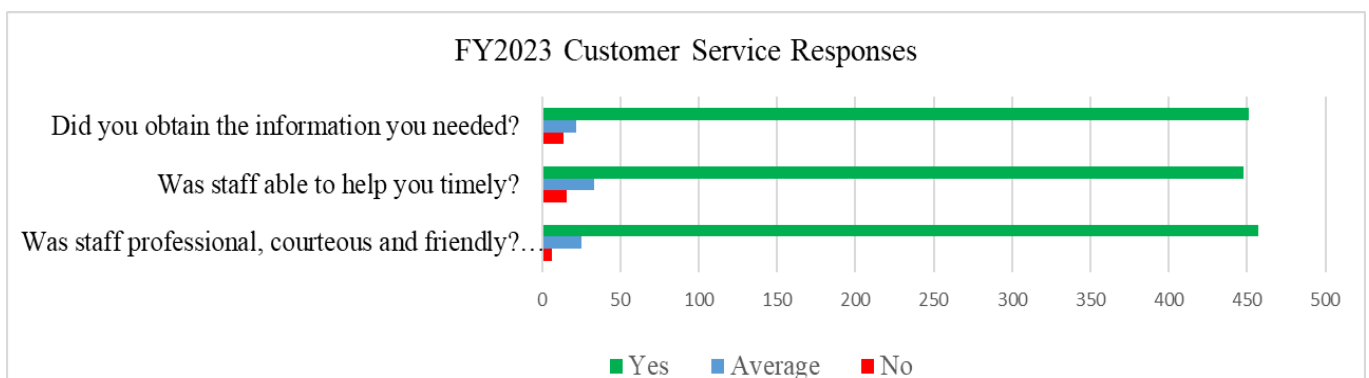
## Customer Satisfaction

There are a number of ways the public, applicants and registrants can let the Board know of their experience with agency staff. The most frequently used method is filling out and submitting a survey. The agency makes available an online survey and paper surveys to accommodate everyone. Links to the online survey are included on the Board’s website and in the signature line of emails sent by Board licensing and operations staff. Paper surveys are provided in the agency’s front lobby and included in new grant packets, which are mailed to new registrants.

The Board received 487 surveys from the public in FY2023. Each survey asks three questions, for a total of 1,472 answers received in FY2023. Of the 1,472 answers, 36 indicated a negative experience, or approximately 2.5 percent of all answers; 80 indicated an average experience, or approximately 5.5 percent of all answers; and 1,356 answers indicated a positive experience, or roughly 92 percent of all answers.

Negative responses include comments about staff not returning phone calls quickly enough and negative experiences because of the Board being so paper intensive (no e-licensing system). Generally, the agency’s licensing team receives the most survey responses. Overall, the surveys indicate that the Board is providing superior services to the public.

The results of the Board’s customer service surveys for fiscal year 2023 are below.





	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
Number of Surveys Received	21	42	39	42	36	22	32	23	46	57	68	59	487
<b>Was staff professional, courteous and friendly?</b>													
1-no	1	0	0	0	0	1	0	1	1	1	1	0	6
2-average	1	2	0	2	1	2	2	0	1	3	8	2	25
3-yes	19	40	39	40	35	19	30	22	46	57	59	57	457
<b>Was staff able to help you timely?</b>													
1-no	2	2	0	1	1	2	1	1	2	1	3	0	16
2-average	0	3	0	3	2	1	1	0	1	3	7	2	33
3-yes	19	37	39	38	33	19	30	22	43	53	58	57	448
<b>Did you obtain the information you needed?</b>													
1-no	2	1	0	0	0	2	1	1	2	2	3	0	14
2-average	2	4	0	3	2	0	1	0	1	3	4	2	22
3-yes	17	37	39	39	34	22	30	22	43	52	61	57	451

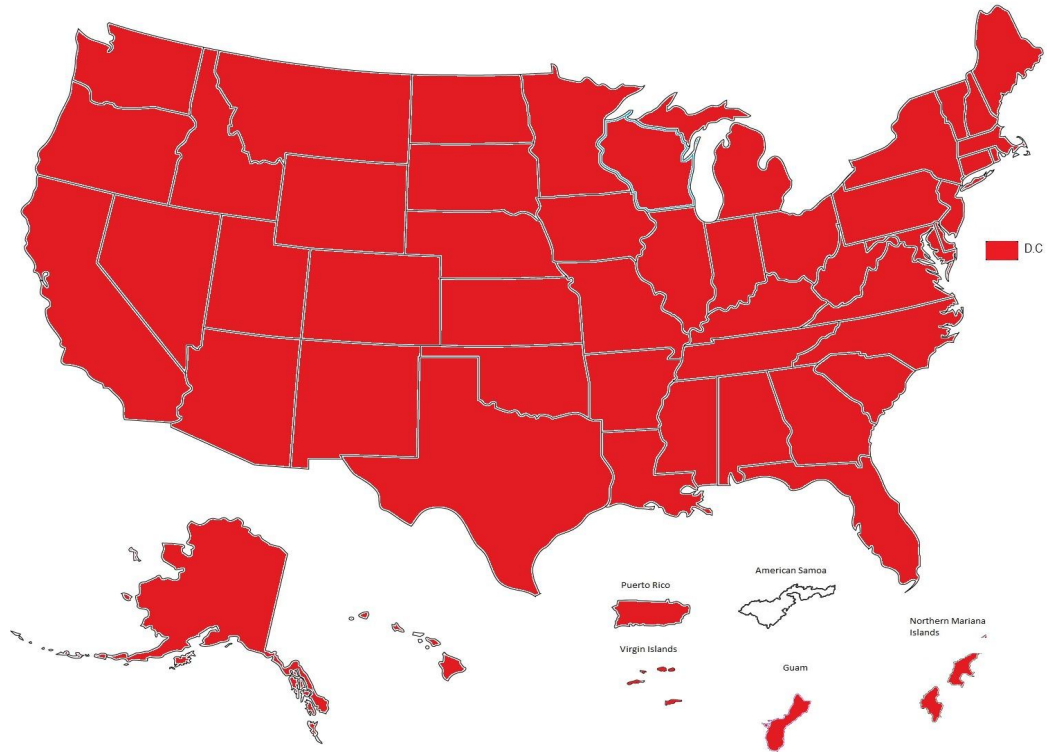
**3. AGENCY’S KEY STATUTORY OBJECTIVES AND PURPOSES DUPLICATE THE OBJECTIVES AND PURPOSES OF OTHER GOVERNMENTAL AGENCIES OR PRIVATE ENTERPRISES.**

The Board is a 90/10 occupational Board that is self-sustaining, deposits ten percent of its revenue in the State General Fund. Its mission is to provide for the safety, health and welfare of the public. This mirrors the function and mission of other Arizona regulatory agencies. However, no other Arizona state agency licenses the professions and occupations of this Board.

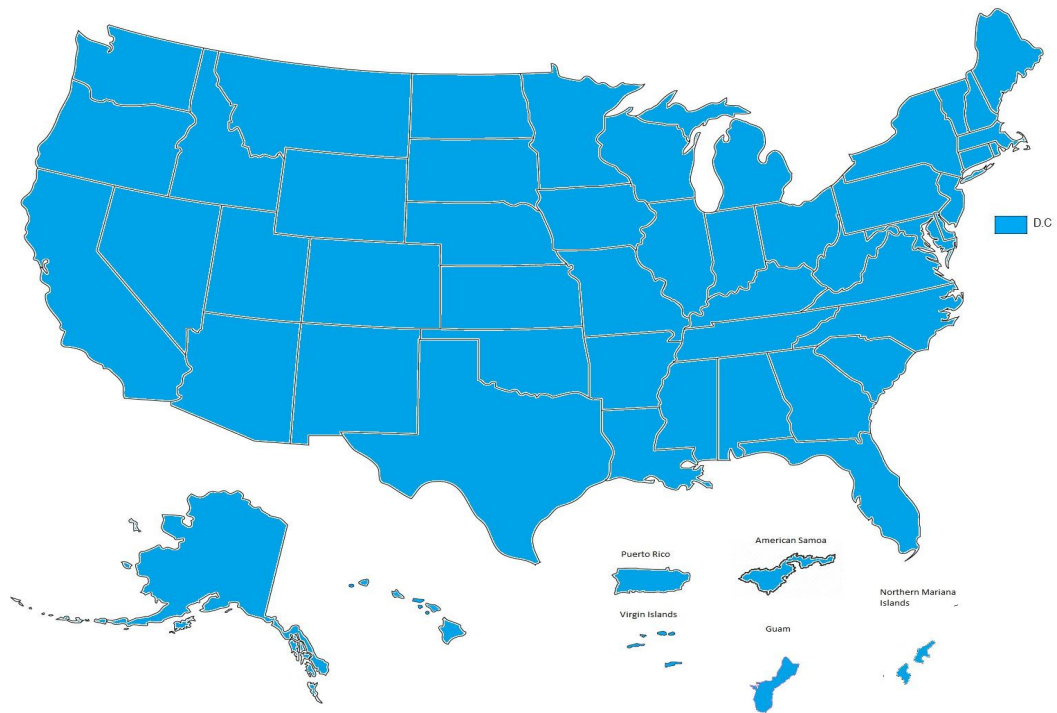
Other jurisdictions outside of Arizona license the same professions and occupations, with statutory objectives and purposes that duplicate the Board’s, however; the Board of Technical Registration is unique. In most states, smaller individual boards regulate one, or two, of the professions or occupations. No other state has a single board that is responsible for all of the professions and occupations regulated by this Board.

**Other US jurisdictions that also license the Board's professions and occupations:**

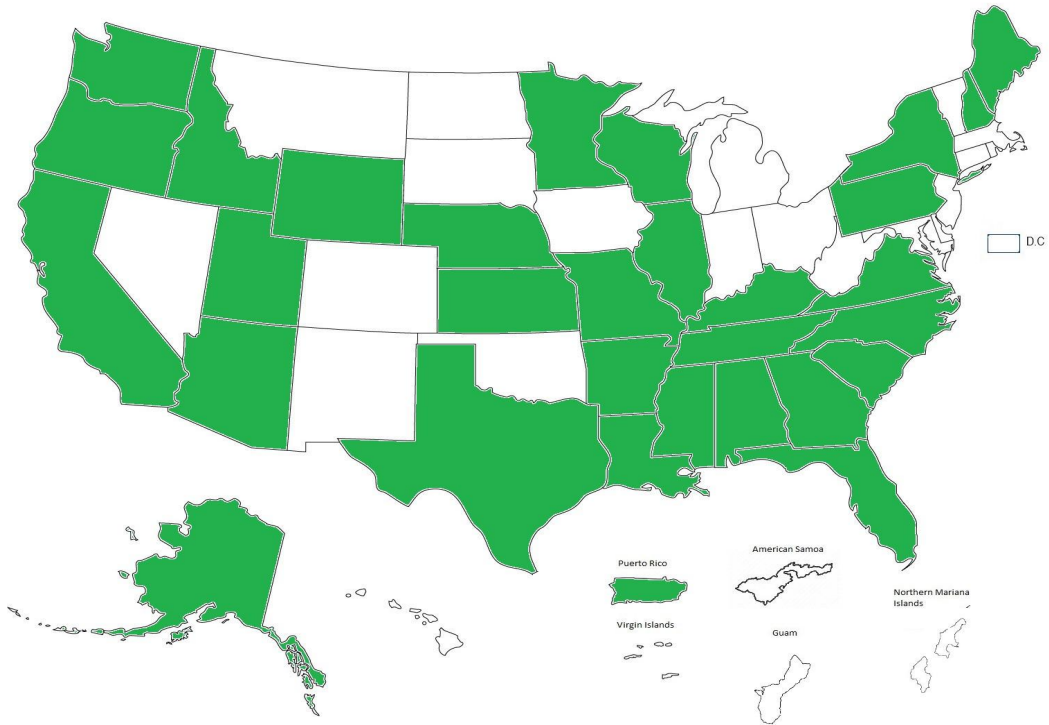
**Architects**



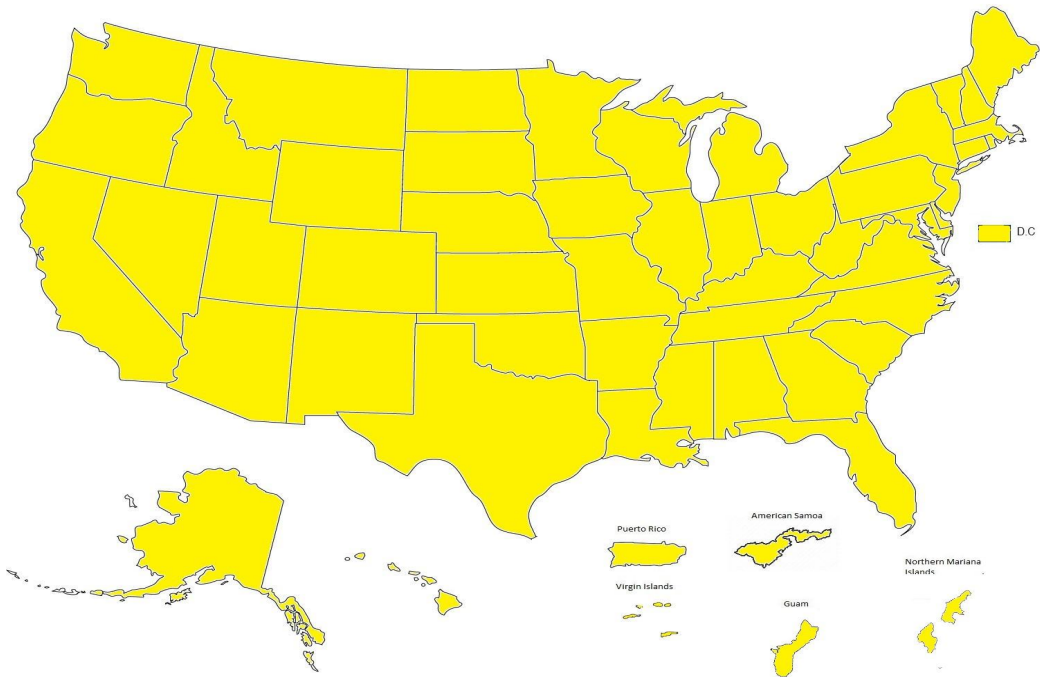
**Engineers**



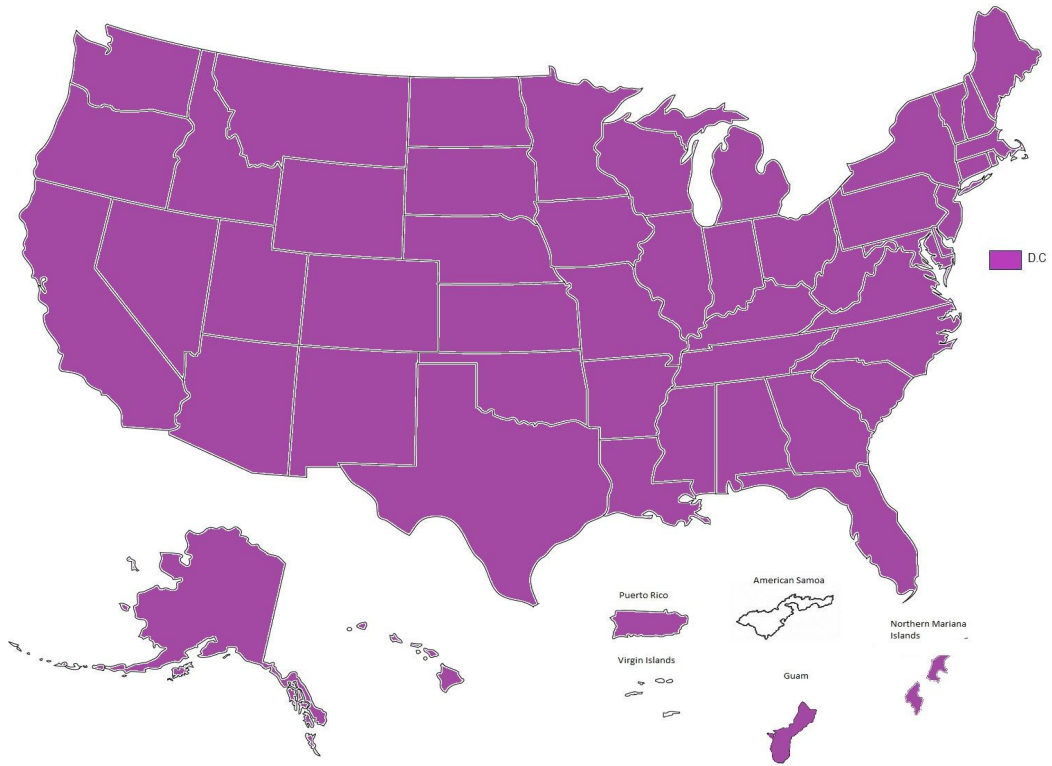
## Geologists



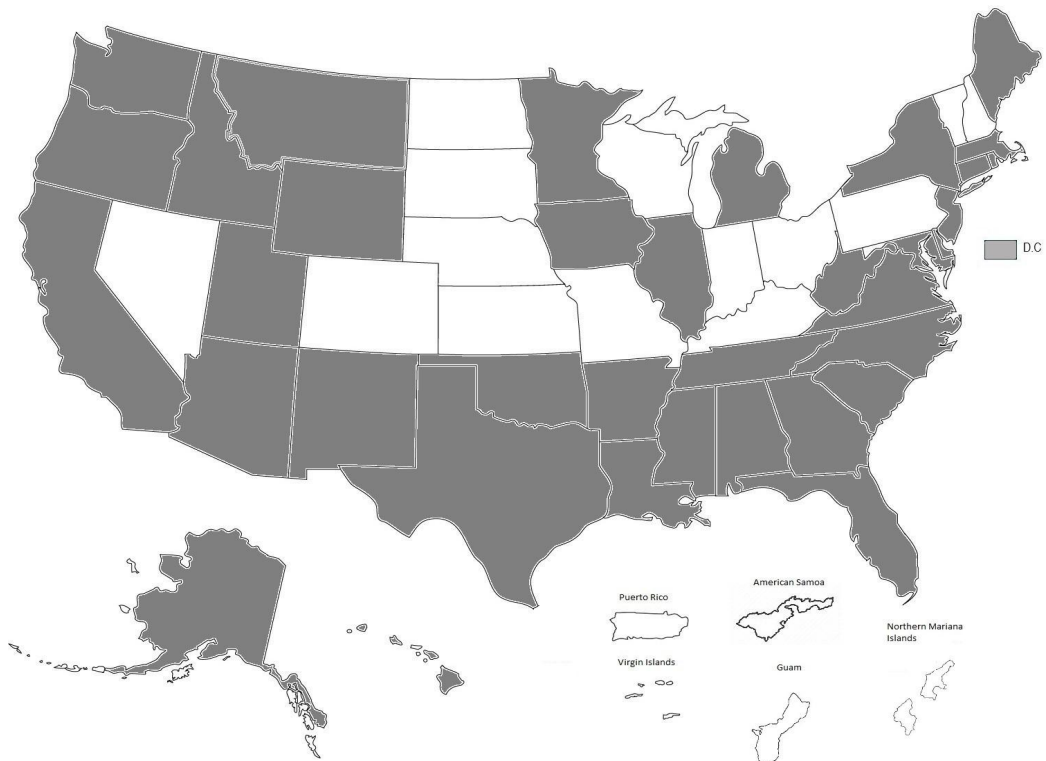
## Land Surveyors



## Landscape Architects



## Alarm Industry





- 2022 – The Board currently has a rule package open to update the now 20+ year old home inspector minimum standards.

In May 2019, the Governor's Regulatory Review Council (GRRC) reviewed all of the Board's rules as required by a mandatory five-year rules review and approved them as consistent with the Board's legislative mandate.

**5. THE EXTENT TO WHICH THE AGENCY HAS PROVIDED APPROPRIATE PUBLIC ACCESS TO RECORDS, MEETINGS AND RULEMAKINGS, INCLUDING SOLICITING PUBLIC INPUT IN MAKING RULES AND DECISIONS.**

- The Board publishes its statutes and rules on the Board's website.
- On its Rules webpage, the Board provides a link to A.R.S. § 41-1033, which allows the public to petition the Board to either make, amend or repeal a final rule or review an existing agency practice or substantive policy statement that the petitioner alleges to constitute a rule.
- The Board has a section of its website dedicated to Public Awareness and provides tools for the public to use, including a registrant search, firm search and disciplinary action search. The Board's disciplinary action search page is compliant with A.R.S. § 32-4801(A)(3), and only disciplinary actions from the immediately preceding five years are available on the Board's website. Non-disciplinary actions are not searchable. However, a person may obtain public records related to any registrant, including disciplinary actions more than five years old, dismissed complaints and non-disciplinary actions, by submitting a public information request. The Board provides this information on the Board's disciplinary action search webpage.
- The Board provides an online web form for public information request submissions, but accepts submissions in other formats. The Board is timely in its responses to public information requests (usually within 48 hours) and fulfilling said requests in a reasonable amount of time. The Board redacts requests of personal identifying information and all confidential information pursuant to the Board's confidentiality statute, A.R.S. § 32-129.
- The Board provides updates on current events, including proposed rule packages, on its website and social media pages. Additionally, the Board sends out communications to stakeholders regarding proposed rule packages via USPS mail and multiple mass-emails.
- The Board posts meeting agendas, meeting audio/video recordings, and meeting minutes on its website. The Board posts agendas in the Board's lobby and the 1110 W. Washington building lobby. The Board follows the State's open meeting laws.
- Board meeting minutes from the Board's inception in 1921 to present are available to the public on the Board's website.
- The Board always has a "Call to the Public" on each meeting agenda. This encourages interaction with the public and allows for future discussion of items not agendaized.
- The Board appoints members to serve on its Legislation and Rules Committee, which meets as needed to discuss questions from the public and its registrants regarding practice issues. Committee meetings are open to the public pursuant to open meeting law. It is comprised of former Board members representing each of the professions it regulates. The Committee hears public comment on proposed legislative and rules changes important in the community that the Board should consider. It makes recommendations to the Board for action.
- The Board appoints members to serve on its Home Inspector Rules and Standards Committee, which meets as needed to make recommendations regarding home inspectors to the Board for action pursuant to A.R.S. § 32-111. Committee meetings are open to the public pursuant to open meeting law.

## 6. THE EXTENT TO WHICH THE AGENCY HAS BEEN ABLE TO INVESTIGATE AND RESOLVE COMPLAINTS THAT ARE WITHIN ITS JURISDICTION

The Board's authority is sufficient to give it the ability to investigate and resolve complaints.

The controlling statutes are Arizona Revised Statutes (A.R.S.):

- § 32-106, Powers and duties
- § 32-106.01, Petition for injunction
- § 32-106.02, Authority to investigate; civil penalties
- § 32-128, Disciplinary action; letter of concern; judicial review
- § 32-141, Firm registration
- § 32-143, Exceptions
- § 32-144, Exemptions and limitations
- § 32-145, Violations; classifications
- § 32-146, Malpractice claim review
- § 32-148, Refusal to obey a subpoena; contempt
- § 32-150, Failure to comply with Board orders; penalty

### Complaint Process

1. Upon receipt of a complaint, the investigations manager reviews the complaint allegations to determine Board jurisdiction and whether or not sufficient evidence exists to establish reasonable cause that a violation of the Board's Practice Act may have occurred.
2. If jurisdiction has been established and evidence provided, the investigations manager assigns the complaint to an internal agency investigator.
3. The investigator will provide notice of the complaint to the respondent and the respondent will have the opportunity to provide a response to the allegations.
4. The investigator will interview the complainant, respondent, and any witnesses and collect evidence for the investigation file.
5. If the complaint is regarding technical practice standards, Board appointed subject matter experts, who are members of the Board's Enforcement Advisory Committee (EAC)\*, will conduct an initial technical assessment of the investigative evidence. The subject matter experts will then make a recommendation as to whether to dismiss the matter or proceed to an EAC meeting .

\*The Board's rule, A.A.C. R4-30120(A), explains that a "pool of volunteers" shall be selected to "provide technical assistance to Board staff in the evaluation and investigation of complaints."

6. If recommended after an initial technical assessment, the investigator will convene an EAC meeting where subject matter experts will review and discuss the complaint, assess the evidence, and conduct interviews. The committee can make recommendations to the Board regarding whether or not a violation of the Board's Practice Act has occurred pursuant to A.A.C R4-30-120(B). Respondents are encouraged to participate in EAC committee meetings and may be represented by counsel, however, attendance or participation is not required pursuant to A.A.C R4-30-120(D). An EAC meeting is not a formal hearing.
7. If violations of the Board's Practice Act are identified through the investigative process, such that disciplinary action may be warranted, the investigator will attempt to informally resolve the complaint through a settlement agreement commonly referred to as a "consent agreement" pursuant to A.A.C R4-30-120(G).
8. If the respondent does not agree to resolve the complaint through the investigator's proposed consent agreement, the respondent may provide a counterproposal to the Board for consideration. Respondents

can elect to have the complaint moved to a formal hearing which will be conducted by either the Board or an Administrative Law Judge (ALJ) at the Office of Administrative Hearings (OAH).

\*Since the summer of 2021, all Board hearings have been, and will continue to be, set before an Administrative Law Judge.

9. The Board is presented with, and acts upon, all complaints assigned for investigation at its regularly scheduled Board meetings, regardless if a settlement has been reached. The Board reviews and considers information developed through the investigative process including technical assessments and EAC committee reports. Board staff provides the following information and materials to Board members:
  - a. A synopsis of the complaint allegation;
  - b. Complainant, respondent and witness interviews and all collected case evidence;
  - c. Subject matter expert assessments if a technical assessment was conducted;
  - d. EAC recommendations if a committee was convened;
  - e. Staff recommendations if no technical issues were identified (the Board did not require the use of subject matter experts), or if the case does not fall within the Board's jurisdiction;
  - f. A consent agreement signed by the respondent for Board consideration, if one has been received;
  - g. Respondent's counter proposal or the investigator's proposed consent agreement if no signed consent agreement has been received;
  - h. An Administrative Law Judge's opinion if the case went to formal hearing at the Office of Administrative Hearings.
10. The Board has final decision making authority and may take appropriate action. Possible Board action can include, but is not limited to, the following:
  - a. If the Board finds that no violation of the Board's Practice Act has occurred, the Board may dismiss the complaint;
  - b. If the Board finds that there is insufficient evidence to support disciplinary action, but the registrant's conduct raises a concern, the Board may issue a non-disciplinary letter of concern;
  - c. If the Board finds that a registrant has violated the Board's Practice Act, the Board may take disciplinary action against the respondent's registration or certification, pursuant to A.R.S. § 32-128. This can be achieved informally by the Board's acceptance of a signed consent agreement or through a formal hearing process;
  - d. If the Board finds that a non-registrant has violated the Board's statutes, the Board may impose a civil penalty of no more than \$2000.00 per violation, pursuant to A.R.S. § 32-106.02(B). This can also be achieved informally by the Board's acceptance of a signed consent agreement or through a formal hearing process.
11. A consent agreement containing a Board order signed by both the respondent and the Board is considered a final disciplinary action. A Board order issued by the Board after a formal hearing is also considered a final disciplinary action.

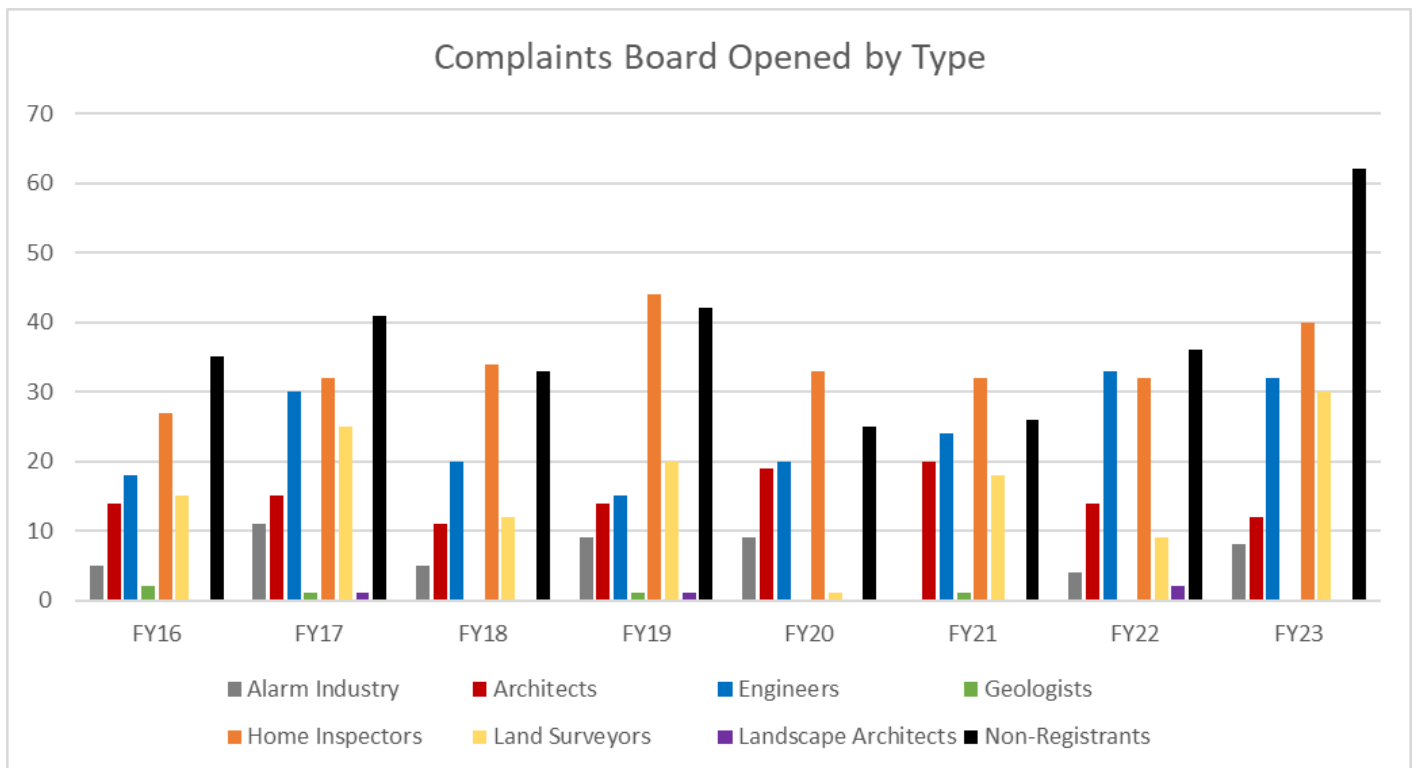


### Number of Complaints Received

Between fiscal year 2016 and fiscal year 2023, the Board opened 1,075 complaints. Please see the table below for a breakdown of the type of complaints the Board opened.

#### **Complaints Board Opened by Type**

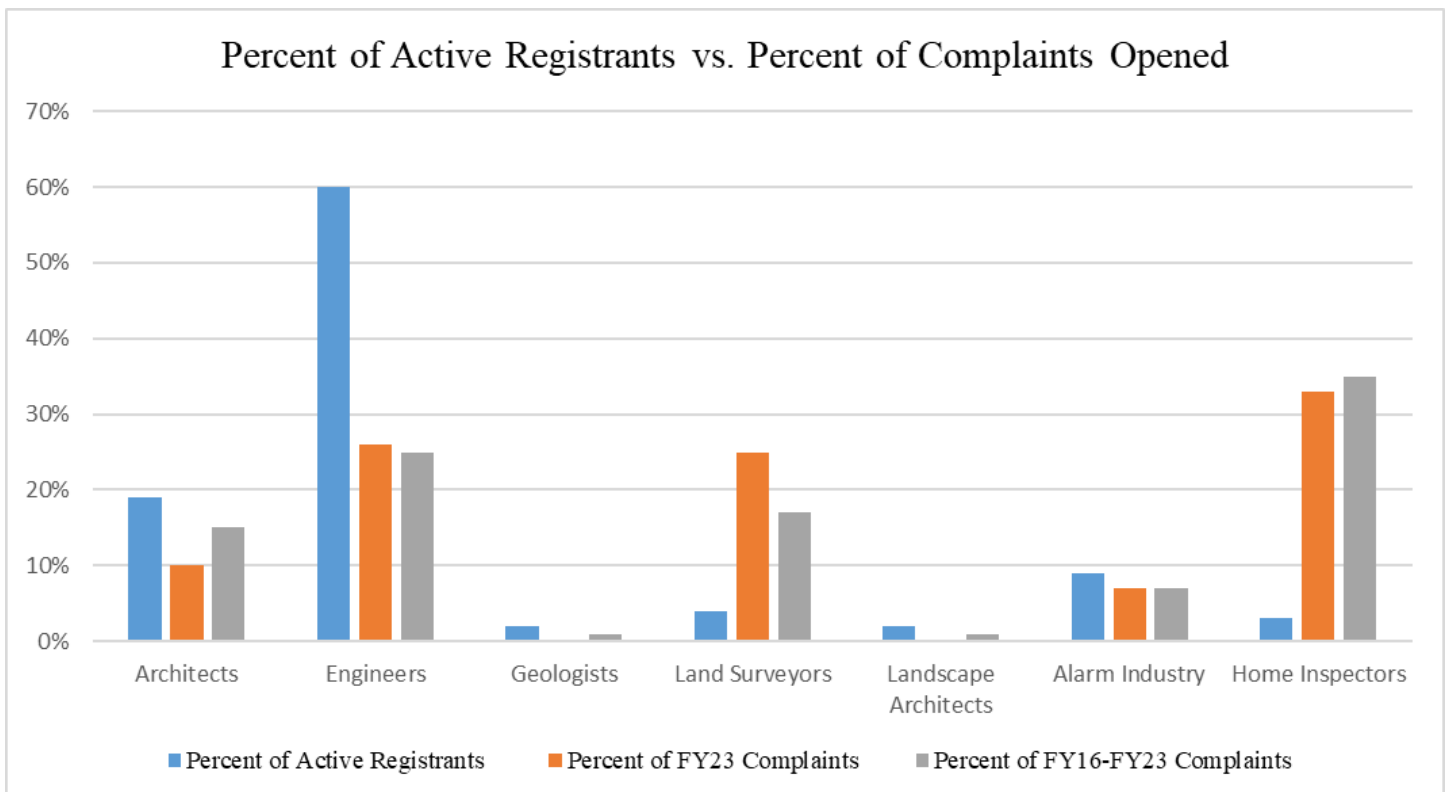
Case Type	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
<b>All Types</b>	<b>116</b>	<b>156</b>	<b>115</b>	<b>146</b>	<b>107</b>	<b>121</b>	<b>130</b>	<b>184</b>	<b>1075</b>
Architects	14	15	11	14	19	20	14	12	119
Engineers	18	30	20	15	20	24	33	32	192
Geologists	2	1	0	1	0	1	0	0	5
Land Surveyors	15	25	12	20	1	18	9	30	130
Landscape Architects	0	1	0	1	0	0	2	0	4
Alarm Industry	5	11	5	9	9	0	4	8	51
Home Inspectors	27	32	34	44	33	32	32	40	274
Non- Registrants	35	41	33	42	25	26	36	62	300



The highest number of complaints the Board receives regarding registrants are home inspector complaints. While only making up approximately three percent of the Board’s registrant population, home inspectors receive approximately a third of all registrant complaints.

**Percentage of Active Registrants v. Percentage of Complaints Opened**

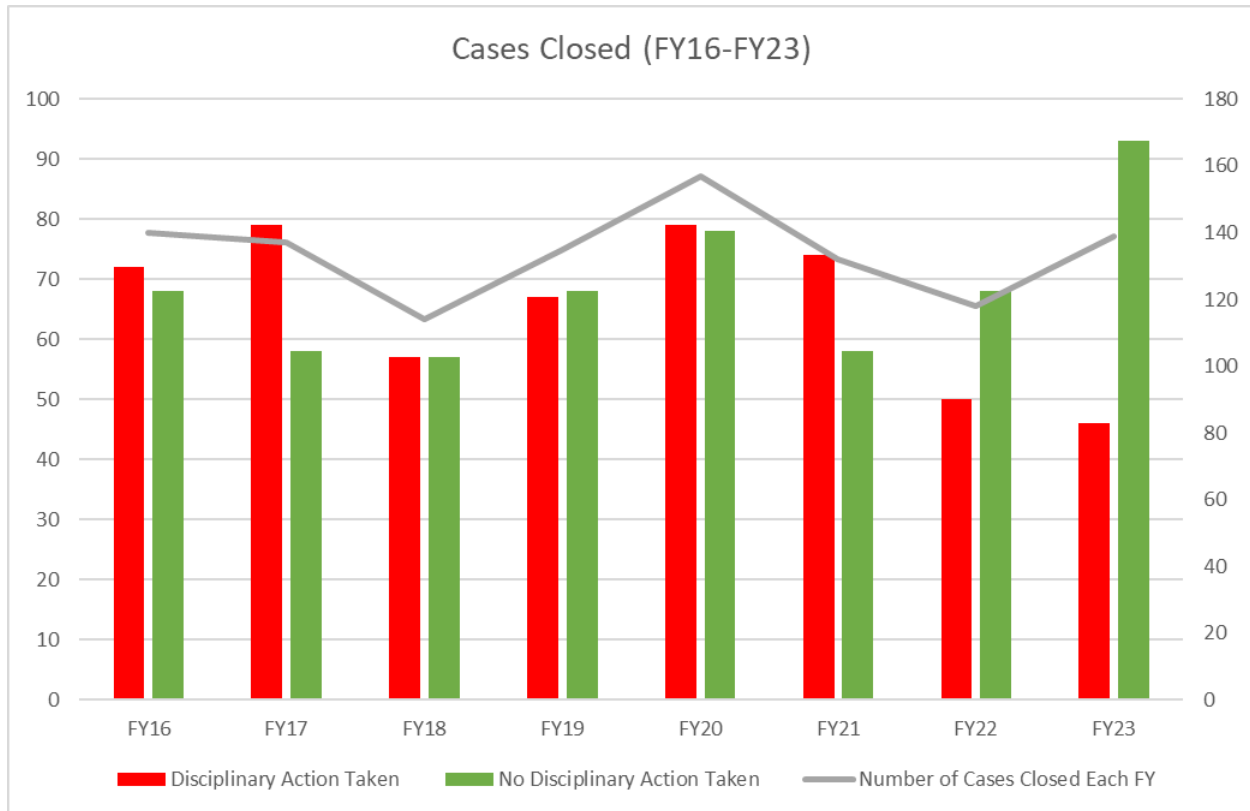
	Percent of Active Registrants as of 06-30-2023	Percent of FY23 Complaints	Percent of FY16-FY23 Complaints
Architects	20%	10%	15%
Engineers	60%	25%	24%
Geologists	2%	0%	1%
Land Surveyors	4%	25%	17%
Landscape Architects	2%	0%	1%
Alarm Industry	9%	7%	7%
Home Inspectors	3%	33%	35%



### Number of Complaints Closed

Between July 1, 2015, and June 30, 2023, the Board closed 1,072 complaints. Please see the table below for a breakdown of the number of complaints the Board closed and whether the Board took disciplinary action or not.

	<b>Total Closed</b>	<b>Disciplinary Action Taken</b>	<b>No Disciplinary Action Taken</b>
Total	1,072	524 (49%)	548 (51%)
FY16	140	72 (51%)	68 (49%)
FY17	137	79 (58%)	58 (42%)
FY18	114	57 (50%)	57 (50%)
FY19	135	67 (50%)	68 (50%)
FY20	157	79 (50%)	78 (50%)
FY21	132	74 (56%)	58 (44%)
FY22	118	50 (42%)	68 (58%)
FY23	139	46 (33%)	93 (67%)



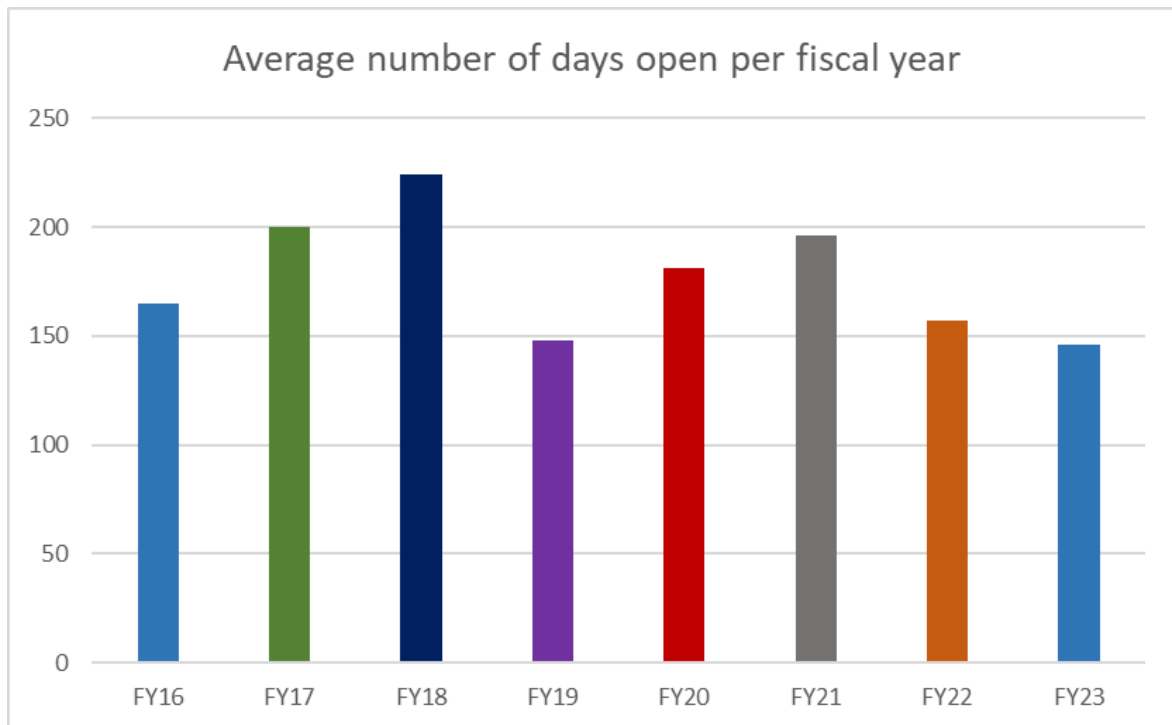
### Investigation Timeframes

The Board does not have investigation timeframes defined in its statutes and rules. However, the Board endeavors to thoroughly investigate all complaints it receives as timely as possible, with the goal of each investigation being closed or sent to hearing within 180 days of receipt. Board staff therefore conducts an audit of open investigations every month, which is included in the Director’s Report presented to the Board at its monthly board meeting to keep the Board informed of the current investigation log.

#### Time frames for Cases resolved without the Board forwarding them to hearing

Using the Board’s database, Board staff has calculated the average number of days investigations were open based upon the date the Board received the complaint and the date the Board closed the investigation after making a final determination. These numbers do not include cases forwarded to hearing. Cases included in a fiscal year, the Board opened that fiscal year. The Board’s database does not distinguish if a day is a workday, holiday or weekend; therefore, all days were included in the calculations to create the results below.

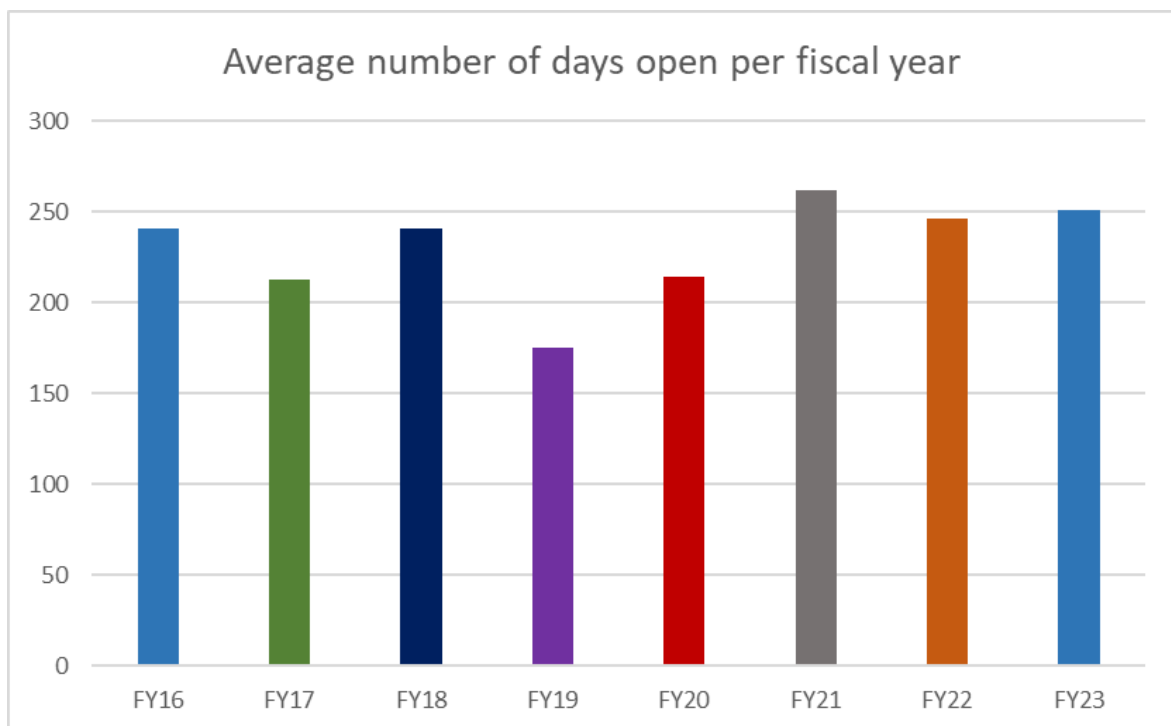
- Cases opened in FY2016 took an average of 165 calendar days to close.
  - Cases opened in FY2017 took an average of 200 calendar days to close.
  - Cases opened in FY2018 took an average of 224 calendar days to close.
  - Cases opened in FY2019 took an average of 148 calendar days to close.
  - Cases opened in FY2020 took an average of 181 calendar days to close.
  - Cases opened in FY2021 took an average of 196 calendar days to close.
  - Cases opened in FY2022 took an average of 157 calendar days to close.
  - Cases opened in FY2023 took an average of 146 calendar days to close (*\*This number does not include cases opened in FY2023 that are still open and therefore may be misleading*).
- Overall average of 176 calendar days to close a case since the beginning of FY2016 (181 calendar days if you exclude FY2023).



Time frames for Cases the Board forwarded to hearing.

Using the Board’s database, Board staff has calculated the average number of days investigations were open based upon the date the Board received the complaint and the date the Board forwarded the case to the Office of Administrative Hearing. Cases included in a fiscal year, the Board opened that fiscal year. It should be noted that the Board offers proposed consent agreements to respondents, and, if not signed within 30 days, automatically forwards the case to the Office of Administrative Hearing. This, and other factors, generally means the timeframe from receiving a complaint to when the Board forwards a case to the Office of Administrative Hearing is longer than the timeframe from receiving a complaint to when the Board makes a determination for cases not forwarded to hearing.

- Cases opened in FY2016 took an average of 241 calendar days to forward case to OAH
  - Cases opened in FY2017 took an average of 213 calendar days to forward case to OAH
  - Cases opened in FY2018 took an average of 241 calendar days to forward case to OAH
  - Cases opened in FY2019 took an average of 175 calendar days to forward case to OAH
  - Cases opened in FY2020 took an average of 214 calendar days to forward case to OAH
  - Cases opened in FY2021 took an average of 262 calendar days to forward case to OAH
  - Cases opened in FY2022 took an average of 246 calendar days to forward case to OAH
  - Cases opened in FY2023 took an average of 251 calendar days to forward case to OAH (*\*This number does not include cases opened in FY2023 that are still open and therefore may be misleading*).
- Overall average of 220 days to forward a case to OAH since the beginning of FY2016
  - Overall average of 219 days if you exclude FY2023



The Board has enacted a number of changes recently to reach its goal of thoroughly investigating complaints timely.

The Board changed its enforcement advisory committee (EAC) policies and procedures in an effort to have the meetings run more efficiently and methodically in 2021; investigative staff now lead the meetings, a script is utilized for consistency and in addition to Board staff, Board legal counsel is always in attendance. This process ensures that EAC meetings are held in accordance with all applicable open meeting laws.

The EAC home inspector volunteer pool’s availability to assess case evidence and to sit on EAC meetings, as well as assess applications, fluctuates based upon the housing market. When home inspectors are busy, they may become unavailable or their turnaround time to complete assessments take longer, creating delays in the Board’s processes. The Board therefore hired a home inspection assessor staff member in 2022 and developed policies and procedures to ensure that the Board was meeting home inspector licensing time frames and investigating home inspector complaints in a timely and efficient manner.

The Board is currently seeking additional appropriation to fund its vacant investigator FTE position to further expedite the complaint resolution process.

Board staff periodically sends mass emails to the Board’s registrant population in an effort to recruit new EAC members. Those interested submit a letter of interest and resume for the Board to consider at a regularly scheduled Board meeting pursuant to A.A.C R4-30-120(A).

**Current Case Load**

As of June 30, 2023, the Board had 109 cases awaiting resolution (open investigation or sent to hearing); 79 regarding registrants and 30 regarding non-registrants. As of June 30, 2023, the Board had one case awaiting resolution from FY2019, two from FY2021, eight from FY2022 and 98 from FY2023.

The oldest case awaiting resolution, dating to FY2019, is pending due to a civil suit filed against the Board, the result of which may determine whether Plaintiff’s behavior will constitute a violation of Board statutes and rules. The length of the pending investigation is due to the nature of the litigation, with the suit having been to the Arizona State Supreme Court in 2022, then remanded back to the lower court for review. There are two cases awaiting resolution against engineers from FY2021, both forwarded to hearing. One case has been continued numerous times due to the respondent's health issues. The other case experienced a significant delay due to the difficulty in finding the professional expertise to assess the technical aspects of the case amongst a small population of fire protection engineers.

**Active Cases as of June 30, 2023 by type**

<b>Fiscal Year Opened</b>	<b>Alarm Industry</b>	<b>Architect</b>	<b>Engineer</b>	<b>Home Inspector</b>	<b>Geologist</b>	<b>Landscape Architect</b>	<b>Land Surveyor</b>	<b>Non-Registrant</b>
<b>FY19</b>	0	0	0	0	0	0	0	1
<b>FY20</b>	0	0	0	0	0	0	0	0
<b>FY21</b>	0	0	2	0	0	0	0	0
<b>FY22</b>	0	1	2	4	0	0	0	1
<b>FY23</b>	1	6	12	31	0	0	20	28
<b>Total</b>	1	7	16	35	0	0	20	30



The Board wishes to reduce regulation regarding exam authorization time periods as referenced in R4-30-204. Currently, after the Board authorizes an exam candidate to take an exam, they must take and pass the exam or at least one division of the exam if it is a multi-divisional exam, within a specific period of time. If the candidate fails to do so, they must reapply for exam authorization through the Board. The Board wishes to remove this constraint and adopt the stance that once the Board authorizes a candidate to take an exam, the candidate does not need to apply again.

The Board wishes to reduce regulation of home inspectors in regards to the consequences of not retaining the statutorily required financial assurance. If a home inspector does not retain the statutorily required financial assurance, their certification is automatically suspended and subsequently revoked as a function of law. If a home inspector's certification is revoked, they are not eligible for certification for another year pursuant to A.R.S. § 32-122.02(A)(5). While this may make sense regarding home inspectors revoked because of disciplinary action, it is arguable that the wait is excessive for home inspectors who let their financial assurance lapse beyond statutory requirements.

### **Strengthen Regulation**

The Board wishes to strengthen the regulation of home inspectors in regards to enforcement and investigation. While only making up roughly three percent of the Board's registrant population (945 out of 32,984 active registrants as of 6-30-2023), home inspector complaints have made up roughly 25 percent (274 of the 1,075) of all complaints the Board has received since the beginning of fiscal year 2016. The Board wishes to update rules to strengthen education, experience requirements for certification, and possibly create new rules to require home inspectors to complete continuing education. The Board has the statutory authority to require proof of successfully completing continuing education as part of the renewal process pursuant to A.R.S. § 32-106(G).

Additionally, the Board's statutes specifically prohibit the Board from requesting proof of a valid fingerprint clearance card from home inspectors when renewing their certification, even though home inspectors must provide evidence of having a valid fingerprint clearance card when applying to the Board for initial certification. While the Board conducts a background check for each home inspector who renews in an effort to better protect the public, requiring proof of a valid fingerprint clearance card when renewing would both better protect the public and expedite the renewal process for home inspectors.

The Board wishes to strengthen and clarify its regulation of alarm business controlling persons. Statutorily, if an alarm agent's fingerprint clearance card becomes invalid, the Board invalidates the alarm agent's certification until the alarm agent provides proof of a valid fingerprint card. No such statutory language exists for controlling persons, who may continue to provide services without a valid fingerprint clearance card until time to renew.

### **Appropriate Regulation**

The level of regulation for all other factors is appropriate and provides adequate protection to the public.

## **8. THE EXTENT TO WHICH THE AGENCY HAS ESTABLISHED SAFEGUARDS AGAINST POSSIBLE CONFLICTS OF INTEREST**

Board members sign and submit to Board staff conflict of interest forms annually, which Board staff retains. Board members are encouraged to submit updated conflict of interest forms when warranted, such as when accepting work at a new company.

The agency agendaizes the Board's AAG to provide board member training at each board meeting. Conflict of interest is a recurring topic.



Board members recuse themselves during a Board meeting if a conflict exists for a particular matter; the Board member must declare that there is a conflict during the meeting, fill out a conflict of interest form, submit it to staff for the Board's record and the Board member may not participate in the discussion.

All subject matter experts, EAC members, from the Board's 'volunteer pool' must fill out a conflict of interest form prior to assessing any application, reviewing or assessing case materials, or participating in an enforcement advisory committee meeting. If a conflict exists, they may not assess the application, review or assess case materials, or participate in the EAC meeting.

Board staff sign a Board policy and procedure packet when they are initially hired and at the beginning of every fiscal year. The packet includes the Board's policy regarding conflict of interest. Per the policy, staff are required to inform their manager if they believe a conflict exists between themselves and an applicant or a party to an investigation.

**9. THE EXTENT TO WHICH CHANGES ARE NECESSARY FOR THE AGENCY TO MORE EFFICIENTLY AND EFFECTIVELY FULFILL ITS KEY STATUTORY OBJECTIVES AND PURPOSES OR TO ELIMINATE STATUTORY RESPONSIBILITIES THAT ARE NO LONGER NECESSARY.**

Changes are always necessary for the Board to more efficiently and effectively fulfill its key statutory objectives and purposes as the many industries under the Board's authority change over time and the Board must keep up with industry wide trends.

The Land Surveyor minimum standards are now over 20 years old and are in need of updating. The Board attempted to enter into the rulemaking process to update them in 2020, but the Governor's office denied the Board's request. The Board plans to make another attempt in the near future.

The Board last updated its Arizona State Specific Exam for Land Surveying in 2017. The Board is requesting appropriation to hire a psychometrician to conduct and oversee a workshop with subject matter experts in order to revise and update the exam.

The Board registers 17 different branches of engineering, including geological engineering. The Board provides a state specific examination for Geological Engineers as no applicable national exam exists. The Board last updated the exam in 2014. The Board is requesting appropriation to hire a psychometrician to conduct and oversee a workshop with subject matter experts in order to revise and update the exam.

The Board is a paper intensive agency due to not having an e-licensing system. This is a result of the Board's failed GL Solutions e-licensing system. The Board entered into a contract with GL Solutions for an e-licensing system in 2016. After moving onto an unfinished GL Solutions platform and having its data threatened over payment disputes between the Board and GL Solutions, the Board did an emergency data pull and went back to its Microsoft CRM database in 2018. Since that time, the Board has had to hire outside vendors to combine its old CRM solution with the data from GL Solutions, pushing the Board's ability to go to an e-licensing system farther into the future. Once the outside vendors combined and 'cleaned' the Board's data, the Board began researching e-licensing vendors. The Board entered into a contract with Thentia for its e-licensing system in July of 2022. The Board hopes to be on the Thentia e-licensing platform early fiscal year 2024 and be out of the paper business. Regardless, the Board has continued to process applications and renewals timely within its statutory timeframes without an e-licensing system. In preparation to move onto an e-licensing system, the Board had all of its paper and microfiche records, roughly 1.5 million pieces of paper, digitized in 2022. All of the Board's digitized records exist on its Google Drive.

Current negative consequences of being a paper reliant agency:

- The agency currently requires all applications, with the exception of renewals, be sent to the agency via USPS mail. Luckily, the agency was able to create an online renewal process with the help of ADOA-ASET shortly after coming off GL-Solutions.
- The agency sends out mass emails to notify registrants and firms to renew, which requires staff to pull reports from its database (as opposed to an e-licensing system that can send text, email and system notifications automatically). The agency also sends out paper renewals after its initial mass email to those that have yet to renew. The agency sends roughly 3,000 parcels of mail a quarter for renewals.
- All documents the agency receives via mail must be scanned in by hand to be added to the Board's Google Drive, which takes additional staff time.
- Board staff must manually enter all data into the database, which is time consuming. This includes data entry for all received applications, renewals and requests to update contact information. For example, the Board receives both emailed and mailed requests to update registrant addresses. In fiscal year 2023, Board staff manually processed 1,245 address requests. An e-licensing platform would allow registrants to update their contact information online.
- Many services the agency offers to its registrants require registrants to submit paperwork and applications to the agency. If the agency were on an e-licensing system, getting services, such as a duplicate certificate, would require as little as logging into an e-licensing portal.

#### **10. THE EXTENT TO WHICH THE TERMINATION OF THE AGENCY WOULD SIGNIFICANTLY HARM THE PUBLIC HEALTH, SAFETY OR WELFARE**

The Board is necessary and needed to protect public health, safety, and welfare, and the termination of which would significantly harm the public, including financially.

The Board protects the public from unlawful, incompetent, unqualified or unprofessional registration through certification and registration, regulation, and rehabilitation through its application and investigation processes. Efficient and effective regulation ensures that qualified people provide necessary services safely to the people of Arizona. It also provides for the timely investigation and prosecution of unlicensed and potentially unsafe people. Board regulation protects the public.

The Board ensures public protection by establishing the standards necessary for practice in Arizona and only certifies and registers individuals who meet those standards. The registration and certification requirements, except for alarm agents and alarm business controlling persons, include education, experience, and examination standards that build up knowledge and skills in key areas of practice related to health, safety, and welfare. Alarm agents and alarm business controlling persons are required to have a fingerprint clearance card to practice, which the Board verifies. Arizona's registration and certification requirements are largely aligned with current national standards. Termination of the Board would result in the termination of set minimum requirements and standards for the professions and occupations under the Board's jurisdiction. This would be detrimental to the public, as it would terminate the public's ability to assess an individual's credentials leading to the hiring of incompetent and unqualified individuals in place of Board vetted registered and certified professionals.

The Board further ensures public protection by establishing an investigative process. The Board defines standards for its registrants and may discipline registrants for failing to meet said standards when performing services in Arizona. The Board may also investigate and discipline non-registrants who hold themselves out as registrants. Termination of the agency would result in the public having to go through civil litigation to remedy any situation with what was once a regulated profession or occupation. Civil

litigation is cost restrictive and therefore limits the ability of the public to seek a remedy; a Board investigation does not cost the public anything. Additionally, the Board's investigative processes allow the Board to forward cases for criminal prosecution.

Termination of the Board would result in the deregulation of architects. Regulation of architects should be maintained. Registered architects provide the public of Arizona with professional architectural services. The education, experience and examination requirements for registered architects prepares them to provide said services, including but not limited to: project management; site analysis; understanding zoning and code requirements; creating design concepts; understanding sustainability/environmental design; evaluation of materials and technologies; selection of appropriate construction techniques; using appropriate construction documentation; integrating civil, structural, plumbing, and specialty systems into overall design and documentation; providing construction support services such as construction observation and shop drawings for submittal review; project evaluation of integrated building systems and their performance; etc.

Termination of the Board would result in the deregulation of engineers. Regulation of engineers should be maintained. Regardless of the branch of engineering, registered engineers provide consultation, investigation, evaluation, planning, design, location, development and review of construction for projects in Arizona. The education, experience and examination requirements for registered engineers prepares them to provide said services. The Board recognizes 17 branches of engineering, each with its own focus to better protect public health, welfare and safety:

- Agriculture: Concerning agricultural machinery, drainage, irrigation, terracing, farm electricity or water pumps and wells for the maintenance of adequate potable water supplies for crops, people, animals, or industry.
- Architectural: Concerning building mechanical, acoustical, electrical, lighting, or structural systems.
- Chemical: Concerning chemical enterprises, chemical and biological processes, plant layout, production of pilot plants, water, wastewater and pollution control plants, piping and distribution systems, heat exchanges, energy production management and distribution systems, process instrumentation and control systems, biomedical equipment, mining and minerals beneficiation, corrosion retardation, heat, mass and momentum transfer systems, reaction kinetics, thermodynamics, quality assurance controls, or systems for heat transmission.
- Civil: Concerning highways, streets, transportation systems, drainage and flood control structures, surface and subsurface hydrologics, sewers, tunnels, railroads, geotechnical analysis, waterfronts, water and wastewater systems, water power and supply apparatus, wells, pumps, bridges, dams, irrigation structures, water purification apparatus, incinerators, or site fire protection systems.
- Control Systems: Concerning control systems and their constituent devices including, but not limited to, dynamic stability and the application of instrumentation and feedback control principles to regulate and operate chemical plants, petroleum refineries, food processing plants, water and waste treatment plants, power plants, pollution abatement systems, transportation systems, or other dynamic processes and systems.
- Electrical: Concerning power systems, electronic and transmission equipment, electric service and supply systems, lighting systems, communication service and supply systems, fire alarm and detection systems, control systems, or electrical installations.
- Environmental: Concerning water and wastewater systems, domestic and process (industrial/commercial) solid waste and hazardous materials systems, air quality systems, or health, safety, and environmental protection including, but not limited to systems relating to emergency response, risk analysis, radiation protection, noise toxicology, or industrial hygiene.

- Fire Protection: Concerning building exiting and life safety systems, fire suppression systems and devices, fire detection and alarm systems and devices, smoke exhaust and smoke management systems, fire resistance for building components and assemblies, water supplies and pumping systems for fire protection, including the hydraulic analysis of such systems, and the reduction and control of fire hazards due to processes subject to fire or explosion.
- Geological: Concerning geological studies related to surface and subsurface excavations and foundations, stability of slopes, groundwater locations, geological material age and strength determinations near surface or deep subsurface geological structures or geophysical mapping of geological formations and groundwater locations.
- Industrial: Concerning factory layouts, tools and fixtures, factory planning, time and motion study systems, rate plans, production plans, quality control systems and analysis, work simplification systems, methods studies and cost, production control, organizational, operational and labor needs, or safety analysis.
- Mechanical: Concerning air conditioning, refrigeration, ventilation, combustion, heat transfer, energy, power, fuels, propulsion, machinery, tools, manufacturing, fluids, plumbing, fire suppression systems and devices, water supplies and pumping systems for fire protection, including the hydraulic analysis of such systems.
- Metallurgical: Concerning the production of metals or metal objects, testing procedures, metal processing, failure analysis procedures, mining and mineral beneficiation, or the development of metal alloys.
- Mining: Concerning the construction of plants, shaft and bottom layouts, ventilation and hoisting systems, head frames, washery or concentration mills, mining methods and testing procedures, or metallurgical works and production procedures.
- Nuclear: Concerning nuclear waste management, alternative waste management systems, disposal criteria and risk evaluation, transportation, packaging, decontamination, handling, welding evaluation, site stabilization, recovery techniques, water and air quality control systems, waste volume management, evaporation systems, reactor safety methods, health safety systems, cycle analysis, or nuclear fuels.
- Petroleum: Concerning drilling equipment, pipelines, refinery plants, gathering systems, handling and storage systems, exploitation and selection methods, gas measurement and core analysis, phase behavior studies, reserve calculations, or the development of petroleum products.
- Sanitary: Concerning water treatment and sewage disposal plants, water systems, sewers, incinerators, distribution systems, sewage and industrial waste treatment plants, pollution reduction systems, sanitary facilities, or public health systems.
- Structural: Concerning force-resisting and load bearing members and their connections for structures such as foundations, bridges, walls, columns, slabs, beams, trusses, or similar members used singly or as part of a larger structure.

Termination of the Board would result in the deregulation of geologists. Regulation of geologists should be maintained. Registered geologists provide the public of Arizona with professional geoscience services. The education, experience and examination requirements for registered geologists prepares them to provide said services, including but not limited to; involvement in meetings, discussions and development of reports intended to provide information, facts or advice regarding natural resources and surface and subsurface geological conditions and the preparation of geological maps for use in consultations with clients; the evaluation of mining and petroleum properties, groundwater resources, unconsolidated earth materials, mineral fuels, natural hazards and land use limitations; and, the supervision of the geological phases of engineering investigation, exploration for mineral and natural resources, metallic and nonmetallic ores, petroleum and groundwater resources, etc.

Termination of the Board would result in the deregulation of land surveyors. Regulation of land surveyors should be maintained. Registered land surveyors provide the public of Arizona with professional land surveying services. The education, experience and examination requirements for registered land surveyors prepares them to provide said services, including but not limited to: measuring space, water, land or structures located or to be located upon or within them, to determine boundaries, areas or other necessary calculations; locate or relocate, establish or re-establish boundaries, easements, rights-of-way, bench marks or corners; reconciling differences between the surveyor's collected data and public and private records; platting or subdividing land or the planning and design of parcels of land for development purposes; construction staking; etc.

Termination of the Board would result in the deregulation of landscape architects. Regulation of landscape architects should be maintained. Registered landscape architects provide the public of Arizona with professional landscape architectural services. The education, experience and examination requirements for registered architects prepares them to provide said services, including but not limited to: creating well-planned, livable communities; creating neighborhood master plans; designing green streets; managing storm-water runoff; planning high-utility transportation corridors; managing natural resources, green engineering, and conservation; preparing and using sketches, plans, drawings, specifications, contracts, outlines, models or schemes to convey the use and development of land, plantings, landscapes, settings, approaches to buildings, structures or facilities, traffic patterns and drainage or erosion patterns; supervising the development of land and incidental water areas for the preservation, enhancement or determination of proper land uses, natural land features, ground cover and planting, naturalistic and aesthetic values, settings and approaches, natural drainage and the consideration and determination of inherent problems of the land, including erosion, wear and tear, light and other hazards, including storm water quality; etc.

Termination of the Board would result in the deregulation of the alarm industry. Regulation of the alarm industry should be maintained. Alarm agents provide the public of Arizona with alarm monitoring services. Alarm agents enter the public's homes, install alarm systems and monitor systems within said homes. Because of these factors, the alarm industry is not an industry in which convicted felons should be permitted to practice. Further, the Board supports the regulation of the alarm industry in view of the complaints it has received about deceptive and fraudulent practices, particularly by unlicensed individuals and companies.

Termination of the Board would result in the deregulation of home inspectors. Regulation of home inspectors should be maintained. Certified home inspectors provide the public of Arizona with home inspection services. The education, experience and examination requirements for certified home inspectors prepares them to provide home inspection services, which provide peace of mind to potential homebuyers that the largest investment they may ever make is safe. Unlicensed inspectors may not have the expertise to identify potential problems for homebuyers and may not be able to properly communicate those concerns in a format that homebuyers can understand.

Licensed professionals own and run businesses that employ Arizona residents. They pay their taxes, and they contribute to the welfare of Arizona communities. If the Board were terminated, the Arizona licensed professionals who own the approximately 6,500 firms and businesses in Arizona might move out of our state to work where licensure and regulation are respected and required.

If the Board were terminated, Arizona universities may lose student enrollment in many of the STEM (Science, Technology, Engineering, Math) degree programs including engineering, architecture, geology, and landscape architecture programs. Students interested in these professions might choose to attend schools out of state and stay out of state to work in places where their education and training are valued and respected.

## **PART II**

### **1. THE EXTENT TO WHICH THE AGENCY POTENTIALLY CREATES UNEXPECTED NEGATIVE CONSEQUENCES THAT MAY REQUIRE ADDITIONAL REVIEW BY THE COR, INCLUDING INCREASING THE PRICE OF GOODS, AFFECTING THE AVAILABILITY OF SERVICES, LIMITING THE ABILITIES OF INDIVIDUALS AND BUSINESSES TO OPERATE EFFICIENTLY AND INCREASING THE COST OF GOVERNMENT.**

The agency potentially creates unexpected negative consequences that affect the availability of Board services relating to the timely processing of applications and complaints requiring technical expert review from the pool of Board approved volunteers. A significant portion of the Board's business operations relies on the generous gift of time required of the technical experts for application assessment and also for reviewing highly technical plans that are part of an investigation for accuracy, safety, and potential practice violations.

If volunteers are unavailable or busy, it can increase wait periods for applications and investigations. For example, landscape architect and geologist applications have a higher than average processing time in comparison with other applications. This can be accredited to the small pool of volunteers that comes with a smaller population of registrants and the fact that geologists do not have council records, requiring the use of expert volunteers to evaluate all geology related applications. Engineers, being the largest population of registrants, have a larger pool of volunteers, and therefore experience fewer to no delays.

Conflicts also occur in smaller registrant populations, which can cause delays in setting up enforcement advisory committee meetings. One of the Board's investigations awaiting resolution is regarding fire protection engineering, which is made up of a small population of registrants. Because of this, many of the registrants had a conflict with each other and therefore were unable to serve as experts for the case. The Board was able to overcome this issue by actively pursuing additional engineers and other individuals with expertise in the unique area of fire protection engineering to its volunteer pool.

### **2. THE EXTENT TO WHICH THE AGENCY HAS ADDRESSED DEFICIENCIES IN ITS ENABLING STATUTES**

The Board proposed changes to its statutes during the Fifty-fourth Legislature, First Regular Session, 2019, introduced by Representative Kavanagh. The Board wished to address a deficiency of alternative pathways to licensure through endorsement, which many other states provide for applicants. The bill intended to update the Board's statute Heading, definitions, qualifications for in-training designation, its exam waiver language and create language regarding registration or certification by endorsement. The bill passed through the House and Senate with no opposition but the governor subsequently vetoed the bill. The Board's legislative and rules committee has discussed changes to the Board's statutes, including alternative pathways to licensure in addition to those already in place.

The Board contracted with a professional rule and statute consultant in December 2022. The consultant worked with the Board to draft the rule package updating the home inspector minimum standards and is currently working with the Board to update the auto-approval language for fundamental exam takers. The Board plans to utilize its consultant's skills to draft possible statutory changes in the future.

**3. THE EXTENT TO WHICH THE ATTORNEY GENERAL OR ANY OTHER IN ARIZONA HAS THE AUTHORITY TO PROSECUTE OR INITIATE ACTIONS**

The Attorney General's Office, through an Interagency Services Agreement (ISA) with the Civil Division, prosecutes cases of violations of the Boards' Practice Act by registrants pursuant to the Board's statutes and rules after investigation by Board investigators. Reports of unlicensed activity are investigated by Board investigators under the authority of A.R.S. § § 32-128 and 32-145 and either presented to the Board for administrative action and/or presented to a City Attorney, a County Attorney or the Attorney General for potential criminal prosecution.

The Board has sent 34 investigations to the Attorney General's Office for potential criminal prosecution since the beginning of fiscal year 2016. Four cases resulted in a conviction and one case a plea deal. The attorney general's office declined thirteen cases, has ten cases currently assigned to prosecutors and six cases are awaiting to be either assigned or declined.

The Attorney General's Office has the authority to defend the Board in Judicial Review Actions taken by registrants after the Board has disciplined them.

The Attorney General's Office was empowered by the State Constitution to provide advice to the Board and prosecute its investigations.

**4. THE CONSEQUENCES OF ELIMINATING THE AGENCY OR OF CONSOLIDATING IT WITH ANOTHER AGENCY:**

Eliminating

See Part I, Question 10 regarding the consequences of eliminating the agency.

Consolidation:

The Board is currently meeting its statutory requirements for processing applications, is effectively and efficiently investigating complaints, as well as providing other services to the public, with its current number of full time staff members and appropriated funds. Consolidation of the Board into a larger agency would therefore offer no benefits to those individuals the agency serves or to the agency itself. The consequences of consolidating another agency into this agency are unknown. It could result in a decrease of the agency's current effectiveness and efficiency. To correct any potential shortfalls in agency effectiveness and efficiency, the agency would need to request additional staff and funding. If additional staff or funding could not be provided, agency services could be negatively impacted.

### **PART III**

#### **1. THE EXTENT TO WHICH THE OCCUPATIONAL REGULATION MEETS THE REQUIREMENTS OF A.R.S. § 41-3502**

The Board's regulation of the alarm industry, architects, engineers, geologists, home inspectors, land surveyors and landscape architects meets the requirements of A.R.S. § 41-3502.

There is credible evidence that the unregulated practice of the Board's professions and occupations threatens the public health, safety or welfare in this state, the actual public benefit of the Board's regulation of its professionals and occupations clearly exceeds the costs imposed on consumers, businesses and individuals, that the public needs and can reasonably be expected to benefit from the Board's regulation of its professions and occupations, and the public cannot be effectively protected by less restrictive regulation. Please consider the following concerning whether the Board's regulated professions and occupations meet the requirements of A.R.S. § 41-3502.

- Since the beginning of fiscal year 2016, nearly a third of all complaints the Board received were regarding non-registrants. This indicates to the Board that individuals are actively attempting to harm the public for monetary gain through fraud, misrepresentation of professional or occupational licensure through this Board. Some examples:
  - There have been numerous cases in which alarm salespeople deceived the public through misrepresentation. The salespeople state they are representatives of the customer's current service provider or an alarm business that bought out the customer's current service provider. They however represent their own services and generally aren't registered with the Board. They usually have the customer's information, making it more plausible for the customer to believe what they say is true, and target the elderly who are often more trusting. Falsely thinking they were upgrading existing services, customers are shocked to find they now have two alarm service providers and are contractually obligated to both.
  - There have been numerous cases in which non-registrants deceived the public by misrepresenting themselves as registered professionals. Typically, they persuade a customer into thinking that they can complete a specific project, either by stating they are a registered professional or going so far as to hire registered professionals as consultants. As the project moves forward, the customer finds deadlines not being met, communications with the 'registrant' breaking down or completely losing all communication. In the end, the non-registrant leaves the project and disappears, usually after receiving upfront costs or retainer fees or even full costs of the project leaving the customer with little to nothing. Two cases come to the forefront of these types of activities;
    - Carlos Padilla, a revoked land surveyor, continues to offer land surveying services to the public. Padilla takes customer payments, usually around \$1,000, without providing any services. The Board has received numerous complaints to this effect. The Board forwarded its Padilla cases February 2023 to the Attorney General's Office for criminal prosecution for fraudulent schemes and artifices.
    - Ivonek Badilla, a non-registrant, offered architectural services without being registered with the Board, took customer monies (in once case, \$30,000) and did not provide services. The Board received four cases regarding Mr. Badilla after KTVK 3TV reached out to the Board regarding victims of Mr. Badilla. The Board forwarded its Badilla cases April 2023 to the Attorney General's Office for criminal prosecution for fraudulent schemes and artifices.
  - There have been numerous cases in which non-registrants have stolen or fraudulently used professional seals on documents to move projects forward and attempt to mislead reviewers in



Arizona municipalities. Cases such as these the Board forwards to the Attorney General's office for prosecution.

- Additionally, there have been cases in which non-registrants seek out professionals to illegally seal their work. Elderly professionals are usually targeted. In these instances, the Board typically disciplines the non-registrant for practicing a board regulated profession and the registrant for aiding and abetting the non-registrant.

## **2. THE EXTENT TO WHICH THE FAILURE TO REGULATE A PROFESSION OR OCCUPATION WILL RESULT IN:**

### **● THE LOSS OF INSURANCE**

Failure to regulate the Board's professions and occupations will likely increase insurance costs. The underwriters of an insurance company would see it as though there is an increased risk of liability for those engaging in a now deregulated profession. Since there would be an increased risk of liability, the underwriters would have to increase the premiums to cover the possible increased loss associated with additional lawsuits.

Failing to regulate the Board's occupations/professions could also increase the likelihood of a successful lawsuit by a plaintiff. The Board's regulations create a minimum standard that would need to be met by an individual engaging in a Board regulated professional or occupation. This is a factor underwriters would look at when determining a premium amount.

Failing to regulate the Board's professions and occupations could create an issue for a company/individual holding a professional liability insurance policy as there would be an issue of whether the policy would in fact apply to the company/individual anymore since there may be an issue as to whether the company/individual is in fact "legally qualified" to engage in that profession/occupation. If the company/individual did not meet the terms of the requirements of the professional insurance policy, the company/individual may have to supplement their insurance by also having to get a general business insurance policy. Therefore, the costs associated with doing business could increase for companies/individuals, which could drive up costs associated with employing professionals.

### **● AN IMPACT TO THE ABILITY TO PRACTICE IN OTHER STATES OR AS REQUIRED BY FEDERAL LAW**

The regulation of architects, engineers, geologists, land surveyors and landscape architects is of national concern. Limiting or eliminating the Board's regulation of its professionals would be detrimental to the Arizona professional population on a national level as it would limit or even possibly eliminate interstate mobility for professionals based in Arizona and create an exodus of future professionals not wanting to remain in a state that does not offer professional registration.

- With the exception of Geologists, all professions the Board regulates are regulated in all 55 jurisdictions of the United States.
- Each profession has a corresponding national council that develops and proctors national examinations, ensuring an appropriate level of expert knowledge in each area of practice. These national councils do not issue licenses, certifications or registrations of any kind.
  - Architects - National Council of Architectural Registration Boards (NCARB)
  - Engineers and Land Surveyors - National Council of Examiners for Engineering and Surveying (NCEES)
  - Geologists - Association of State Boards of Geology (ASBOG)

- Landscape Architects - Council of Landscape Architectural Registration Boards (CLARB)
  - Pursuant to A.R.S. § 32- 106(C), the Board holds membership in each of the above national councils. The Board accepts completion of national examinations, as do the other jurisdictions, as part of its application process. The national councils create records for individuals, known as national council records, which detail an individual's professional work experience, education, and the examinations they passed. All such information is heavily vetted. The Board accepts national council records in lieu of primary source documents, such as transcripts. Most jurisdictions do the same, or even rely entirely upon said records.
  - National councils provide examinations to individuals on behalf of state boards. If a profession is not regulated in Arizona, its residents will have to apply to boards in other jurisdictions to take required examinations.
  - If a profession is not regulated in Arizona, those wishing to earn qualifying experience under the direct supervision of a registrant, a nationwide regulatory requirement when considering an applicant's experience, could not do so in Arizona as there would not be a professional population in which to work under. Professional apprentices and college graduates would be forced to move to another jurisdiction to earn qualifying experience.
  - If a profession is not regulated in Arizona, other jurisdictions with universal licensure, reciprocity, endorsement or comity statutes in place could not consider Arizona residents, limiting Arizona professional residents interstate mobility.
- **AN IMPACT TO THE REQUIRED LICENSURE OR REGISTRATION WITH FEDERAL GOVERNMENT**

Employees of the Federal Government are generally exempt from state licensure requirements. Board statute A.R.S. § 32-144(A)(1) specifically exempts federal employees from the Board's licensing requirements to practice in Arizona. However, a review of federal job series on the U.S. Office of Personnel Management's (OPM) website illustrates that many federal positions require or desire registration as a professional in at least one jurisdiction for employment.

- Architect Series 0808. Architectural Registration as a Selective Factor: Registration as a professional architect is an appropriate selective factor for appointment to certain, typically high-level, architect positions. The key consideration is that registration must be essential for acceptable performance of the work of the position to be filled. Accordingly, it is an appropriate requirement for positions with duties and responsibilities that satisfy one of the following criteria:
  - Responsibility for final approval of design standards and criteria for designs of major buildings and related structures involving public safety where such compliance with State laws meets an essential need of the architectural organization to provide objective evidence to agency management and the public that the work is performed by architects of proven competence.
  - Responsibility for architectural determinations concerning contract awards or other major aspects of design and construction work to be performed by architects in the private sector where registration is essential to have their full confidence and respect to achieve cooperation on critical architectural issues.
- Engineer Series 0800. Registration or licensure as a professional engineer is an appropriate selective factor for appointment to certain, typically high-level, engineering positions. The key consideration is that registration or licensure must be essential for acceptable performance of the work of the position to be filled. Accordingly, it is an appropriate requirement for positions with duties and responsibilities that satisfy one of the following criteria:
  - Responsibility for final approval of designs of major structures and facilities involving public safety where such compliance with State laws meets an essential need of the engineering organization to provide objective evidence to agency management and the public that the work is performed by engineers of proven competence.

- Responsibility for engineering determinations concerning contract awards or other major aspects of design and construction work to be performed by engineers in the private sector, where registration or licensure is essential to have their full confidence and respect to achieve cooperation on critical engineering issues.”
- Land Surveyor Series 1373. The basic requirements for this series may be fully satisfied by a current registration as a land surveyor in a State, territory, or the District of Columbia obtained by written examination.

- **THE LOSS OF CONSTITUTIONALLY AFFORDED PRACTICES**

The Board’s regulated professions and occupations are not constitutionally afforded practices.