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# State Board of Examiners of Plumbing, Heating & Fire Sprinkler Contractors

January 5, 2015

Senator Fletcher Hartsell, Co-Chair  
Joint Legislative Program Evaluation Oversight Committee

Representative Julia Howard, Co-Chair  
Joint Legislative Program Evaluation Oversight Committee

Senator Fletcher Hartsell, Co-Chair  
Joint Legislative Administrative Procedure Oversight Committee

Representative Tim Moffitt, Co-Chair  
Joint Legislative Administrative Procedure Oversight Committee

Re: Response to Program Evaluation Division Final Report  
Occupational Licensing Boards

Dear Senator Hartsell and Representatives Howard and Moffitt:

As Chair of the State Board of Examiners of Plumbing, Heating and Fire Sprinkler Contractors, I write to comment on the report of the Program Evaluation Division staff released December 16, 2014. As one who has served on the Board, presented complaints to the Board, and been regulated by the Board nearly forty years, I feel qualified to present the initial reaction of the Board along with some recommendations for your consideration.

First, we are pleased that after PED review of a survey of the Boards and a comparison to other states, the PED staff concluded that there is not a need for centralization of occupational licensing agencies and that a transfer of regulatory and or administrative functions should not be attempted. The Board is proud of the large volume of work that it has handled efficiently at a low cost to the regulated community while also doing its utmost to protect the public. With respect to the question of whether additional oversight is necessary, we stand ready to assist in the implementation of useful and low cost techniques to improve upon the presentation of information to effectuate oversight in an efficient manner.

The PED staff has indicated that lengthy responses to the report would not be appropriate and we are fully aware of the demands on the time of the members of the General Assembly so our below response is brief.

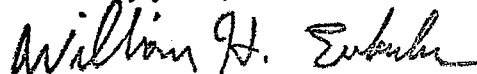
1. The creation of a new agency called The Occupational Licensing Commission to be funded by taking money from the 700,000 persons licensed by occupational licensing boards would create additional unnecessary bureaucracy and do so at a significant cost to numerous professionals and small business owners. Other alternatives should be explored and attempted before such costs are incurred.
2. The Boards currently make approximately 18 reports annually to a multitude of different public bodies. **RECOMMENDATION:** It would be far more useful and efficient for both the public and the regulated occupations for the General Assembly to establish a single report which would include the existing information and also incorporate additional information related to the performance of the investigative, adjudicatory, examination and application functions of the Boards. We would be pleased to work with staff or the appropriate subcommittee to produce this result.
3. Substantial oversight exists at the present time. The activities of this Board are scrutinized by a cross-section of citizens of North Carolina, including licensed professionals, those whose background is in code enforcement and public members. These individuals volunteer their time for the protection of the public and betterment of the industry at minimal per diem. This level of review by sworn board members is enhanced by the review carried out by staff not only of the PED but of the APO, OSBM, OAH, DOL and other State agencies. It would be entirely appropriate for the General Assembly to utilize a consolidated report to effectuate a more efficient review of the conduct of the Occupational Licensing Boards.  
**RECOMMENDATION:** Each Board could also post the new consolidated report on its own website at no additional cost. Experience teaches that both supporters and opponents are adept at accessing such online documents.
4. A three year financial audit and performance evaluation cycle appears to be an approach with unnecessary costs as each board is already required to have an annual audit performed at a significant expense to the Boards and periodic performance audits by the office of the State Auditor.
5. The review of the activities of more than 50 Occupational Licensing Boards over a period of six months presented a virtually impossible challenge for the PED staff. Much of the PED study was forced to rely on a very broad survey and though the

survey was well intentioned it should not become the basis for recommendations for significant change. The survey fails to recognize the importance of enforcement activities related to non-licensees who often present most serious risk to the public and the survey also ignore the need for differentiated and graduated discipline for licenses which considers the specifics of the individual and circumstances at issue. Probation and stayed suspension orders, and increased education requirements imposed on licensees deserving of discipline are important and effective tools.

6. Simpler lower cost options should be put in place before starting down the road towards the creation of additional bureaucracy that would require perpetual funding at little benefit to the public. **RECOMMENDATION:** A less costly option would be the creation of a Council of State Boards. This Council would be comprised of representatives of existing Board Executive Directors, appointed by the President Pro Tem and Speaker of the House for defined terms. The Council could be established at no additional cost to the public or small business. This Council would be charged to recommend streamlining of reports created by Boards to one detailed annual report, to mediate disputes among boards, review annual reports and to provide recommendations to the different boards and the legislature on methods to enhance efficiencies. The Council of State Boards would be a repository for all boards to submit annual reports and a readily available point of contact for the member of the General Assembly. The Council could hold an annual working session for all Board Executive Directors to meet and discuss areas of streamlining functions, pooling resources, emerging issues and common concerns.

We appreciate the opportunity to provide input and thank you for your efforts on behalf of the citizens of North Carolina.

Sincerely yours,



William Eubanks, Chair

Cc: Senator Phil Berger  
Representative Tim Moore  
John W. Turcotte, Dir. Of Program Evaluation Division  
Chuck Hefren, Principal Program Evaluator, Program Evaluation Division  
Dale L. Dawson, Executive Director, State Board of Examiners P, H & FS Cont.  
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