# **Governor's Office of Management and Budget**

Alexis Sturm
Director



# IL Regulatory Sunset Act Review of The Registered Interior Designers Act

March 18, 2021

## To the Honorable JB Pritzker Governor of Illinois

### Governor Pritzker:

The Governor's Office of Management and Budget (GOMB) in collaboration with the Illinois Department of Financial and Professional Regulation (IDFPR), in compliance with the requirements set forth in the Illinois Regulatory Sunset Act (5 ILCS 80), has conducted a review of the Registered Interior Designers Act (225 ILCS 310), which is scheduled to sunset on January 1, 2022. The following recommendation is pursuant to this review:

The Registered Interior Designers Act (225 ILCS 310) should be continued with the following modification to its existing statutory and administrative rule framework.

 Add a definition of "Email address of record," standardizing IDFPR's initiative to become more efficient and paperless.

The examination of this Act considered the nine factors set out in Section 6 of the Illinois Regulatory Sunset Act. The following report details the criteria and data utilized to come to the above recommendation.

Very sincerely and respectfully,

Alexis Sturm
Director
Governor's Office of Management and Budget

### Criteria (1) "The extent to which the agency or program has permitted qualified applicants to serve the public."

As of July, 2020 there are currently less than 1000 active credentials. Because a license is not required to practice residential interior design, all Illinoisans are qualified to practice interior design. It is unknown how many people are currently practicing interior design without registering with the Department. There have been 4094 applications for an interior design credential since July 1, 1991.

License Type	2016	2017	2018	2019	2020
Interior Design	1259	1278	1064	1087	953

The current licensure fee scheme is as follows:

Туре	Fee Amount
License Application fee	\$100
Renewal fee	\$30
Restoration fee for a license	\$50 plus payment of all lapsed renewal fees, but not to exceed \$230
Restoration fee after 5 years	\$50 plus payment of all lapsed renewal fees, but not to exceed \$230
Duplicate License	\$20
Certification of a license	\$20

No U.S. state requires licensure for residential interior design. Three states, Washington D.C., and Puerto Rico require registration for unsupervised interior design work in commercial spaces, but unregistered interior designers are still allowed to work under an architect or engineer.

# Criteria (2) "The extent to which the trade, business, profession, occupation, or industry being regulated is being administered in a nondiscriminatory manner both in terms of employment and rendering of services."

IDFPR adheres to strict guidelines and requirements established for each profession regulated by the Department. Licensing decisions are based on an applicant's ability to meet the requirements established by statute and administrative rule. Neither race nor any other identifier is a consideration for licensure under any of the professional licenses regulated by the Department. Consequently, the Department does not collect information from applicants to disclose their race or other social identifiers that could potentially lead to the act or perception of discrimination in licensing decisions.

Criteria (3) "The extent to which the regulatory agency or program has operated in the public interest, and the extent to which its operation has been impeded or enhanced by existing statutes, procedures, and practices of any other department of state government, and any other circumstances, including budgetary resources, and personnel matters."

IDFPR is tasked with processing applications for licenses and renewal licenses for over 1 million professionals practicing in the state of Illinois. As resources continue to be strained in the state of Illinois, the Department has adopted internal policies, sought legislative and administrative rule changes, and developed enhanced licensing processes to maintain efficiency and efficacy. Though these changes have proved to be successful, there is no substitute for the labor resources needed to maintain and improve licensing efficiencies. Over the last calendar

year, IDFPR completed 80 new hires. However, in spite of the new hires, the agency ended the year with a net decrease in headcount. The agency maintains that personnel rules and laws often make it difficult to fill vacant positions in a timely manner.

Criteria (4) "The extent to which the agency running the program has recommended statutory changes to the General Assembly that would benefit the public as opposed to the persons it regulates."

Public Act 100-0920 (effective 8/17/2018) updated the Act by narrowing the scope of the title protection and adding more grounds for discipline.

Criteria (5) "The extent to which the agency or program has required the persons it regulates to report to it concerning the impact of rules and decisions of the agency or the impact of the program on the public regarding improved service, economy of service, and availability of service."

The Interior Design Board is consulted in rulemaking and decision-making processes. The Department adheres to the guidelines and requirements established by the Joint Committee on Administrative Rules (JCAR), the administrative body responsible for approving rule proposals by state agencies. This process allows for the input from industry and community stakeholders impacted by the Department's proposed changes.

Criteria (6) "The extent to which persons regulated by the agency or under the program have been required to assess the problems in their industry that affect the public."

None.

Criteria (7) "The extent to which the agency or program has encouraged participation by the public in making its rules and decisions as opposed to participation solely by the persons it regulates and the extent to which such rules and decisions are consistent with statutory authority."

The Department works with lawmakers, community stakeholders, and members of industry to ensure that the proper regulatory approach is employed to best protect the citizens of Illinois.

IDFPR adheres to the guidelines and requirements established by the Joint Committee on Administrative Rules (JCAR) and the Illinois General Assembly (ILGA) for approving rule proposals, legislative changes, and internal policies. In addition, the Department adheres to the requirements established in the Illinois Open Meetings Act (5 ILCS 120).

Criteria (8) "The efficiency with which formal public complaints filed with the regulatory agency or under the program concerning persons subject to regulation have been processed to completion, by the executive director of the regulatory agencies or programs, by the Attorney General and by any other applicable department of the State government."

IDFPR accepts public complaints via its website and by phone. The average time from a complaint being received to an investigation being opened is five days. The average time to complete an investigation varies according to how the investigation proceeds:

- Average time to close a case at Investigations: 9 months
- Average time to refer a case from Investigations to Prosecutions: 4 months
- Average time to close a case at Prosecutions: 13 months
- Average time to close a case at Prosecutions with Discipline: 35 months

These average times represent Department complaints overall. Individual complaint data for each regulated profession are not available.

Criteria (9) "The extent to which changes are necessary in the enabling laws of the agency or program to adequately comply with the factors listed in this section."

In each relevant sunset extension proposed by the IDFPR, the language provides for modernizations necessary to implement more streamlined and efficient regulation of this profession, which will ensure public safety and ease the burden of regulatory compliance.

### **Conclusion:**

The absence of regulation of Interior Designers would not significantly harm or endanger the public health, safety, or welfare of the citizens of Illinois. The Registered Interior Designers Act allows for title protection only. The associations in favor of regulation claim that only "Registered Interior Designers" can be guaranteed to know and follow health and safety guidelines. The only available study on Interior Design and health, safety, and welfare was funded by the industry's six major associations, and it's based on survey questions to those associations' members. While our current law requires years of schooling and experience to use the title "registered Interior Designer," there are no qualifications necessary to call oneself an "Interior Designer," and anyone may practice residential interior design everywhere in the US. The agency recommends an extension of the act.