



**Kentucky Council on
Postsecondary Education**

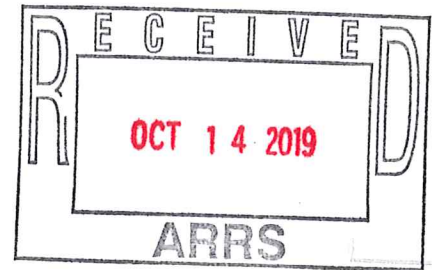
Matthew G. Bevin
Governor

1024 Capital Center Drive, Suite 320
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Phone: 502-573-1555
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<http://www.cpe.ky.gov>

Dr. Aaron Thompson
President

October 14, 2019

Senator West, Co-Chair
Representative Hale, Co-Chair
c/o Emily Caudill
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: **13 KAR 1:020**. Private college licensing.

Dear Co-Chair West and Co-Chair Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 13 KAR 1:020, the Council on Postsecondary Education proposes the attached amendment to 13 KAR 4:010.

Sincerely,

Travis Powell
Vice President and
General Counsel

Staff-suggested Amendment

**Final Version 8/16/2019 4:25 p.m.
COUNCIL ON POSTSECONDARY EDUCATION**

13 KAR 1:020. Private college licensing.

Page 1

STATUTORY AUTHORITY

Line 6

After "AUTHORITY: KRS", insert "164.020(38)".

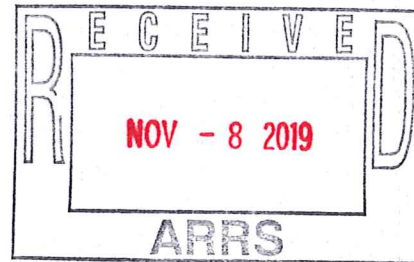
After "164.947 (1), (2)", delete ", 164.020(38)".



MIKE HARMON
AUDITOR OF PUBLIC ACCOUNTS

November 8, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: **45 KAR 1:050** Audits of Fiscal Courts

Dear Co-Chairs:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 45 KAR 1:050 the Auditor of Public Accounts proposes the attached amendment to 45 KAR 1:050.

Sincerely,

Andrew English
General Counsel
Auditor of Public Accounts
209 St. Clair Street
Frankfort, KY 40601



Staff-suggested Amendment

**Version 10/21/2019 9:19 a.m.
AUDITOR OF PUBLIC ACCOUNTS**

45 KAR 1:050. Audits of fiscal courts.

Page 1

Section 2(1)

Line 16

After "KAR 1:300, Section", insert "3".

Delete "5(1)(a)".

Page 1

Section 2(2)

Lines 17 and 18

After "KAR 1:300, Section", insert "3".

Delete "5(1)(b)".



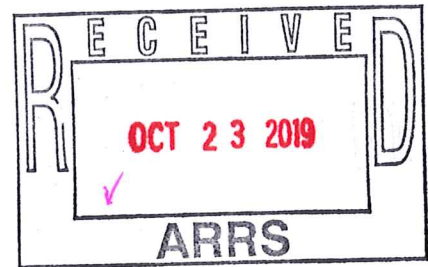
Commonwealth of Kentucky
Finance and Administration Cabinet
OFFICE OF THE SECRETARY
Room 383, Capitol Annex
702 Capital Avenue
Frankfort, KY 40601-3462
(502) 564-4240
Fax (502) 564-6785

Matthew G. Bevin
Governor

William M. Landrum III
Secretary

October 18, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: **200 KAR 6:015**. Real property inventories.

Dear Co-Chairs:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 200 KAR 6:015, the Department of Facilities and Support Services proposes the attached amendment to 200 KAR 6:015.

Kind regards,

Lisa S. Swiger, Tax Policy Research Consultant II
Office of Tax Policy and Regulation
501 High Street, St 1
Frankfort, Kentucky 40601

lcs
Cc: file

Staff-suggested Amendment

**Final Version 10/18/2019 3:08 p.m.
FINANCE AND ADMINISTRATION CABINET
Office of the Secretary**

200 KAR 6:015. Real property inventories.

Page 1

RELATES TO:

Line 5

After "KRS 45A.045", insert "(4)".

Delete "(5)".

Page 1

NECESSITY, FUNCTION, AND CONFORMITY:

Line 9

After "KRS 45A.045", insert "(4)".

Delete "(5)".



State Board of Accountancy

332 W. Broadway, Suite 310
Louisville, KY 40202
Phone: (502) 595-3037
Fax: (502) 595-4500
cpa.ky.gov

Richard C. Carroll
Executive Director

November 6, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: **201 KAR 1: 100** Continuing professional education requirements
201 KAR 1:190 Examination sections, applications, and procedures

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 201 KAR 1:100, and 201 KAR 1:190, the State Board of Accountancy proposes the attached amendments to 201 KAR 1:100, and 201 KAR 1:190. Twenty copies of each suggested amendment is enclosed.

Sincerely,

A handwritten signature in blue ink, appearing to read "Richard C. Carroll".

Richard C. Carroll
Executive Director
Enclosure

**Suggested Amendment
GENERAL GOVERNMENT CABINET
Kentucky State Board of Accountancy**

201 KAR 1:100. Continuing professional education requirements.

Page 1

Section 1(1)

Line 13

After "breaks", insert a comma.

Page 1

Section 1(2)

Line 14

After "education courses", insert "if".

Delete "where".

Line 17

After "areas of industry", insert a comma.

Page 2

Section 2(2)(a)

Line 5

After "(50)", insert "percent".

Delete "per cent".

Page 2

Section 2(2)(c)

Line 12

After "toward the required hours", insert a comma.

Line 14

After "required hours.", insert the following:

An acceptable personal development course shall be limited to a course intended to improve the time management, leadership, team building, goal setting, and similar soft skills related to working in an office or professional setting

Delete the following:

These hours shall be professionally enhancing to their career to be acceptable

Page 6

Section 5(4)(a)

Line 10

After "state", insert a comma.

Page 6

Section 5(4)(b)1.

Lines 14-15

After "201 KAR 1:190, Section", insert "5".

Delete "4".

Page 9

Section 8(1) and Section 8(1)(a)

Lines 19-20

After "by the board.", insert "(2)".

Delete "(a)".

Page 9

Section 8(1)(a) and Section 8(1)(b)

Lines 20-21

After "shall include:", insert "(a)".

Delete "(b)".

Page 9

Section 8(1)(b) and Section 8(1)(c)

Lines 21-22

After "presentation;", insert "(b)".

Delete "(c)".

Page 9

Section 8(1)(c) and Section 8(1)(d)

Lines 22-23

After "leader;", insert "(c)".

Delete "(d)".

Pages 9-10

Section 8(1)(d) and Section 8(1)(e)

Line 23 and Line 1

After "presentation; and", insert "(d)".

Delete "(e)".



State Board of Accountancy

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Louisville, KY 40202
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cpa.ky.gov

Richard C. Carroll
Executive Director

November 6, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: 201 KAR 1: 100 Continuing professional education requirements
201 KAR 1:190 Examination sections, applications, and procedures

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 201 KAR 1:100, and 201 KAR 1:190, the State Board of Accountancy proposes the attached amendments to 201 KAR 1:100, and 201 KAR 1:190. Twenty copies of each suggested amendment is enclosed.

Sincerely,

Richard C. Carroll
Executive Director
Enclosure

**Suggested Amendment
GENERAL GOVERNMENT CABINET
Kentucky State Board of Accountancy**

201 KAR 1:190. Examination sections, applications, and procedures.

Page 4

Section 3(5)(a)

Line 6

After "passing score", insert a comma.

Page 4

Section 4

Line 16

After "Section 1(12)", insert "of this administrative regulation".

Page 7

Section 5(2)(a)2.

Line 2

After "listed in", insert the following:
paragraph (a)1. of this subsection

Lines 2-3

Delete the following:
Section 4(2)(a) of this administrative regulation

Line 4

After "specified in", insert the following:
paragraph (a)1. of this subsection

Lines 4-5

Delete the following:
Section 4(2)(a) of this administrative regulation

Lines 6-7

After "listed in", insert the following:
subsection (3) of this Section

Delete the following:
Section 4 Subsection 3(a) and (b) (c) of this administrative regulation

Page 8

Section 5

Line 5

NOTE TO COMPILER: There are two Section 5s in this administrative regulation which throws off the numbering of all remaining Sections of this administrative regulation. Beginning with the Second Section 5, renumber it as Section 6, and the

remaining Sections (Sections 6-11) as Sections 7 through 12 of this administrative regulation.

Page 8

Section 5(4)(b)

Line 20 (Compiler renumbered as Section 6)

After "director or the board", insert a comma.

Page 9

Section 5(4)(d)

Line 4 (Compiler renumbered as Section 6)

After "described in Section", insert "10".

Delete "9".

Page 12

Section 9(7)

Line 1 (Compiler renumbered as Section 10)

After "policies in Section", insert "6".

Delete "5".

Page 12

Section 9(8)

Line 3 (Compiler renumbered as Section 10)

After requirements of "Sections", insert "7, 8, and 9".

Delete "6, 7, and 8".

Page 12

Section 11(1)(c)

Line 11 (Compiler renumbered as Section 12)

After "October 2014.", insert the following:

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the State Board of Accountancy, 332 W. Broadway, Suite 310, Louisville, Kentucky 40202, Monday through Friday, 8 a.m. to 4:30 p.m.

Matthew G. Bevin
Governor

K. Gail Russell, Secretary
Public Protection Cabinet

H. E. Corder II
Executive Director
Kentucky Real Estate Authority



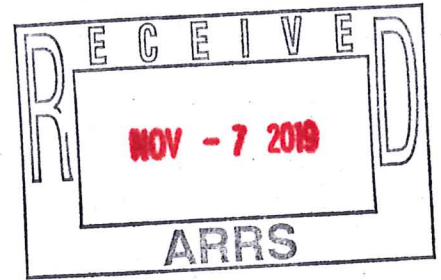
Kentucky Real Estate Authority
Kentucky Real Estate Commission
656 Chamberlin Avenue, Suite B
Frankfort, Kentucky 40601
Phone: (502) 564-7760
Fax: (502) 564-1538
krec.ky.gov

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Shirley W. Wiseman, Lexington
Joseph Hayden, Louisville
Steve K. Cline, Bowling Green
Tom Waldrop, Mayfield

STAFF
Shannon Buzard, Board Administrator
Marc Manley, Acting General Counsel

November 6, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: 201 KAR 11:002 Repeal of 201 KAR 11:030, 201 KAR 11:045, 201 KAR 11:062, 201 KAR 11:090, 201 KAR 11:095, 201 KAR 11:100, 201 KAR 11:110, 201 KAR 11:115, 201 KAR 11:135, 201 KAR 11:145, 201 KAR 11:147, 201 KAR 11:175, 201 KAR 11:180, 201 KAR 11:195, 201 KAR 11:215, 201 KAR 11:225, 201 KAR 11:230, 201 KAR 11:232, 201 KAR 11:235, 201 KAR 11:240, 201 KAR 11:245, 201 KAR 11:250, 201 KAR 11:300, 201 KAR 11:350, 201 KAR 11:400, 201 KAR 11:410, 201 KAR 11:430, 201 KAR 11:440, 201 KAR 11:450, and 201 KAR 11:460

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 201 KAR 11:002, the Kentucky Real Estate Commission proposes the attached amendment to 201 KAR 11:002.

Sincerely,

A handwritten signature in blue ink, appearing to read "Marc Manley".

Marc Manley, Acting General Counsel
Kentucky Real Estate Authority



Suggested Amendment
PUBLIC PROTECTION CABINET
Kentucky Real Estate Authority
Kentucky Real Estate Commission

201 KAR 11:002. Repeal of 201 KAR 11:030, 201 KAR 11:045, 201 KAR 11:062, 201 KAR 11:090, 201 KAR 11:095, 201 KAR 11:100, 201 KAR 11:110, 201 KAR 11:115, 201 KAR 11:135, 201 KAR 11:145, 201 KAR 11:147, 201 KAR 11:175, 201 KAR 11:180, 201 KAR 11:195, 201 KAR 11:215, 201 KAR 11:225, 201 KAR 11:230, 201 KAR 11:232, 201 KAR 11:235, 201 KAR 11:240, 201 KAR 11:245, 201 KAR 11:250, 201 KAR 11:300, 201 KAR 11:350, 201 KAR 11:400, 201 KAR 11:410, 201 KAR 11:430, 201 KAR 11:440, 201 KAR 11:450, and 201 KAR 11:460.

Page 1

STATUTORY AUTHORITY

Line 13

After "AUTHORITY: KRS", insert "324.281(5)".

After "324.282", delete ", 324.281(5)".

Page 1

NECESSITY, FUNCTION, AND CONFORMITY

Lines 14-15

After "KRS 324.282", insert "require".

Delete "authorize".

Line 18

After "201 KAR 11:430", insert a comma.

Lines 19-20

After "incorporated into", insert "201 KAR 11:210".

Delete "another administrative regulation".

Page 2

NECESSITY, FUNCTION, AND CONFORMITY

Line 1

After "201 KAR 11:460", insert a comma.

Lines 2-3

After "incorporated into", insert "201 KAR 11:170".

Delete "another administrative regulation".

Line 4

After "201 KAR 11:450", insert a comma.

Lines 5-6

After "divided between", insert the following:

201 KAR 11:170 and 201 KAR 11:210

Delete the following:

two other previously mentioned administrative regulation amendments

Line 7

After "201 KAR 11:045," insert "201 KAR 11:062".

Lines 7-8

After "201 KAR 11:100," delete "201 KAR 11:062".

Line 8

After "201 KAR 11:115," insert "201 KAR 11:145".

Delete "201 KAR 11:410".

Line 9

After "201 KAR 11:400, and", insert "201 KAR 11:410".

Delete "201 KAR 11:145".

Lines 10-11

After "incorporated into", insert "201 KAR 11:121".

Delete "a singular administrative regulation".

Line 12

After "This administrative regulation repeals", insert "201 KAR 11:135 and".

After "201 KAR 11:195", insert a comma.

Delete "and 201 KAR 11:135".

Lines 13-14

After "incorporated into", insert "201 KAR 11:190".

Delete "another administrative regulation".

Suggested Substitute



Matthew G. Bevin
Governor

K. Gail Russell, Secretary
Public Protection Cabinet

H. E. Corder II
Executive Director
Kentucky Real Estate Authority

**Kentucky Real Estate Authority
Kentucky Real Estate Commission**

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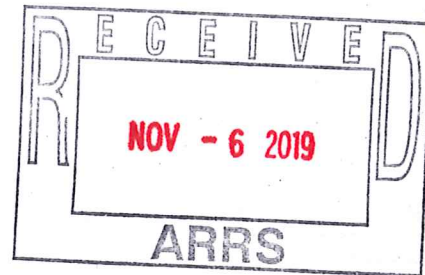
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STAFF
Shannon Buzard, Board Administrator
Marc Manley, Acting General Counsel

November 6, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: 201 KAR 11:011 Definitions for 201 KAR Chapter 11

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 201 KAR 11:011, the Kentucky Real Estate Commission proposes the attached agency substitute to 201 KAR 11:011.

Sincerely,

A handwritten signature in blue ink, appearing to read "Marc Manley".

Marc Manley, Acting General Counsel
Kentucky Real Estate Authority
Kentucky Real Estate Commission
656 Chamberlin Ave. Ste. B
Frankfort, Kentucky 40601



Revised 11/5/2019

SUGGESTED SUBSTITUTE

**PUBLIC PROTECTION CABINET
Kentucky Real Estate Authority
Kentucky Real Estate Commission
(Amended After Comments)**

201 KAR 11:011. Definitions for 201 KAR Chapter 11.

RELATES TO: KRS 324.010(1), 324.046(1), 324.111(1), (2), (3), (4), (6), 324.117(1), (5), 324.160(4)(j), (m), (r), 324.410(1), 324.420(1), (2), (3), (4), (5)

STATUTORY AUTHORITY: KRS 324.117(5), 324.281(5), 324.282

NECESSITY, FUNCTION, AND CONFORMITY: **KRS 324.117(5) requires the commission to promulgate an administrative regulation to define false, misleading, or deceptive advertising.** KRS 324.281(5) and KRS 324.282 require[requires] the Real Estate Commission, with the approval of the executive director of the Kentucky Real Estate Authority, to promulgate administrative regulations necessary to implement KRS Chapter 324. This administrative regulation defines terms used in the implementation of KRS Chapter 324.

Section 1. Definitions. (1) "Academic credit hour" means:

(a) One (1) college semester hour; or

(b) Sixteen (16)~~/~~ fifty (50) minute hours of actual classroom attendance.

(2) "Advertising" or "advertisement" means any manner, method, or activity by which a licensee of the commission makes known a specific property for sale or lease or any services for which a real estate license is required. Advertising **does[shall]** not include:

(a) Private communications between a licensee and a client or prospective client; or

(b) Directional or pointer signs **that only/whose sole purpose is to** provide directions to a listed property and **include/includes** no identifying licensee or brokerage information.

(3) "Agency" means the specific consensual relationship between the principal broker and the client for a contemplated transaction, by oral or written agreement.

(4) "Agency consent agreement" means the form prescribed by the commission and used by a principal broker and a client to establish the agency relationship in writing.

(5) "Branch office" means a physical place of business for a real estate brokerage company in addition to the main office location **that the commission may enter to inspect required documents or allegations of violations of KRS Chapter 324.**

(6) "Broker-affiliated training program" means one (1) or more post-license education

courses/course offered for post-license educational credit provided or sponsored by a principal broker.

(7) "Business relationship" means any arrangement, other than the current real estate transaction, **if/whereby** a licensee and a party have or had a mutual, ongoing financial interest in any company, corporation, or other income-producing venture, including any prior representation by the licensee for the party's purchase, **lease**, or sale of real estate.

(8) "Client" means:

(a) A person or persons, or entity or entities, for whom a licensee provides real estate brokerage services **[and]**:

1.[(a)] Who has entered into a written agreement with a principal broker for provision of real estate brokerage services;

2.[(b)] With whom or for whom a licensee completes an offer to purchase or lease for real estate; or

3.[(c)] For whom a licensee otherwise by oral agreement performs acts of real estate brokerage; **and**

(b) [(d)] For the purposes of selling or leasing real estate, the client **is/shall be** the person or persons, or entity or entities, authorized to sell or lease the subject real estate.

(9) "Commercial transaction" means a transaction other than the sale of a single-family residential property, multifamily property containing four (4) units or less, or single-family residential lot.

(10) "Company" means an office or firm, headed by a principal broker, formed to offer real estate brokerage services, which is organized as:

(a) A registered business entity;

(b) Sole proprietorship; or

(c) Another business arrangement.

(11) **"Condominium" means:**

(a) The absolute ownership of a unit in a multi-unit building based on a legal description of the airspace the unit actually occupies; or

(b) A separate dwelling unit in a multi-unit development, plus an undivided interest in the ownership of the common elements in the building or development, which are owned jointly with the other condominium unit owners.

(12) "Confidential information" means:

(a) Information received or sent, verbally or in writing including transaction paperwork and files, by a licensee, that **may/could** materially compromise the negotiating position of a client or prospective client.

(b) Confidential information **includes/shall include** information that is not required to be disclosed by law; and **[:]**

1.[(a)] Is provided to a licensee by a client or prospective client to a real estate transaction;

2.[(b)] Describes or affects the client or prospective client's bargaining position or

motivation; or

3.[(c)] Is designated in writing as confidential by the client or prospective client.

~~(13) [(12)] "Condominium" means means the absolute ownership of a unit in a multiunit building based on a legal description of the airspace the unit actually occupies, or a separate dwelling unit in a multiunit development, plus an undivided interest in the ownership of the common elements in the building or development, which are owned jointly with the other condominium unit owners.~~

~~(12)] "Consumer" means a person or entity with whom a licensee exchanges information that is public in nature, but otherwise does not perform acts of real estate brokerage and with whom no written or oral agency agreement or fiduciary relationship exists.~~

~~(14) [(13)] "Continuing education course" means a course approved pursuant to the requirements set forth in KRS 324.085(1) and 201 KAR Chapter 11 [the administrative regulations promulgated thereunder].~~

~~(15) [(14)] "Contract deposit" means earnest money delivered to a licensee in conjunction with a real estate sales contract [licensed agent as part of an offer to enter a contract for the sale of real property] after:~~

- ~~(a) The offer or counteroffer is accepted; and~~
- ~~(b) An executory contract exists.~~

~~(16) [(15)] "Delivery" means transmission of an item to a party by:~~

- ~~(a) Mail;~~
- ~~(b) Facsimile transmission;~~
- ~~(c) Electronic mail; [or]~~
- ~~(d) Hand; or~~

~~(e) Other legal means.~~

~~(17) [(16)] "Designated agency" means a type of agency prescribed by KRS 324.121(2).~~

~~(18) [(17)] "Designated agent" means one (1) [;] or more licensees[, licensee(s)] designated by the principal broker in accordance with KRS 324.121(1) to provide real estate brokerage services to a client.~~

~~(19) [(18)] "Distance education course" means a continuing or post-license education course or a pre-license course that:~~

- ~~(a) Is taught in a setting in which the teacher and the student are in separate locations; and~~
- ~~(b) Uses instructional methods that include internet-based training, computer-based training (CBT), satellite transmission, or teleconferencing.~~

~~(20) [(19)] "Dual agency" means a type of agency in which:~~

~~(a) The principal broker and all affiliated licensees simultaneously represent, in the same transaction, buyer and seller, or lessor and lessee, as clients of the principal broker in a limited fiduciary capacity; [;] or~~

~~(b) In companies that practice designated agency, only the principal broker or a~~

designated manager ~~is[shall be]~~ a dual agent for that transaction pursuant to KRS 324.121(2).

(21)[(20)] "Duplex" means two (2) residential units sharing a single roof.

(22)"Education cycle" means the time period commencing on January 1 of each year and ending at 11:59 p.m. on December 31 of each year.

(23)[(21)] "Family relationship" means any known familial relationship between a licensee and party[regardless of distance of the relationship].

(24) "Fourplex" means four (4) residential units sharing a single roof.

(25) [(22)] [(4)]["False, misleading, or deceptive advertising" means an advertisement that is prohibited pursuant to KRS 324.117(1) because the advertisement:

- (a) Is contrary to fact;
- (b) Leads a person to a mistaken belief or conclusion; or
- (c) Knowingly made a representation that is contrary to fact.]

"Fraud" or "fraudulent dealing" means a material misrepresentation that:

- (a) Is:
 - 1. Known to be false; or
 - 2. Made recklessly;
- (b) Is made to induce an act;
- (c) Induces an act in reliance on the misrepresentation; and
- (d) Causes injury.

(26) [(23) "Fourplex" means four (4) residential units sharing a single roof.]

"Guaranteed sales plan" means an offer or solicitation to guarantee the:

- (a) Sale of an owner's real estate; or
- (b) Purchase of the owner's real estate if the owner's real estate is not sold by the licensee.

(27)[(24)] "Initial sales associate license" means an original Kentucky sales associate license issued by the commission for the first time or a Kentucky sales associate license re-issued to a person who formerly held a license issued by the commission.

(28)[(25)] "License recognition" means a licensing process that:

- (a) Replaces reciprocal agreements; and
- (b) May be used to obtain a Kentucky license by an individual who holds an active and unrestricted out-of-state sales associate's or broker's license, or the equivalent of either.

(29)[(26)] "Licensee" means a person properly licensed as a broker or sales associate to perform acts of real estate brokerage in accordance with KRS Chapter 324 and 201 KAR Chapter 11[the administrative regulations promulgated thereto].

(30)[(27)] "Personal relationship" means a platonic or nonplatonic friendship between a licensee and a party.

(31)[(28)] "Post-license education course" means a course approved by the commission that satisfies a portion of the forty-eight (48) hours of education required by KRS 324.085(2).

(32)[(29)] "Pre-license course" means a course approved by the commission that satisfies an education requirement to obtain a real estate sales associate license.

(33)[(30)] "Promotional activities" means every solicitation or attempt to bring about the sale, exchange, lease, assignment, license, or award with regard to a timeshare interest in real estate.

(34)[(31)] "Prospective client" means a person or entity who has not entered into a written or oral agreement with a principal broker to provide real estate brokerage services, but to whom a licensee offers real estate brokerage services or from whom a licensee receives confidential information related to a contemplated real estate transaction.

(35)[(32)] "Renewal cycle" means the time period commencing on April 1 of each year and ending on March 31 two (2) calendar years thereafter.

(36)[(33)] "Security deposit" is defined by KRS 383.545(13).

(37)[(34)] "Single agency" is the type of agency ~~if[where]~~ the principal broker and all affiliated licensees of the real estate brokerage company act as an agent for a buyer or seller, or a lessor or lessee, as the client on the same side of a transaction.

(38)[(35)] "Single family residential real estate dwelling" means any:

(a) ~~[A] Stand-alone~~[Duplex, triplex, fourplex; condominium, townhouse, or] residential unit;

(b) Manufactured home permanently attached to land; or

(c) Residential unit otherwise conveyed on a unit-by-unit basis, even if the unit is part of a larger ~~[building or]~~ parcel of real estate containing more than **two (2) detached**~~[four (4)]~~ residential units.

(39)[(36)] "Team" or "teams" is a group of ~~licensees~~**[more than one (1) licensee]** working together who are:

(a) Affiliated with the same principal broker;

(b) Led by a team leader; and

(c) Representing themselves to the public utilizing the same authorized alternate or assumed name to brand, advertise, and broker real estate.

(40)[(37)] "Team leader" means an individual who is designated by his or her principal broker to be the head of the team.

(41)[(38)] "Timeshare" means an arrangement under which one may acquire, for a period of time, the right to use and occupy property, for a recurring block of time. A timeshare may be:

(a) A timeshare estate, ~~if[wherein]~~ a freehold estate or an estate for years is conveyed;

(b) A vacation lease, ~~if[wherein]~~ a buyer purchases the right to occupy a specific accommodation for a specified time period over a specified number of years;

(c) A vacation license or club membership, ~~if[wherein]~~ a buyer acquires the right to occupy an undesignated unit at certain real **property or properties**~~[property(ies)]~~ during a specific time each year for a specific number of years; or

(d) Variations of **paragraphs (a) through (c) of this subsection**~~[the above]~~ that result

in the acquisition of the right to use real property for a limited period of time in recurring intervals for a number of years.

(42)[(39)] "Townhouse" means a type of residential dwelling with two (2) floors that is connected to one (1) or more dwellings by a common wall or walls. Title to the unit and lot vest in the owner who shares a fractional interest with other owners in any common areas.

(43)"Transactional brokerage" means a form of brokerage *service or services*[service(s)] provided to either or both parties to a transaction *if[wherein]* the licensee owes to the parties only the duties owed to a consumer and *if[wherein]* confidential information is not relayed between the parties by the licensee, unless so directed by the sending party.

(44)[(40)] "Triplex" means three (3) residential units sharing a single roof.

(45)"Unrestricted license" means a license that is not under any order of limitation or discipline by another jurisdiction's regulatory body.

(46)[(41)][(5)] "Without delay" means as soon as reasonably possible based on the availability of the licensee and the client, and subject to any written agreement between them as to how and when written offers will be submitted.

(47)[(42)] "Without unreasonable delay" means:

(a) For contract deposits or money belonging to others, within three (3) business days of the receipt by the principal broker or an affiliated licensee of the principal broker; or

(b) For notice required by KRS 324.360(8), within seventy-two (72) hours of the listing agent's receipt of the prospective purchaser's written and signed offer to purchase[within three (3) business days of the creation of an executory contract for the sale or lease of real property].

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Administrative Regulation #: 201 KAR 11:011 (Amendment)

Contact Person: Heather L. Becker, General Counsel

Phone Number: (502) 564-7760

Email Address: Heather.Becker@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments or school districts) will be impacted by this administrative regulation? The Kentucky Real Estate Commission will be impacted by this administrative regulation. Also, local real estate boards may be impacted by this administrative regulation.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 324.281(5), KRS 324.282, and KRS 324.117 require the Real Estate Commission to promulgate administrative regulations.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This administrative regulation will not generate revenue for state or local government in the first year.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This administrative regulation will not generate revenue for state or local government in subsequent years.

(c) How much will it cost to administer this program for the first year? There is no cost associated with administering this administrative regulation for the first year.

(d) How much will it cost to administer this program for subsequent years? There is no cost associated with administering this administrative regulation for subsequent years.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation:

Revenues (+/-): Neutral

Expenditures (+/-): Neutral

Other Explanation: This administrative regulation is not expected to have a fiscal impact.

Matthew G. Bevin
Governor

K. Gail Russell, Secretary
Public Protection Cabinet

H. E. Corder II
Executive Director
Kentucky Real Estate Authority



**Kentucky Real Estate Authority
Kentucky Real Estate Commission**

656 Chamberlin Avenue, Suite B

Frankfort, Kentucky 40601

Phone: (502) 564-7760

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krec.ky.gov

Agency Amend.

COMMISSIONERS

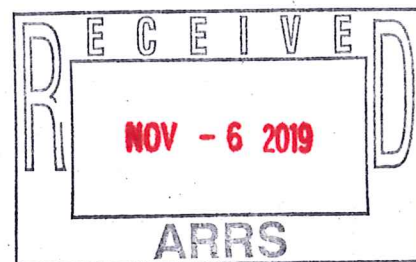
Lois Ann Disponett, Chair
Billy Joe Beckham, Smiths Grove
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Tom Waldrop, Mayfield

STAFF

Shannon Buzard, Board Administrator
Marc Manley, Acting General Counsel

November 6, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: **201 KAR 11:011** Definitions for 201 KAR Chapter 11

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 201 KAR 11:011, the Kentucky Real Estate Commission proposes the attached amendment to the agency substitute to 201 KAR 11:011.

Sincerely,

A handwritten signature in blue ink, appearing to read "Marc Manley".

Marc Manley, Acting General Counsel
Kentucky Real Estate Authority
Kentucky Real Estate Commission
656 Chamberlin Ave. Ste. B
Frankfort, Kentucky 40601



**Agency Amendment
PUBLIC PROTECTION CABINET
Kentucky Real Estate Authority
Kentucky Real Estate Commission**

201 KAR 11:011. Definitions for 201 KAR Chapter 11.

NOTE TO COMPILER: These Changes are to be made to the Suggested Substitute for this administrative regulation.

Page 1

Section 1(3)

After "(3)", insert the following:

"Affiliated licensee" means a sales associate or a broker who is affiliated with a principal broker.

(4)

Page 4

Section 1(28)

Delete the following:

"License recognition" means a licensing process that:

(a) Replaces reciprocal agreements; and

(b) May be used to obtain a Kentucky license by an individual who holds an active and unrestricted out-of-state sales associate's or broker's license, or the equivalent of either.

(29)

NOTE TO COMPILER – After these changes are made, please renumber all of the subsections within Section 1 that are affected so that these are numbered consecutively.

- Subsections (4) through (28) should now be subsections (5) through (29)

Sugg. Substitute

Matthew G. Bevin
Governor

K. Gail Russell, Secretary
Public Protection Cabinet

H. E. Corder II
Executive Director
Kentucky Real Estate Authority



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Kentucky Real Estate Commission**

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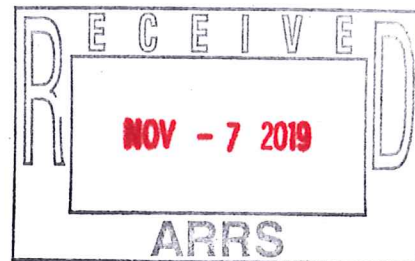
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November 6, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: **201 KAR 11:105 Advertising**

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 201 KAR 11:105, the Kentucky Real Estate Commission proposes the attached substitute to 201 KAR 11:105.

Sincerely,

A handwritten signature in blue ink, appearing to read "Marc Manley".

Marc Manley, Acting General Counsel
Kentucky Real Estate Authority
Kentucky Real Estate Commission
656 Chamberlin Ave. Ste. B
Frankfort, Kentucky 40601



Revised 11/6/2019

SUGGESTED SUBSTITUTE

**PUBLIC PROTECTION CABINET
Kentucky Real Estate Authority
Kentucky Real Estate Commission
(Amended After Comments)**

201 KAR 11:105. Advertising~~[listed property; advertising public information about specific property; under what conditions consent and authorization of owner or principal broker is required]~~.

RELATES TO: KRS 324.117, 324.160(4)(d), [(4)(w)](6)

STATUTORY AUTHORITY: KRS 324.117, 324.281(5), 324.282

NECESSITY, FUNCTION, AND CONFORMITY: KRS 324.281(5) and KRS 324.282 require the Kentucky Real Estate Commission, with the approval of the executive director of the Kentucky Real Estate Authority, to promulgate **administrative** regulations[KRS 324.282 requires the Kentucky Real Estate Commission to promulgate administrative regulations] to carry out and enforce the provisions of KRS Chapter 324. KRS 324.117(5) requires the commission to promulgate administrative regulations to define false, misleading, or deceptive advertising. KRS 324.117(6) requires the commission to promulgate administrative regulations to define the manner in which licensees may utilize any internet electronic communications for advertising or marketing. This administrative regulation establishes certain standards for real estate advertising practices, including internet advertising[real estate].

Section 1. Consent Required to Advertise a Specific Property. (1)(a) A licensee [real estate broker] shall not:

1.[(a)] Advertise [offer] real estate for sale or lease without the written consent of the owner;[-]

2.[(b)] Place signage or another advertisement on any private or listed property without the written consent of the owner; or

3.[(c)1.] Promote or advertise a specific property listed by another principal broker unless the licensee has requested and obtained written consent from the listing principal broker.

(b) [(2.)] Nothing in **paragraph (a)1. through 3. of this subsection**[**subsection (c)1. of this Section**] shall prohibit a licensee from utilizing public information, including information regarding real estate **closed**[**sold**] by another licensee, to market his or her real estate brokerage services to consumers.

(2) A licensee who served as a buyer's agent may advertise his or her role in a sale after a closing has occurred if the advertisement clearly and visibly states that the licensee's participation was as the buyer's agent. [(1) If promoting or advertising the real estate to the general public, the broker shall have a written listing agreement signed by the owner.

(2)(a) After a closing has occurred, a buyer's agent may advertise his or her role in the sale.

(b) The advertisement shall conspicuously state that his or her participation was as the buyer's agent.]

Section 2. Content Required. (1)(a) The principal broker, or his or her designee, shall establish written standards for review and approval of advertising activity of the real estate company and affiliated licensees to ensure compliance with KRS Chapter 324 and 201 KAR Chapter 11.

(b) Pursuant to KRS 324.160(6), a principal broker shall **be** held liable for **acts[repeated violations]** by **an** affiliated **licensee or licensees[licensee(s)]** that the principal broker **knew or should have known about that are** in violation of either the principal broker's standards for review and approval, or KRS Chapter 324 and 201 KAR Chapter 11.

(2) All advertisements shall include:

(a) The full name of the real estate brokerage company registered with the commission;
or

(b) The full name of the principal broker registered with the commission, with a clear designation of principal broker status.

(3)(a) An advertisement may include in written text an affiliated licensee's first and last name, or an alternate or assumed name as set forth in Section 4 of this administrative regulation, as registered with the commission, **if[so long as]** the principal broker has informed the commission of the affiliated licensee's first and last name, or alternate or assumed name being used.

(b) Each affiliated licensee shall be limited to the use of one (1) nickname in place of, or along with, the licensee's first name, and it shall be the responsibility of each individual licensee to inform the commission of the nickname being used. A nickname shall not be used unless the nickname is reflected on the licensee's online services portal before use.

Section 3. Display of Content Required. (1) The content required by Section 2(2) **of this administrative regulation** shall be displayed in written text. The content **shall[must]:**

(a) Be clear and visible to a typical observer of the advertisement; and

(b) Not be false, misleading, or deceptive.

(2)(a) The content permitted by Section 2(3) of this administrative regulation shall not appear larger than the content required by Section 2(2) of this administrative regulation.

(b) The requirements of paragraph (a) of this subsection [(2)(a) of this section] shall not apply to the following promotional materials that advertise a licensee:

1. Hats;

2. Pens;

3. Notepads;

4. Apparel;

5. Name tags; and

6. The sponsorship of charitable and community events

~~[hats, pens, notepads, apparel, name tags, and the sponsorship of charitable and community events].~~

(c) The commission shall~~[, in its discretion, may]~~ waive the requirements of paragraph (a) of this subsection ~~[(2)(a) of this section]~~ for specific promotional materials not stated in paragraph (b) of this subsection ~~[(2)(b)]~~ upon finding the proposed promotional material would not constitute false, misleading, or deceptive advertising.

(3)(a)1. For purposes of real estate company or licensee advertisement via internet, social media, or other digital or online forms of advertisement, every individual viewable page or post shall constitute a separate advertisement; and

2.~~[(b)]~~ Each advertisement shall contain the content required by Section 2(2) of this administrative regulation in the page or post header, or visible on the page or post without the observer scrolling or otherwise navigating the page or post to view the content required; or

~~(b)[(e)]~~ If a page or post cannot reasonably comply with Section 2(2) of this administrative regulation~~[subsection (2)(b) of this Section]~~, the advertisement shall include a clickable direct link, that is clear, visible, and identifiable as a link, to a page, post, or user account profile that contains the content required displayed in accordance with paragraph (a)2. of this subsection ~~[(3)][(2)][(b) of this section]~~.

(4) Advertisements that include an audiovisual presentation shall include an audible announcement or written display of the content required by Section 2(2) of this administrative regulation at the beginning of the advertisement.

(5) Any internet, social media, and other digital or online form of advertising that was true and accurate at the time it was made shall not be in violation.

(6) A logo that does not contain written text of the content required by Section 2(2) of this administrative regulation shall not constitute a substitute for the content required.

(7) If the licensee's principal business location is outside Kentucky, the advertisement shall:

(a) Indicate that the licensee holds a Kentucky license to broker real estate; and

(b) Include the regulatory jurisdiction of the licensee's principal business location.

(8) The requirements established by this administrative regulation shall not apply to logos, brands, or directional and open house signs if/ so long as/ the logo, brand, directional, and open house signs do not contain the name of a sales associate.

Section 4. Use of Alternate or Assumed Names. (1) More than one **(1)** licensee, whether a team, group, other business arrangement, or real estate brokerage company, may collectively use an alternate or assumed name for advertising with the written approval of the principal broker.

(2) Prior to allowing the use of an alternate or assumed name in advertising, a principal broker shall:

(a) Register, or ensure the registration of, the alternate or assumed name with the commission; and

(b) Ensure that the alternate or assumed name is populated in the principal broker's or affiliated licensee's online services portal.

(3) An alternate or assumed name shall not:

(a) Contain terms that **may[could]** lead the public to believe the **licensee or licensees[licensee(s)]** approved to use the alternate or assumed name is offering real estate brokerage services independent of the principal broker, unless the alternate or assumed name is for the real estate brokerage company; **or**

(b) Be used **by** more than **one (1) group of [once-by]** licensees within the principal broker's brokerage company, **unless the alternate or assumed name is for the real estate brokerage company.[: or][**(c) **Contain the word "company", "firm", or "realty" unless the alternate or assumed name is being used by a real estate brokerage company.]**

(4) An alternate or assumed name may include reference to a name or person, **if/so long as** the name or person has not lost the ability to engage in real estate brokerage through administrative discipline or by operation of law.

(5) If the alternate or assumed name applies to a team or group, the alternate or assumed name shall **end with[include]** the word "team" or "group."

Section 5. False, Misleading, or Deceptive Advertising. (1) False, misleading, or deceptive advertising is prohibited pursuant to KRS 324.117(1).

(2) An advertisement is false, misleading, or deceptive, if the advertisement:

(a) Is known or reasonably should have been known to be false or contrary to fact at the time of placement of the advertisement;

(b) Misleads **or misinforms** the general public in any manner; or

(c) Would lead a reasonable observer to believe that real estate brokerage services were being offered by an affiliated **licensee or licensees[licensee(s)]** independent of their real estate brokerage company or principal broker.

Section 6. Guaranteed Sales Plans. (1) If a licensee advertises a guaranteed sales plan, the licensee shall disclose in writing whether:

(a) A fee is charged for participation;

(b) The real estate shall meet qualifications for participation;

(c) The purchase price under a guarantee of purchase of the owner's real estate shall be determined by the licensee or a third party; **[and]**

(d) The owner of the real estate shall purchase other real estate listed for sale by the licensee or his or her designee; **and**

(e) An exclusive buyer agency agreement is required.

(2) The advertisement may be in print **or electronic display**, on radio, or on television and shall be clear and understandable.

(a) For print **or electronic display** advertising, the letters **[that]** shall be at least twenty-five (25) percent the size of the largest letter in the advertisement;

(b) For television advertising, written communication shall appear on the screen:

1. At least three (3) seconds for the first line of lettering and at least one (1) second for each additional line of lettering; and

2. In letters that shall be at least eighteen (18) video scan lines in size for uppercase letters or at least twenty-four (24) video scan lines for uppercase capital letters if uppercase capitals and lowercase letters are used.

Section 7. Client Advertising. Consistent with KRS 324.117(4), a licensee shall advise his or her client of the advertising obligations contained in this administrative regulation.

Section 8. Effective Dates. The commission shall begin enforcement of Section 3 **of this administrative regulation six (6) months[sixty (60) days]** after the effective date of this administrative regulation. [A sign shall not be placed on any property by a real estate licensee without the written consent of the owner.

~~Section 3. (1) In accordance with KRS 324.117(4), a real estate property print advertisement of a licensee, or an offer or solicitation to provide brokerage services by a licensee, related to marketing or identifying real property for sale or lease, shall include the name of the real estate company where the licensee's license is held or the name of the real estate company's principal broker with whom the licensee is affiliated.~~

~~(2) If the advertisement includes the name of the real estate company's principal broker, the principal broker's name shall include his or her title as principal broker or be followed by any other clear designation of his or her status as a broker.~~

~~(3) The requirements in this section shall apply to advertisements for listed property only.~~

~~Section 4. (1) An advertisement by a licensee shall be approved by:~~

~~(a) The principal broker with whom the licensee is affiliated; or~~

~~(b) An individual designated by the principal broker to approve the advertisement.~~

~~(2) A principal broker shall require his or her licensee to:~~

~~(a) Discuss with the property owner-client the advertising requirements of KRS 324.117;~~

- ~~(b) Provide the owner-client with written notice of these advertising requirements; and~~
- ~~(c) Obtain the owner-client's written agreement to comply with the advertising requirements.~~

~~Section 5. A licensee may advertise public information, such as sales price, of properties that have sold and closed, even if the licensee did not have a written listing agreement on the property.~~

~~Section 6. A licensee may advertise the listings of another real estate brokerage company if:~~

- ~~(1) The licensee has requested and obtained the listing broker's consent to advertise the other company's listing or listings; and~~
- ~~(2) The licensee's advertisement of the other company's listings includes the complete name of the other real estate brokerage company.]~~

Matthew G. Bevin
Governor

K. Gail Russell, Secretary
Public Protection Cabinet

H. E. Corder II
Executive Director
Kentucky Real Estate Authority



**Kentucky Real Estate Authority
Kentucky Real Estate Commission**

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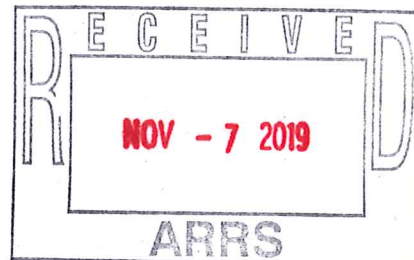
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November 6, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: **201 KAR 11:121** Standard of professional conduct

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 201 KAR 11:121, the Kentucky Real Estate Commission proposes the attached amendment to 201 KAR 11:121.

Sincerely,

A handwritten signature in blue ink, appearing to read "Marc Manley".

Marc Manley, Acting General Counsel
Kentucky Real Estate Authority
Kentucky Real Estate Commission
656 Chamberlin Ave. Ste. B
Frankfort, Kentucky 40601



**Suggested Amendment
PUBLIC PROTECTION CABINET
Kentucky Real Estate Authority
Kentucky Real Estate Commission**

(Amended After Comments)

201 KAR 11:121. Standards of professional conduct.

Page 1

RELATES TO

Line 6

After "324.111," insert "324.112."

After "324.160," insert "324.281(5)."

Lines 6-7

After "324.360," insert "381.9203(1), (3), 383.580."

Delete "324.281(5),".

Line 7

After "44 C.F.R. 64.3(b)", insert "12 U.S.C. 2601-2617".

Page 1

STATUTORY AUTHORITY

Line 8

After "KRS", insert "324.121, 324.160(4)(e)".

Page 1

NECESSITY, FUNCTION, AND CONFORMITY

Lines 14-15

After "principal broker.", delete the following:

This administrative regulation establishes requirements for designated agency.

Line 17

After "conditions form", insert "with".

Delete "whose".

After "content", insert "as".

Delete "is".

Lines 17-18

After "KRS 324.360(3)", delete the following:

This administrative regulation establishes the required Seller's Disclosure of Property Condition Form.

Lines 20-21

After "knowledge of all parties. This regulation establishes", insert the following:

requirements for designated agency; the required Seller's Disclosure of Property Condition form;

Page 2

NECESSITY, FUNCTION, AND CONFORMITY

Line 1

After "in a residential transaction", insert a semicolon.

Delete the following:

. Additionally, this administrative regulation establishes

Lines 5-6

After "purchase contracts", insert "and".

Delete the following:

. This administrative regulation establishes

Page 2

Section 1(1)(a)

Line 14

After "Act, 12", insert "U.S.C.", delete "U.S.C.S.".

Page 3

Section 1(1)(c)

Line 3

After "persons", insert a comma.

Page 3

Section 1(1)(f)2.

Line 21

After "Fair dealing", insert a semicolon.

Delete the period.

Page 4

Section 1(1)(h)

Line 3

After "to break", insert "the".

Delete "such".

Page 5

Section 1(5)

Line 20

After "anytime the licensee", insert "shall".

Delete "is required to".

Page 6

Section 2(1)

Line 1

After "compensation", insert a comma.

Page 7

Section 2(3)

Line 1

After "to comply with", insert "this section".

Delete the following:

Section 2 of this administrative regulation

Page 7

Section 3(1)(g)

Lines 14-15

After "identify the", insert "parcel or parcels".

Delete "parcel(s)".

Page 7

Section 3(1)(j)

Line 21

After "Date, time", insert a comma.

After "and", delete the comma.

Page 8

Section 3(2)(d)

Compiler renumbered paragraph (d) as paragraph (e)

Line 6

After "identify the", insert "parcel or parcels".

Delete "parcel(s)".

Page 8

Section 3(3)(d)

Line 18

After "directed the completion", insert "of".

Page 9

Section 3(4)(b)

Line 3

After "language required by", insert "paragraph (a) of this".

Delete "the previous".

Page 9

Section 3(7)(b)

Line 17

After "Notwithstanding", insert the following:

paragraph (a) of this subsection

Delete the following:

subsection 7(a) of this section

Page 10

Section 3(8)

Line 11

After "with the requirements in", insert "this section".

Delete "Section 3".

Page 10

Section 4(2)

Line 20

After "right to receive the", insert "Condominium Seller's".

Capitalize the first letter of "certificate".

Page 11

Section 5(1)

Line 2

After "the commission's", delete the opening quotation marks.

Lines 2-3

After "Agency Relationships", delete the closing quotation marks.

Page 12

Section 5(4)

Line 4

After "of this section", delete "of this administrative regulation".

Page 12

Section 6(2)(a)

Lines 15-16

After "name of the", insert "licensee or licensees".

Delete "licensee(s)".

Page 13

Section 6(4)

Line 5

After "of this section", delete "of this administrative regulation".

Page 13

Section 7(1)

Line 13

After ", including", insert "items such as".

Delete "but not limited to".

Page 14

Section 7(6)(a)

Line 5

After "over to the principal broker", delete "any and".

Page 14

Section 7(6)(b)

Line 9

After "Nothing in", insert "paragraph (a) of this".

Delete "the previous".

Page 14

Section 7(7)(b)

Line 15

After "A principal broker", insert "shall".

Delete "may".

Line 16

After "324.112(5)", insert a period.

Page 14

Section 8(1)

Line 23

After "KRS Chapter 369 and", insert "201 KAR Chapter 11".

Delete the following:

the administrative regulations promulgated thereunder

Page 15

Section 9(1)(e)

Line 15

After "Seller's", insert "Disclosure of Property Condition".

After "and", capitalize the first letter of "condominium".

Insert "Seller's".

Capitalize the first letter of "certificate".

Delete "disclosure".

Page 16

Section 9(3)

Line 4

After "(3)", insert "If".

Delete "In the event of".

After "incapacity of the principal broker", insert "occurs".

Page 16

Section 9(4)

Line 20

After "executing the documents", insert "if".

Delete "where".

Page 17

Section 9(6)

Line 3

After "(6)", insert "A".

Delete "No".

After "broker shall", insert "not".

Line 4

After "of the period of", insert "the".

Delete "such".

Page 17

Section 9(7)

Line 6

After "broker shall", insert "notify".

Delete "notifying".

Page 17

Section 9(8)(b)

Line 16

After "regardless of the how the team, group", insert a comma.

Page 18

Section 9(10)(a)

Line 5

After "(a)", insert "1.".

Page 18

Section 9(10)(a) and (b)

Lines 7-8

After "environment;", insert "2.".

Delete "(b)".

Page 18

Section 9(10)(b) and (c)

Lines 9-10

After "clerical staff;", insert "3.".

Delete "(c)".

Page 18

Section 9(10)(c) and (d)

Lines 12-13

After "transaction; and", insert "4.".

Delete "(d)".

Page 18

Section 9(10)(d) and (e)

Lines 14-15

After "transaction.", insert "(b)".

Delete "(e)".

NOTE TO COMPILER: Make sure Sections 11 and 12 are renumbered as Sections 10 and 11.

Page 20

Section 10(2)(j) (Compiler renumbered Section 11 to Section 10)

Line 1

After "which the principal broker", insert "may".

Lines 1-2

Delete "is authorized to".

Page 20

Section 10(2)(m)

Line 7

After "he", insert "or she".

Page 20

Section 10(3)(a)

Line 11

After "managed", insert a semicolon.

Delete the period.

Page 20

Section 10(3)(b)

Line 12

After "managed", insert "; and".

Delete the period.

Page 21

Section 11(1)(a) (Compiler renumbered Section 12 to Section 11)

Line 13

After "Form", and the closing quotation marks and comma, insert "KREC Form 403".

Page 21

Section 11(1)(b)

Line 14

After "Condition", and the closing quotation marks and comma, insert "KREC Form 402".

Page 21

Section 11(1)(c)

Line 15

After "Certificate", and the closing quotation marks and comma, insert "KREC Form 404".

Page 21

Section 11(1)(d)

Line 16

After "Relationships", and the closing quotation marks and comma, insert "KREC Form 400".

Page 21

Section 11(1)(e)

Line 17

After "Buyer", and the closing quotation marks and comma, insert "KREC Form 401B".

Page 21

Section 11(1)(f)

Line 18

After "Seller", and the closing quotation marks and comma, insert "KREC Form 401S".

MATERIAL INCORPORATED BY REFERENCE

At the time that the agency files this staff suggested amendment, the agency needs to file one (1) clean copy of each of the following forms with the 10/19 edition date:

- **Seller-Initiated Listing Form**
- **Seller's Disclosure of Property Condition**
- **Condominium Seller's Certificate**
- **Guide to Agency Relationships**
- **Agency Consent Agreement-Buyer**
- **Agency Consent Agreement-Seller**



The Kentucky Real Estate Commission's A GUIDE TO AGENCY RELATIONSHIPS

KENTUCKY REAL ESTATE
COMMISSION
Public Protection Cabinet
500 Mero Street
Frankfort, Kentucky 40601
(502) 564-7760
<http://krec.ky.gov>

This brokerage is required by law to ask you to sign this as a way to acknowledge that you have received it. This is not a contract. Your signature below will not obligate you to work with this brokerage if you do not want to.

Whether you are selling, buying, or leasing real estate in the Commonwealth of Kentucky, this Guide will help you understand the various agency relationships available to you. This brokerage is providing you this Guide as an introduction to their professional real estate brokerage services. Depending on your specific needs, this brokerage will offer you valuable assistance to achieve your goals.

This is not a contract or agreement for services. Your signature on this Guide is simply to acknowledge receipt and by law the real estate licensee presenting you this Guide must ask for your signature. Prior to the exchange of confidential information that could be interpreted as an agency relationship, you will be asked to consent in writing to a specific Agency Relationship for a contemplated transaction.

This is a brief overview of real estate brokerage in the Commonwealth of Kentucky. To practice real estate brokerage for compensation, a person must be appropriately licensed, which requires extensive education and testing. There are two types of licenses, broker and sales associate. A principal broker is the person responsible for the operation of the real estate brokerage company. Licensed brokers and sales associates affiliate with a principal broker to engage in real estate brokerage. INSERT NAME OF PRINCIPAL BROKER is the principal broker of INSERT NAME OF COMPANY, and can be reached at INSERT BROKER CONTACT INFO.

To provide real estate brokerage services, a principal broker enters into an agency relationship with a client to act as an agent to represent the client's interests and provide necessary guidance to complete real estate transactions. A licensee affiliated with the principal broker may be your direct contact during a transaction and, depending on the type of agency, may also be your exclusive agent. These agency relationships are explained in more detail below. Each relationship imposes fiduciary duties owed by the agent to a client. A principal broker may also provide services to a party who is not a client and owe limited, or no, fiduciary obligations to that party, or, by written agreement, provide other than the minimum services proscribed by law. To learn more, reference Kentucky Revised Statutes, Chapter 324 and Kentucky Administrative Regulations, Title 201, Chapter 11.

Carefully read about the available agency relationships below and ask the licensee providing you this Guide any questions you may have to better understand agency. The duties and responsibilities of the Principal Broker, affiliated licensees, and INSERT NAME OF COMPANY in a real estate transaction do not relieve the seller, buyer, lessor, or lessee from the duty and responsibility to protect their own interests. You are advised to carefully read all agreements to assure that they adequately express your understanding of the transaction. The principal broker and affiliated licensees are qualified to advise on real estate brokerage and transaction matters only. IF YOU NEED LEGAL OR TAX ADVICE, YOU SHOULD CONSULT THE APPROPRIATE PROFESSIONAL.

Single Agency: In a Single Agency relationship, the principal broker of a brokerage, and all affiliated licensees, act as an agent for a client who is a seller or buyer, or a lessor or lessee, on one side of a transaction. If a party on the other side of the transaction is represented by an agent, that agent will be affiliated with another principal broker at another brokerage.

Dual Agency: In a Dual Agency relationship, the principal broker of a brokerage, and all affiliated licensees, simultaneously act, in a limited fiduciary capacity, as agents for different clients who are either seller and buyer, or lessor and lessee, in the same transaction. Dual Agency relationships frequently occur when a listing agent simultaneously represents both seller and buyer clients in the same transaction and must take care to adequately represent the interests of both clients.

Designated Agent: As an alternative to Single Agency, in a Designated Agent relationship, one or more affiliated licensees are designated by their principal broker to act as an agent for a client who is a buyer or seller, or a lessor or lessee, to the exclusion of all other licensees affiliated with that principal broker. The principal broker shall not designate himself or herself as a designated agent. None of the other licensees affiliated with the principal broker represent the client in the transaction. Reference KRS 324.121(1).

Designated Agency: As an alternative to Dual Agency, in a Designated Agency relationship, two or more Designated Agents within one brokerage act as agents for their respective clients on different sides of a transaction, while their principal broker and any designated manager simultaneously act in a limited fiduciary capacity as a dual agent for all clients on both sides of the transaction. This type of agency relationship allows Designated Agents affiliated with same principal broker to offer each client exclusive representation with full fiduciary obligations, not limited as they would be in a Dual Agency relationship, while still safeguarding clients' confidential information. Reference KRS 324.121(2).



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Transactional Brokerage: In a Transactional Brokerage relationship, the principal broker of a brokerage, and an affiliated licensee(s), if so designated by the principal broker, provide real estate brokerage services to either, or both, party(ies) to a transaction. They owe the party(ies) only the duties of good faith and fair dealing, and do not relay confidential information between the parties, unless so directed by the sending party. A party to Transactional Brokerage is not a client or prospective client.

Unrepresented Party: From time to time in a real estate transaction, a party will not be represented by an agent, but will otherwise interact with a licensee. This party is known as an Unrepresented Party and a licensee owes an Unrepresented Party the duties of good faith and fair dealing. An Unrepresented Party is not a client or prospective client. If you elect to be an Unrepresented Party to a transaction, take the steps necessary to protect your best interests. If the other party is represented by an agent, you may be at a disadvantage in the transaction due to the skill and experience of that agent.

Real Estate Teams: In the course of your real estate transaction, you may engage with a real estate team. Teams are defined as a group of more than one licensee working together who are affiliated with the same principal broker, led by a team leader, and representing themselves to the public utilizing the same authorized alternate or assumed name to brand, advertise, and broker real estate. Teams form for a variety of reasons, including sharing branding and expenses, to broker real estate under the supervision of the principal broker. A team does not operate independently of the principal broker or agency law and must not represent themselves as a separate brokerage providing real estate brokerage services. Make sure you understand who specifically is representing you as an agent if you choose to work with a team.

Confidential Information: If you are a client or prospective client as defined by law, you are owed the fiduciary obligation of confidentiality, which means that the licensee must protect information provided by you that would materially compromise your negotiating position in a transaction if disclosed to the other party, unless disclosure is required by law. You may also designate in writing other information you wish to maintain confidential. If you have any questions or concerns about confidentiality, seek a satisfactory answer prior to providing the information you wish to maintain confidential. During the course of a transaction, including when sending offers, information delivered to the other party will not be confidential unless a previous agreement is in place to maintain confidentiality.

Cooperation: This brokerage may, during the course of a transaction, share fees or compensation with another company. This typically occurs when a listing brokerage shares compensation with another brokerage representing a buyer for a specific listed property. The fact that companies may share compensation during the course of a transaction does not mean that you are in an Agency Relationship with any brokerage. If you are concerned about compensation and how it may be shared, seek a satisfactory answer prior engaging in a transaction.

Fair Housing Statement: It is illegal, pursuant to the Kentucky Fair Housing Law and Federal Fair Housing Law, to refuse to sell, transfer, assign, rent, lease, sublease, or finance housing accommodations, or refuse to negotiate for the sale or rental of housing accommodations, or otherwise deny or make unavailable housing accommodations because of race, color, religion, sex, familial status, disability, national origin, sexual orientation (in some counties) or gender identity (in some counties) or to so discriminate in advertising the sale or rental of housing, in the financing of housing, or in the providing of real estate brokerage services. It is also illegal, for profit, to induce or attempt to induce a person to sell or rent a dwelling by representations regarding the entry into the neighborhood of a person or persons belonging to one of the protected classes.

We hope you find this information helpful as you begin your real estate transaction. When you are ready to enter into a transaction, you will be asked to sign an Agency Consent Agreement that specifically identifies the Agency Relationship between you, the Principal Broker of this brokerage, and any affiliated licensees. Please ask questions if there is anything you do not understand.

Your signature below will not obligate you to work with this brokerage if you do not choose to do so. A copy of this signed Guide to Agency Relationships will be provided to you and a record of it maintained by the brokerage. Please add this Guide to your records for reference even if you refuse to sign.

Prospective Client Signature X	Date
Prospective Client Signature X	Date

AGENCY CONSENT AGREEMENT -- BUYER

The real estate agent who is providing you with this form is required to do so by Kentucky law. The purpose of this form is to confirm that you have been advised of the role of the agent(s) in the transaction proposed below. **(For purposes of this form, the term "buyer" includes a tenant.)**

Buyer(s): _____

Property Address: _____

I. TRANSACTION INVOLVING TWO AGENTS IN TWO DIFFERENT BROKERAGES

The Buyer is represented by _____ of
AGENT

NAME OF BROKERAGE AND PRINCIPAL BROKER'S NAME

II. TRANSACTION INVOLVING TWO AGENTS IN THE SAME BROKERAGE

(Mark the appropriate box)

If two agents in the same real estate brokerage represent both the Buyer and the Seller, check the following relationship that will apply:

Designated Agency:

- ☐ Agent(s) _____ of _____
represents the Buyer and another Agent(s) in the same firm represents the Seller. The principal broker and managers will be "dual agents," which is explained in the Commission's Guide to Agency Relationships. As dual agents, they will remain loyal to both parties in the transaction, and they will protect all parties' confidential information;

OR

Dual Agency:

- ☐ Every agent in the brokerage represents every "client" of the brokerage. Therefore, Agent(s) _____ and _____ will be working for both the Buyer and Seller as "dual agents". Dual agency is explained in the Commission's Guide to Agency Relationships. As a dual agent, they will remain loyal to both parties in the transaction, and they will protect all parties' confidential information. To the best of the Agent's knowledge, neither the agent(s) nor the principal broker acting as a dual agent in this transaction has a **PERSONAL**, **FAMILY**, or **BUSINESS** relationship with either the Buyer or Seller. *If such a relationship does exist, please explain:* _____

III. TRANSACTION INVOLVING ONLY ONE REAL ESTATE AGENT

(Mark the appropriate box.)

Agent _____ and the brokerage _____ will:

- ☐ be a "dual agent" representing both parties in this transaction. Dual agency is explained in the Commission's Guide to Agency Relationships. As a dual agent they will remain loyal to both parties, and they will protect all parties' confidential information. To the best of the agent's knowledge, neither the agent(s) nor the brokerage acting as a dual agent in this transaction has a **PERSONAL**, **FAMILY**, or **BUSINESS** relationship with either the Buyer or Seller. *If such a relationship does exist, please explain:* _____

OR

- ☐ represent only the (check one) ☐ Buyer or ☐ Seller or ☐ neither in this transaction as a client. The other party(ies) is not represented and agrees to represent his/her own best interest. Any information provided the agent may be disclosed to the agent's client.

IV. TRANSACTION INVOLVING NON-CLIENT PARTIES

(Mark the appropriate box.)

☐ Transactional Brokerage: The Principal Broker of the Company assigns (Identify all Licensees acting as a Transactional Agent): _____

to provide real estate brokerage services to either, or both, Party(ies) to the transaction, owe the Party(ies) only the duties of good faith and fair dealing, and to not relay confidential information between the Parties, unless so directed by the sending Party. For the purposes of this Agreement, a party to a Transactional Brokerage is not a Client or Prospective Client.

☐ Unrepresented Party: The Principal Broker of the Company, and all affiliated licensees, do not act as an agent for a Party.

The ☐ Buyer; ☐ Seller; ☐ Lessor; ☐ Lessee is an Unrepresented Party. A licensee owes an Unrepresented Party the duties of good faith and fair dealing. For the purposes of this Agreement, an Unrepresented Party is not a Client or Prospective Client.

DISCLAIMER

Responsibilities of the Parties: The duties of the agent and brokerage in a real estate transaction do not relieve the Seller and Buyer from the responsibility to protect their own interests. The Seller and Buyer are advised to carefully read all agreements to assure that they adequately express their understanding of the transaction. The agent and brokerage are qualified to advise on real estate matters. IF LEGAL OR TAX ADVICE IS DESIRED, YOU SHOULD CONSULT THE APPROPRIATE PROFESSIONAL.

PARTY CONSENT

I (we) consent to the above relationships as we enter into this real estate transaction. If there is a dual agency or designated agency in this transaction, I (we) acknowledge reading the information contained in the Commission's Guide to Agency Relationships.

BUYER/TENANT'S Signature

Printed Name

DATE/TIME

BUYER/TENANT'S Signature

Printed Name

DATE/TIME

BUYER/TENANT'S Signature

Printed Name

DATE/TIME

AGENCY CONSENT AGREEMENT -- SELLER

The real estate agent who is providing you with this form is required to do so by Kentucky law. The purpose of this form is to confirm that you have been advised of the role of the agent(s) in the transaction proposed below. **(For purposes of this form, the term "seller" includes a landlord.)**

Seller(s): _____

Property Address: _____

I. TRANSACTION INVOLVING TWO AGENTS IN TWO DIFFERENT BROKERAGES

The Seller is represented by _____ of _____
AGENT

NAME OF BROKERAGE AND PRINCIPAL BROKER'S NAME

II. TRANSACTION INVOLVING TWO AGENTS IN THE SAME BROKERAGE

(Mark the appropriate box)

If two agents in the same real estate brokerage represent both the Buyer and the Seller, check the following relationship that will apply:

Designated Agency:

- ☐ Agent(s) _____ of _____
represents the Seller and another Agent(s) in the same firm represents the Buyer. The principal broker and managers will be "dual agents," which is explained in the Commission's Guide to Agency Relationships. As dual agents, they will remain loyal to both parties in the transaction, and they will protect all parties' confidential information;

OR

Dual Agency:

- ☐ Every agent in the brokerage represents every "client" of the brokerage. Therefore, Agent(s) _____ and _____ will be working for both the Buyer and Seller as "dual agents". Dual agency is explained in the Commission's Guide to Agency Relationships. As a dual agent, they will remain loyal to both parties in the transaction, and they will protect all parties' confidential information. To the best of the Agent's knowledge, neither the agent(s) nor the principal broker acting as a dual agent in this transaction has a **PERSONAL**, **FAMILY**, or **BUSINESS** relationship with either the Buyer or Seller. *If such a relationship does exist, please explain:* _____

III. TRANSACTION INVOLVING ONLY ONE REAL ESTATE AGENT

(Mark the appropriate box.)

Agent _____ and the brokerage _____ will:

- ☐ be a "dual agent" representing both parties in this transaction. Dual agency is explained in the Commission's Guide to Agency Relationships. As a dual agent they will remain loyal to both parties, and they will protect all parties' confidential information. To the best of the agent's knowledge, neither the agent(s) nor the brokerage acting as a dual agent in this transaction has a **PERSONAL**, **FAMILY**, or **BUSINESS** relationship with either the Buyer or Seller. *If such a relationship does exist, please explain:* _____

OR

- ☐ represent only the (check one) ☐ Seller or ☐ Buyer ☐ neither in this transaction as a client. The other party(ies) is not represented and agrees to represent his/her own best interest. Any information provided the agent may be disclosed to the agent's client.

IV. TRANSACTION INVOLVING NON-CLIENT PARTIES

(Mark the appropriate box.)

☐ Transactional Brokerage: The Principal Broker of the Company assigns (Identify all Licensees acting as a Transactional Agent): _____

to provide real estate brokerage services to either, or both, Party(ies) to the transaction, owe the Party(ies) only the duties of good faith and fair dealing, and to not relay confidential information between the Parties, unless so directed by the sending Party. For the purposes of this Agreement, a party to a Transactional Brokerage is not a Client or Prospective Client.

☐ Unrepresented Party: The Principal Broker of the Company, and all affiliated licensees, do not act as an agent for a Party.

The ☐ Buyer; ☐ Seller; ☐ Lessor; ☐ Lessee is an Unrepresented Party. A licensee owes an Unrepresented Party the duties of good faith and fair dealing. For the purposes of this Agreement, an Unrepresented Party is not a Client or Prospective Client.

DISCLAIMER

Responsibilities of the Parties: The duties of the agent and brokerage in a real estate transaction do not relieve the Seller and Buyer from the responsibility to protect their own interests. The Seller and Buyer are advised to carefully read all agreements to assure that they adequately express their understanding of the transaction. The agent and brokerage are qualified to advise on real estate matters. IF LEGAL OR TAX ADVICE IS DESIRED, YOU SHOULD CONSULT THE APPROPRIATE PROFESSIONAL.

PARTY CONSENT

I (we) consent to the above relationships as we enter into this real estate transaction. If there is a dual agency or designated agency in this transaction, I (we) acknowledge reading the information contained in the Commission's Guide to Agency Relationships.

SELLER/LANDLORD'S Signature

Printed Name

DATE/TIME

SELLER/LANDLORD'S Signature

Printed Name

DATE/TIME

SELLER/LANDLORD'S Signature

Printed Name

DATE/TIME

KENTUCKY REAL ESTATE COMMISSION

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500 Mero Street
Frankfort, Kentucky 40601
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SELLER'S DISCLOSURE OF PROPERTY CONDITION

This form applies to **residential real estate sales and purchases**. This form is **not required** for:

1. Residential purchases of new construction homes if a warranty is provided;
2. Sales of real estate at auction; or
3. A court supervised foreclosure

As a Seller, you are asked to disclose what you know about the property you are selling. Your answers to the questions in this form must be based on your knowledge of the property you are selling, however and whenever you gained that knowledge. Please take your time to answer these questions accurately and completely.

Property Address

City

State

Zip

PURPOSE OF DISCLOSURE FORM: Completion of this form shall satisfy the requirements of KRS 324.360 that mandates the "seller's disclosure of conditions" relevant to the listed property. This disclosure is based on the Seller's knowledge of the property's condition and the improvements thereon, however that knowledge was gained. This disclosure form shall not be a warranty by the Seller or real estate agent and shall not be used as a substitute for an inspection or warranty that the purchaser may wish to obtain. This form is a statement of the conditions and other information about the property known by the Seller. Unless otherwise advised, the Seller does not possess any expertise in construction, architecture, engineering, or any other specific areas related to the construction or condition of the property or the improvements on it. Unless otherwise advised, the Seller has not conducted any inspection of generally inaccessible areas such as the foundation or roof. The Buyer is encouraged to obtain his or her own professional inspections of this property.

INSTRUCTIONS TO THE SELLER(S): (1) Answer every question truthfully. (2) Report all known conditions affecting the property, regardless of how you know about them or when you learned. (3) Attach additional pages, if necessary, with your signature and the date and time of signing. (4) Complete this form yourself or sign the authorization at the end of this form to authorize the real estate agent to complete this form on your behalf in accordance with KRS 324.360(9). (5) If an item does not apply to your property, mark "not applicable." (6) If you truthfully do not know the answer to a question, mark "unknown." (7) If you learn any fact prior to closing that changes one or more of your answers to this form after you have completed and submitted it, immediately notify your agent or any potential buyer of the change in writing.

SELLER'S DISCLOSURE: As Seller(s), I / we disclose the following information regarding the property. This information is true and accurate to the best of my / our knowledge as of the date signed. Seller(s) authorize(s) the real estate agent to provide a copy of this statement to any person or entity in connection with actual or anticipated sale of the property or as otherwise provided by law. The following information is not the representation of the real estate agent.

Answer all questions. Attach additional sheets as necessary.

1. PRELIMINARY DISCLOSURES

N/A YES NO UN-
KNOWN

a. Have you ever lived in the house? ☐ ☐ ☐ ☐

b. List the date (month / year) you purchased the house.

c. Do you own the property as (an) individual(s) or as representative(s) of a company?

Explain:

d. Has the house been used as a rental? ☐ ☐ ☐ ☐

e. Has this house ever been vacant (not lived-in) for more than three (3) consecutive months? ☐ ☐ ☐ ☐

f. Has this house ever been used for anything other than a residence? ☐ ☐ ☐ ☐

Explain:

PROPERTY ADDRESS:

2. HOUSE SYSTEMS

Whether or not they have been corrected, state whether there have been problems affecting:		N/A	YES	NO	UN- KNOWN
a.	Plumbing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b.	Electrical system	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c.	Appliances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d.	Ceiling and attic fans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e.	Security system	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f.	Sump pump	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g.	Chimneys, fireplaces, inserts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h.	Pool, hot tub, sauna	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i.	Sprinkler system	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j.	Heating system	age of system:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k.	Cooling/air conditioning system	age of system:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
l.	Water heater	age of system:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please explain any deficiencies noted in this Section:

3. BUILDING STRUCTURE

		N/A	YES	NO	UN- KNOWN
a.	Whether or not they have been corrected, state whether there have been problems affecting:				
1)	The foundation or slab	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2)	The structure or exterior veneer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3)	The floors and walls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4)	The doors and windows	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b.	1) Has the basement ever leaked?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	2) When was the last time the basement leaked?				
	3) Have you ever had any repairs done to the basement?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	4) If you have had basement leaks repaired, when was the repair done?				
	5) If the basement presently leaks, how often does it leak? (e.g., every time it rains, only after an extremely heavy rain, etc.)				
	Explain:				
h.	Have you experienced, or are you aware of, any water or drainage problems in the crawl space?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i.	Are you aware of any damage to wood due to moisture or rot?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j.	Are you aware of any present or past wood infestation (e.g. termites, borers, carpenter ants, fungi, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k.	Are you aware of any damage due to wood infestation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1)	Has the house or any other improvement been treated for wood infestation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2)	If yes, by whom?				
3)	Is there a warranty?				

Please explain any deficiencies noted in this Section:

4. ROOF

		N/A	YES	NO	UN- KNOWN
a.	How old is the roof covering?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b.	Has the roof leaked at any time since you have owned or lived at the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c.	Has the roof leaked at any time before you owned or lived at the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d.	When was the last time the roof leaked?				
e.	Have you ever had any repairs done to the roof?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f.	Have you ever had the roof replaced?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	If so, when?				

PROPERTY ADDRESS:

g. If the roof presently leaks, how often does it leak? (e.g., every time it rains, only after an extremely heavy rain, etc.)				
Explain:				
h. Have you ever had roof repairs that involved placing shingles on the roof instead of replacing the entire roof covering? If so, when?				
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>				
Please explain any deficiencies noted in this Section:				
5. LAND / DRAINAGE				
	N/A	YES	NO	UN- KNOWN
a. Whether or not they have been corrected, state whether there have been problems affecting:				
1) Soil stability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2) Drainage, flooding, or grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3) Erosion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4) Outbuildings or unattached structures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Is the house located within a Special Flood Hazard Area (SFHA) mandating the purchase of flood insurance for federally backed mortgages?				
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>				
If so, what is the flood zone?				
c. Is there a retention / detention basin, pond, lake, creek, spring, or water shed on or adjoining this property?				
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>				
Please explain any deficiencies noted in this Section:				
6. BOUNDARIES				
	N/A	YES	NO	UN- KNOWN
a. Have you ever had a staked or pinned survey of the property performed?				
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>				
b. Are you in possession of a copy of any survey of the property?				
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>				
c. Are the boundaries marked in any way?				
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>				
Explain:				
d. Do you know the boundaries?				
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>				
Explain:				
e. Are there any encroachments or unrecorded easements relating to the property?				
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>				
Explain:				
7. WATER				
	N/A	YES	NO	UN- KNOWN
a. Source of water supply:				
b. Are you aware of below normal water supply or water pressure?				
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>				
c. Has your water ever been tested? If so, attach the results or explain.				
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>				
Explain:				
8. SEWER SYSTEM				
	N/A	YES	NO	UN- KNOWN
a. Property is serviced by:				
1. Category I: Public Municipal Treatment Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Category II: Private Treatment Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Category III: Subdivision Package Plant	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Category IV: Single Home Aerobic Treatment System (HOME PACKAGE PLANT)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Category V: Septic Tank with drain field, lagoon, wetland, or other onsite dispersal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Category VI: Septic Tank with dispersal to an offsite, multi-property cluster treatment system	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Category VII: No Treatment/Unknown	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Name of Servicer:				
b. For properties with Category IV, V, or VI systems				
Date of last inspection (sewer):				
Date of last inspection (septic):		Date last cleaned (septic):		
c. Are you aware of any problems with the sewer system?				
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>				
Please explain any deficiencies noted in this Section:				

PROPERTY ADDRESS:

9. CONSTRUCTION / REMODELING		N/A	YES	NO	UN- KNOWN
a.	Have there been any additions, structural modifications, or other alterations made?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b.	If so, were all necessary permits and government approvals obtained?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Explain:					
10. HOMEOWNER'S ASSOCIATION (HOA)		N/A	YES	NO	UN- KNOWN
a.	1) Is the property subject to rules or regulations of a HOA?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	2) If yes, what is the yearly assessment?				
	3) HOA Name:				
	HOA Primary Contact Name:				
	HOA Primary Contact Phone No.:				
b.	Is the property a condominium?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If yes, you must also complete KREC Form 404, the Condominium Seller's Certificate					
c.	Are you aware of any condition that may result in an increase in taxes or assessments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d.	Are any features of the property shared in common with adjoining landowners, such as walls, fences, driveways, etc.?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e.	Are there any pet or rental restrictions?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Explain:					
11. HAZARDOUS CONDITIONS		N/A	YES	NO	UN- KNOWN
a.	Are you aware of any underground storage tanks, old septic tanks, field lines, cisterns, or abandoned wells on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b.	Are you aware of any other environmental hazards? (e.g., carbon monoxide, hazardous waste, water contamination, asbestos, the use of urea formaldehyde, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
LEAD BASED PAINT DISCLOSURE REQUIREMENT					
Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint, which may cause certain health risks.					
c.	Was this house built before 1978?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d.	Are you aware of the existence of lead-based paint in or on this house?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RADON DISCLOSURE REQUIREMENT					
Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks, including lung cancer. The Kentucky Department for Public Health recommends radon testing. For more information, visit chfs.ky.gov and search "radon."					
e.	1) Are you aware of any testing for radon gas?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	2) If yes, what were the results?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f.	1) Is there a radon mitigation system installed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	2) If yes, is it functioning properly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
METHAMPHETAMINE CONTAMINATION DISCLOSURE REQUIREMENT					
A property owner who chooses NOT to decontaminate a property used in the production of methamphetamine MUST make written disclosure of methamphetamine contamination pursuant to KRS 224.1-410(10) and 902 KAR 47:200. Failure to properly disclose methamphetamine contamination is a Class D Felony under KRS 224.99-010.					
g.	1) Is the property currently contaminated by the production of methamphetamine?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	2) If no, has the property been professionally decontaminated from methamphetamine contamination?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Explain:					
12. MISCELLANEOUS		N/A	YES	NO	UN- KNOWN
a.	Are you aware of any existing or threatened legal action affecting this property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b.	Are there any assessments other than property assessments that apply to this property (e.g. sewer assessments)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c.	Are you aware of any violations of local, state, or federal laws, codes, or ordinances relating to this property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d.	Are there any warranties to be passed on?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Explain:					

PROPERTY ADDRESS:

e. Has this house ever been damaged by fire or other disaster?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Explain:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Are you aware of the existence of mold or other fungi on the property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Has this house ever had pets living in it?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Explain:				
h. Is this house in a historic district or listed on any registry of historic places?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

13. ADDITIONAL INFORMATION

N/A YES NO UN-KNOWN

Do you know anything else about the property that that should be disclosed to the Buyer? ☐ ☐ ☐ ☐

If yes, please provide details in the space provided, below. Attach additional sheets, as necessary.

14. SELLER(S) CERTIFICATION (CHOOSE ONE)

☐ As Seller(s) I / we hereby certify that the information disclosed above is complete and accurate to the best of my / our knowledge and belief. I / we agree to immediately notify Buyer in writing of any changes that become known to me / us prior to closing.

Seller Signature	Date	Seller Signature	Date
X		X	

☐ As Seller(s) I / we hereby certify that my / our Real Estate Agent, _____ (print name) has completed this form with information provided by me / us at my / our direction and request. I / we further agree to hold the above-named agent harmless for any representations that appear on this form, in accordance with KRS 324.360(9).

Seller Signature	Date	Seller Signature	Date
X		X	

☐ As Seller(s) I / we refuse to complete this form and acknowledge that the Real Estate Agent will so inform the Buyer.

Seller Signature	Date	Seller Signature	Date
X		X	

☐ The Seller(s) refuse(s) to complete this form or to acknowledge such refusal.

Broker / Agent Print Name	Broker / Agent Signature	Date
	X	

The Buyer(s) hereby certifies they have received a copy of this Seller's Disclosure of Property form

Buyer Signature	Date	Buyer Signature	Date
X		X	

KENTUCKY REAL ESTATE COMMISSION

Public Protection Cabinet
500 Mero Street
Frankfort, Kentucky 40601
(502) 564-7760
<http://krec.ky.gov>

SELLER INITIATED LISTING FORM

I / we, _____ the seller(s) of
PRINT NAME OF SELLER(S)

real property located at _____ ,
PRINT PROPERTY ADDRESS

hereby acknowledge and affirm that I / we initiated contact with real estate agent

_____ on _____
PRINT REAL ESTATE AGENT NAME DATE OF CONTACT

to discuss the listing of my / our property with him / her.

So acknowledged and affirmed on this _____ day of _____, 20 _____ by:

SELLER'S SIGNATURE

DATE

SELLER'S SIGNATURE

DATE

CONTACTED LISTING AGENT'S SIGNATURE

DATE

KENTUCKY REAL ESTATE COMMISSION

Attn: Kentucky Real Estate Authority
Public Protection Cabinet
500 Mero Street, Second Floor
Frankfort, Kentucky 40601
(502) 564-7760
<http://krec.ky.gov>

CONDOMINIUM SELLER'S CERTIFICATE

Condominium Certificate concerning Condominium Unit _____, in Building _____, of _____, a condominium project, located at _____ (Address), City of _____, County of _____, Kentucky, on behalf of the condominium owners' association (the Association) by the Association's governing body (the Board).

1. The Declaration ☐ Does ☐ Does not contain a right of first refusal or other restraint that restricts the right to transfer the Unit. If a right of first refusal or other restraint exists, see Section _____ of the Declaration.
2. The monthly common expense assessment for the Unit is \$_____ per _____.
3. There ☐ is ☐ is not a common expense, emergency assessment, or special assessment due and unpaid by the Seller to the Association. The total unpaid amount is \$_____ and is for _____.
4. Other fee amounts ☐ are ☐ are not payable by Seller to the Association. The total unpaid amount is \$_____ and is for _____.
5. Capital expenditures anticipated by the Association for the current, and if known, next two (2) fiscal years are \$_____.
6. Reserves for capital expenditures are \$_____, of which \$_____ has been designated for _____.
7. Attached are the current operating budget of the Association and most recent regularly prepared balance sheet and income and expense statement, if any, of the Association.
8. The date of the most current financial report prepared for the Association, pursuant to KRS 381.9197, is _____.
9. The amount of any unsatisfied judgments against the Association is \$_____.
10. There ☐ are ☐ are not any suits pending against the Association or any pending suits in which the Association is named party and the amount in dispute or contest is more than ten thousand dollars (\$10,000). The status of the pending suits (if any) is _____.
11. The Association ☐ does ☐ does not maintain insurance coverage. A ☐ statement describing the insurance maintained by the Association or a ☐ certificate of insurance issued to the Association is attached.

KENTUCKY REAL ESTATE COMMISSION

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Frankfort, Kentucky 40601
(502) 564-7760
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CONDOMINIUM SELLER'S CERTIFICATE

12. A portion of the condominium ☐ is ☐ is not situated upon a leasehold estate. The remaining term of any leasehold estate that affects the condominium is _____ and the provisions governing an extension or a renewal of the lease are: _____.

13. The Association ☐ does ☐ does not have pet restrictions.

14. The Association ☐ does ☐ does not have rental restrictions.

(Address of Property)

15. The name, mailing address and telephone number of the Association's authorized agent are:

Name and Phone Number: _____

Mailing Address: _____

Initialed for identification by Buyer(s) _____ and Seller(s) _____

REQUIRED ATTACHMENTS:

1. Operating Budget & any Balance Sheets
2. Insurance Summary
3. Rules and Bylaws of the Association
4. The Declaration other than Plats & Plans

Matthew G. Bevin
Governor

K. Gail Russell, Secretary
Public Protection Cabinet

H. E. Corder II
Executive Director
Kentucky Real Estate Authority



**Kentucky Real Estate Authority
Kentucky Real Estate Commission**

656 Chamberlin Avenue, Suite B

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krec.ky.gov

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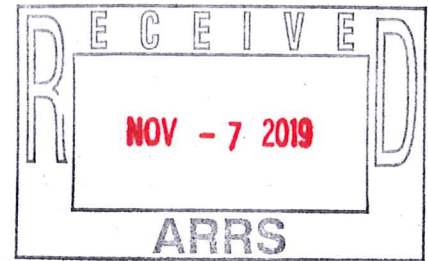
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Tom Waldrop, Mayfield

STAFF

Shannon Buzard, Board Administrator
Marc Manley, Acting General Counsel

November 6, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: **201 KAR 11:170** Education provider requirements

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 201 KAR 11:170, the Kentucky Real Estate Commission proposes the attached amendment to 201 KAR 11:170.

Sincerely,

A handwritten signature in blue ink, appearing to read "Marc Manley".

Marc Manley, Acting General Counsel
Kentucky Real Estate Authority
Kentucky Real Estate Commission
656 Chamberlin Ave. Ste. B
Frankfort, Kentucky 40601



**Suggested Amendment
PUBLIC PROTECTION CABINET
Kentucky Real Estate Authority
Kentucky Real Estate Commission**

(Amended After Comments)

201 KAR 11:170. Education provider requirements.

Page 1

STATUTORY AUTHORITY

Line 9

After "(7),", insert "(8)".

Page 1

NECESSITY, FUNCTION, AND CONFORMITY

Lines 11-12

After "324.282", insert "require".

Delete "authorize".

Line 14

After "(8)", insert "authorize".

Delete "authorizes".

Page 2

NECESSITY, FUNCTION, AND CONFORMITY

Lines 2-3

After "a continuing education provider", insert a semicolon.

Delete the following:

. This administrative regulation also establishes

Line 4

After "license credit", insert a semicolon.

Delete the following:

. This administrative regulation establishes

Line 6

After "distance education", insert a semicolon.

Delete the following:

. This administrative regulation establishes

Line 7

After "skills course", insert a semicolon.

Page 2

Section 1(1)(b)

Line 17

After "shall be", delete "deemed".

Page 2

Section 1(1)(b)3.

Line 21

After "Education", insert a comma before "but".

Page 3

Section 1(2)

Line 2

After "established in", insert the following:

subsection (1)(b) in this section

Delete "Section 1(1)(b)".

Page 3

Section 2(1)(a)

Line 12

After "(a)", insert "A".

Lowercase the first letter of "Completed".

Page 3

Section 2(1)(b)

Line 14

After "(b)", insert "A".

Lowercase the first letter of "Copy".

Page 3

Section 2(1)(c)

Line 16

After "(c)", insert "A".

Lowercase the first letter of "Sample".

Page 4

Section 2(2)

Line 7

After "submit", insert "an".

Delete "a".

Page 4

Section 3(1)(a)

Line 18

After "(a)", insert "An".

Page 4

Section 3(1)(b)

Line 20

After "(b)", insert "A".

Lowercase the first letter of "Sample".

Page 5

Section 3(2)

Line 4

After "approval,", insert "the".

Line 5

After "submit", insert "an".

Delete "a".

Page 8

Section 4(5)(h)2.

Line 11

After "A student", insert "may".

Delete "shall be permitted to".

Page 8

Section 4(5)(h)3.

Line 14

After "designation of the", insert "area or areas".

Delete "area(s)".

Line 15

After "student's", insert "area or areas".

Delete "area(s)".

Page 8

Section 4(6)(d)

Line 22

After "the commission" delete "and taking appropriate steps,".

Page 10

Section 4(7)(c)

Line 3

After "listed in", insert "paragraph".

After "(b)", insert "of this subsection".

Delete "1.-8.".

Page 11

Section 4(9)

Line 1

After "(9)", delete the opening quotation marks.

Line 2

After "course.", delete the closing quotation marks.

Page 11

Section 5(1)(h)

Line 22

After "(h)", insert "A".

Lowercase the first letter of "Completed".

Page 13

Section 6(2)(a)

Line 4

After "(a)", insert "A".

Page 13

Section 6(2)(e)

Line 15

After "(e)", insert "A".

Lowercase the first letter of "Completed".

Page 14

Section 6(3)(b)

Line 3

After "to the", lowercase the first letter of "Commission".

Page 14

Section 6(3)(b)2.

Line 8

After "Form", delete "E".

Page 18

Section 7(2)(e)5.

Line 1

After "A student", insert "may".

Delete "shall be permitted to".

Page 18

Section 7(2)(e)6.

Line 4

After "designation of the", insert "area or areas".

Delete "area(s)".

Line 5

After "student's", insert "area or areas".

Delete "area(s)".

Page 19

Section 7(4)

Line 3

After "listed in", insert the following:

subsection (3) of this section

Delete "(3)(a) through (n)".

Page 19

Section 7(5)

Line 11

After "listed in", insert the following:

subsection (3) of this section

Delete "(3)(a) through (n)".

Page 19

Section 7(7)

Line 20

After "one", insert "(1)".

Page 23

Section 9(6)(a)2.

Line 1

After "five", insert "(5)".

Page 23

Section 9(6)(b)1.

Line 4

After "minimum of", insert "100".

Delete "one-hundred (100)".

Page 25

Section 9(12)

Line 9

After "documents", insert a comma.

Page 27

Section 10(3)(a)

Line 2

After "(a)", insert "An".

Page 27

Section 10(6)

Line 13

After "of a", lowercase the first letter of "Completed".

Page 28

Section 10(7)(j)

Line 9

After "Generally Accepted", insert "Principles".
Delete "Practices".

Page 28

Section 11(1) (Compiler renumbered Section 10 as Section 11)

Line 13

After "commission's", insert "determination".
Delete "discretion".

Page 29

Section 11(9)(b)

Line 12

After "of the", delete "above".
After "documents", insert the following:
in paragraph (a) of this subsection

Page 30

Section 12(3)(d) (Compiler renumbered Section 11 as Section 12)

Line 6

After "course material;", insert "or".

Page 31

Section 16(1)(a) (Compiler renumbered Section 15 as Section 16)

Line 14

After "(a)", insert the following:
"Instructor Application and Renewal Form", KREC Form 100, 07/19;
(b)
After the opening quotation marks immediately following, insert "Education".

Page 31

Section 16(1)(a) and 16(1)(b)

Lines 14-15

After semicolon, insert "(c)".
Delete "(b)".

Page 31

Section 16(1)(b) and 16(1)(c)

Lines 15-16

After semicolon, insert "(d)".
Delete "(c)".

Page 31

Section 16(1)(c)

Line 17

After the semicolon, insert the following:

(e) "Instructor Affiliation Form", KREC Form 104, 07/19;

(f)

Page 31

Section 16(1)(d) and 16(1)(e)

Lines 18-19

Delete the following:

(d) "Instructor Application and Renewal Form", KREC Form 100, 07/19;

(e)

Page 31

Section 16(1)(e)

Line 19

After "Form", and the closing quotation marks, insert a comma.

Page 31

Section 16(1)(f)

Line 20

Delete the following:

(f) "Instructor Affiliation Form", KREC Form 104, 07/19

REGULATORY IMPACT ANALYSIS PAGE

- **At time that it files this staff suggested amendment the agency needs to file one (1) corrected copy of the Regulatory Impact Statement that:**
 - **Fixes responses to resolve this inconsistency:**
 - **The AAC version still contains language specifying there are no additional costs to comply with the regulation in Section 4(b), but then states that the cost of submitting a continuing education course increased by five (5) dollars in Section 8.**

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Administrative Regulation #: 201 KAR 11:170 (Amendment)

Contact Person: Marc Manley, Acting General Counsel

Phone Number: (502) 782-0562

Email Address: marc.manley@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes the requirements and application procedures for approval as a real estate school, post-licensing education provider, and a continuing education provider. This administrative regulation also establishes the requirements and application procedures for approval of instructors and courses for license credit. This administrative regulation establishes procedures for implementing the requirements for post-license education and the requirements for courses offered through distance education. This administrative regulation establishes the requirements of the brokerage management skills course and incorporates the curriculum by reference.

(b) The necessity of this administrative regulation: KRS 324.281(5) and 324.282 authorize the Real Estate Commission, with the approval of the executive director of the Kentucky Real Estate Authority, to promulgate administrative regulations necessary to implement KRS Chapter 324. KRS 324.010(7) and (8) authorizes the commission to approve a real estate school. KRS 324.046(1) and (2) require an applicant for initial licensure as a broker or sales associate to have completed the specified number of courses from an approved or accredited real estate school. KRS 324.085(4) and (5) require the commission to promulgate administrative regulations necessary to implement the continuing education, post-licensure education, and instructor qualification requirements of KRS 324.085. KRS 324.046(1)(a) requires the commission to promulgate an administrative regulation determining the required course content of a brokerage management skills course for all broker applicants.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 324.281(5) and 324.282 authorize the Real Estate Commission, with the approval of the executive director of the Kentucky Real Estate Authority, to promulgate administrative regulations necessary to implement KRS Chapter 324. KRS 324.010(7) and (8) authorizes the commission to approve a real estate school. KRS 324.046(1) and (2) require an applicant for initial licensure as a broker or sales associate to have completed the specified number of courses from an approved or accredited real estate school. KRS 324.085(4) and (5) require the commission to promulgate administrative regulations necessary to implement the continuing education, post-licensure education, and instructor qualification requirements of KRS 324.085. KRS 324.046(1)(a) requires the commission to promulgate an administrative regulation determining the required course content of a brokerage management skills course for all broker applicants. This administrative

regulation establishes the requirements and application procedures for approval as a real estate school, post-licensing education provider, and a continuing education provider. This administrative regulation also establishes the requirements and application procedures for approval of instructors and courses for license credit. This administrative regulation establishes procedures for implementing the requirements for post-license education and the requirements for courses offered through distance education. This administrative regulation establishes the requirements of the brokerage management skills course and incorporates the curriculum by reference.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: Amendment to this administrative regulation will assist in the effective administration of KRS Chapter 324 because it consolidates into one regulation the approval process for education providers, instructors, and course curriculums.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: Amendment to this administrative regulation centralizes all of the requirements for becoming an approved prelicense, post-license, or continuing education provider.

(b) The necessity of the amendment to this administrative regulation: KRS 324.281(5) and 324.282 authorize the Real Estate Commission, with the approval of the executive director of the Kentucky Real Estate Authority, to promulgate administrative regulations necessary to implement KRS Chapter 324. KRS 324.010(7) and (8) authorizes the commission to approve a real estate school. KRS 324.046(1) and (2) require an applicant for initial licensure as a broker or sales associate to have completed the specified number of courses from an approved or accredited real estate school. KRS 324.085(4) and (5) require the commission to promulgate administrative regulations necessary to implement the continuing education, post-licensure education, and instructor qualification requirements of KRS 324.085. KRS 324.046(1)(a) requires the commission to promulgate an administrative regulation determining the required course content of a brokerage management skills course for all broker applicants.

(c) How the amendment conforms to the content of the authorizing statutes: This administrative regulation establishes the requirements and application procedures for approval as a real estate school, post-licensing education provider, and a continuing education provider. This administrative regulation also establishes the requirements and application procedures for approval of instructors and courses for license credit. This administrative regulation establishes procedures for implementing the requirements for post-license education and the requirements for courses offered through distance education. This administrative regulation establishes the requirements of the brokerage management skills course and incorporates the curriculum by reference.

(d) How the amendment will assist in the effective administration of the statutes: Amendment to this administrative regulation will assist in the effective administration of KRS Chapter 324 because it consolidates into one regulation the approval process for education providers, instructors, and course curriculums.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: Currently approved and prospective education providers will be affected by this administrative regulation. The Kentucky Real Estate Commission will be affected by this administrative regulation as well.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: Approved education providers will be required to update and modernize course offerings consistent with the subject matter outlined in this administrative regulation. Approved education providers will also be required to submit and renew course and instructor materials as outlined in this administrative regulation.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): Approved education providers will be required to pay a course submission fee, which will be determined by the type of course being submitted for review. For a pre-licensing classroom course, the initial fee will be \$75. The annual renewal fee will be \$25 for up to four (4) years. In the fifth year, the provider shall reapply as if an initial applicant and submit \$75. For a continuing education or post-license classroom course, the initial fee will be \$25. The annual renewal fee will be \$15. For continuing education or post-license distance courses, the initial fee will be \$75. The annual renewal fee will be \$15.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): Current and prospective licensees will benefit from updated, accurate, and consistent education from approved education providers. Education providers who are approved to offer education will experience streamlined submission and renewal rules.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: There is no cost associated with implementing this administrative regulation initially.

(b) On a continuing basis: There is no cost associated with implementing this administrative regulation on a continuing basis.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: There is no funding required to implement and enforce this administrative regulation.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change, if it is an amendment: An increase in fees is necessary to process the review and auditing of proposed education courses. Commission staff will review all text and course material of every applicant each time an initial application is filed. The fee is substantially reduced during renewal periods as the only resources needing review are limited updates to the material, rather than the entire curriculum of the course.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increased any fees: This administrative regulation raises the cost of submitting a continuing education course by ten dollars (\$10). However, renewal fees for courses remain the same. This regulation also charges an initial application fee for pre-licensing courses in the amount of \$75. All fees established by this administrative regulation are provided for in statute, KRS 324.287, as modified by House Bill 436 (2019 RS).

(9) TIERING: Is tiering applied? No, tiering is not applied because this administrative regulation applies equally to all regulated entities.

Matthew G. Bevin
Governor

K. Gail Russell, Secretary
Public Protection Cabinet

H. E. Corder II
Executive Director
Kentucky Real Estate Authority



**Kentucky Real Estate Authority
Kentucky Real Estate Commission**

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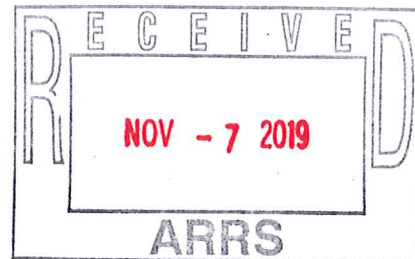
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Marc Manley, Acting General Counsel

November 6, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: **201 KAR 11:190** Consumer and administrative complaints; discipline; administrative hearings

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 201 KAR 11:190, the Kentucky Real Estate Commission proposes the attached amendment to 201 KAR 11:190.

Sincerely,

A handwritten signature in blue ink, appearing to read "Marc Manley".

Marc Manley, Acting General Counsel
Kentucky Real Estate Authority
Kentucky Real Estate Commission
656 Chamberlin Ave. Ste. B
Frankfort, Kentucky 40601



**Suggested Amendment
PUBLIC PROTECTION CABINET
Kentucky Real Estate Authority
Kentucky Real Estate Commission**

(Amended After Comments)

201 KAR 11:190. Consumer and administrative complaints; discipline, administrative hearings.

Page 1

NECESSITY, FUNCTION, AND CONFORMITY

Line 14

After "(3)", insert "require".

Delete "requires".

Line 15

After "complaint and answer.", insert the following:

KRS 324.160 authorizes the commission to order sanctions.

Line 17

After "any disciplinary action", insert a comma.

Line 19

After "before the commission", insert the following:

, the informal settlement process for entry of agreed orders,

Delete "and", immediately following.

After "complaint or", insert "an".

Line 20

After "answer" insert a comma.

Delete "and", immediately following.

After "standards" insert "for".

Delete "when".

After "to the real estate commission", insert the following:

, and the supplemental provisions relating to consumer access to the
commission's Research, Education, and Recovery Fund

Pages 1 and 2

NECESSITY, FUNCTION, AND CONFORMITY

Lines 20-21 and Lines 1-4

NOTE TO COMPILER: Beginning with "This administrative regulation is necessary to", delete the remainder of this paragraph in its entirety and including the final period.

Page 2

Section 1(1)(a)

Line 6

After "Form 300", insert a semicolon and delete the period.

Page 2

Section 1(1)(c)

Line 10

After "known", insert a semicolon and delete the period.

Page 2

Section 1(1)(d)

Line 11

After "public;", insert "and".

Page 2

Section 1(1)(e)3.

Line 16

After "Seller's", capitalize the first letter of "disclosure".

After "Disclosure", insert "of Property Condition".

After "form", insert the following:

, incorporated by reference in 201 KAR 11:121

Page 2

Section 1(1)(e)4.

Line 17

After "forms", insert the following:

, incorporated by reference in 201 KAR 11:121

Page 2

Section 1(1)(e)6.

Line 19

After "violation", insert a period

Delete "; and".

Page 3

Section 2(4)(c)3.

Line 21

After "Seller's", capitalize the first letter of "disclosure".

After "Disclosure", insert "of Property Condition".

After "form", insert the following:

, incorporated by reference in 201 KAR 11:121

Page 3

Section 2(4)(c)4.

Line 22

After "forms", insert the following:

, incorporated by reference in 201 KAR 11:121

Page 4

Section 2(6)(b)

Line 11

After "general counsel and", insert "shall be".

Page 5

Section 3(2)(e)

Line 3

After "disposition of", insert "the".

Page 5

Section 3(4)(b)

Line 10

After "In the investigator's", insert "determination".

Delete "sole discretion".

Page 6

Section 3(7)(b)

Lines 6-7

After "complainant or", insert "any respondent".

Delete "respondent(s)".

Page 8

Section 4(3)

Line 16

After "in this", insert "section".

Delete "subsection".

Page 9

Section 6 and Section 6(1)

Line 10

After "statement.", delete "(1)".

Page 9

Section 7(1)

Line 15

After "hearing", insert "if".

Delete "when".

Page 9

Section 7(3)

Line 21-22

After "pursuant to this", lowercase the first letter of "Section".

After "section", delete "of this administrative regulation".

Line 22

After "by the", lowercase the first letter of "Executive" and "Director".

After ", the", lowercase the first letter of "chair".

Page 10

Section 7(3)

Line 1

After "member of the", insert "complaint screening".

Delete "complaints".

Page 10

Section 7(4)

Line 3

After "to this", lowercase the first letter of "Section".

Lines 3-4

After "section", delete "of this administrative regulation".

Page 10

Section 7(5)

Lines 7-8

After "to this", lowercase the first letter of "Section".

Line 8

After "section", delete "of this administrative regulation".

Page 10

Section 8

Line 10

After "(1)", insert "If".

Delete "When".

Page 11

Section 9(1)(d)

Line 8

After "Chart", and the closing quotation marks and the comma, insert "6/19".

Delete "7/19".

Matthew G. Bevin
Governor

K. Gail Russell, Secretary
Public Protection Cabinet

H. E. Corder II
Executive Director
Kentucky Real Estate Authority



**Kentucky Real Estate Authority
Kentucky Real Estate Commission**

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November 6, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601

Re: **201 KAR 11:210** Licensing, education, and testing requirements

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 201 KAR 11:210, the Kentucky Real Estate Commission proposes the attached amendment to 201 KAR 11:210.

Sincerely,

A handwritten signature in blue ink, appearing to read "Marc Manley".

Marc Manley, Acting General Counsel
Kentucky Real Estate Authority
Kentucky Real Estate Commission
656 Chamberlin Ave. Ste. B
Frankfort, Kentucky 40601



**Suggested Amendment
PUBLIC PROTECTION CABINET
Kentucky Real Estate Authority
Kentucky Real Estate Commission**

(Amended After Comments)

201 KAR 11:210. Licensing, education, and testing requirements.

Page 1

NECESSITY, FUNCTION, AND CONFORMITY

Lines 16-17

After "KRS 324.141(1)", insert "requires".

Delete "authorizes".

Page 2

NECESSITY, FUNCTION, AND CONFORMITY

Line 2

After "and KRS", insert "324.310(2) authorizes".

Delete "324.330(2) allows".

Line 5

After "June 19, 1976", insert the following:

and a licensee satisfying the educational requirement in KRS 324.085(2)

Lines 5-6

After "successfully complete", insert "twelve (12)".

Delete "six (6)".

Line 6

After "mandatory continuing education", insert the following:

for the biennial license period

Delete "each year".

After "condition of licensure renewal", insert the following:

, requires six (6) of the twelve (12) hours to be completed in the first year of the biennial license period.

Line 7

After "requires that", insert "six (6)".

Delete "three (3)".

After "of the", insert "twelve (12)".

Delete "six (6)".

Line 11

After "reciprocal licensing", insert a semicolon.

Delete "and establishes".

Line 12

After "applicants" insert a semicolon.

Lines 13-14

Delete the following:

. Additionally, this administrative regulation establishes

Line 15

After "commission", insert a semicolon.

Delete "and sets".

After "KRS 324.330", insert a semicolon.

Lines 15-16

Delete the following:

. Also this administrative regulation establishes,

Line 17

After "terminated", insert a semicolon.

Lines 17-18

Delete the following:

. This administrative regulation establishes

Line 19

After "post-license education", insert a semicolon.

Page 2 and 3

Section 1(1) and Section 1(1)(a)

Lines 22 and 1

After "shall", delete ": (a)".

Page 3

Section 1(1)(a)

Line 1

Lowercase the first letter of "Complete".

Page 3

Section 1(1)(a) and 1(1)(a)1.

Lines 2-3

After "with either:", insert "(a)".

Delete "1.".

Page 3

Section 1(1)(a)1. and 1(1)(a)2.

Lines 3-4

After "provider; or", insert "(b)".

Delete "2.".

Page 3

Section 1(2)(c), and Section 1(2)(c)1.

Lines 11-12

After "Proof of", delete ": 1.".

Lowercase the first letter of "High".

Page 3

Section 1(2)(c)1., 2., 2.a. and 2.b.

Lines 12-15

After "or its equivalent" delete the following:

, or

2. Successful post-secondary completion of:

a. A degree program or

b. Twenty-eight (28) academic credit hours, or the equivalent

Page 4

Section 1(2)(g)

Line 1

After "signed", delete opening quotation marks.

After "Process", insert a comma.

Delete closing quotation marks.

Page 4

Section 1(4)

Line 4

After "license number and", insert the following:

Occupations and Professions Identification Number,

Page 5

Section 2(1)(c)

Line 1

After "by completing", insert "National Association of Realtors®,"

Page 5

Section 2(1)(d)

Line 5

After "a completed", delete opening quotation marks.

After "Form,", delete "closing quotation marks.

Page 5

Section 2(2)(c)

Line 12

After "KRS 324.046(1)(a)", insert a comma.

Delete semicolon.

After "KRS 324.046(3)", insert a comma.

Delete semicolon.

After "201 KAR 11:170", insert a comma.

After "Section 7", insert a semicolon.

Delete the period.

Page 5

Section 2(2)(f)

Line 18

After "signed", delete opening quotation marks.

After "Process", insert a comma.

Delete closing quotation marks.

Page 5

Section 2(4)

Line 21

Insert "(3)".

Delete "(4)".

Page 6

Section 3(2)(c)

Line 14

After "KRS 324.141(1)(a)", insert "3".

Delete "(3)".

Page 6

Section 3(2)(d)

(Compiler changed to paragraph (e))

Line 17

After "signed", delete opening quotation marks.

After "Process", insert a comma.

Delete closing quotation marks.

Page 6

Section 3(2)(e)

(Compiler changed to paragraph (f))

Line 20

After "KRS 324.287(2) and", insert "(8)".

Delete "(7)".

Page 7

Section 3(3)(c)

Line 6

After "KRS 324.141(1)(a)", insert "3".

Delete "(3)".

Page 7

Section 3(3)(e)

Line 9

After "signed", delete opening quotation marks.

After "Process", insert a comma.

Delete closing quotation marks.

Page 7

Section 3(6)(c)2.

Line 23

After "mail", insert "addresses".

Delete "address(es)".

Page 8

Section 4(2)

Line 4

After "date of", insert "the applicant's".

Delete "their".

Page 9

Section 6(2)(c)

Line 16

After "shall", insert "be".

Page 10

Section 6(3)(a)

Line 1

After "and may", delete ", at its discretion,".

Page 10

Section 6(3)(b)

Line 4

After "in the", insert "determination".

Delete "sole discretion".

Page 11

Section 6(8)

Line 6

After "he or she has", insert "returned".

Delete "disgorged".

Page 11

Section 7(1)

Line 11

After "mail", insert "address or addresses".

Delete "address(es)".

Page 11

Section 7(1)(a)

Lines 14-15

After "completed", delete opening quotation marks.

After "Form", delete closing quotation marks.

Page 11

Section 7(1)(b)

Lines 17-18

After "completed", delete opening quotation marks.

After "Form", delete closing quotation marks.

Page 12

Section 8(3)(b)

Line 12

After "license", insert "shall not engage".

Delete "is prohibited from engaging".

Page 12

Section 9(1)(a)

Line 17

After "completed", delete opening quotation marks.

After "Form", delete closing quotation marks.

Page 13

Section 9(1)(c)

Line 4

After "contemplated in", insert the following:

paragraph (a) of this subsection

Delete "(1)(a) of this section".

Page 13

Section 9(1)(d)

Lines 6-7

After "signed", delete opening quotation marks.

After "Process", insert a comma.

Delete closing quotation marks.

Page 13

Section 9(2)(a)

Line 10

After "commission the", delete opening quotation marks.

After "Coverage", insert a comma.

Delete closing quotation marks.

Page 13

Section 9(2)(b)

Line 14

After "KRS 324.287", insert "(8)".

Delete "(7)".

Page 13

Section 9(3)(a)

Line 16

After "name,", insert "doing business as".

Delete "D/B/A(s)".

Line 17

After "designated" insert "manager or managers".

Delete "manager(s)".

After "escrow", insert "account or accounts".

Delete "account(s)".

After "email", insert "address or addresses".

Delete "address(es)".

Line 18

After "commission the", delete opening quotation marks.

After "Form", delete closing quotation marks.

Page 14

Section 9(4)(a)

Line 2

After "completed", delete opening quotation marks.

After "Form,", delete closing quotation marks.

Page 14

Section 9(5)(a)

Line 5

After "completed", delete opening quotation marks.

After "Form", delete closing quotation marks.

Page 14

Section 9(6)

Lines 8-9

After "submit the", delete opening quotation marks.

After "Form", delete closing quotation marks.

Page 14

Section 9(1) (Compiler renumbered as Section 10)

Line 15

After "submit Form", insert "201".

Delete "203".

After comma immediately following, delete the opening quotation marks.

Line 16

After "Form", delete "closing quotation marks".

Page 14

Section 9(2)(b) (Compiler renumbered as Section 10)

Line 20

After "completed", delete opening quotation marks.

After "Coverage", delete "closing quotation marks".

Page 15

Section 9(4) (Compiler renumbered as Section 10)

Line 2

After "Form", insert "201".

Delete "203".

After comma immediately following, delete the opening quotation marks.

After "Form", delete the closing quotation marks.

Page 15

Section 9(4)(b) (Compiler renumbered as Section 10)

Line 9

After "This", insert "paragraph".

Delete "subsection".

Page 15

Section 10(1)(a) (Compiler renumbered as Section 11)

Line 19

After "no later", insert "than".

Line 21

After "December 31,", insert "if".

Delete "so long as".

Page 16

Section 10(1)(a) (Compiler renumbered as Section 11)

Line 1

After "Section 6(3)", delete the following:

for classroom courses for 201 KAR 11:170, Section 9(10) for distance education courses

Page 17

Section 10(7) (Compiler renumbered as Section 11)

Line 5

After "Section", insert the following:

13 of this administrative regulation

Delete "12".

Page 17

Section 11(1) (Compiler renumbered as Section 12)

Line 6

After "(1)", insert "A".

Delete "No".

Line 7

After "shall", insert "not".

Page 18

Section 12(2)(a) (Compiler renumbered as Section 13)

Line 5

After "subsection (1)", insert "of this section".

Page 18

Section 12(3)(a) (Compiler renumbered as Section 13)

Line 10

After "executive director or", insert "the executive director's".

Delete "his".

Page 18

Section 12(3)(b) (Compiler renumbered as Section 13)

Line 13

After "request, and the", insert "license".

Delete "licensee".

Page 20

Section 12(12) (Compiler renumbered as Section 13)

Line 1

After "or his", insert "or her".

Page 20

Section 13(3) (Compiler renumbered as Section 14)

Line 13

After "A license", insert "of a licensee".

After "education deficiency", insert "may not be reactivated".

Lines 13-14

Delete the following:

shall not be permitted to reactive his or her license

Page 20

Section 14(2) (Compiler renumbered as Section 15)

Line 21

After "a completed", delete the opening quotation marks.

After "Licensee", delete the closing quotation marks.

Page 21

Section 15(1)(b) (Compiler renumbered as Section 16)

Line 2

After "Form 201," insert "11/2019".

Delete "7/2019".

Page 21

Section 15(1)(c) (Compiler renumbered as Section 16)

Line 3

After "Form 202," insert "11/2019".

Delete "7/2019".

Page 21

Section 15(1)(d) (Compiler renumbered as Section 16)

Line 4

After "Form 203," insert "11/2019".

Delete "7/2019".

Page 21

Section 15(1)(g) (Compiler renumbered as Section 16)

Line 7

After "Form 206," insert "11/2019".

Delete "7/2019".

Page 21

Section 15(1)(i) (Compiler renumbered as Section 16)

Line 9

After "Form 208," insert "11/2019".

Delete "7/2019".

MATERIAL INCORPORATED BY REFERENCE

At the time that the agency files this staff suggested amendment the agency shall file one (1) clean copy of each of the following with a November 2019 Edition date, and that has the following changes:

- **Form 201**
 - Because Regulation Sections were renumbered by the compiler with the Second Section 9 renumbered as Section 10. Section 9 on Inactive Status is now Section 10 and all later sections are renumbered. This affects a citation in this Form that needs changed:
 - Toward Bottom of Page 2 - 201 KAR 11:210, Section 9(4) , should be to Section 10(4)
- **Form 202**

- Insert "shall" or something similar to the phrase "This form be submitted".
So reads "This form shall be submitted".
- **Form 203**
 - Reference to KRS 324.310 at the bottom of Page 1 changed to KRS 324.395
- **Form 206**
 - Reference to 201 KAR 11:121, Section 9 (verify correct and if it matches companion revision to that administrative regulation
 - Fix Possible subject/verb agreement issue in the certification section (or say "and in the attached".
- **Form 208**
 - Insert "shall" or something similar to the phrase "This form be submitted".
So reads "This form shall be submitted".

Matthew G. Bevin
Governor

K. Gail Russell, Secretary
Public Protection Cabinet

H. E. Corder II
Executive Director
Kentucky Real Estate Authority



**Kentucky Real Estate Authority
Kentucky Real Estate Commission**

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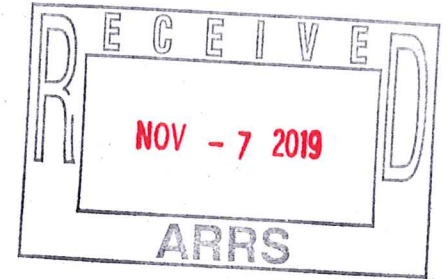
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November 6, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: **201 KAR 11:220** Errors and omissions insurance requirements

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 201 KAR 11:220, the Kentucky Real Estate Commission proposes the attached amendment to 201 KAR 11:220.

Sincerely,

A handwritten signature in blue ink, appearing to read "Marc Manley".

Marc Manley, Acting General Counsel
Kentucky Real Estate Authority
Kentucky Real Estate Commission
656 Chamberlin Ave. Ste. B
Frankfort, Kentucky 40601



**Suggested Amendment
PUBLIC PROTECTION CABINET
Kentucky Real Estate Authority
Kentucky Real Estate Commission**

(Amended After Comments Version)

201 KAR 11:220. Errors and omissions insurance requirements.

Page 1

STATUTORY AUTHORITY

Line 7

After "KRS", insert "324.281(5)".

After "324.395", insert "(1)".

Page 1

NECESSITY, FUNCTION, AND CONFORMITY

Line 11

After "KRS 324.395", insert "(1)".

After "all real estate licensees", insert a comma.

Page 1

Section 1 and Section 1(1)

Line 18

After "requirements.", delete "(1)".

Pages 1 and 2

Section 1(1) and Section 1(1)(a)

Lines 19 and 15

After "includes:", insert "(1)".

Delete "(a)".

Page 2

Section 1(1)(a) and Section 1(1)(b)

Lines 16 and 17

After "defense; and", insert "(2)".

Delete "(b)".

Page 2

Section 2 and Section 2(1)

Line 19

After "Firm Coverage.", delete "(1)".

Page 2

Section 2(1) and Section 2(1)(a)

Lines 21 and 22

After "amounts:", insert "(1)".

Delete "(a)".

Page 2

Section 2(1)(a) and Section 2(1)(b)

Lines 22 and 23

After "aggregate; or", insert "(2)".

Delete "(b)".

Page 3

Section 3

Line 1

After "errors and omissions", insert "coverage".

Page 3

Section 3(1)

Line 4

After "settlement", insert a semicolon.

Page 3

Section 5

Line 21

After "Form 203", insert the following:

, as incorporated by reference in 201 KAR 11:210,



**TOURISM, ARTS AND HERITAGE CABINET
KENTUCKY DEPARTMENT OF FISH & WILDLIFE RESOURCES**

Matthew G. Bevin
Governor

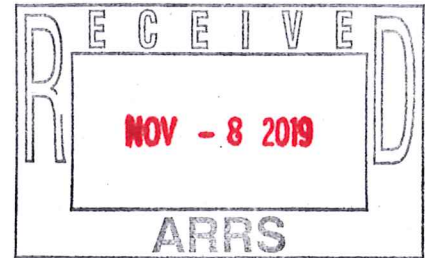
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Regina Stivers
Deputy Secretary

Don Parkinson
Secretary

Rich Storm
Commissioner

November 6, 2019



Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601

Re: **301 KAR 2:090**, Means by which migratory game birds may be taken

Dear Co-Chairs:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 301 KAR 2:090, the Department of Fish and Wildlife Resources proposes the attached amendment to 301 KAR 2:090.

Sincerely,

Jessica Tyler
Regulations Coordinator

Staff-suggested Amendment

**Final Version 11/4/2019 2:24 p.m.
TOURISM, ARTS AND HERITAGE CABINET
Department of Fish and Wildlife Resources**

301 KAR 2:090. Means by which migratory game birds may be taken.

Page 2

Section 2(2)

Line 19

After "and migratory waterfowl", insert "shall".

Delete "may".

Page 3

Section 2(2)(e)

Lines 15 and 16

After "therefrom has ceased", insert "except".

Delete "; provided,".

After "dead or crippled birds", insert "but".

Delete "; however,".

After the second use of "crippled birds", insert "shall".

Delete "may".

Page 3

Section 2(2)(f)

Lines 18 and 19

After "birds as decoys;", return and insert "(g)".

Delete the following:

"it shall be a violation of this paragraph for any person to take migratory waterfowl"

Uppercase "on", and re-letter subsequent paragraphs accordingly.

Page 5

Section 2(2)(i)2.b.

Line 9

After "wildlife management purposes", insert "provided".

Delete "; provided,".

Page 6

Section 4(1)

Lines 7 through 10

After "hunter, stating his:", return and insert "(a)".

Delete "1."

After "Address;", return and insert "(b)".

Delete "2."

After "of birds; and", return and insert "(c)".

Delete "3."



MATTHEW G. BEVIN
GOVERNOR

ENERGY AND ENVIRONMENT CABINET

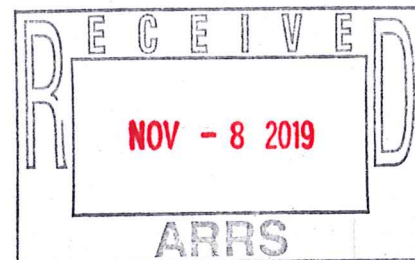
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CHARLES G. SNAVELY
SECRETARY

R. BRUCE SCOTT
DEPUTY SECRETARY

November 8, 2019

Senator West, Co-Chair
Representative Hale, Co-Chair
c/o Regulations Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: 400 KAR 1:110 – Administrative hearing relating to matters brought under KRS Chapter 350 or KRS Chapter 351.310 through 351.375

Dear Co-Chair West and Co-Chair Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 400 KAR 1:110, the Energy and Environment Cabinet proposes the attached amendments to 400 KAR 1:110.

Sincerely,

Michael S. Mullins
Regulation Coordinator

SUGGESTED AMENDMENT

**ENERGY AND ENVIRONMENT CABINET
Office of the Secretary**

400 KAR 1:110. Administrative hearings relating to matters brought under KRS Chapter 350 or KRS 351.310 through 351.375.

Page 1

RELATES TO

Line 6

After "350.0301," insert "350.0305, 350.032, 350.060,".

After "350.070," insert "350.085,".

Page 1

STATUTORY AUTHORITY

Line 10

After "351.315," insert "351.335,".

Page 2

Section 1(6)

Line 3

After "351.310", insert "(7)".

Page 2

Section 1(17)

Line 15

After "350.010", insert "(3)".

Delete "(1)".

Page 12

Section 5(2)(a)

Line 2

After "8, or 9", insert "of this administrative regulation".

Page 18

Section 7(1)

Line 18

After "Chapter 350 or", insert the following:
405 KAR Chapters 7 through 24 and 805 KAR Chapter 4
Delete "administrative regulations".

Page 19

Section 7(2)(a)2.

Line 4

After "order;", delete "or".

Page 19

Section 7(2)(a)3.

Line 8

After "refused", insert a semicolon.
Delete the period.

Page 19

Section 7(2)(a)4.b.

Line 12

After "refused", insert "or".
Delete the period.

Page 26

Section 8(8)(a)1.a.

Lines 5-6

After "350 and", insert the following:
405 KAR Chapters 7 through 24
Delete "administrative regulations".

Page 26

Section 8(8)(a)2.a.

Lines 10-11

After "350 or the", insert the following:
405 KAR Chapters 7 through 24
Delete "administrative regulations".

Page 27

Section 8(8)(c)1.

Line 3

After "350 and", insert the following:
405 KAR Chapters 7 through 24
Delete "administrative regulations".

Page 27

Section 8(8)(c)2.

Lines 6-7

After "350 or the", insert the following:

405 KAR Chapters 7 through 24

Delete "administrative regulations".

Page 27

Section 8(8)(e)1.

Line 16

After "350 and", insert the following:

405 KAR Chapters 7 through 24

Delete "administrative regulations".

Page 27

Section 8(8)(e)2.

Lines 19-20

After "350 or the", insert the following:

405 KAR Chapters 7 through 24

Delete "administrative regulations".

Page 32

Section 11(1)(a)

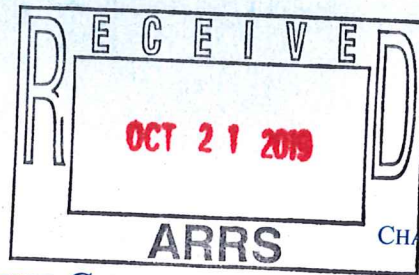
Line 20

After "350 or", insert the following:

405 KAR Chapters 7 through 24 or 805 KAR Chapter 4

Delete "administrative regulations".

MATTHEW G. BEVIN
GOVERNOR



CHARLES G. SNAVELY
SECRETARY

**ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION**

ANTHONY R. HATTON
COMMISSIONER

300 SOWER BOULEVARD
FRANKFORT, KENTUCKY 40601

September 30, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
Administrative Regulation Review Subcommittee
c/o Emily Caudill
Legislative Research Commission
Capitol Annex, Room 029
Frankfort, KY 40601

RE: 401 KAR 10:030

Dear Co-Chairs West and Hale,

After discussions with the Administrative Regulation Review Subcommittee staff regarding issues raised by 401 KAR 10:030, the Division of Water proposes the attached amendments to 401 KAR 10:030.

Sincerely,

A handwritten signature in blue ink, appearing to read "Peter T. Goodman".

Peter T. Goodman, Director
Division of Water

PTG/cjc

Suggested Amendment

Version: 9/27/2019 4:13 PM

**ENERGY AND ENVIRONMENT CABINET
Department for Environmental Protection
Division of Water**

401 KAR 10:030. Antidegradation policy implementation methodology.

Page 81

Section 1(4)(a)1.

Lines 17 and 18

After "as established in", insert the following:

subparagraph 2. of this paragraph

Delete the following:

paragraph (a)2. of this subsection



MATTHEW G. BEVIN
GOVERNOR

CHARLES G. SNAVELY
SECRETARY

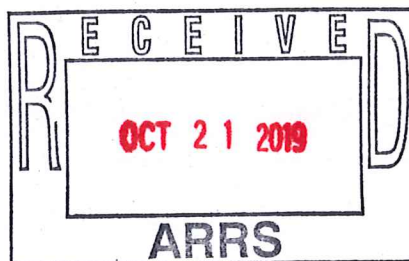
**ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION**

ANTHONY R. HATTON
COMMISSIONER

300 SOWER BOULEVARD
FRANKFORT, KENTUCKY 40601

October 21, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
Administrative Regulation Review Subcommittee
c/o Emily Caudill
Legislative Research Commission
Capitol Annex, Room 029
Frankfort, KY 40601



RE: 401 KAR 10:031

Dear Co-Chairs West and Hale,

After discussions with the Administrative Regulation Review Subcommittee staff regarding issues raised by 401 KAR 10:031, the Division of Water proposes the attached amendment.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter T. Goodmann".

Peter T. Goodmann, Director
Division of Water

PTG/cjc

Suggested Amendment

Final Version: 9/30/2019 9:25 AM

**ENERGY AND ENVIRONMENT CABINET
Department for Environmental Protection
Division of Water**

401 KAR 10:031. Surface water standards.

Page 25

Section 6(2)(f)

Line 6

After "exceed thirty (30)", insert "µg/l".

Delete "mg/l".



PUBLIC PROTECTION CABINET

Matthew G. Bevin
Governor

Department of Insurance
P.O. Box 517
Frankfort, Kentucky 40602-0517
1-800-595-6053
<http://insurance.ky.gov>

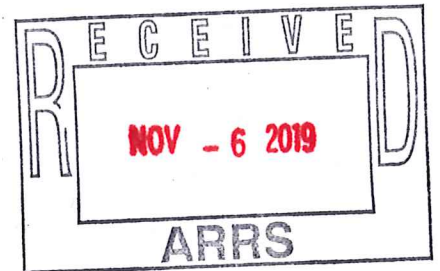
K. Gail Russell
Secretary

Nancy G. Atkins
Commissioner

November 6, 2019

VIA Hand Delivery

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: 806 KAR 9:020. False or deceptive names, titles, prohibited.

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 806 KAR 9:020, the Department of Insurance proposes the attached amendment to 806 KAR 9:020.

Sincerely,

Patrick O'Connor II,
Deputy Commissioner - Policy
Department of Insurance

Enclosed: Staff Suggested Amendment (21 Copies)

**Suggested Amendment
PUBLIC PROTECTION CABINET
Department of Insurance**

806 KAR 9:020. False or deceptive names, titles, prohibited.

Page 1

RELATES TO

Line 5

After "304.1-010", delete "304.09,".

Page 2

Section 1(1)

Line 6

After "experience", insert a comma.

Page 2

Section 1(2)

Line 14

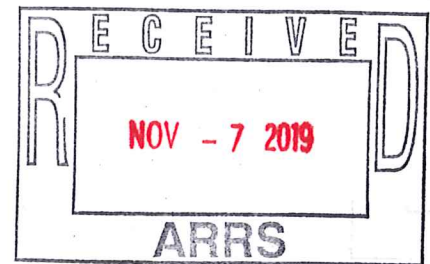
After "violation, and", insert "the commissioner".

Page 2

Section 1(2)(a)

Line 16

After "similar words;", insert "and".



PUBLIC PROTECTION CABINET

Matthew G. Bevin
Governor

Department of Insurance
P.O. Box 517
Frankfort, Kentucky 40602-0517
1-800-595-6053
<http://insurance.ky.gov>

K. Gail Russell
Secretary

Nancy G. Atkins
Commissioner

November 7, 2019

VIA Hand Delivery

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601

Re: **806 KAR 9:025**. Agent Licensing Process.

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 806 KAR 9:025, the Department of Insurance proposes the attached amendment to 806 KAR 9:025.

Sincerely,

Patrick O'Connor II,
Deputy Commissioner - Policy
Department of Insurance

Enclosed: Summary of Material Incorporated by Reference
Form CE-301
Continuing Education (CE) Recommended Guidelines for Online Course
Staff Suggested Amendment (21 Copies)

**Suggested Amendment
PUBLIC PROTECTION CABINET
Department of Insurance**

806 KAR 9:025. Agent Licensing Process.

Page 1

RELATES TO

Line 6

After "304.9-295," insert "304.9-320".

Page 1

STATUTORY AUTHORITY

Line 7

After "304.9-105," insert "304.9-160, 304.9-170".

Page 2

Section 1(1)(a)

Line 13

After "KRS 304.9-230," insert "or".

Page 2

Section 1(1)(b) and (1)(1)(c)

Lines 14-15

After "KRS 304.9-170", delete the following:

; or

(c) A rental vehicle managing employee licensee

Page 3

Section 1(4)

Line 15

After "Form CPL-01", insert the following:

Certificate of Pre-licensing Course Completion

Page 6

Section 5(1)(c)

Line 11

After "Commissioners'", insert "NAIC".

Delete the opening quotation marks.

After "Filing Form", delete the closing quotation marks.

Page 8

Section 5(1)(h)2.

Line 6

After "Commissioners", insert a comma and delete the opening quotation marks.

After "Courses.", delete the closing quotation marks.

Page 9

Section 5(3)(b)

Line 14

After "CE-301,", insert "Approved".

Page 10

Section 5(7)(a)2.

Lines 11-12

After "Section 2(1)", insert "of this administrative regulation".

Page 10

Section 5(7)(a)3.

Line 13

After "applicable fees", insert the following:
established in 806 KAR 4:010

Page 10

Section 5(8)

Line 18

After "completing a", insert the following:
a Form CE AFF 304.

Delete "an", and the opening quotation marks.

Lines 18-19

After "Requirement", beginning with the closing quotation marks delete the following:
", form CE AFF 304

Page 11

Section 5(9)(a)

Lines 16-17

After "with the department the", insert "Form MLW-01,".

Line 18

After "Deployment", delete ", Form MLW-1".

Page 12

Section 6(1)(b)

Line 3

After "applicable fee", insert the following:
established in 806 KAR 4:010

Page 12

Section 7(2)(b)

Line 13

After "applicable filing fee", insert the following:
established in 806 KAR 4:010

Page 12

Section 7(3)

Line 14

After "terminating an appointment", insert "pursuant to KRS 304.9-280".

Page 12

Section 9(1)

Line 23

After "incorporated by reference", insert a colon.
Delete the period.

Page 13

Section 9(1)(a)

Line 1

After "Pre", insert a hyphen.

Page 13

Section 9(1)(k)

Lines 14-15

After "Completion,", and the closing quotation marks and "(", insert "12/2019".
Delete "8/2019".

Page 13

Section 9(1)(l)

Line 16

After "Form", insert "CE".
Delete "CA".

Page 13

Section 9(1)(o)

Line 22

After "Form", and the closing quotation marks, insert a comma.

Lines 22-23

After "(8/2019)", insert the following:
; and
(p) "Recommended Guidelines for Online Courses", National Association of Insurance Commissioners, 3/2015.

SUMMARY OF MATERIAL INCORPORATED BY REFERENCE PAGE

The agency needs to file at the time that it files this staff suggested amendment, one (1) clean copy of a SUMMARY OF MATERIAL INCORPORATED BY REFERENCE Page (paginated as page 22) that includes each of the forms in the New Section 9 of this administrative regulation and meets the requirements of KRS 13A.2251(3). The summary should list all items, each with the edition date and number of pages.

MATERIAL INCORPORATED BY REFERENCE

The agency needs to file at the time that it files this staff suggested amendment:

- One (1) clean copy of CE-301, "Approved Continuing Education Certificate of Completion" that deletes the citations to 806 KAR 9:220, which is being repealed and replaces these citations with 806 KAR 9:025 with the December 2019 Edition Date.
- One (1) clean copy of the NAIC, "Recommended Guidelines for Online Courses" with the March 2015 Edition Date.



PUBLIC PROTECTION CABINET

Matthew G. Bevin
Governor

Department of Insurance
P.O. Box 517
Frankfort, Kentucky 40602-0517
1-800-595-6053
<http://insurance.ky.gov>

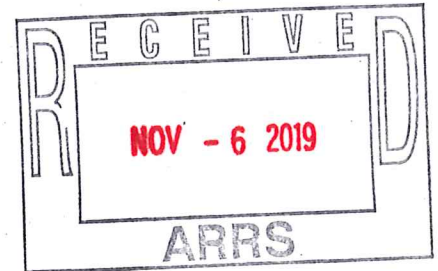
K. Gail Russell
Secretary

Nancy G. Atkins
Commissioner

November 6, 2019

VIA Hand Delivery

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: **806 KAR 9:030**. Adjuster licensing restrictions.

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 306 KAR 9:030, the Department of Insurance proposes the attached amendment to 806 KAR 9:030.

Sincerely,

Patrick O'Connor II,
Deputy Commissioner - Policy
Department of Insurance

Enclosed: Staff Suggested Amendment (21 Copies)

**Suggested Amendment
PUBLIC PROTECTION CABINET
Department of Insurance**

806 KAR 9:030. Adjuster licensing restrictions.

Page 1

RELATES TO

Line 6

After "KRS", insert "304.9-020, 304.9-430,".

Delete "304.9-430(3)(a), 304.9-430(2)(g),".

After "304.9-432(2)(d)", insert ", 304.9-440".

Page 1

Section 1(1)

Lines 15-16

After "pursuant to the", insert "Kentucky".

Page 2

Section 2

Line 11

After "adjuster license.", insert the following:

Section 3. Temporary Adjuster Registration for Catastrophe. Insurers seeking to temporarily register emergency independent or staff adjusters if there is a catastrophe under KRS 304.9-430(14) shall submit to the commissioner the Form 8307, Request for Unlicensed Adjuster Representing Insurer to Adjust Losses Resulting from a Catastrophe.

Page 2

Section 3

Line 12

Insert "Section 4.".

Delete "Section 3.".



PUBLIC PROTECTION CABINET

Matthew G. Bevin
Governor

Department of Insurance
P.O. Box 517
Frankfort, Kentucky 40602-0517
1-800-595-6053
<http://insurance.ky.gov>

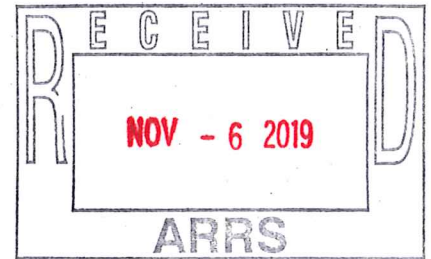
K. Gail Russell
Secretary

Nancy G. Atkins
Commissioner

November 6, 2019

VIA Hand Delivery

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: **806 KAR 9:110**. Agent's rights after contract termination.

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 806 KAR 9:110, the Department of Insurance proposes the attached amendment to 806 KAR 9:110.

Sincerely,

Patrick O'Connor II,
Deputy Commissioner - Policy
Department of Insurance

Enclosed: Staff Suggested Amendment (21 Copies)

**Suggested Amendment
PUBLIC PROTECTION CABINET
Department of Insurance
(Amended After Comments Version)**

806 KAR 9:110. Agent's rights after contract termination.

Page 1

NECESSITY, FUNCTION, AND CONFORMITY

Line 7

After "KRS 304.2-110", insert "authorizes".

Delete "provides that".

Line 8

After "of Insurance", insert "to promulgate".

Lines 8-9

Delete the following:

to make reasonable rules and

Page 2

Section 3, 3(1), and 3(2)

Lines 12-17

NOTE TO COMPILER: Beginning with "Section 3.", delete all of Section 3 in its entirety.



PUBLIC PROTECTION CABINET

Matthew G. Bevin
Governor

Department of Insurance
P.O. Box 517
Frankfort, Kentucky 40602-0517
1-800-595-6053
<http://insurance.ky.gov>

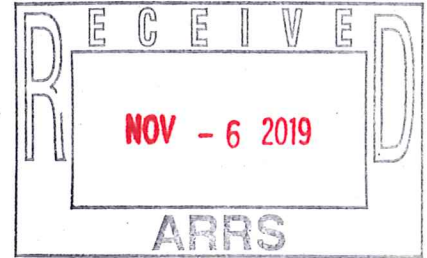
K. Gail Russell
Secretary

Nancy G. Atkins
Commissioner

November 6, 2019

VIA Hand Delivery

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601




Re: **806 KAR 9:190. Disclosure requirements for financial institutions authorized to engage in insurance agency activities.**

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 806 KAR 9:190, the Department of Insurance proposes the attached amendment to 806 KAR 9:190.

Sincerely,


Patrick O'Connor II,
Deputy Commissioner - Policy
Department of Insurance

Enclosed: Staff Suggested Amendment (21 Copies)

**Suggested Amendment
PUBLIC PROTECTION CABINET
Department of Insurance**

806 KAR 9:190. Disclosure requirements for financial institutions authorized to engage in insurance agency activities.

Page 1

RELATES TO

Line 6

After "KRS", insert "286.3-030(4)".

Delete "287.030(4)".

Page 1

NECESSITY, FUNCTION, AND CONFORMITY

Line 9

After "Commissioner to", insert "promulgate administrative regulations to".

Page 1

Section 1

Line 14

After "disclosure forms", insert the following:

(1) Notice of Free Choice of Agent and Insurer; and

(2) Financial Institution Disclosures

Lines 14-15

Delete the following:

in Section 2 of this administrative regulation

Page 2

Section 2(1)(a)

Line 9

After "Insurer", insert closing quotation marks and a comma.

After "edition)", delete the closing quotation marks.

Page 2

Section 2(1)(b)

Line 11

After "Disclosures", insert closing quotation marks and a comma.

After "edition)", delete the closing quotation marks.



PUBLIC PROTECTION CABINET

Matthew G. Bevin
Governor

Department of Insurance
P.O. Box 517
Frankfort, Kentucky 40602-0517
1-800-595-6053
<http://insurance.ky.gov>

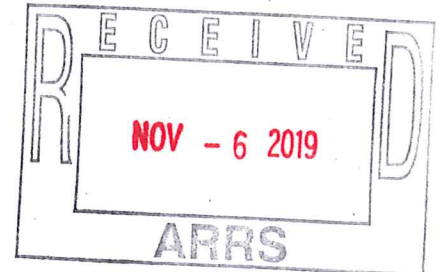
K. Gail Russell
Secretary

Nancy G. Atkins
Commissioner

November 6, 2019

VIA Hand Delivery

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: **806 KAR 9:200**. Volume of insurance agent exchange of business.

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 806 KAR 9:200, the Department of Insurance proposes the attached amendment to 806 KAR 9:200.

Sincerely,

Patrick O'Connor II,
Deputy Commissioner - Policy
Department of Insurance

Enclosed: Staff Suggested Amendment (21 Copies)

**Suggested Amendment
PUBLIC PROTECTION CABINET
Department of Insurance**

806 KAR 9:200. Volume of insurance agent exchange of business.

Page 1

RELATES TO

Line 6

After "304.13-011(8)", delete ", 304.46".

Page 2

Section 2(1)(c)

Line 12

After "Life;", insert "or".

Page 2

Section 2(1)(d) and (e)

Lines 13-14

After "Health", delete the following:

; or

(e) Limited line of authority defined in KRS 304.9-230

Page 2

Section 2(2)(b)

Line 19

After "KRS Chapter 304.10;", insert "or".

Page 2

Section 2(2)(c) and (d)

Lines 20-22

After "KRS 304.9-085", delete the following:

; or

(d) A voluntary risk sharing or market assistance plan pursuant to KRS Chapter 304.46

Page 3

Section 4(1)

Line 14

After "Section 2", insert "of this administrative regulation".

Page 3

Section 4(2)

Line 17

After "Section 2", insert "of this administrative regulation".



PUBLIC PROTECTION CABINET

Matthew G. Bevin
Governor

Department of Insurance
P.O. Box 517
Frankfort, Kentucky 40602-0517
1-800-595-6053
<http://insurance.ky.gov>

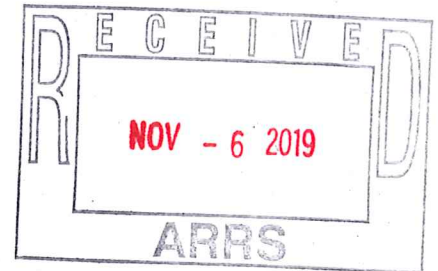
K. Gail Russell
Secretary

Nancy G. Atkins
Commissioner

November 6, 2019

VIA Hand Delivery

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: 806 KAR 9:221. Repeal of 806 KAR 9:001, 806 KAR 9:070, and 806 KAR 9:220.

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 806 KAR 9:221, the Department of Insurance proposes the attached amendment to 806 KAR 9:221.

Sincerely,

Patrick O'Connor II,
Deputy Commissioner - Policy
Department of Insurance

Enclosed: Staff Suggested Amendment (21 Copies)

**Suggested Amendment
PUBLIC PROTECTION CABINET
Department of Insurance**

806 KAR 9:221. Repeal of 806 KAR 9:001, 806 KAR 9:070, and 806 KAR 9:220.

Page 1

STATUTORY AUTHORITY

Line 7

After "KRS" insert "304.2".

Delete "304.1".

Page 1

NECESSITY, FUNCTION, AND CONFORMITY

Line 11

After "three", insert "(3)".

After "outdated", insert "administrative".

Delete "(3)".

Line 12

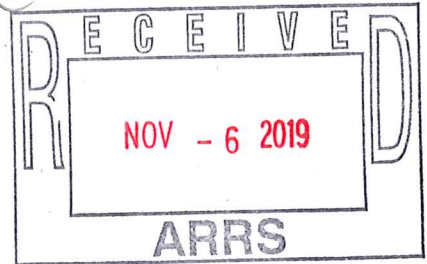
After "producer licensing", insert "with the".

Delete "whose".

After "substantive provisions", delete "are being".

Line 13

After "regulation", insert ", 806 KAR 9:025".



PUBLIC PROTECTION CABINET

Matthew G. Bevin
Governor

Department of Insurance
P.O. Box 517
Frankfort, Kentucky 40602-0517
1-800-595-6053
<http://insurance.ky.gov>

K. Gail Russell
Secretary

Nancy G. Atkins
Commissioner

November 6, 2019

VIA Hand Delivery

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601

Re: 806 KAR 9:310. Life settlement licenses.

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 806 KAR 9:310, the Department of Insurance proposes the attached amendment to 806 KAR 9:310.

Sincerely,

Patrick O'Connor II,
Deputy Commissioner - Policy
Department of Insurance

Enclosed: Staff Suggested Amendment (21 Copies)

**Suggested Amendment
PUBLIC PROTECTION CABINET
Department of Insurance**

806 KAR 9:310. Life settlement licenses.

NOTE TO COMPILER: Please enroll the changes in this staff suggested amendment first and then enroll the changes as directed in the agency amendment.

Page 1

NECESSITY, FUNCTION, AND CONFORMITY

Line 20

After "from the", lowercase the first letter of "Commissioner".

Page 3

Section 1(2)

Line 8

After "requirements of", insert the following:

subsection (1) of this section

Delete "Section 1(1)".

Page 3

Section 1(2)(b)

Line 18

After "in accordance with", insert "806 KAR 9:025".

Delete "806 KAR 9:070".

Page 3

Section 2

Line 20

After "Exempt Individuals.", insert the following:

A person licensed as a resident or nonresident insurance agent with a life line of authority

Delete the following:

Viatical settlement brokers

Page 4

Section 3

Line 9

After "Section 1", insert "of this administrative regulation".

Line 10

After "Section 2", insert "of this administrative regulation".

After "criminal background", insert "check".

Page 4

Section 4(1)

Line 15

After "approved by the", lowercase the first letter of "Commissioner".

Page 6

Section 6(2)

Line 16

After "notify the", lowercase the first letter of "Department".



Agency Amend.

PUBLIC PROTECTION CABINET

Matthew G. Bevin
Governor

Department of Insurance
P.O. Box 517
Frankfort, Kentucky 40602-0517
1-800-595-6053
<http://insurance.ky.gov>

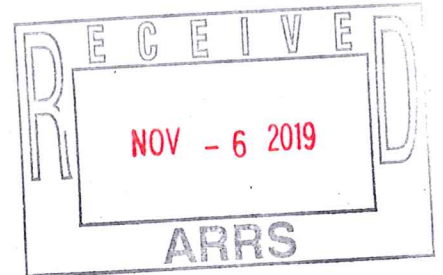
K. Gail Russell
Secretary

Nancy G. Atkins
Commissioner

November 6, 2019

VIA Hand Delivery

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: **806 KAR 9:310. Life settlement licenses.**

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 806 KAR 9:310, the Department of Insurance proposes the attached amendment to 806 KAR 9:310.

Sincerely,

Patrick O'Connor II,
Deputy Commissioner - Policy
Department of Insurance

Enclosed: Agency Amendment (21 Copies)

**Agency Amendment
PUBLIC PROTECTION CABINET
Department of Insurance**

806 KAR 9:310. Life settlement licenses.

NOTE TO COMPILER: Please enroll the changes in the staff suggested amendment first and then enroll the changes as directed in this agency amendment.

Page 2

Section 1(1)(b)1.

Line 12

After "Form 8301," insert the following:

NAIC Individual Insurance Producer License Application

After "incorporated by reference in", insert "806 KAR 9:025".

Delete "806 KAR 9:430".

Page 5

Section 5(1)(a)

Line 9

After "Form 8301-BE," insert the following:

Uniform Application for Business Entity Insurance License

After "incorporated by reference in", insert "806 KAR 9:025".

Delete "806 KAR 9:340".



PUBLIC PROTECTION CABINET

Matthew G. Bevin
Governor

Department of Insurance
P.O. Box 517
Frankfort, Kentucky 40602-0517
1-800-595-6053
<http://insurance.ky.gov>

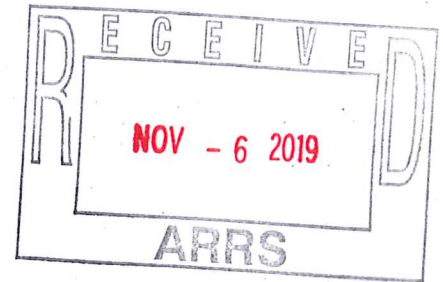
K. Gail Russell
Secretary

Nancy G. Atkins
Commissioner

November 6, 2019

VIA Hand Delivery

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601



Re: **806 KAR 9:350**. Recognition of financial planning certification and designation for receipt of fees and commissions.

Dear Co-Chairs West and Hale:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 806 KAR 9:350, the Department of Insurance proposes the attached amendment to 806 KAR 9:350.

Sincerely,

Patrick O'Connor II,
Deputy Commissioner - Policy
Department of Insurance

Enclosed: Staff Suggested Amendment (21 Copies)

**Suggested Amendment
PUBLIC PROTECTION CABINET
Department of Insurance**

806 KAR 9:350. Recognition of financial planning certification and designation for receipt of fees and commissions.

Page 1

RELATES TO

Line 6

After "RELATES TO:", insert "KRS".

Delete "292.330(1),".

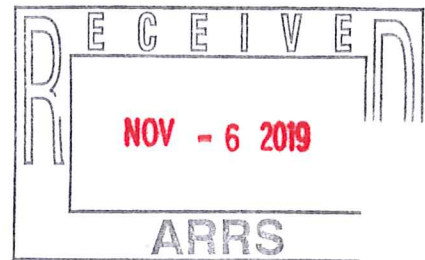
Page 2

Section 1(18)

Line 21

After "Philanthropy", insert a semicolon.

Suggested Amend.



Matthew G. Bevin
Governor

Cabinet for Health and Family Services
OFFICE OF LEGISLATIVE AND REGULATORY AFFAIRS
275 EAST MAIN, 5 W-A
FRANKFORT, KENTUCKY 40621-0001
(502) 564-7042
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Adam M. Meier
Secretary

James C. Musser
Executive Director

November 6, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601

Re: 907 KAR 15:005, 907 KAR 15:010, 907 KAR 15:015, 907 KAR 15:020, 907 KAR 15:022, and 907 KAR 15:025

Dear Regulations Compiler:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 907 KAR 15:005, 15:010, 15:015, 15:020, 15:022, and 15:025, the Department for Medicaid Services proposes the attached suggested amendments to 907 KAR 15:005, 15:010, 15:015, 15:020, 15:022 and 15:025.

If you have any questions, please feel free to contact Jonathan Scott, Regulatory and Legislative Advisor with the Department for Medicaid Services at (502) 564-4321 ext. 2015.

Sincerely,

A handwritten signature in black ink, appearing to read "James C. Musser".

James C. Musser
Executive Director
Office of Legislative and Regulatory Affairs
Cabinet for Health and Family Services



SUGGESTED AMENDMENT

CABINET FOR HEALTH AND FAMILY SERVICES

Department for Medicaid Services

Division of Policy and Operations

907 KAR 15:005. Definitions for 907 KAR Chapter 15.

Page 5

Section 1(8)(b)

Line 4

After "(b) 908 KAR", insert "1:370".

Delete "3:170".

After "and 908 KAR", insert "1:374".

Delete "3:174".

Page 5

Section 1(8)(c)

Line 6

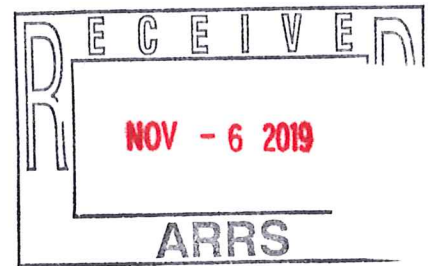
After "(c) 908 KAR", insert "1:370".

Delete "3:170".

After "and 908 KAR", insert "1:372".

Delete "3:172".

Agency Amend.



Matthew G. Bevin
Governor

Cabinet for Health and Family Services
OFFICE OF LEGISLATIVE AND REGULATORY AFFAIRS
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Secretary

James C. Musser
Executive Director

November 6, 2019

Ms. Emily Caudill, Regulations Compiler
Legislative Research Commission
029, Capitol Annex
702 Capitol Avenue
Frankfort, Kentucky 40601

Re: 907 KAR 15:005, 907 KAR 15:010, 907 KAR 15:020, and 907 KAR 15:022

Dear Regulations Compiler:

After discussions with various stakeholders relating to the issues raised by 907 KAR 15:005, 15:010, 15:020, and 15:022, the Department for Medicaid Services proposes the attached agency amendments to 907 KAR 15:005, 15:010, 15:020, and 15:022.

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James C. Musser
Executive Director
Office of Legislative and Regulatory Affairs
Cabinet for Health and Family Services



11/4/2019 4:50 p.m.
Agency Amendment

CABINET FOR HEALTH AND FAMILY SERVICES
Department for Medicaid Services
Division of Policy and Operations

907 KAR 15:005. Definitions for 907 KAR Chapter 15.

Page 9

Section 1(48)(b)

Line 2

After "A registered", insert "behavior".
Delete "behavioral health".

Page 9

Section 1(56)

Line 17

After "Registered", insert "behavior".
Delete "behavioral".

Page 9

Section 1(56)(b)

Line 20

After "equivalent;", insert "and".

Page 9

Section 1(56)(c)

Line 21

After "(c)", insert the following:

Within six (6) months of hire for a new employee or within six (6) months of the effective date of this administrative regulation for an existing employee:

1.

After "a training program", insert "that is: a.".

Capitalize "approved".

After "Board", insert the following:

1.

b. Based on the current edition of the RBT Task List endorsed by the Behavior Analyst Certification Board; and

c.

Lines 21 and 22

Capitalize "conducted".

Page 9

Section 1(56)(d)

Line 23

Before “(d)”, insert “2.”.

Delete “(d)”.

Page 10

Section 1(56)(d)

Line 1

After “certificant”, insert the following:

or by an assistant assessor overseen by a Behavior Analyst Certification Board
certificant

Page 10

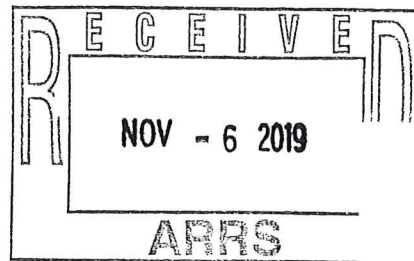
Section 1(56)(e)

Line 2

Before “(e)”, insert “3.”.

Delete “(e)”.

Suggested Amend.



Matthew G. Bevin
Governor

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November 6, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601

Re: 907 KAR 15:005, **907 KAR 15:010**, 907 KAR 15:015, 907 KAR 15:020, 907 KAR 15:022, and 907 KAR 15:025

Dear Regulations Compiler:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 907 KAR 15:005, 15:010, 15:015, 15:020, 15:022, and 15:025, the Department for Medicaid Services proposes the attached suggested amendments to 907 KAR 15:005, 15:010, 15:015, 15:020, 15:022 and 15:025.

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James C. Musser
Executive Director
Office of Legislative and Regulatory Affairs
Cabinet for Health and Family Services



SUGGESTED AMENDMENT

CABINET FOR HEALTH AND FAMILY SERVICES

Department for Medicaid Services

Division of Policy and Operations

907 KAR 15:010. Coverage provisions and requirements regarding behavioral health services provided by individual approved behavioral health practitioners, behavioral health provider groups, and behavioral health multi-specialty groups.

Page 1

RELATES TO

Line 8

After "205.520," insert "205.622, 309.0831."

Line 9

After "20 U.S.C. 1400 et seq.," insert "21 U.S.C. 823(g)(2)."

Lines 9-10

After "42 U.S.C. 290ee-3," insert "1320d-2 – 1320d-8."

Delete "42 U.S.C."

Line 10

After "1396a(a)(10)(B)," delete "42 U.S.C."

After ", 12101 et seq.", delete ", 1320d-2 – 1320d-8".

Page 17

Section 3(3)(a)4.

Line 23

After "3:170," insert "and".

Page 22

Section 3(3)(g)3.a.(ii)

Line 22

After "related disorders;" insert "and".

Page 35

Section 3(3)(o)7.

Line 11

After "pursuant to", insert "subparagraph".

Delete "clause".

After "of this", insert "paragraph".

Delete "subparagraph".

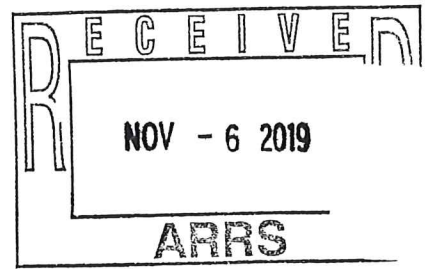
Page 36

Section 3(3)(p)2.a.

Line 7

After "2.", delete "a".

Agency Amend.



Matthew G. Bevin
Governor

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James C. Musser
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November 6, 2019

Ms. Emily Caudill, Regulations Compiler
Legislative Research Commission
029, Capitol Annex
702 Capitol Avenue
Frankfort, Kentucky 40601

Re: 907 KAR 15:005, **907 KAR 15:010**, 907 KAR 15:020, and 907 KAR 15:022

Dear Regulations Compiler:

After discussions with various stakeholders relating to the issues raised by 907 KAR 15:005, 15:010, 15:020, and 15:022, the Department for Medicaid Services proposes the attached agency amendments to 907 KAR 15:005, 15:010, 15:020, and 15:022.

If you have any questions, please feel free to contact Jonathan Scott, Regulatory and Legislative Advisor with the Department for Medicaid Services at (502) 564-4321 ext. 2015.

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James C. Musser
Executive Director
Office of Legislative and Regulatory Affairs
Cabinet for Health and Family Services



11/1/2019 5:00 p.m.
Agency Amendment

CABINET FOR HEALTH AND FAMILY SERVICES
Department for Medicaid Services
Division of Policy and Operations

907 KAR 15:010. Coverage provisions and requirements regarding behavioral health services provided by individual approved behavioral health practitioners, behavioral health provider groups, and behavioral health multi-specialty groups.

Page 29

Section 3(3)(l)5. and 5.a.

Lines 2 and 3

After “be provided by”, delete “: a.”.
Lowercase “A”.

Page 29

Section 3(3)(l)5.a. and 5.b.

Lines 3 to 5

After “associate”, delete the following:

; or

b. A registered behavior technician under the supervision of a licensed behavioral analyst

Page 38

Section 3(3)(q)4.e.

Line 4

After “therapies.”, insert the following:

(r)1. Applied behavior analysis services shall produce socially significant improvement in human behavior via the:

a. Design, implementation, and evaluation of environmental modifications;

b. Use of behavioral stimuli and consequences; or

c. Use of direct observation, measurement, and functional analysis of the relationship between environment and behavior.

2. Applied behavior analysis shall be based on scientific research and the direct observation and measurement of behavior and environment, which utilize contextual factors, establishing operations, antecedent stimuli, positive reinforcement, and other consequences to assist recipients in:

a. Developing new behaviors;

b. Increasing or decreasing existing behaviors; and

c. Eliciting behaviors under specific environmental conditions.

3. Applied behavior analysis services may include principles, methods, and procedures of the experimental analysis of behavior and applied behavior analysis, including applications of those principles, methods, and procedures to:

a. Design, implement, evaluate, and modify treatment programs to change the

behavior of individuals;

b. Design, implement, evaluate, and modify treatment programs to change the behavior of individuals that interact with a recipient;

c. Design, implement, evaluate, and modify treatment programs to change the behavior of a group or groups that interact with a recipient; or

d. Consult with individuals and organizations.

4.a. Applied behavior analysis services shall be provided by:

(i) A licensed behavior analyst;

(ii) A licensed assistant behavior analyst;

(iii) An approved behavioral health practitioner with documented training in applied behavior analysis; or

(iv) An approved behavioral health practitioner under supervision with documented training in applied behavior analysis.

b. A registered behavior technician under the supervision of an appropriate practitioner pursuant to clause a. of this subparagraph may provide support services under this paragraph.

Page 38

Section 4(4)(a)

Line 4

Delete "Limited".

Capitalize "laboratory".

Page 38

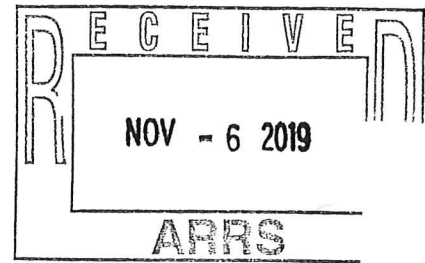
Section 4(4)(b)

Line 13

Delete "Partial limited".

Capitalize "laboratory".

Suggested Amend.



Matthew G. Bevin
Governor

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November 6, 2019

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c/o Emily Caudill
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Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601

Re: 907 KAR 15:005, 907 KAR 15:010, 907 KAR 15:015, 907 KAR 15:020, 907 KAR 15:022, and 907 KAR 15:025

Dear Regulations Compiler:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 907 KAR 15:005, 15:010, 15:015, 15:020, 15:022, and 15:025, the Department for Medicaid Services proposes the attached suggested amendments to 907 KAR 15:005, 15:010, 15:015, 15:020, 15:022 and 15:025.

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James C. Musser
Executive Director
Office of Legislative and Regulatory Affairs
Cabinet for Health and Family Services



Version: 11/4/2019 11:30 p.m.

SUGGESTED AMENDMENT

CABINET FOR HEALTH AND FAMILY SERVICES

Department for Medicaid Services

Division of Policy and Operations

907 KAR 15:015. Reimbursement provisions and requirements for behavioral health services provided by individual approved behavioral health practitioners, behavioral health provider groups, or behavioral health multi-specialty groups.

Page 5

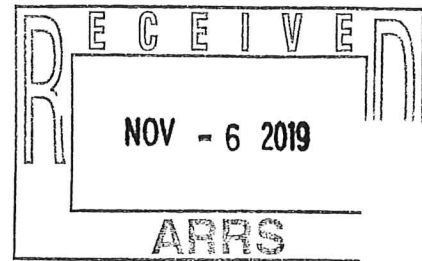
Section 5(2)(b)

Line 20

After "<https://chfs.ky.gov/agencies/dms/Pages/>", insert "feesrates".

Delete "regsmaterials".

Suggested Amend.



Matthew G. Bevin
Governor

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November 6, 2019

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Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601

Re: 907 KAR 15:005, 907 KAR 15:010, 907 KAR 15:015, 907 KAR 15:020, 907 KAR 15:022, and 907 KAR 15:025

Dear Regulations Compiler:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 907 KAR 15:005, 15:010, 15:015, 15:020, 15:022, and 15:025, the Department for Medicaid Services proposes the attached suggested amendments to 907 KAR 15:005, 15:010, 15:015, 15:020, 15:022 and 15:025.

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Executive Director
Office of Legislative and Regulatory Affairs
Cabinet for Health and Family Services



SUGGESTED AMENDMENT

CABINET FOR HEALTH AND FAMILY SERVICES

Department for Medicaid Services

Division of Policy and Operations

907 KAR 15:020. Coverage provisions and requirements regarding services provided by behavioral health services organizations for mental health treatment.

Page 1

RELATES TO

Line 7

After "205.520," insert "369.101–369.120".

Line 8

After "1320d-2 ", insert a dash.

Delete "to".

Page 23

Section 3(3)(k)1.

Line 15

After "3:170," insert "and shall be".

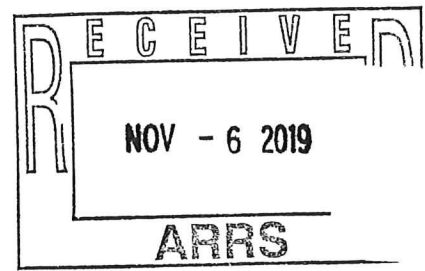
Page 31

Section 3(3)(o)3.b.

Line 8

After "shall not", insert "exceed".

Agency Amend.



Matthew G. Bevin
Governor

Cabinet for Health and Family Services
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James C. Musser
Executive Director

November 6, 2019

Ms. Emily Caudill, Regulations Compiler
Legislative Research Commission
029, Capitol Annex
702 Capitol Avenue
Frankfort, Kentucky 40601

Re: 907 KAR 15:005, 907 KAR 15:010, 907 KAR 15:020, and 907 KAR 15:022

Dear Regulations Compiler:

After discussions with various stakeholders relating to the issues raised by 907 KAR 15:005, 15:010, 15:020, and 15:022, the Department for Medicaid Services proposes the attached agency amendments to 907 KAR 15:005, 15:010, 15:020, and 15:022.

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Executive Director
Office of Legislative and Regulatory Affairs
Cabinet for Health and Family Services



CABINET FOR HEALTH AND FAMILY SERVICES
Department for Medicaid Services
Division of Policy and Operations

907 KAR 15:020. Coverage provisions and requirements regarding services provided by behavioral health services organizations for mental health treatment.

Page 4

Section 2(3)(c)

Line 9

After “(c)”, insert the following:

Except as provided by subsection (4) of this section,

Lowercase “Possess”.

Page 4

Section 2(3)(c)4.

Line 13

After “organization.”, insert the following:

(4) The department shall grant a one (1) time extension to a BHSO I that requests a one (1) time extension to complete the accreditation process, if the request is submitted at least ninety (90) days prior to expiration of provider enrollment.

Page 33

Section 3(3)(p)4.a.

Line 3

After “4.” delete “a.”.

Page 33

Section 3(3)(p)4.b.

Lines 5-6

Delete the following:

b. A registered behavior technician under the supervision of a licensed behavior analyst may provide support services under this paragraph.

Page 36

Section 3(3)(r)9.b.

Line 10

After “supervision.”, insert the following paragraph:

(s)1. Applied behavior analysis services shall produce socially significant improvement in human behavior via the:

a. Design, implementation, and evaluation of environmental modifications;

b. Use of behavioral stimuli and consequences; or

c. Use of direct observation, measurement, and functional analysis of the

relationship between environment and behavior.

2. Applied behavior analysis shall be based on scientific research and the direct observation and measurement of behavior and environment, which utilize contextual factors, establishing operations, antecedent stimuli, positive reinforcement, and other consequences to assist recipients in:

- a. Developing new behaviors;
- b. Increasing or decreasing existing behaviors; and
- c. Eliciting behaviors under specific environmental conditions.

3. Applied behavior analysis services may include principles, methods, and procedures of the experimental analysis of behavior and applied behavior analysis, including applications of those principles, methods, and procedures to:

a. Design, implement, evaluate, and modify treatment programs to change the behavior of individuals;

b. Design, implement, evaluate, and modify treatment programs to change the behavior of individuals that interact with a recipient;

c. Design, implement, evaluate, and modify treatment programs to change the behavior of a group or groups that interact with a recipient; or

d. Consult with individuals and organizations.

4.a. Applied behavior analysis services shall be provided by:

(i) A licensed behavior analyst;

(ii) A licensed assistant behavior analyst;

(iii) An approved behavioral health practitioner with documented training in applied behavior analysis; or

(iv) An approved behavioral health practitioner under supervision with documented training in applied behavior analysis.

b. A registered behavior technician under the supervision of an appropriate practitioner pursuant to clause a. of this subparagraph may provide support services under this paragraph.

(4)(a) Laboratory services shall be reimbursable in accordance with 907 KAR 1:028 if provided by a BHSO I if:

1. The BHSO I has the appropriate CLIA certificate to perform laboratory testing pursuant to 907 KAR 1:028; and

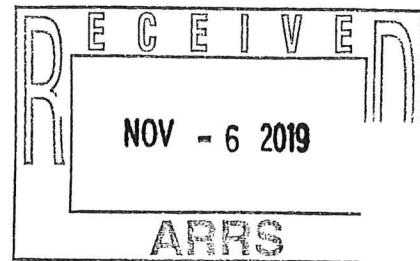
2. The services are prescribed by a physician, advanced practice registered nurse, or physician assistant who has a contractual relationship with the BHSO I.

(b) Laboratory services may be administered, as appropriate, by:

1. An approved behavioral health practitioner; or

2. An approved behavioral health practitioner under supervision.

Suggested Amend.



Matthew G. Bevin
Governor

Cabinet for Health and Family Services
OFFICE OF LEGISLATIVE AND REGULATORY AFFAIRS
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Adam M. Meier
Secretary

James C. Musser
Executive Director

November 6, 2019

Senator Stephen West, Co-Chair
Representative David Hale, Co-Chair
c/o Emily Caudill
Administrative Regulation Review Subcommittee
Legislative Research Commission
029, Capitol Annex
Frankfort KY 40601

Re: 907 KAR 15:005, 907 KAR 15:010, 907 KAR 15:015, 907 KAR 15:020, 907 KAR 15:022, and 907 KAR 15:025

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If you have any questions, please feel free to contact Jonathan Scott, Regulatory and Legislative Advisor with the Department for Medicaid Services at (502) 564-4321 ext. 2015.

Sincerely,

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James C. Musser
Executive Director
Office of Legislative and Regulatory Affairs
Cabinet for Health and Family Services



Version: 11/4/2019

SUGGESTED AMENDMENT

CABINET FOR HEALTH AND FAMILY SERVICES

Department for Medicaid Services

Division of Policy and Operations

907 KAR 15:022. Coverage provisions and requirements regarding services provided by behavioral health services organizations for substance use disorder treatment and co-occurring disorders.

Page 1

RELATES TO

Line 8

After "205.520," insert the following:

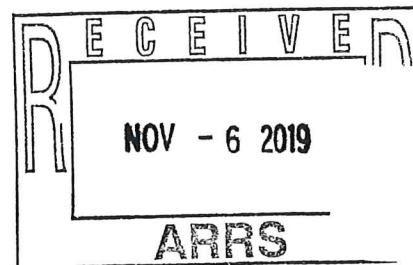
205.622, 309.0831, 369.101 - 369.120, 20 U.S.C. 1400 et seq., 21 U.S.C. 823(g)(2), 29 U.S.C. 701 et seq.,

After "42 U.S.C.", insert "290ee-3, 1320d-2 - 1320d-8,".

After "12101", insert the following:

, 42 C.F.R. Part 2, 431.17, 435.1010, 45 C.F.R. Parts 160, 164

Agency Amend.



Matthew G. Bevin
Governor

Cabinet for Health and Family Services
OFFICE OF LEGISLATIVE AND REGULATORY AFFAIRS
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November 6, 2019

Ms. Emily Caudill, Regulations Compiler
Legislative Research Commission
029, Capitol Annex
702 Capitol Avenue
Frankfort, Kentucky 40601

Re: 907 KAR 15:005, 907 KAR 15:010, 907 KAR 15:020, and 907 KAR 15:022

Dear Regulations Compiler:

After discussions with various stakeholders relating to the issues raised by 907 KAR 15:005, 15:010, 15:020, and 15:022, the Department for Medicaid Services proposes the attached agency amendments to 907 KAR 15:005, 15:010, 15:020, and 15:022.

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James C. Musser
Executive Director
Office of Legislative and Regulatory Affairs
Cabinet for Health and Family Services



11/5/2019 12:30
Agency Amendment

CABINET FOR HEALTH AND FAMILY SERVICES
Department for Medicaid Services
Division of Policy and Operations

907 KAR 15:022. Coverage provisions and requirements regarding services provided by behavioral health services organizations for substance use disorder treatment and co-occurring disorders.

Page 4
Section 2(4)(b)
Line 6

After “(b)”, insert the following:
Except as provided by subsection (6) of this section,
Lowercase “Possess”.

Page 4
Section 2(5)(b)
Line 17

After “(b)”, insert the following:
Except as provided by subsection (6) of this section,
Lowercase “Possess”.

Page 5
Section 2(5)(c)
Line 1

After “provider.”, insert the following:
(6) The department shall grant a one (1) time extension to a BHSO II or III that requests a one (1) time extension to complete the accreditation process, if the request is submitted at least ninety (90) days prior to expiration of provider enrollment.

Page 27
Section 3(5)(q)3.b.
Line 16

After “recipient choice.”, insert the following:
If the choice of medication in medication assisted treatment is methadone, the residential treatment provider shall establish a contractual relationship with a narcotic treatment program that dispenses methadone.

Page 28

Section 3(5)(q)6.c.

Line 14

After “c.”, delete the following:

A temporarily certified alcohol and drug counselor pursuant to this subparagraph shall provide only the following services:

- (i) Individual counseling;
- (ii) Group counseling; and
- (iii) Targeted case management pursuant to 907 KAR 15:040 and 907 KAR 15:050.

Page 28

Section 3(5)(q)6.d.

Line 19

Delete “d.”.

Page 28

Section 3(5)(q)6.d.(i)

Line 19

After “operational”, insert “three (3)”.

Delete “two (2)”.

Page 28

Section 3(5)(q)6.d.(ii)

Line 21

After “After the”, insert “three (3)”.

Delete “two (2)”.

Line 22

After “duties”, delete the following:
as specified in clause c. of this subparagraph

Page 30

Section 3(6)(a)

Line 18

Delete “Limited”.

Capitalize “laboratory”.

Page 31

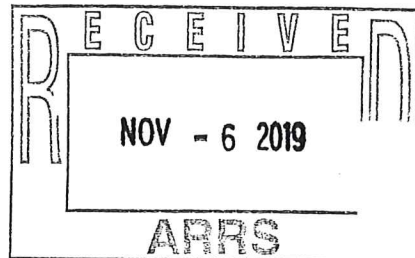
Section 3(6)(b)

Line 1

Delete “Limited”.

Capitalize “laboratory”.

Suggested Amend.



Matthew G. Bevin
Governor

Cabinet for Health and Family Services
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November 6, 2019

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029, Capitol Annex
Frankfort KY 40601

Re: 907 KAR 15:005, 907 KAR 15:010, 907 KAR 15:015, 907 KAR 15:020, 907 KAR 15:022, and 907 KAR 15:025

Dear Regulations Compiler:

After discussions with Administrative Regulation Review Subcommittee staff of the issues raised by 907 KAR 15:005, 15:010, 15:015, 15:020, 15:022, and 15:025, the Department for Medicaid Services proposes the attached suggested amendments to 907 KAR 15:005, 15:010, 15:015, 15:020, 15:022 and 15:025.

If you have any questions, please feel free to contact Jonathan Scott, Regulatory and Legislative Advisor with the Department for Medicaid Services at (502) 564-4321 ext. 2015.

Sincerely,

A handwritten signature in black ink, appearing to read "James C. Musser".

James C. Musser
Executive Director
Office of Legislative and Regulatory Affairs
Cabinet for Health and Family Services



Version: 11/5/2019 – 1:30

SUGGESTED AMENDMENT

CABINET FOR HEALTH AND FAMILY SERVICES

Department for Medicaid Services

Division of Policy and Operations

907 KAR 15:025. Reimbursement provisions and requirements regarding behavioral health services provided by behavioral health services organizations.

Page 3

Section 2(2)(c)7.

Line 2

After "analyst;", insert "or".

Page 12

Section 6(2)(b)

Line 9

After "https://chfs.ky.gov/agencies/dms/Pages/", insert "feesrates".

Delete "regsmaterials".

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Administrative Regulation: 907 KAR 15:025

Agency Contact Persons: Jonathan Scott, (502) 564-4321, ext. 2015, jonathant.scott@ky.gov;
and Donna Little, (502) 564-6746, CHFSRegs@ky.gov

1. What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Department for Medicaid Services will be affected by the amendment to this administrative regulation.

2. Identify each state or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 194A.030(2), 194A.050(1), 205.520(3), 2018 HB 124

3. Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? The amendment is not expected to generate revenue for state or local government.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? The amendment is not expected to generate revenue for state or local government.

(c) How much will it cost to administer this program for the first year? DMS does not expect any additional costs in administering these amendments during the first year.

(d) How much will it cost to administer this program for subsequent years? DMS does not expect any additional costs in administering these amendments during subsequent years.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-):

Expenditures (+/-):

Other Explanation: