

**CHAPTER 163****(SB 79)**

AN ACT relating to licensed occupations.

*Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

➔Section 1. KRS 325.261 is amended to read as follows:

The license of "certified public accountant" shall be granted by the board to any person who satisfies the following requirements:

- (1) Is no less than eighteen (18) years of age;
- (2) Is of good moral character;
- (3) Has a baccalaureate degree or master's degree conferred by a college or university recognized by the board with a major or concentration ~~[-program]~~ in accounting or its equivalent, as defined in administrative regulations promulgated by the board;
- (4) Passes a board-approved examination in accounting, auditing, and other related subjects as the board deems appropriate. To be eligible to apply for the examination, a person shall first satisfy the requirement of subsections (1) to (3) of this section;
- (5) Completes one hundred fifty (150) college semester hours that include a baccalaureate or masters degree conferred by a college or university recognized by the board with a major or concentration in accounting or its equivalent, as defined in administrative regulations promulgated by the board;
- (6) Obtains one (1) year of accounting or attest experience while employed in an accounting or auditing position in public practice, academia, industry, or government that shall be verified by a certified public accountant who, during the time being verified, held an active license to practice from any state. The one (1) year of experience required under this subsection shall be obtained:
  - (a) After the completion of the education requirements established in subsection (3) of this section; *and*
  - (b) ***Effective January 1, 2011, within five (5) years from the last day of the testing window during which the candidate successfully completed the examination;***
- (7) At the time of applying for a license is a United States citizen, a citizen of a foreign country who is legally residing in the United States, or is an employee of a public accounting firm, company, or an institution of postsecondary education located outside the United States, but which has an office or campus located in the United States; and
- (8) Submits a complete application for a license to practice as a certified public accountant in accordance with KRS 325.330.

➔Section 2. KRS 325.270 is amended to read as follows:

- (1) Examinations provided for in this chapter shall be authorized by the board.
- (2) The board may by administrative regulation adopt standards and fees governing the application and all examination policies and procedures.
- (3) The board may accept examination results from other states if:
  - (a) It is established that the examination is the same or substantially similar to the one adopted by the board; and
  - (b) The candidate has met the prerequisite examination requirements of this chapter.
- (4) ***An examination candidate who passes all sections of the examination after January 1, 2011, shall apply for a license within five (5) years from the last day of the testing window during which the examination candidate successfully completed the examination. Failure to apply for a license prior to the expiration of the five (5) year period shall result in cancellation of the examination scores unless the candidate completes the requirements to reinstate his or her scores, as established by administrative regulations promulgated by the board.***

➔Section 3. KRS 325.330 is amended to read as follows:

- (1) An applicant for **an** initial ~~issuance of a~~ license to practice shall:
  - (a) Satisfy all the requirements of KRS 325.261 and the administrative regulations promulgated by the board;
  - (b) Pay a fee not to exceed two hundred dollars (\$200); and
  - (c) Complete the application process established in an administrative regulation promulgated by the board.
- (2) Licenses shall be initially issued and renewed for a period of two (2) years, and shall expire on the first day of July in the year of expiration.
- (3) When an initial license to practice is granted, the board shall issue a nonrenewable document that indicates that the licensee has satisfied all requirements to receive an initial license as a certified public accountant.
- (4) An applicant for renewal of a license to practice who is in good standing shall complete the renewal procedure established in administrative regulations promulgated by the board that show that the applicant has:
  - (a) Fulfilled the requirement of continuing professional education ~~for professional enhancement~~ as defined by the board by administrative regulation, but not to exceed eighty (80) hours during a two (2) year calendar period ending December 31 preceding the July 1 renewal date. Certified public accountants not employed by a firm licensed by the board shall be required to achieve continuing professional education not to exceed sixty (60) hours during the two (2) year calendar period ending December 31 preceding the July 1 renewal date. The board shall provide for lesser, prorated requirements for applicants whose initial permit was issued substantially less than two (2) years prior to the renewal date;
  - (b) Paid a fee not to exceed two hundred dollars (\$200) biennially;
  - (c) Listed a permanent mailing address; and
  - (d) Designated as part of the renewal process whether the applicant is employed by a firm licensed by the board.
- (5) Any license not renewed by the expiration date shall automatically expire and the holder of the expired license shall be prohibited from practicing public accounting or holding himself out as a certified public accountant.
- (6)
  - (a) The holder of a license that from the date of renewal has been expired for a period shorter than six (6) months, and who has not violated any other provision of this chapter, may renew the license by meeting all of the requirements of this section and paying a late penalty fee not to exceed one hundred dollars (\$100).
  - (b) If the license has expired for a period longer than six (6) months, the applicant shall apply to the board for reinstatement. The board shall determine the eligibility for license reissuance, including a late penalty fee not to exceed two hundred dollars (\$200) and additional continuing professional education hours.
  - (c) Failure to receive a renewal notice shall not constitute an adequate reason for failing to renew the license to practice in a timely manner.
- (7)
  - (a) ***Effective January 1, 2011, licenses shall expire on August 1 of the year in which they are to be renewed. Odd-numbered licenses shall expire on August 1 of every odd-numbered year and even-numbered licenses shall expire on August 1 of every even-numbered year.***
  - (b) ***An applicant for renewal of a license to practice who is in good standing shall complete the renewal procedure, which shall be established by administrative regulation promulgated by the board and shall require the applicant to:***
    1. ***Fulfill the continuing professional education requirements, as defined by the board by promulgation of administrative regulation, in accordance with the following:***
      - a. ***Certified public accountants employed by or operating a firm licensed by the board shall be required to complete no more than eighty (80) hours of continuing professional education during the two (2) year calendar period ending December 31 preceding the August 1 renewal date;***

- b. *Certified public accountants not employed by a firm licensed by the board shall be required to complete no more than sixty (60) hours during the two (2) year calendar period ending December 31 preceding the August 1 renewal date; and*
- c. *The board shall provide for lesser, prorated requirements for applicants whose initial license was issued substantially less than two (2) years prior to the renewal date;*
- 2. *Pay a fee not to exceed two hundred dollars (\$200) biennially;*
- 3. *Provide a permanent mailing address; and*
- 4. *Designate where the applicant is currently practicing.*
- (c) *Any license not renewed by the expiration date shall automatically expire, and the holder of the expired license shall be prohibited from practicing public accounting or holding himself or herself out as a certified public accountant.*
- (d) 1. *The holder of a license that has been expired for a period of less than one (1) month, who has not violated any other provision of this chapter, may renew the license by meeting all of the requirements of this section and paying a late penalty fee not to exceed one hundred dollars (\$100).*
- 2. *If the license has expired for a period longer than one (1) month, the applicant shall apply to the board for reinstatement. The board shall determine the eligibility for license reissuance, including a late penalty fee not to exceed two hundred dollars (\$200) and additional continuing professional education hours.*
- (8) The board may reduce or waive the license to practice renewal requirements upon written request of the licensee showing illness, extreme hardship, or age and complete retirement from practice as prescribed by the board by administrative regulation.
- (9)~~(8)~~ A licensee shall notify the board in writing of a change in his or her mailing address within twenty (20) days following the effective date of the change in address.

➔Section 4. KRS 322.030 is amended to read as follows:

KRS 322.020 shall not apply to:

- (1) *The work of an employee or subordinate of:*
  - (a) *A professional engineer if the work is done under the direct supervision of and verified by the professional engineer*~~[pupil or engineer in training engaging in engineering under the direction of a professional engineer, if that practice does not include responsible charge of engineering];~~ or
  - (b) *A professional land surveyor if the work is done under the direct supervision of and verified by the professional land surveyor*~~[pupil or land surveyor in training engaging in land surveying under the direction of a professional land surveyor, if that practice does not include responsible charge of land surveying];~~
- (2) The practice of engineering or land surveying by officers and employees of the United States government while engaged in engineering or land surveying for the government;
- (3) The practice of engineering or land surveying by a person on property he or she leases or owns unless:
  - (a) The practice involves the public safety, health, or welfare; *or*
  - (b) The land surveying relates to the location or determination of any existing or proposed land boundaries;~~or~~
  - ~~(c) The practice of engineering relates solely to the design or fabrication of manufactured products;~~
- (4) An engineer or land surveyor engaged solely as an officer or employee of a privately owned public utility or of a business entity engaged in interstate commerce as defined in the Interstate Commerce Act (24 Stat. 379) as amended;
- (5) A licensed architect who engages in the practice of engineering incident to the practice of architecture; *or*

- (6) ***The practice of engineering related solely to the design or fabrication of manufactured products. This exemption does not extend to site-specific engineering work for Kentucky locations.***

➔Section 5. KRS 322.050 is amended to read as follows:

- (1) To be eligible for licensure, an applicant shall be:

- (a) Of good character and reputation; ***and***  
 (b) ***Able to competently communicate in the English language.***

- (2) ~~An~~~~No~~ applicant shall ***not*** be eligible ***for licensure if he or she***~~who~~:

- (a)~~(1)~~ Has been convicted of any felony ***within the past ten (10) years*** involving ***violence, sexual misconduct***~~moral turpitude~~, fraud, or deceit;  
 (b)~~(2)~~ Engages in conduct likely to deceive or defraud the public; or  
 (c)~~(3)~~ Is adjudged mentally disabled by a court of competent jurisdiction.

➔Section 6. KRS 322.060 is amended to read as follows:

- (1) (a) A business entity shall not engage in the practice of engineering in this state unless:
1. At least one (1) of its principals ~~or~~~~+~~ officers, or a designated employee, is a professional engineer who is in responsible charge of the engineering work;~~and~~
  2. ***The professional engineer in responsible charge is located at the Kentucky office, if one (1) is maintained; and***
  3. The board has issued a permit to the business entity.
- (b) To apply for a permit, a business entity offering engineering services in this state shall file with the board, on a form prescribed by the board:
1. The names and addresses of all principals and officers;
  2. The license number of principals, officers, and employees who are professional engineers in responsible charge of the business entity's practice of engineering in this state; ***and***
  3. A list of locations of all offices in this state at which the business entity offers professional engineering services~~;~~
  4. ~~A statement of qualifications for the permit; and~~
  5. ~~References as required by administrative regulations promulgated by the board.~~
- (c) If more than one (1) place of business is maintained in this state, a professional engineer shall be in responsible charge of the engineering work for each office.
- (d) A professional engineer who renders occasional, part-time, or consulting engineering services to or for a business entity required to hold a permit from the board under this section shall not be designated as the person in responsible charge of the engineering work ***unless the professional engineer is an officer or owner of the business entity.***
- (e) A business entity holding a permit shall advise the board in writing within thirty (30) days of any change of status in those items listed in paragraph (b) of this subsection.
- (f) Individual professional engineers providing engineering services ***as sole proprietors in the name listed on their individual license***~~in their own names~~, or architectural firms offering engineering services incident to their practice, shall be excluded from the provisions of this subsection.
- (2) (a) A business entity shall not engage in the practice of land surveying in this state unless:
1. At least one (1) of its principals ~~or~~~~+~~ officers, or a designated employee, is a professional land surveyor in direct responsible charge of the land surveying work;~~and~~
  2. ***The professional land surveyor in responsible charge is located at the Kentucky office, if one (1) is maintained; and***
  3. The board has issued a permit to the business entity.

- (b) To apply for a permit, a business entity offering land surveying services in this state shall file with the board, on a form prescribed by the board:
1. The names and addresses of all principals and officers;
  2. The license numbers of the principals, officers, and employees who are professional land surveyors in responsible charge of the practice of land surveying in this state; **and**
  3. A list of locations of all offices in this state at which the business entity offers professional land surveying services;
  - ~~4. A statement of qualifications for the services relating to the permit; and~~
  - ~~5. References as required by administrative regulations promulgated by the board.~~
- (c) If more than one (1) place of business is maintained in this state, a professional land surveyor shall be in responsible charge of the land surveying work for each office.
- (d) A professional land surveyor who renders occasional, part-time, or consulting services to or for a business entity required to hold a permit from the board under this section shall not be designated as the person in responsible charge of the land surveying **work unless the professional land surveyor is an officer or owner of the business entity** ~~activity of the firm~~.
- (e) A business entity holding a permit shall advise the board in writing within thirty (30) days of any change of status.
- (f) Individual professional land surveyors providing land surveying services **as sole proprietors in the name listed on their individual license** ~~in their own names~~ shall be excluded from the provisions of this subsection.
- (3) (a) After a business entity applies for a professional engineering or professional land surveying permit and pays the proper fees, the board shall review the application and, upon approval, shall issue a permit.
- (b) The board may suspend, revoke, or refuse to issue a permit for violation of the code of professional practice and conduct.
- (c) The expiration date and renewal period for each permit and renewal procedures shall be established by administrative regulations promulgated by the board.
- (4) (a) No business entity shall be relieved of responsibility for the conduct or acts of its agent, employees, or officers by reason of its compliance with this section.
- (b) No individual practicing professional engineering or professional land surveying shall be relieved of the responsibility for professional services performed by reason of the individual's employment or relationship with a business entity holding a permit under this section.
- (5) Disciplinary action against a business entity holding a permit under this section shall be administered in the same manner and on the same grounds as disciplinary action against an individual professional engineer or professional land surveyor.
- (6) The Secretary of State shall not accept articles of incorporation, articles of organization, statement of qualification or certificate of limited partnership or an application for a certificate of authority to transact business as a foreign corporation, limited liability company or limited partnership or a statement of foreign qualification from a business entity which includes in its name or, among objects for which it is established, any of the words, "engineer," "engineering," "surveyor," "surveying," "land surveying," or any modification or derivation thereof, unless the filing with the Secretary of State includes a certificate or letter from the board.

➔Section 7. KRS 322.070 is amended to read as follows:

Applications for professional engineer or professional land surveyor licenses shall be on forms prescribed and furnished by the board and shall contain:

- (1) Statements made under oath, showing the applicant's education and a detailed summary of the applicant's technical experience;

- (2) Not less than five (5) references, of which at least three (3) shall be from professional engineers or professional land surveyors, as may be appropriate, having personal knowledge of the applicant's engineering or land surveying experience; **and**
- (3) ~~[[If the primary language of the applicant is not English, evidence of English proficiency shall be included with the license application. The criteria to establish English proficiency shall be determined by administrative regulations promulgated by the board; and~~
- (4) ~~Any other information as the board may require by administrative regulation.~~

***References and employment verifications submitted under this section shall remain confidential records of the board.***

➔Section 8. KRS 322.120 is amended to read as follows:

The board may, by promulgation of administrative regulations, establish requirements and fees for licensure by **endorsement**~~(reciprocity)~~ for those applicants who:

- (1) Hold a current license or certificate of registration to engage in the practice of engineering or land surveying issued by any state, territory, or possession of the United States, the District of Columbia, or any foreign country; and
- (2) Submit proof that the requirements and qualifications supporting that license or certificate:
  - (a) Are not in conflict with the provisions of this chapter; and
  - (b) Equal or exceed this state's requirements in effect on the date of issuance. However, the land surveyor applicant may be required to take examinations, as the board deems necessary, to determine the competency to engage in the practice of land surveying in this state. The examination shall include questions on laws, procedures, and practices pertaining to land surveying in this state.

➔Section 9. KRS 322.160 is amended to read as follows:

- (1) Licenses for individuals and permits for business entities shall be valid for not more than two (2) years from the date of issuance, unless renewed.
- (2) The executive director shall notify every licensee and permit holder at least one (1) month in advance of the pending expiration date.
  - (a) ~~Renewal notices shall be mailed to the licensee or permit holder at his or her last known address and state the amount of the renewal fee.~~
  - ~~(b)~~ All license renewals shall be completed on or before June 30 of the year of expiration.
  - ~~(b)~~~~(c)~~ All permit renewals shall be completed on or before December 31 of the year of expiration.
  - ~~(c)~~~~(d)~~ Each licensee or permit holder is responsible for notifying the board of any address change.
  - (d) The responsibility for the timely renewal of a license or permit rests with the licensee or permit holder.***
- (3) The failure to renew shall not deprive a licensee or permit holder of the right of renewal, but the fee to be paid for the renewal shall be increased ten percent (10%) for each month or fraction of a month that payment of renewal is delayed. Any licensee or permit holder who fails to renew within one (1) year after expiration shall furnish the board with:
  - (a) Satisfactory evidence of qualification of continued practice. However, the board may require reexamination; and
  - (b) Evidence of completion of continuing education hours as required by KRS 322.290.
- (4) No licensee shall be required to pay renewal fees to the board during the time the licensee is on active duty in the Armed Forces of the United States.
  - (a) Any licensee who has previously paid any renewal fee covering a period of time spent on active duty shall, upon filing with the board a copy of his or her discharge, be granted a license renewal without the payment of any fee.

- (b) The free renewal shall be for as many license years as the licensee was on active duty and which were covered in whole or in part by the previous payment of a renewal fee.
- (c) The continuing education requirement under KRS 322.290 shall be waived for those years the licensee was on active duty.

➔Section 10. KRS 322.180 is amended to read as follows:

The board may refuse to issue, refuse to renew, suspend, or revoke a license, may reprimand, place on probation, or admonish a licensee, may impose a fine on a licensee not to exceed one thousand dollars (\$1,000), or may impose any combination of these penalties when it finds that an applicant or licensee:

- (1) Engaged in any practice of fraud or deceit in obtaining a license;
- (2) Engaged in gross negligence, incompetence, or misconduct in the practice of engineering or land surveying;
- (3) Violated any provision of this chapter, the administrative regulations promulgated by the board, or the code of professional practice and conduct adopted by the board and incorporated in administrative regulations;
- (4) Employed, procured, or induced a person not licensed to practice engineering or land surveying in this state;
- (5) Aided or abetted a person not licensed to practice engineering or land surveying in this state;
- (6) Been granted a license upon a mistake of material fact;
- (7) Been convicted by a court of law of a felony ~~involving moral turpitude~~;
- (8) Become a chronic or persistent alcoholic or has become drug-addicted so that continued practice is dangerous to clients or to the public safety;
- (9) Developed a physical or mental disability or other condition so that continued practice is dangerous to clients or to the public safety;
- (10) Violated any order of suspension or the terms or conditions of any order of probation issued by the board;
- (11) Had a license or registration certificate to practice as an engineer or land surveyor denied, limited, suspended, probated, or revoked in another jurisdiction on grounds sufficient to cause licensure to be denied, limited, suspended, probated, or revoked in this state;
- (12) Engaged in conduct likely to deceive or defraud the public;
- (13) Presented or attempted to use as his or her own the license, seal, or stamp of another;
- (14) Falsely impersonated any other licensee;
- (15) Attempted to use an expired, suspended, or revoked license;
- (16) Provided certification for any plan, specification, plat, report, or physical description not prepared by him or her or under his or her direct supervision; or
- (17) Applied the seal, stamp, signature, or title block of another professional engineer or professional land surveyor to a plan, specification, plat, report, or physical description that was not prepared by the other professional engineer or land surveyor.

➔Section 11. KRS 322.260 is amended to read as follows:

~~{(1) Every year the board shall elect a **chair**~~chairman~~, a vice **chair**~~chairman~~, and a secretary-treasurer.~~

~~{(2) The secretary treasurer or any other officer or designee required to handle expenditures or disburse funds of the board shall give a surety bond to the board in a sum determined by the board. The premium on the bond shall be paid as a proper, necessary expense of the board.}~~

➔Section 12. KRS 322.330 is amended to read as follows:

The secretary-treasurer, or any other officer or designee properly authorized by the board, shall:

- (1) Receive and account for all money collected under this chapter and pay it into the State Treasury; and
- (2) **Provide in an electronic format on the board's Web site**~~{Publish every two (2) years, and at other intervals as established by the board by promulgation of administrative regulations,}~~ a roster showing the names and~~{~~

~~business} addresses of all professional engineers, professional land surveyors, and business entities holding permits to practice engineering or land surveying in this state. [Copies of the roster shall be distributed to each professional engineer and professional land surveyor, filed with the Secretary of State, and distributed or sold to the public.]~~

➔ Section 13. KRS 322.420 is amended to read as follows:

All fees paid to and collected by the board under ~~the provisions of~~ this *chapter* ~~section~~ shall be deposited in a depository designated by the board and disbursed only at the direction of the board. ~~The officer or employee of the board who shall be designated to collect and disburse the funds represented by such fees shall be required to execute a bond, with corporate surety, in an amount to be determined by the board and reasonably calculated to cover the aggregate of such fees for a period of one (1) year.]~~

➔ Section 14. KRS 322.450 is amended to read as follows:

The provisions of this chapter relating to the necessity of licensure to engage in the practice of land surveying shall not apply to:

- ~~(1) } any employee or employees of the Kentucky *Transportation Cabinet* ~~Department of Highways~~, or any other subdivision of the government of the Commonwealth of Kentucky, working under the direct supervision and control of a professional engineer or professional land surveyor;~~
- ~~(2) Any person or persons engaged in the practice of land surveying which is limited to the measurement of crops or agricultural land area under any agricultural program sponsored by an agency of the federal government or of the State of Kentucky; or~~
- ~~(3) Any employee or subordinate of a professional land surveyor whose work is done while under the direct supervision of, and is verified by, the professional land surveyor.]~~

➔ Section 15. KRS 322.550 is amended to read as follows:

- (1) *Except as otherwise provided in this section, the following buildings, or additions to existing buildings, classified by use group shall require the services of an architect licensed in the Commonwealth of Kentucky:*
  - (a) *Assembly use group having a capacity of one hundred (100) persons or more, except church buildings having a capacity of four hundred (400) persons or less or six thousand (6,000) square feet or less;*
  - (b) *Business use group having a capacity of one hundred (100) persons or more;*
  - (c) *Institutional use group, regardless of capacity;*
  - (d) *Mercantile use group having a capacity of one hundred (100) persons or more;*
  - (e) *Residential use group of more than twelve (12) dwelling units or having a capacity of fifty (50) persons or more;*
  - (f) *Educational use groups, regardless of capacity; and*
  - (g) *Mixed use group containing one (1) or more of the use group classifications and capacities listed under paragraphs (a) to (f) of this subsection.*
- (2) *Alterations or new construction requiring compliance with the Kentucky Building Code for any building containing one (1) or more of the use group classifications and capacities listed under subsection (1) of this section shall require the services of an architect licensed in the Commonwealth of Kentucky, but if alterations or new construction predominately involve primarily structural components or mechanical or electrical systems, then services may be performed by one (1) or more licensed professional engineers.*
- (3) *Buildings or additions to existing buildings, which contain one (1) or more of the use group classifications and capacities listed under subsection (1) of this section, shall require, in addition to the services of an architect, the services of one (1) or more licensed engineers.*
- (4) *The following buildings and additions to existing buildings, classified by use group, shall require the services of either a professional engineer or architect licensed in the Commonwealth of Kentucky:*
  - (a) *Factory and industrial use group having a capacity of one hundred (100) persons or more;*



- (b) *High hazard use group, regardless of capacity;*
  - (c) *Storage use group having a capacity of one hundred (100) persons or more; and*
  - (d) *Utility and miscellaneous use groups having a capacity of one hundred (100) persons or more.*
- (5) *The services required in subsections (1) to (4) of this section shall include the administration of construction contracts.*

~~If the drawings and specifications are signed by the authors with the true titles of their occupations as may be required by law, the following buildings and additions to buildings, classified by use group, shall require the services of a professional engineer or architect registered in this state:~~

- ~~(1) Factory and industrial use group having a capacity of one hundred (100) persons or more;~~
- ~~(2) High hazard use group, regardless of capacity;~~
- ~~(3) Storage use group having a capacity of one hundred (100) persons or more; and~~
- ~~(4) Miscellaneous use groups having a capacity of one hundred (100) persons or more.]~~

➔Section 16. The following KRS sections are repealed:

322.015 Effect of changes on existing registered engineers and registered land surveyors.

322.200 Hearing on charges.

322.310 Board to report annually to Governor.

➔Section 17. One professional land surveyor who is appointed under KRS 322.230 to fill a position on the State Board of Licensure for Professional Engineers and Land Surveyors after the previous term for that position has expired on December 31, 2010, shall serve a term of three years, after which appointments to this board position shall be for a term of four years.

**Signed by Governor April 26, 2010.**