

CHAPTER 178**(HB 443)**

AN ACT relating to reorganization, making an appropriation therefor, and declaring an emergency.

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

➔SECTION 1. KRS CHAPTER 324B IS ESTABLISHED AND A NEW SECTION THEREOF IS CREATED TO READ AS FOLLOWS:

As used in this chapter, unless the context requires otherwise:

- (1) *"Authority" means the Kentucky Real Estate Authority;*
- (2) *"Cabinet" means the Public Protection Cabinet;*
- (3) *"Commissioner" means the commissioner of the Department of Professional Licensing;*
- (4) *"Department" means the Department of Professional Licensing;*
- (5) *"Executive director" means the executive director of the Kentucky Real Estate Authority; and*
- (6) (a) *"Real property board" means:*
 1. *Kentucky Board of Home Inspectors, established under KRS 198B.700 to 198B.738;*
 2. *Kentucky Real Estate Commission, established under KRS Chapter 324;*
 3. *Real Estate Appraisers Board, established under KRS Chapter 324A; or*
 4. *Board of Auctioneers, established under KRS Chapter 330; and*
- (b) *"Real property boards" means a combination of all the boards listed in paragraph (a) of this subsection.*

➔SECTION 2. A NEW SECTION OF KRS CHAPTER 324B IS CREATED TO READ AS FOLLOWS:

The Department of Professional Licensing is hereby created within the Public Protection Cabinet. The department shall be managed by a commissioner, who shall be appointed by the Governor.

➔SECTION 3. A NEW SECTION OF KRS CHAPTER 324B IS CREATED TO READ AS FOLLOWS:

- (1) *The Kentucky Real Estate Authority is hereby created within the Department of Professional Licensing.*
- (2) *The authority shall be managed by an executive director, who shall be appointed by the secretary of the Public Protection Cabinet with prior written approval from the Governor. The executive director shall be exempted from the classified service.*
- (3) *The authority shall have the power and authority to:*
 - (a) *Provide appropriate personnel staffing and administrative support to the real property boards;*
 - (b) *Establish and maintain an office, meeting space, office supplies, furniture, storage space, and any other supplies that are necessary to carry out the duties of the authority and the real property boards;*
 - (c) *Make available for public inspection all decisions, opinions, and interpretations formulated or used by the authority and the real property boards in discharging their functions;*
 - (d) *Publicize the functions and purposes of the authority and the real property boards;*
 - (e) *Employ administrative coordinators who shall carry out the administrative functions and day-to-day operations of the real property boards. The maximum number of administrative coordinators shall be one (1) for each real property board. Administrative coordinators shall be exempted from the classified service;*
 - (f) *Enter into agreements with any state agency, political subdivision of the state, postsecondary education institution, or other person or entity to assist with implementation of the duties and responsibilities of the authority or, upon request, the real property boards; and*

- (g) *Charge the real property boards a reasonable amount for the services of the authority and its employees.*

➔SECTION 4. A NEW SECTION OF KRS CHAPTER 324B IS CREATED TO READ AS FOLLOWS:

The executive director shall:

- (1) *Provide government oversight of the real property boards;*
- (2) *Review and approve or disapprove any administrative regulation proposed by the real property boards prior to the promulgation of the administrative regulation;*
- (3) *Review and approve or disapprove the budgets and expenditures of the real property boards;*
- (4) *Pursuant to KRS 13B.120(7), automatically hear and issue a final order regarding any decision of a real property board that would otherwise be subject to appeal. An aggrieved party may appeal a final order of the executive director pursuant to KRS Chapter 13B within thirty (30) days after the issuance of the order to the Circuit Court of the county where the licensee has his or her principal place of business or where the license applicant resides;*
- (5) *Make available for public inspection all decisions, opinions, and interpretations formulated or used by the executive director in discharging his or her functions;*
- (6) *Carry out the policy and program directives of the department;*
- (7) *Prepare annual reports on the executive director's activities;*
- (8) *Delegate any power to employees and contractors as needed;*
- (9) *Have at least ten (10) years of experience in one (1) of the professions under the jurisdiction of a real property board; and*
- (10) *Perform all other duties assigned by law.*

➔Section 5. KRS 224.10-052 is repealed, reenacted as a new section of KRS Chapter 324B, and amended to read as follows:

- (1) The **Department of Professional Licensing**~~[Office of Occupations and Professions]~~ in the Public Protection Cabinet shall provide administrative services, technical assistance, and advice to the following boards and commissions at the request of the individual boards or commissions, all of which maintain their identity and their full authority for making policy decisions in the fields that they regulate: the State Board of Accountancy, the Kentucky Board of Architects, the Kentucky Board of Barbering, the Kentucky Board of Hairdressers and Cosmetologists, the State Board of Podiatry, the Kentucky State Board of Chiropractic Examiners, the Kentucky Board of Dentistry, the State Board of Embalmers and Funeral Directors, the State Board of Registration for Professional Engineers and Land Surveyors, the Kentucky Board of Nursing, the Kentucky Board of Ophthalmic Dispensers, the Kentucky Board of Optometric Examiners, the Kentucky Board of Pharmacy, the State Board of Physical Therapy, the State Board of Examiners of Psychologists, the Kentucky Real Estate Commission, the Kentucky Board of Veterinary Examiners, the Board of Auctioneers, the Kentucky Board of Landscape Architects, the State Board of Medical Licensure, the Board of Speech-Language Pathology and Audiology, the Kentucky Board of Licensure for Nursing Home Administrators, the Kentucky Licensing Board for Specialists in Hearing Instruments, the Kentucky Board of Social Work, and **any**~~[such]~~ other boards and commissions **that**~~[as]~~ are created to license, certify, register, or otherwise regulate any occupational or professional category.
- (2) The **department**~~[office]~~ may also provide administrative services to a board or commission that is created to license, certify, register, or otherwise regulate any occupational or professional category if these administrative services are deemed to be preferable or required after the review process conducted under **Section 6 of this Act**~~[KRS 224.10-053]~~.
- (3) To the extent that the **department**~~[office]~~ provides administrative services, the respective boards and commissions are relieved of the power and duty to provide the services for themselves. The **department**~~[office]~~ shall charge each board or commission a reasonable amount for administrative services provided pursuant to subsection (1) of this section. The **department**~~[office]~~ may employ persons previously employed by boards or commissions.
- (4) The **department**~~[office]~~ may receive complaints against the conduct of licensees granted licensure by the boards and commissions assigned to the **department**~~[office]~~ for administrative purposes. The

~~department~~~~office~~ shall cause ~~these~~~~such~~ complaints to be reduced to writing and forwarded to the appropriate board or commission for investigation and a determination of the validity of the complaint. The ~~department~~~~office~~ shall keep a record of all complaints received by it and forwarded to a board or commission.

- (5) Any board or commission listed in subsection (1) of this section, shall accept personal checks in payment of license renewal fees.

➔Section 6. KRS 224.10-053 is repealed, reenacted as a new section of KRS Chapter 324B, and amended to read as follows:

- (1) As used in this section, "independent board or commission" means an executive branch agency created by statute that serves the primary purpose of licensing, certifying, registering, or otherwise regulating any occupational or professional category. "Independent board or commission" does not include:
- (a) An executive branch board or commission that is a part of another executive branch agency;
 - (b) Any board or commission that is under the authority or jurisdiction of the General Assembly or the judicial branch; or
 - (c) Any board or commission within any branch of state government if that board or commission is expressly designed to:
 1. Study, report, or make recommendations regarding a particular issue; or
 2. Expire within a time certain.
- (2) Any independent board or commission that is created after July 15, 2010, shall use the administrative services of the *Department of Professional Licensing*~~Office of Occupations and Professions~~ as described under *Section 5 of this Act*~~KRS 224.10-052~~ unless that board or commission can reasonably demonstrate to the satisfaction of the ~~department~~~~division~~ that it will license, certify, register, or otherwise regulate at least one hundred (100) persons. If the board or commission is able to initially demonstrate that it will reach the threshold established in this subsection and then fails to license, certify, register, or otherwise regulate at least one hundred (100) persons at the end of any two (2) consecutive fiscal years, that board or commission shall be subject to the process required in subsection (4) of this section.
- (3) Any independent board or commission that was created before July 15, 2010, shall undergo the process required in subsection (4) of this section if that board or commission licenses, certifies, registers, or otherwise regulates less than one hundred (100) persons at the end of any two (2) consecutive fiscal years ending on or after June 30, 2010.
- (4) (a) If an independent board or commission fails to regulate one hundred (100) or more persons for two (2) consecutive fiscal years as described in subsections (2) and (3) of this section, that board or commission shall submit a report within ninety (90) days after the close of the second of the two (2) fiscal years to the *Department of Professional Licensing*~~Office of Occupations and Professions~~ and to the Interim Joint Committee on Licensing and Occupations of the Legislative Research Commission or to the corresponding standing committees of the General Assembly. The report shall contain, at a minimum:
1. The number of persons licensed, certified, registered, or otherwise regulated by the board or commission at the close of each of the two (2) fiscal years;
 2. A detailed accounting of the revenues, fees collected, board or commission member reimbursements or per diems, staff salaries, costs, expenses, and other financial activities of the board or commission for each of the two (2) fiscal years; and
 3. The board or commission's plan to:
 - a. Increase the number of persons it licenses, certifies, registers, or otherwise regulates to one hundred (100) or more persons;
 - b. Merge with one (1) or more other boards, commissions, or other governmental entities, which will result in a merged entity that will license, certify, register, or otherwise regulate one hundred (100) or more persons; or

- c. Allow the **Department of Professional Licensing**~~[Office of Occupations and Professions]~~ to assume administrative duties for the board or commission as described in **Section 5 of this Act**~~[KRS 224.10-052]~~.
- (b) If, after implementation of its plan under paragraph (a)3.a. or b. of this subsection, an independent board or commission fails to license, certify, register, or otherwise regulate one hundred (100) or more persons for an additional three (3) consecutive fiscal years, for a total of five (5) consecutive fiscal years, that board or commission shall allow the **Department of Professional Licensing**~~[Office of Occupations and Professions]~~ to assume administrative duties for the board or commission as described in **Section 5 of this Act**~~[KRS 224.10-052]~~ within ninety (90) days after the end of the fifth fiscal year.

➔Section 7. KRS 12.020 is amended to read as follows:

Departments, program cabinets and their departments, and the respective major administrative bodies that they include are enumerated in this section. It is not intended that this enumeration of administrative bodies be all-inclusive. Every authority, board, bureau, interstate compact, commission, committee, conference, council, office, or any other form of organization shall be included in or attached to the department or program cabinet in which they are included or to which they are attached by statute or statutorily authorized executive order; except in the case of the Personnel Board and where the attached department or administrative body is headed by a constitutionally elected officer, the attachment shall be solely for the purpose of dissemination of information and coordination of activities and shall not include any authority over the functions, personnel, funds, equipment, facilities, or records of the department or administrative body.

I. Cabinet for General Government - Departments headed by elected officers:

- (1) The Governor.
- (2) Lieutenant Governor.
- (3) Department of State.
 - (a) Secretary of State.
 - (b) Board of Elections.
 - (c) Registry of Election Finance.
- (4) Department of Law.
 - (a) Attorney General.
- (5) Department of the Treasury.
 - (a) Treasurer.
- (6) Department of Agriculture.
 - (a) Commissioner of Agriculture.
 - (b) Kentucky Council on Agriculture.
- (7) Auditor of Public Accounts.

II. Program cabinets headed by appointed officers:

- (1) Justice and Public Safety Cabinet:
 - (a) Department of Kentucky State Police.
 - (b) Department of Criminal Justice Training.
 - (c) Department of Corrections.
 - (d) Department of Juvenile Justice.
 - (e) Office of the Secretary.
 - (f) Office of Drug Control Policy.
 - (g) Office of Legal Services.
 - (h) Office of the Kentucky State Medical Examiner.

- (i) Parole Board.
 - (j) Kentucky State Corrections Commission.
 - (k) Office of Legislative and Intergovernmental Services.
 - (l) Office of Management and Administrative Services.
 - (m) Department for Public Advocacy.
- (2) Education and Workforce Development Cabinet:
- (a) Office of the Secretary.
 - 1. Governor's Scholars Program.
 - 2. Governor's School for Entrepreneurs Program.
 - (b) Office of Legal and Legislative Services.
 - 1. Client Assistance Program.
 - (c) Office of Communication.
 - (d) Office of Budget and Administration.
 - 1. Division of Human Resources.
 - 2. Division of Administrative Services.
 - (e) Office of Technology Services.
 - (f) Office of Educational Programs.
 - (g) Office for Education and Workforce Statistics.
 - (h) Board of the Kentucky Center for Education and Workforce Statistics.
 - (i) Board of Directors for the Center for School Safety.
 - (j) Department of Education.
 - 1. Kentucky Board of Education.
 - 2. Kentucky Technical Education Personnel Board.
 - (k) Department for Libraries and Archives.
 - (l) Department of Workforce Investment.
 - 1. Office for the Blind.
 - 2. Office of Vocational Rehabilitation.
 - 3. Office of Employment and Training.
 - a. Division of Grant Management and Support.
 - b. Division of Workforce and Employment Services.
 - c. Division of Unemployment Insurance.
 - (m) Foundation for Workforce Development.
 - (n) Kentucky Office for the Blind State Rehabilitation Council.
 - (o) Kentucky Workforce Investment Board.
 - (p) Statewide Council for Vocational Rehabilitation.
 - (q) Unemployment Insurance Commission.
 - (r) Education Professional Standards Board.
 - 1. Division of Educator Preparation.

2. Division of Certification.
 3. Division of Professional Learning and Assessment.
 4. Division of Legal Services.
- (s) Kentucky Commission on the Deaf and Hard of Hearing.
- (t) Kentucky Educational Television.
- (u) Kentucky Environmental Education Council.
- (3) Energy and Environment Cabinet:
- (a) Office of the Secretary.
1. Office of Legislative and Intergovernmental Affairs.
 2. Office of General Counsel.
 3. Office of Administrative Hearings.
 4. Mine Safety Review Commission.
 5. Kentucky State Nature Preserves Commission.
 6. Kentucky Environmental Quality Commission.
 7. Kentucky Public Service Commission.
- (b) Department for Environmental Protection.
1. Office of the Commissioner.
 2. Division for Air Quality.
 3. Division of Water.
 4. Division of Environmental Program Support.
 5. Division of Waste Management.
 6. Division of Enforcement.
 7. Division of Compliance Assistance.
- (c) Department for Natural Resources.
1. Office of the Commissioner.
 2. Division of Technical and Administrative Support.
 3. Division of Mine Permits.
 4. Division of Mine Reclamation and Enforcement.
 5. Division of Abandoned Mine Lands.
 6. Division of Oil and Gas.
 7. Division of Mine Safety.
 8. Division of Forestry.
 9. Division of Conservation.
 10. Office of the Reclamation Guaranty Fund.
 11. Kentucky Mining Board.
- (d) Department for Energy Development and Independence.
1. Division of Efficiency and Conservation.
 2. Division of Renewable Energy.
 3. Division of Biofuels.

4. Division of Energy Generation Transmission and Distribution.
 5. Division of Carbon Management.
 6. Division of Fossil Energy Development.
- (4) Public Protection Cabinet.
- (a) Office of the Secretary.
 1. Office of Communications and Public Outreach.
 2. Office of Legal Services.
 - a. Insurance Legal Division.
 - b. Charitable Gaming Legal Division.
 - c. Alcoholic Beverage Control Legal Division.
 - d. Housing, Buildings and Construction Legal Division.
 - e. Financial Institutions Legal Division.
 - (b) Crime Victims Compensation Board.
 - (c) Board of Claims.
 - (d) Kentucky Board of Tax Appeals.
 - (e) Kentucky Boxing and Wrestling Authority.
 - (f) Kentucky Horse Racing Commission.
 1. Division of Licensing.
 2. Division of Incentives and Development.
 3. Division of Veterinary Services.
 4. Division of Security and Enforcement.
 - (g) Department of Alcoholic Beverage Control.
 1. Division of Distilled Spirits.
 2. Division of Malt Beverages.
 3. Division of Enforcement.
 - (h) Department of Charitable Gaming.
 1. Division of Licensing and Compliance.
 2. Division of Enforcement.
 - (i) Department of Financial Institutions.
 1. Division of Depository Institutions.
 2. Division of Non-Depository Institutions.
 3. Division of Securities.
 - (j) Department of Housing, Buildings and Construction.
 1. Division of Fire Prevention.
 2. Division of Plumbing.
 3. Division of Heating, Ventilation, and Air Conditioning.
 4. Division of Building Code Enforcement.
 - (k) Department of Insurance.

1. Property and Casualty Division.
 2. Health and Life Division.
 3. Division of Financial Standards and Examination.
 4. Division of Agent Licensing.
 5. Division of Insurance Fraud Investigation.
 6. Consumer Protection Division.
 7. Division of Kentucky Access.
- (l) ***Department of Professional Licensing.***
1. ***Real Estate Authority***~~[Office of Occupations and Professions]~~.
- (5) Labor Cabinet.
- (a) Office of the Secretary.
 1. Division of Management Services.
 2. Office of General Counsel.
 - (b) Office of General Administration and Program Support for Shared Services.
 1. Division of Human Resource Management.
 2. Division of Fiscal Management.
 3. Division of Budgets.
 4. Division of Information Services.
 - (c) Office of Inspector General for Shared Services.
 - (d) Department of Workplace Standards.
 1. Division of Employment Standards, Apprenticeship, and Mediation.
 2. Division of Occupational Safety and Health Compliance.
 3. Division of Occupational Safety and Health Education and Training.
 4. Division of Workers' Compensation Funds.
 - (e) Department of Workers' Claims.
 1. Office of General Counsel for Workers' Claims.
 2. Office of Administrative Law Judges.
 3. Division of Claims Processing.
 4. Division of Security and Compliance.
 5. Division of Information and Research.
 6. Division of Ombudsman and Workers' Compensation Specialist Services.
 7. Workers' Compensation Board.
 8. Workers' Compensation Advisory Council.
 9. Workers' Compensation Nominating Commission.
 - (f) Workers' Compensation Funding Commission.
 - (g) Kentucky Labor-Management Advisory Council.
 - (h) Occupational Safety and Health Standards Board.
 - (i) Prevailing Wage Review Board.
 - (j) Apprenticeship and Training Council.

- (k) State Labor Relations Board.
- (l) Employers' Mutual Insurance Authority.
- (m) Kentucky Occupational Safety and Health Review Commission.
- (6) Transportation Cabinet:
 - (a) Department of Highways.
 - 1. Office of Project Development.
 - 2. Office of Project Delivery and Preservation.
 - 3. Office of Highway Safety.
 - 4. Highway District Offices One through Twelve.
 - (b) Department of Vehicle Regulation.
 - (c) Department of Aviation.
 - (d) Department of Rural and Municipal Aid.
 - 1. Office of Local Programs.
 - 2. Office of Rural and Secondary Roads.
 - (e) Office of the Secretary.
 - 1. Office of Public Affairs.
 - 2. Office for Civil Rights and Small Business Development.
 - 3. Office of Budget and Fiscal Management.
 - 4. Office of Inspector General.
 - (f) Office of Support Services.
 - (g) Office of Transportation Delivery.
 - (h) Office of Audits.
 - (i) Office of Human Resource Management.
 - (j) Office of Information Technology.
 - (k) Office of Legal Services.
- (7) Cabinet for Economic Development:
 - (a) Office of the Secretary.
 - 1. Office of Legal Services.
 - 2. Department for Business Development.
 - a. Office of Entrepreneurship.
 - i. Commission on Small Business Advocacy.
 - b. Office of Research and Public Affairs.
 - c. Bluegrass State Skills Corporation.
 - 3. Office of Financial Services.
 - a. Kentucky Economic Development Finance Authority.
 - b. Division of Finance and Personnel.
 - c. Division of Network Administration.
 - d. Compliance Division.

e. Incentive Assistance Division.

- (8) Cabinet for Health and Family Services:
 - (a) Office of the Secretary.
 - (b) Office of Health Policy.
 - (c) Office of Legal Services.
 - (d) Office of Inspector General.
 - (e) Office of Communications and Administrative Review.
 - (f) Office of the Ombudsman.
 - (g) Office of Policy and Budget.
 - (h) Office of Human Resource Management.
 - (i) Office of Administrative and Technology Services.
 - (j) Department for Public Health.
 - (k) Department for Medicaid Services.
 - (l) Department for Behavioral Health, Developmental and Intellectual Disabilities.
 - (m) Department for Aging and Independent Living.
 - (n) Department for Community Based Services.
 - (o) Department for Income Support.
 - (p) Department for Family Resource Centers and Volunteer Services.
 - (q) Kentucky Commission on Community Volunteerism and Service.
 - (r) Kentucky Commission for Children with Special Health Care Needs.
 - (s) Governor's Office of Electronic Health Information.
- (9) Finance and Administration Cabinet:
 - (a) Office of General Counsel.
 - (b) Office of the Controller.
 - (c) Office of Administrative Services.
 - (d) Office of Public Information.
 - (e) Office of Policy and Audit.
 - (f) Department for Facilities and Support Services.
 - (g) Department of Revenue.
 - (h) Commonwealth Office of Technology.
 - (i) State Property and Buildings Commission.
 - (j) Office of Equal Employment Opportunity and Contract Compliance.
 - (k) Kentucky Employees Retirement Systems.
 - (l) Commonwealth Credit Union.
 - (m) State Investment Commission.
 - (n) Kentucky Housing Corporation.
 - (o) Kentucky Local Correctional Facilities Construction Authority.
 - (p) Kentucky Turnpike Authority.
 - (q) Historic Properties Advisory Commission.

- (r) Kentucky Tobacco Settlement Trust Corporation.
 - (s) Kentucky Higher Education Assistance Authority.
 - (t) Kentucky River Authority.
 - (u) Kentucky Teachers' Retirement System Board of Trustees.
 - (v) Executive Branch Ethics Commission.
- (10) Tourism, Arts and Heritage Cabinet:
- (a) Kentucky Department of Travel and Tourism.
 - 1. Division of Tourism Services.
 - 2. Division of Marketing and Administration.
 - 3. Division of Communications and Promotions.
 - (b) Kentucky Department of Parks.
 - 1. Division of Information Technology.
 - 2. Division of Human Resources.
 - 3. Division of Financial Operations.
 - 4. Division of Facilities Management.
 - 5. Division of Facilities Maintenance.
 - 6. Division of Customer Services.
 - 7. Division of Recreation.
 - 8. Division of Golf Courses.
 - 9. Division of Food Services.
 - 10. Division of Rangers.
 - 11. Division of Resort Parks.
 - 12. Division of Recreational Parks and Historic Sites.
 - (c) Department of Fish and Wildlife Resources.
 - 1. Division of Law Enforcement.
 - 2. Division of Administrative Services.
 - 3. Division of Engineering.
 - 4. Division of Fisheries.
 - 5. Division of Information and Education.
 - 6. Division of Wildlife.
 - 7. Division of Public Affairs.
 - (d) Kentucky Horse Park.
 - 1. Division of Support Services.
 - 2. Division of Buildings and Grounds.
 - 3. Division of Operational Services.
 - (e) Kentucky State Fair Board.
 - 1. Office of Administrative and Information Technology Services.
 - 2. Office of Human Resources and Access Control.

ACTS OF THE GENERAL ASSEMBLY

3. Division of Expositions.
 4. Division of Kentucky Exposition Center Operations.
 5. Division of Kentucky International Convention Center.
 6. Division of Public Relations and Media.
 7. Division of Venue Services.
 8. Division of Personnel Management and Staff Development.
 9. Division of Sales.
 10. Division of Security and Traffic Control.
 11. Division of Information Technology.
 12. Division of the Louisville Arena.
 13. Division of Fiscal and Contract Management.
 14. Division of Access Control.
- (f) Office of the Secretary.
1. Office of Finance.
 2. Office of Research and Administration.
 3. Office of Governmental Relations and Tourism Development.
 4. Office of the Sports Authority.
 5. Kentucky Sports Authority.
- (g) Office of Legal Affairs.
- (h) Office of Human Resources.
- (i) Office of Public Affairs and Constituent Services.
- (j) Office of Creative Services.
- (k) Office of Capital Plaza Operations.
- (l) Office of Arts and Cultural Heritage.
- (m) Kentucky African-American Heritage Commission.
- (n) Kentucky Foundation for the Arts.
- (o) Kentucky Humanities Council.
- (p) Kentucky Heritage Council.
- (q) Kentucky Arts Council.
- (r) Kentucky Historical Society.
1. Division of Museums.
 2. Division of Oral History and Educational Outreach.
 3. Division of Research and Publications.
 4. Division of Administration.
- (s) Kentucky Center for the Arts.
1. Division of Governor's School for the Arts.
- (t) Kentucky Artisans Center at Berea.
- (u) Northern Kentucky Convention Center.
- (v) Eastern Kentucky Exposition Center.

- (11) Personnel Cabinet:
- (a) Office of the Secretary.
 - (b) Department of Human Resources Administration.
 - (c) Office of Employee Relations.
 - (d) Kentucky Public Employees Deferred Compensation Authority.
 - (e) Office of Administrative Services.
 - (f) Office of Legal Services.
 - (g) Governmental Services Center.
 - (h) Department of Employee Insurance.
 - (i) Office of Diversity and Equality.
 - (j) Center of Strategic Innovation.

III. Other departments headed by appointed officers:

- (1) Council on Postsecondary Education.
- (2) Department of Military Affairs.
- (3) Department for Local Government.
- (4) Kentucky Commission on Human Rights.
- (5) Kentucky Commission on Women.
- (6) Department of Veterans' Affairs.
- (7) Kentucky Commission on Military Affairs.
- (8) Office of Minority Empowerment.
- (9) Governor's Council on Wellness and Physical Activity.

➔Section 8. KRS 12.252 is amended to read as follows:

- (1) There is established within the Public Protection Cabinet a Department of Financial Institutions, a Department of Insurance, a Department of Housing, Buildings and Construction, a Department of Charitable Gaming, *a Department of Professional Licensing*, and a Department of Alcoholic Beverage Control. Each department shall be headed by a commissioner appointed by the Governor as required by KRS 12.040 and, where appropriate, by KRS 238.510, 241.015, and 304.2-020. Commissioners shall be directly responsible to the secretary and shall perform the functions, powers, and duties provided by law and prescribed by the secretary.
- ~~(2) There is established within the Public Protection Cabinet an Office of Occupations and Professions, which shall be headed by an executive director appointed by the secretary with the approval of the Governor as required by KRS 12.050. The executive director shall be directly responsible to the secretary and shall perform the functions, powers, and duties provided by law and prescribed by the secretary.~~
- ~~(3)~~ The secretary of the Public Protection Cabinet shall be appointed by the Governor in accordance with KRS 12.255. The Office of the Secretary shall contain the following entities:
 - (a) The Office of Communications and Public Outreach, which shall be headed by an executive director appointed by the secretary with the approval of the Governor in accordance with KRS 12.050; and
 - (b) The Office of Legal Services, which shall be headed by an executive director appointed by the secretary with the approval of the Governor in accordance with KRS 12.050 and 12.210.
- ~~(3)~~~~(4)~~ The following agencies are attached to the Public Protection Cabinet for administrative purposes only, except as provided in KRS 131.330:
 - (a) Crime Victims Compensation Board;
 - (b) Board of Claims;

- (c) Kentucky Board of Tax Appeals;
- (d) Kentucky Boxing and Wrestling Authority; and
- (e) Kentucky Horse Racing Commission.

➔Section 9. KRS 164.6903 is amended to read as follows:

As used in KRS 164.6901 to 164.6935, unless the context requires otherwise:

- (1) "Agency contract" means an agreement in which a student-athlete authorizes a person to negotiate or solicit on behalf of the student-athlete a professional-sports-services contract or an endorsement contract;
- (2) "Athlete agent" means an individual who enters into an agency contract with a student-athlete or, directly or indirectly, recruits or solicits a student-athlete to enter into an agency contract. The term includes an individual who represents to the public that the individual is an athlete agent. The term does not include a spouse, parent, sibling, grandparent, or guardian of the student-athlete or an individual acting solely on behalf of a professional sports team or professional sports organization;
- (3) "Athletic director" means an individual responsible for administering the overall athletic program of an educational institution or, if an educational institution has separately administered athletic programs for male and female students, the athletic program for males or the athletic program for females, as appropriate;
- (4) "Contact" means a communication, direct or indirect, between an athlete agent and a student-athlete, to recruit or solicit the student-athlete to enter into an agency contract;
- (5) **"Department" means the Department of Professional Licensing**~~["Office" means the Office of Occupations and Professions]~~ in the Public Protection Cabinet;
- (6) "Endorsement contract" means an agreement under which a student-athlete is employed or receives consideration to use on behalf of the other party any value that the student-athlete may have because of publicity, reputation, following, or fame obtained because of athletic ability or performance;
- (7) "Intercollegiate sport" means a sport played at the collegiate level for which eligibility requirements for participation by a student-athlete are established by a national association for the promotion or regulation of collegiate athletics;
- (8) "Person" means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, or government; governmental subdivision, agency, or instrumentality; public corporation, or any other legal or commercial entity;
- (9) "Professional-sports-services contract" means an agreement under which an individual is employed, or agrees to render services, as a player on a professional sports team, with a professional sports organization, or as a professional athlete;
- (10) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form;
- (11) "Registration" means registration as an athlete agent pursuant to KRS 164.6901 to 164.6935;
- (12) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States; and
- (13) "Student-athlete" means an individual who engages in, is eligible to engage in, or may be eligible in the future to engage in, any intercollegiate sport. If an individual is permanently ineligible to participate in a particular intercollegiate sport, the individual is not a student-athlete for purposes of that sport.

➔Section 10. KRS 164.6905 is amended to read as follows:

- (1) By acting as an athlete agent in this state, a nonresident individual appoints the **department**~~["Office of Occupations and Professions"]~~ as the individual's agent for service of process in any civil action in this state related to the individual's acting as an athlete agent in this state.
- (2) The **department**~~["office"]~~ may issue subpoenas for any material that is relevant to the administration of KRS 164.6901 to 164.6935.
- (3) The **department**~~["office"]~~ may promulgate administrative regulations in accordance with KRS Chapter 13A that are necessary to carry out the provisions of KRS 164.6901 to 164.6935.

➔Section 11. KRS 164.6909 is amended to read as follows:

- (1) An applicant for registration shall submit an application for registration to the ~~department~~~~office~~ in a form prescribed by the ~~department~~~~office~~. An application filed under this section is a public record. The application ~~shall~~~~must~~ be in the name of an individual, and except as otherwise provided in subsection (2) of this section, signed or otherwise authenticated by the applicant under penalty of perjury and state or contain:
- (a) The name of the applicant and the address of the applicant's principal place of business;
 - (b) The name of the applicant's business or employer, if applicable;
 - (c) Any business or occupation engaged in by the applicant for the five (5) years next preceding the date of submission of this application;
 - (d) A description of the applicant's:
 1. Formal training as an athlete;
 2. Practical experience as an athlete agent; and
 3. Educational background relating to the applicant's activities as an athlete agent;
 - (e) The names and addresses of three (3) individuals not related to the applicant who are willing to serve as references;
 - (f) The name, sport, and last known team for each individual for whom the applicant acted as an athlete agent during the five (5) years next preceding the date of submission of the application;
 - (g) The names and addresses of all persons who are:
 1. With respect to the athlete agent's business if it is not a corporation, the partners, members, officers, managers, associates, or profit-sharers of the business; and
 2. With respect to a corporation employing the athlete agent, the officers, directors, and any shareholder of the corporation having an interest of five percent (5%) or greater;
 - (h) Whether the applicant or any person named pursuant to paragraph (g) of this subsection has been convicted of a crime that, if committed in this state, would be a crime involving moral turpitude or a felony, and identify the crime;
 - (i) Whether there has been any administrative or judicial determination that the applicant or any person named pursuant to paragraph (g) of this subsection has made a false, misleading, deceptive, or fraudulent representation;
 - (j) Any instance in which the conduct of the applicant or any person named pursuant to paragraph (g) of this subsection resulted in the imposition of a sanction, suspension, or declaration of ineligibility to participate in an interscholastic or intercollegiate athletic event on a student-athlete or educational institution;
 - (k) Any sanction, suspension, or disciplinary action taken against the applicant or any person named pursuant to paragraph (g) of this subsection arising out of occupational or professional conduct; and
 - (l) Whether there has been any denial of an application for, suspension or revocation of, or refusal to renew, the registration or licensure of the applicant or any person named pursuant to paragraph (g) of this subsection as an athlete agent in any state.
- (2) An individual who has submitted an application for, and holds a certificate of, registration or licensure as an athlete agent in another state, may submit a copy of the application and certificate in lieu of submitting an application in the form prescribed pursuant to subsection (1) of this section. The ~~department~~~~office~~ shall accept the application and the certificate from the other state as an application for registration in this state if the application to the other state:
- (a) Was submitted in the other state within six (6) months next preceding the submission of the application in this state and the applicant certifies that the information contained in the application is current;
 - (b) Contains information substantially similar to or more comprehensive than that required in an application submitted in this state; and
 - (c) Was signed by the applicant under penalty of perjury.

➔Section 12. KRS 164.6911 is amended to read as follows:

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- (1) Except as otherwise provided in subsection (2) of this section, the *department*~~{office}~~ shall issue a certificate of registration to an individual who complies with KRS 164.6909(1) or whose application has been accepted under KRS 164.6909(2).
- (2) The *department*~~{office}~~ may refuse to issue a certificate of registration if the *department*~~{office}~~ determines that the applicant has engaged in conduct that has a significant adverse effect on the applicant's fitness to act as an athlete agent. In making the determination, the *department*~~{office}~~ may consider whether the applicant has:
 - (a) Been convicted of a crime that, if committed in this state, would be a crime involving moral turpitude or a felony;
 - (b) Made a materially false, misleading, deceptive, or fraudulent representation in the application or as an athlete agent;
 - (c) Engaged in conduct that would disqualify the applicant from serving in a fiduciary capacity;
 - (d) Engaged in conduct prohibited by KRS 164.6925;
 - (e) Had a registration or licensure as an athlete agent suspended, revoked, or denied, or been refused renewal of registration or licensure as an athlete agent in any state;
 - (f) Engaged in conduct the consequence of which was that a sanction, suspension, or declaration of ineligibility to participate in an interscholastic or intercollegiate athletic event was imposed on a student-athlete or educational institution; or
 - (g) Engaged in conduct that significantly adversely reflects on the applicant's credibility, honesty, or integrity.
- (3) In making a determination under subsection (2) of this section, the *department*~~{office}~~ shall consider:
 - (a) How recently the conduct occurred;
 - (b) The nature of the conduct and the context in which it occurred; and
 - (c) Any other relevant conduct of the applicant.
- (4) An athlete agent may apply to renew a registration by submitting an application for renewal in a form prescribed by the *department*~~{office}~~. An application filed under this section is a public record. The application for renewal ~~shall~~~~must~~ be signed by the applicant under penalty of perjury and ~~shall~~~~must~~ contain current information on all matters required in an original registration.
- (5) An individual who has submitted an application for renewal of registration or licensure in another state, in lieu of submitting an application for renewal in the form prescribed pursuant to subsection (4) of this section, may file a copy of the application for renewal and a valid certificate of registration or licensure from the other state. The *department*~~{office}~~ shall accept the application for renewal from the other state as an application for renewal in this state if the application to the other state:
 - (a) Was submitted in the other state within six (6) months next preceding the filing in this state and the applicant certifies the information contained in the application for renewal is current;
 - (b) Contains information substantially similar to or more comprehensive than that required in an application for renewal submitted in this state; and
 - (c) Was signed by the applicant under penalty of perjury.
- (6) A certificate of registration or a renewal of registration is valid for one (1) year.

➔Section 13. KRS 164.6913 is amended to read as follows:

 - (1) The *department*~~{office}~~ may suspend, revoke, or refuse to renew a registration for conduct that would have justified denial of registration under KRS 164.6911(2).
 - (2) The *department*~~{office}~~ may deny, suspend, revoke, or refuse to renew a certificate of registration or licensure only after proper notice and an opportunity for a hearing in accordance with KRS Chapter 13B.
 - (3) The *department*~~{office}~~ may issue a temporary certificate of registration while an application for registration or renewal of registration is pending.

➔Section 14. KRS 164.6915 is amended to read as follows:

An application for registration or renewal of registration ~~shall~~~~must~~ be accompanied by a fee in the following amount:

- (1) An initial application for registration fee determined by the ~~department~~~~office~~, not to exceed three hundred dollars (\$300);
- (2) An annual renewal fee determined by the ~~department~~~~office~~, not to exceed three hundred dollars (\$300); or
- (3) An application for registration fee based upon certification of registration or licensure issued by another state determined by the ~~department~~~~office~~, not to exceed two hundred fifty dollars (\$250).

➔Section 15. KRS 164.6923 is amended to read as follows:

- (1) An athlete agent shall retain the following records for a period of five (5) years:
 - (a) The name and address of each individual represented by the athlete agent;
 - (b) Any agency contract entered into by the athlete agent; and
 - (c) Any direct costs incurred by the athlete agent in the recruitment or solicitation of a student-athlete to enter into an agency contract.
- (2) Records required to be retained in subsection (1) of this section are open to inspection by the ~~department~~~~office~~ during normal business hours.

➔Section 16. KRS 164.6929 is amended to read as follows:

- (1) An educational institution has a right of action against an athlete agent or a former student-athlete for damages caused by a violation of KRS 164.6901 to 164.6935. In an action under this section, the court may award to the prevailing party costs and reasonable attorney's fees.
- (2) Damages of an educational institution under subsection (1) of this section include losses and expenses incurred because, as a result of the conduct of an athlete agent or former student-athlete, the educational institution was injured by a violation of KRS 164.6901 to 164.6935 or was penalized, disqualified, or suspended from participation in athletics by a national association for the promotion and regulation of athletics, by an athletic conference, or by reasonable self-imposed disciplinary action taken to mitigate sanctions likely to be imposed by such an organization.
- (3) A right of action under this section does not accrue until the educational institution discovers or by the exercise of reasonable diligence would have discovered the violation by the athlete agent or former student-athlete.
- (4) Any liability of the athlete agent or the former student-athlete under this section is several and not joint.
- (5) The ~~department~~~~office~~ may assess a civil penalty against an athlete agent not to exceed twenty-five thousand dollars (\$25,000) for a violation of KRS 164.6901 to 164.6935.
- (6) KRS 164.6901 to 164.6935 does not restrict rights, remedies, or defenses of any person under law or equity.

➔SECTION 17. KRS 198B.704 IS REPEALED AND REENACTED TO READ AS FOLLOWS:

- (1) *(a) There is hereby created an independent agency of state government to be known as the Kentucky Board of Home Inspectors, which shall be attached to the Department of Professional Licensing for administrative purposes. The board shall consist of five (5) members, each appointed by the Governor. Each board member shall serve a term of three (3) years. The board shall annually select one (1) of its members to serve as chair and one (1) of its members to serve as vice chair to act in the chair's absence. The board shall designate either a board member or a member of the board's administrative staff to serve as secretary to the board.*
 - (b) Any member appointed to fill a vacancy occurring other than by expiration of a term shall be appointed for the remainder of the unexpired term.*
 - (c) No more than three (3) members of the same political party shall serve on the board at the same time.*
 - (d) No member of the board shall reside in the same county as another member. The members of the board shall be residents of Kentucky.*
 - (e) 1. A majority of the board shall constitute a quorum for the transaction of business. The affirmative vote of a majority of the members is necessary for the board to take official action.*

2. *If the chair and vice chair are absent from a meeting of the board when a quorum exists, the members who are present may elect a presiding officer who shall serve as acting chair until the conclusion of the meeting or until the arrival of the chair or vice chair.*
- (f) *No member may serve on the board for more than six (6) consecutive years. A member may serve on the board for six (6) consecutive years on more than one (1) occasion if that person is not a member of the board for at least two (2) years between periods of board service.*
- (2) *The five (5) members of the board shall be chosen as follows:*
- (a) *Three (3) members shall:*
1. *Have been actively engaged in performing home inspections in Kentucky for at least five (5) years immediately before the member's appointment to the board, or have completed no less than one hundred (100) fee-paid inspections per year over the last five (5) years; and*
 2. *Be licensed by the board as a home inspector;*
- (b) *One (1) member shall represent the public at large and shall not be associated with the home inspection, home building, or real estate business other than as a consumer; and*
- (c) *One (1) member shall be a real estate professional licensed under KRS Chapter 324 who has been actively engaged in selling, trading, exchanging, optioning, leasing, renting, managing, or listing residential real estate in Kentucky for at least five (5) years immediately before the member's appointment to the board. This member shall be selected from a list of three (3) names submitted to the Governor from the Kentucky Association of Realtors. When a vacancy occurs in this member position, the Kentucky Association of Realtors shall have sixty (60) days after the vacancy occurs to submit a list of three (3) names to the Governor to fill the vacancy. The Governor may reject the list of three (3) names and request that the Kentucky Association of Realtors submit a new list of three (3) names within sixty (60) days of the Governor's request. If the Kentucky Association of Realtors fails to timely submit this list to the Governor, the Governor may immediately appoint a qualified person to fill this vacancy.*
- (3) *A board member shall be automatically removed from the board and a vacancy shall occur when the board member:*
- (a) *Ceases to be a resident of the Commonwealth of Kentucky;*
 - (b) *Displays incompetence, neglect of duty, or unprofessional conduct;*
 - (c) *Fails to adhere to a duly adopted code of ethics of the board. Failure to adhere to this code shall be determined by official action of the board;*
 - (d) *Enters a plea of guilty to, or has been found guilty of, a felony and the time for appeal has passed or the judgment of conviction has been finally affirmed on appeal; or*
 - (e) *Misses three (3) consecutive meetings or misses more than twenty-five percent (25%) of the meetings held over the previous twelve (12) month period.*
- (4) *Voting members of the board shall be compensated no more than three hundred dollars (\$300) per day for official business, subject to an annual maximum of six thousand dollars (\$6,000). Members shall be reimbursed for all expenses paid and incurred in the discharge of official business consistent with the reimbursement policy for state employees. With the approval of the executive director of the Kentucky Real Estate Authority within the Department of Professional Licensing, board members and board staff may attend and travel to and from meetings and events relevant to the board or the industry the board represents.*
- (5) *The board shall meet at least quarterly each calendar year upon the call of the chair or the written request of a majority of the members of the board.*
- (6) *The chair shall establish the date, time, and place for each meeting.*

➔Section 18. KRS 198B.706 is amended to read as follows:

The board shall:

- (1) Through the promulgation of administrative regulations:

- (a) Determine the requirements for and prescribe the form of licenses, applications, and other documents that are required by KRS 198B.700 to 198B.738; and
- (b) Require that a home inspection report include a statement that the home inspection report does not address environmental hazards and list all other exclusions with specificity;
- (2) Grant, deny, suspend, and revoke approval of examinations and courses of study regarding home inspections;
- (3) Issue or deny applications for licensure and renewals;
- (4) Investigate complaints concerning licensees, or persons the board has reason to believe should be licensees, including complaints concerning failure to comply with KRS 198B.700 to 198B.738 or administrative regulations promulgated under KRS 198B.700 to 198B.738, and, when appropriate, take action in accordance with KRS 198B.728 and 198B.730;
- (5) Bring actions in the name of the state in an appropriate court in order to enforce compliance with KRS 198B.700 to 198B.738 or the administrative regulations promulgated under KRS 198B.700 to 198B.738;
- (6) Establish license fees in an amount not to exceed two hundred fifty dollars (\$250) annually;
- (7) Inspect the records of a licensee in accordance with administrative regulations promulgated by the board;
- (8) Conduct or designate a member or other representative to conduct public hearings on any matter for which a hearing is required under KRS 198B.728 and 198B.730;
- (9) Adopt a seal containing the words "Kentucky Board of Home Inspectors" and, through the board's secretary, certify copies and authenticate all acts of the board;
- (10) Use counsel, consultants, and other persons, enter into contracts, and authorize expenditures that are reasonably necessary or appropriate to administer and enforce KRS 198B.700 to 198B.738 and administrative regulations promulgated thereunder;
- (11) Establish continuing education requirements for licensed home inspectors in accordance with KRS 198B.722 and 198B.724;
- (12) Conduct disciplinary actions against licensees to include:
 - (a) Suspension, probation, or permanent revocation of a license;
 - (b) Requiring a licensee to obtain additional continuing education; and
 - (c) Issuance of a written reprimand;
- (13) Require all fee-paid home inspections to be conducted in accordance with the standards of practice of:
 - (a) The American Society of Home Inspectors;
 - (b) The ~~International National~~ Association of *Certified* Home Inspectors; or
 - (c) Any other approved standards of practice that are equal to the standards of practice of the organizations in paragraphs (a) and (b) of this subsection as determined by the board.

The board may establish standards of practice for home inspectors licensed in Kentucky at a later date, which will supersede any other standards of practice previously adopted by the board and, if adopted by regulation, the standards in paragraphs (a) and (b) of this subsection;

- (14) Exercise all other powers specifically conferred on the board under KRS 198B.700 to 198B.738; and
- (15) Promulgate administrative regulations to carry out the effective administration and the requirements of KRS 198B.700 to 198B.738, ***with the approval of the executive director of the Kentucky Real Estate Authority.***

➔Section 19. KRS 198B.728 is amended to read as follows:

- (1) The board shall take disciplinary actions against or impose sanctions on a licensee for failing to comply with any provision of KRS 198B.700 to 198B.738 or any administrative regulations promulgated to carry out KRS 198B.700 to 198B.738.
- (2) ***Pursuant to KRS 13B.120(7), the executive director of the Kentucky Real Estate Authority within the Department of Professional Licensing shall hear and issue a final order regarding any decision of the board. An aggrieved party may appeal a final order of the executive director pursuant to KRS Chapter 13B***

within thirty (30) days after the issuance of the order to the Circuit Court of the county where the licensee has his or her principal place of business or where the license applicant resides.

➔Section 20. KRS 309.131 is amended to read as follows:

- (1) There is hereby created the Kentucky Board of Licensure for Professional Art Therapists that shall be attached to the **Department of Professional Licensing**~~[Office of Occupations and Professions]~~ in the Public Protection Cabinet for administrative purposes. The board shall consist of five (5) members who are United States citizens and have been Kentucky residents for at least five (5) years prior to their appointment. The board membership shall be determined as follows:
 - (a) Four (4) members shall be professional art therapists who are licensed pursuant to KRS 309.133, and shall have engaged in art therapy practice for at least five (5) years. These members shall not hold any elected or appointed office in any professional organization of art therapy or closely related field during their tenure on the board; and
 - (b) One (1) member shall represent the public. The public member shall not have been licensed or have practiced as a professional art therapist, nor have any significant financial interest, either direct or indirect, in the profession of art therapy.
- (2) All members of the board shall be appointed by the Governor for staggered terms of four (4) years.
- (3) The four (4) professional members shall be appointed from a list of eight (8) names submitted by the board of directors of the Kentucky Art Therapy Association, Inc., and the one (1) public member shall be a citizen at large. Each member shall hold office until a successor is appointed. Vacancies shall be filled in the same manner as original appointments. No board member shall serve more than two (2) consecutive terms.
- (4) Each board candidate shall be licensed as an art therapist prior to nomination and shall be actively engaged in the practicing or teaching of art therapy, except for the one (1) public member.
- (5) Members of the board shall receive no compensation, perquisite, or allowance.
- (6) The board shall elect annually from its membership a chairman, secretary, and other officers as necessary to carry out its duties.
- (7) The board shall meet at least two (2) times each year. Additional meetings may be called by the chairman, upon the written request of at least two (2) members of the board. A simple majority of the board members shall constitute a quorum of the board.

➔Section 21. KRS 309.329 is amended to read as follows:

- (1) There is hereby created the Kentucky Board of Licensed Diabetes Educators consisting of five (5) members who shall be appointed by the Governor as follows:
 - (a) One (1) member shall be a licensed medical physician with experience in the delivery of diabetes education appointed from a list of three (3) names submitted by the State Board of Medical Licensure;
 - (b) One (1) member shall be a registered nurse with experience in diabetes education appointed from a list of three (3) names submitted by the Kentucky Board of Nursing;
 - (c) One (1) member shall be a pharmacist experienced in diabetes education, licensed under KRS Chapter 315, and appointed from a list of three (3) names submitted by the Kentucky Board of Pharmacy;
 - (d) One (1) member shall be a licensed dietitian or certified nutritionist with experience in diabetes education appointed from a list of three (3) names submitted by the Kentucky Board of Licensure and Certification for Dietitians and Nutritionists; and
 - (e) One (1) member shall be a citizen at large who is not employed in the health care field.

One (1) of the members appointed under paragraph (b), (c), or (d) of this subsection shall have completed either the credentialing program of the American Association of Diabetes Educators or the National Certification Board for Diabetes Educators.
- (2)
 - (a) The Governor shall initially appoint one (1) member and the citizen at large to terms of four (4) years, two (2) members to terms of three (3) years, and one (1) member to a term of two (2) years.
 - (b) All reappointments to the board shall be for terms of four (4) years.

(c) No member shall serve more than two (2) consecutive terms and shall serve on the board until his or her successor is appointed.

(3) The board shall organize annually and elect one (1) of its members as chair and one (1) of its members as secretary. A quorum of the board shall consist of three (3) members. The board shall meet at least semiannually and upon the call of the chair, or at the request of two (2) or more members to the secretary of the board.

(4) The board shall be placed for administrative purposes under the *Department of Professional Licensing*~~{Office of Occupations and Professions}~~ of the Public Protection Cabinet.

➔Section 22. KRS 309.404 is amended to read as follows:

(1) There is hereby created the Kentucky Board of Durable Medical Equipment Suppliers that shall be attached for administrative purposes to the *Department of Professional Licensing*~~{Office of Occupations and Professions}~~ in the Public Protection Cabinet. The board shall consist of five (5) members, each appointed by the Governor. Four (4) members shall be appointed from a list of three (3) names for each position submitted by the Kentucky Medical Equipment Suppliers Association. One (1) member shall be a citizen at large who is not associated with or financially interested in the practice or business regulated. Any vacancy shall be filled for the unexpired term by the Governor, as provided in the original appointment.

(2) To be eligible for appointment as a member of the board, a person shall be at least twenty-one (21) years of age, of good moral character, a resident of this state, and a licensed durable medical equipment services provider in this state for at least three (3) consecutive years next preceding the date of his or her appointment.

(3) The terms of office of each member shall be four (4) years, or until a successor is appointed and qualified.

(4) The board shall elect one (1) of its members as president and another of its members as secretary. The secretary may, subject to approval by the board, employ and fix the compensation of all personnel required for the administration of KRS 309.400 to 309.422. The board may make all rules and *promulgate all administrative* regulations, not inconsistent with KRS 309.400 to 309.422, *that are*~~{as may be}~~ necessary to implement and carry out the provisions and purposes of KRS 309.400 to 309.422.

(5) The board shall hold meetings at least twice a year and as frequently as it deems necessary at a time and place within the Commonwealth as the board may designate. A majority of the members shall constitute a quorum.

(6) The board may sue and be sued in its own name.

(7) Members of the board shall be immune from suit in any civil or criminal action which is based upon any official act or acts performed by them in good faith as members of the board.

(8) Members of the board shall receive no compensation for their services, but shall be paid for actual travel and other expenses incurred in connection with the performance of their duties and the business of the board.

(9) The board may utilize any materials, services, or facilities as may be made available to it by other state agencies or may contract therefor, to the extent as the board in its discretion may determine.

➔Section 23. KRS 319B.020 is amended to read as follows:

The Kentucky Board of Prosthetics, Orthotics, and Pedorthics is hereby established. The board shall consist of five (5) members who shall be appointed by the Governor.

(1) One (1) member shall be a citizen at large who is a consumer of orthotic, prosthetic, or pedorthic professional services and is not affiliated with and does not have more than five percent (5%) financial interest in any one (1) health care profession or business.

(2) Four (4) members shall be practicing, licensed orthotists, licensed prosthetists, or licensed pedorthists. These members may be licensed in more than one (1) discipline and at least one (1) board member shall be a licensed pedorthist. Membership of the board shall reasonably reflect representation from the geographic areas in the Commonwealth.

(3) Each member of the board shall serve a term of three (3) years, except that of the initial appointments to the board, two (2) members shall be appointed for two (2) years, two (2) members shall be appointed for three (3) years, and one (1) member shall be appointed for one (1) year. No member of the board shall serve more than the greater of eight (8) consecutive years or two (2) full terms. The Governor may remove any member of the board for misconduct, incompetence, or neglect of duty.

- (4) The board shall meet at least annually and may meet at other times if necessary to complete required business. A quorum of the board shall consist of a majority of board members currently appointed. The board shall annually elect a chairperson and vice chairperson who shall be licensed under this chapter.
- (5) There shall be no liability on the part of, and no action for damages against, any current or former board member, representative, agent, or employee of the board, when the person is acting with ordinary care, is functioning within the scope of board duties, is acting without malice, and has the reasonable belief that the actions taken by him or her are warranted by law.
- (6) Members of the board shall receive a per diem reimbursement of reasonable expenses incurred as determined by the board in consultation with the *Department of Professional Licensing*~~{Office of Occupations and Professions}~~ for each day actually engaged in the duties of the office.

➔Section 24. KRS 319B.040 is amended to read as follows:

The board may:

- (1) Employ needed personnel and contract with the *Department of Professional Licensing*~~{Office of Occupations and Professions}~~ within the Public Protection Cabinet for the provision of administrative services;
- (2) Issue subpoenas, examine witnesses, pay appropriate witness fees, administer oaths, and investigate allegations of practices violating the provisions of this chapter;
- (3) Seek injunctive relief in the Circuit Court of the county where the violation occurred to stop the unlawful practice of prosthetics, orthotics, and pedorthics by unlicensed persons;
- (4) Conduct hearings pursuant to KRS Chapter 13B and keep records and minutes necessary to carry out the functions of this chapter;
- (5) Suspend or revoke licenses, impose supervisory or probationary conditions upon licensees, impose administrative disciplinary fines, issue written reprimands or admonishments, or impose any combination of these penalties;
- (6) Grant retired or inactive licensure status under conditions set forth by the board by the promulgation of administrative regulations; and
- (7) Issue advisory private letter rulings to any affected licensee who makes such a request regarding any matters within the board's primary jurisdiction. Any private letter ruling shall affect only the person making the inquiry and shall have no precedential value for any other inquiry or future contested case that might come before the board. Any dispute regarding a private letter ruling may, if the board chooses to do so, be resolved pursuant to KRS Chapter 13B.

➔Section 25. KRS 324.200 is amended to read as follows:

- (1) If the commission determines after a hearing that any applicant is not entitled to receive a license, a license shall not be granted to the applicant, and if the commission determines after a hearing that any licensee has violated any of the provisions of this chapter, the disciplinary measures in KRS 324.160(1) may be ordered.
- (2) ***Pursuant to KRS 13B.120(7), the executive director of the Kentucky Real Estate Authority within the Department of Professional Licensing shall hear and issue a final order regarding a decision of the commission.***
- (3) ***An aggrieved party may appeal a final order of the executive director pursuant to KRS Chapter 13B within thirty (30) days after the issuance of the order***~~{any party aggrieved by the action of the commission in refusing to grant a license or in ordering any disciplinary action may appeal}~~ to the Circuit Court ***of the county*** where the licensee has his ***or her*** principal place of business or where the ***license*** applicant resides~~{in accordance with KRS Chapter 13B}~~. Disciplinary action imposed by the ***executive director***~~{commission}~~ shall be automatically stayed during the pendency of an appeal to a circuit or appellate court, unless otherwise indicated in the final order of the ***executive director***~~{commission}~~.

➔Section 26. KRS 324.281 is amended to read as follows:

- (1) There is hereby created the Kentucky Real Estate Commission. The Governor shall appoint five (5) persons, at least four (4) of whom, immediately prior to the date of their appointment have been residents of the state for ten (10) years and whose vocation for a period of at least ten (10) years shall have been that of an active real estate licensee. One (1) member shall be a citizen at large who is not associated with or financially interested in the practice or business regulated. The term of the members of the commission shall be for ***three (3)***~~{four}~~

~~(4)~~ years and until their successors are appointed and qualify, except as provided in subsections (2) and (3) of this section. ***A majority of the commission shall constitute a quorum for the transaction of business.***

- (2) All appointments shall be for the specified ***three (3)***~~four (4)~~ year term. No person appointed after July 14, 2000, shall serve more than two (2) consecutive terms.
- (3) For each appointment or vacancy, the Kentucky Association of Realtors shall ***within sixty (60) days*** supply a list of not less than three (3) names of licensees to the Governor each year from which the broker or sales associate appointments shall be made. ***The Governor may reject the list of three (3) names and request that the Kentucky Association of Realtors submit a new list of three (3) names within sixty (60) days of the Governor's request. If the Kentucky Association of Realtors fails to timely submit this list to the Governor, the Governor may immediately appoint a qualified person to fill this vacancy.*** The Governor may *otherwise* fill vacancies arising in the middle of the year from those remaining on the list or from a new list supplied by the association.
- (4) There shall not be more than three (3) ***members*** of any one (1) political party serving on the commission at the same time. ***No member of the commission shall reside in the same county as another member.*** Appointees to fill vacancies shall be appointed for the unexpired term.
- (5) It shall be the duty of the commission to:
 - (a) Promulgate administrative regulations, ***with the approval of the executive director of the Kentucky Real Estate Authority;***
 - (b) ~~to~~ Hold disciplinary hearings concerning matters in controversy as provided by this chapter;
 - (c) ~~to~~ Conduct examinations for applicants eligible under this chapter or alternatively to contract with an entity to conduct examinations;
 - (d) ~~to~~ Conduct necessary educational seminars and courses directed toward continuing education within the real estate field;
 - (e) ~~to~~ Investigate or cause to be investigated any irregularities in violation of this chapter or the promulgated and authorized administrative regulations of the commission; ***and***
 - (f) ~~to~~ Participate with any other agency of the Commonwealth or the authorized agency of another state for the betterment or improvement of the administration of the statutes or administrative regulations governing this commission.

Any action taken by the commission under this subsection shall be appealable as are other actions of the commission under this chapter.

- (6) The commission, at its discretion, may use the funds necessary to purchase liability insurance for members and executive officers of the commission, inspectors, and for members of the staff exempted from classified service of the state by KRS 18A.115.
- (7) The commission shall require all actively-licensed agents, except for those agents who were licensed prior to June 19, 1976, to successfully complete mandatory continuing education as a condition of license renewal.
- (8) The commission shall, by the promulgation of administrative regulations, develop a review process by which continuing education courses may be approved for credit. An applicant may seek the commission's approval for credit for courses not previously approved by the commission by submitting sufficient information describing the course to the commission for review.
- (9) ***The Governor shall set the compensation of the members of the commission, but voting members of the commission shall be compensated no less than three hundred dollars (\$300) per day for official business, subject to an annual maximum of six thousand dollars (\$6,000). Members shall be reimbursed for all expenses paid and incurred in the discharge of official business consistent with the reimbursement policy for state employees. With the approval of the executive director of the Kentucky Real Estate Authority within the Department of Professional Licensing, commission members and commission staff may attend and travel to and from meetings and events relevant to the commission or to the industry the commission represents.***

➔Section 27. KRS 324A.015 is amended to read as follows:

- (1) There is created a Real Estate Appraisers Board consisting of five (5) members, two (2) of whom shall be certified real estate appraisers, one (1) of whom shall represent the public and shall not be associated with or financially interested in the practice of real estate appraisals, and two (2) of whom shall be employed in the lending industry. The board shall administer the provisions of this chapter and may promulgate administrative regulations necessary to effectuate the provisions of KRS 324A.010 to 324A.090.
- (2)
 - (a) The board members shall be appointed by the Governor. Not more than one (1) board member shall be from any one (1) county within **Kentucky. Members**~~[Kentucky Members]~~ shall be appointed by the Governor for staggered terms of three (3) years. No person shall serve more than two (2) full consecutive terms.
 - (b) ***Any member appointed to fill a vacancy occurring other than by expiration of a term shall be appointed for the remainder of the unexpired term.***
 - (c) ***No more than three (3) members of the same political party shall serve on the board at the same time.***
- (3) The appraiser appointees to the board shall be certified and shall have engaged in the appraisal of real estate in Kentucky on a continuing basis for at least ten (10) years.
- (4) A board member shall be automatically removed from the board and a vacancy shall occur when:
 - (a) An appraiser member of the board ceases to be certified;
 - (b) A consumer member of the board acquires a certification as an appraiser;
 - (c) A lending industry member ceases to be employed in the lending industry;
 - (d) A board member enters a plea of guilty to, or has been found guilty of, a felony and the time for appeal has passed or the judgment of conviction has been finally affirmed on appeal;~~for~~
 - (e) A board member ceases to be a bona fide resident of the Commonwealth of Kentucky;
 - (f) ***A board member displays incompetence, neglect of duty, or unprofessional conduct;***
 - (g) ***A board member fails to adhere to a duly adopted code of ethics of the board. Failure to adhere to this code shall be determined by official action of the board; or***
 - (h) ***A board member misses three (3) consecutive meetings or misses more than twenty-five percent (25%) of the meetings held over the previous twelve (12) month period.***
- (5) The board shall adopt a seal with the design ***it prescribes***~~[as the board may prescribe]~~, by which it shall authenticate its proceedings. Copies of all records and papers in the office of the board, duly certified and authenticated by the seal of the board, shall be received in evidence in all courts equally and with like effect as the original. All records kept in the office of the board under the authority of this chapter shall be open to public inspection in accordance with KRS 61.820 to 61.884 and consistent with regulations prescribed by the board.
- (6) ***The Governor shall set the compensation of the members of the board, but voting members of the board shall be compensated no more than three hundred dollars (\$300) per day for official business, subject to an annual maximum of six thousand dollars (\$6,000). Members shall be reimbursed for all expenses paid and incurred in the discharge of official business consistent with the reimbursement policy for state employees. With the approval of the executive director of the Kentucky Real Estate Authority within the Department of Professional Licensing, board members and board staff may attend and travel to and from meetings and events relevant to the board or the industry the board represents.***

➔Section 28. KRS 324A.025 is amended to read as follows:

- (1) The board shall elect a chairman each year at the first meeting called after appointment of new members. A majority of the board shall constitute a quorum and may exercise all powers and duties established by the provisions of KRS 324A.020.
- (2) The board shall meet at least once each calendar quarter.~~for~~
- ~~(3) Each member of the board shall receive actual and necessary expenses and mileage and shall receive two hundred dollars (\$200) per day as compensation for each day spent on duties as a member of the board.~~

➔Section 29. KRS 324A.052 is amended to read as follows:

- (1) Any person or organization, including the board upon its own volition, may file with the board a written complaint alleging a violation of any provision of this chapter. The board shall investigate each complaint.
- (2) If the investigation reveals evidence supporting the complaint, the board shall set the matter for hearing in accordance with the provisions of KRS Chapter 13B before fining, reprimanding, suspending, revoking, refusing to renew, or any combination thereof.
- (3) If the investigation reveals that the alleged violation did occur but was not of a serious nature, the board may issue a written admonishment to the certificate holder or licensee. A copy of the admonishment shall be placed in the recipient's permanent file with the board. The recipient shall have the right to file a response to the admonishment within thirty (30) days of its receipt and have the response placed in the permanent file. The recipient may, alternatively, within thirty (30) days of the receipt, file a request for hearing with the board. Upon receipt of this request, the board shall set aside the written admonishment and set the matter for hearing in accordance with the provisions of KRS Chapter 13B.
- (4) After denying an application for a certificate or license or issuing an admonishment, the board shall grant an administrative hearing in accordance with KRS Chapter 13B only upon written request of the applicant made within thirty (30) days of the mailing of the letter of denial or admonishment.
- (5) ***Pursuant to KRS 13B.120(7), the executive director of the Kentucky Real Estate Authority within the Department of Professional Licensing shall hear and issue a final order regarding a decision of the board. An aggrieved party may appeal a final order of the executive director pursuant to KRS Chapter 13B within thirty (30) days after the issuance of the order to the Circuit Court of the county where the licensee has his or her principal place of business or where the license applicant resides.*** ~~[Any party aggrieved by a final order of the board may appeal to Franklin Circuit Court as provided by KRS Chapter 13B].~~

➔Section 30. KRS 324A.060 is amended to read as follows:

- (1) ~~[Effective July 1, 1992, The board shall be empowered to employ an executive director and other personnel as may be necessary to discharge the duties imposed by the provisions of KRS 324A.010 to 324A.090. The board shall outline the duties of all personnel and fix their compensation in accordance with KRS Chapter 18A.]~~ The board ~~may~~ *is also empowered to* obtain office space, utilities, furniture, supplies, and other goods and services ~~that are~~ *as shall be* reasonably necessary for carrying out the provisions of KRS 324A.010 to 324A.090.
- (2) ***The administrative coordinator of the board.*** ~~[Each executive director assuming office after July 15, 2002,]~~ shall be a certified general or certified residential real property appraiser and shall possess not less than ten (10) years of experience as an appraiser within the Commonwealth of Kentucky.

➔Section 31. KRS 329A.025 is amended to read as follows:

- (1) The board shall administer and enforce the provisions of KRS 329A.010 to 329A.090 and shall evaluate the qualifications of applicants for licensure and issue licenses.
- (2) The board shall:
 - (a) Implement the provisions of KRS 329A.010 to 329A.090 through the promulgation of administrative regulations in accordance with the provisions of KRS Chapter 13A;
 - (b) Promulgate administrative regulations to establish fees which shall not exceed the amounts necessary to generate sufficient funds to effectively carry out and enforce the provisions of KRS 329A.010 to 329A.090;
 - (c) Promulgate by administrative regulation an examination to be administered at least twice annually to license applicants. The examination shall be designed to measure knowledge and competence in private investigating, including but not limited to the following subject areas:
 1. Federal and state constitutional principles;
 2. Court decisions related to activities which could result in liability for the invasion of privacy or other activities;
 3. Eavesdropping and related offenses, assault and related offenses, search and seizure laws, and laws regarding unlawful access to a computer;
 4. General weapons use and concealed weapons laws;

- 5. Additional state criminal laws and related procedures that are relevant to the practice of private investigating; and
 - 6. Additional subject areas as determined by the board; and
- (d) Promulgate by administrative regulation a code of professional practice and conduct that shall be based upon generally recognized principles of professional ethical conduct and be binding upon all licensees.
- (3) The board may:
- (a) Contract with the *Department of Professional Licensing*~~{Office of Occupations and Professions}~~ within the Public Protection Cabinet for the provision of administrative services;
 - (b) Employ any persons it deems necessary to carry on the work of the board. The board may define their duties and fix their compensation;
 - (c) Develop or sponsor at least six (6) hours of continuing professional education annually;
 - (d) Approve and certify a forty (40) hour training class covering the subject areas of the licensing examination;
 - (e) Renew licenses and require continuing professional education as a condition for renewal;
 - (f) Waive the examination requirement for any applicant licensed in a reciprocal state as prescribed in subsection (3)(m) of this section, who is licensed in good standing in that state and meets all of the other requirements of KRS 329A.035;
 - (g) Suspend or revoke licenses, impose supervisory or probationary conditions upon licensees, impose administrative disciplinary fines, or issue written admonishments or reprimands, or any combination thereof;
 - (h) Issue subpoenas, examine witnesses, pay appropriate witness fees, administer oaths, and investigate allegations of practices violating the provisions of KRS 329A.010 to 329A.090;
 - (i) Conduct hearings pursuant to KRS Chapter 13B and keep records and minutes necessary to carry out the board's functions;
 - (j) Organize itself into two (2) panels to separate the functions of inquiry and hearings. Each panel shall have the power to act as either an inquiry or hearing panel. No member serving on the inquiry panel shall serve on the hearing panel for any one (1) particular case. Any final decision of the hearing panel shall be considered as the final decision of the board and the hearing panel may exercise all powers granted to the board pursuant to KRS Chapter 13B;
 - (k) Utilize mediation as a technique to resolve disciplinary matters;
 - (l) Seek injunctive relief in the Circuit Court of the county where the alleged unlawful practice occurred to stop the unlawful practice of private investigating by unlicensed persons or companies; and
 - (m) Negotiate and enter into reciprocal agreements with appropriate officials in other states to permit licensed investigation companies and private investigators who meet or exceed the qualifications established in KRS 329A.010 to 329A.090 to operate across state lines under mutually acceptable terms.

➔Section 32. KRS 330.050 is amended to read as follows:

- (1) There is hereby created a Board of Auctioneers. The Governor shall appoint a board consisting of five (5) members, all of whom immediately prior to the date of their appointment have been residents of the Commonwealth of Kentucky for five (5) years, and four (4) whose vocation for a period of at least five (5) years has been that of an auctioneer. One (1) member shall be a citizen at large who is not associated with or financially interested in the practice or business regulated. The term of the members of the board shall be for three (3) years and until their successors are appointed and qualified. Members to fill vacancies shall be appointed for the unexpired term.
- (2) At no time shall there be more than two (2) auctioneer members of the same political party on the board. Whenever there is an auctioneer vacancy on the board, *within sixty (60) days* the Kentucky Auctioneer Association shall recommend to the Governor at least three (3) names for each auctioneer vacancy, and such appointment or appointments shall be made from the recommendations of the association, *unless the Governor rejects the list of three (3) names and requests that the Kentucky Auctioneer Association submit a*

new list of three (3) names within sixty (60) days of the Governor's request. If the Kentucky Auctioneer Association fails to timely submit its recommendations to the Governor, the Governor may immediately appoint a qualified auctioneer to fill this vacancy.

- (3) The board, immediately upon qualification of the member appointed in each year, shall organize by selecting from its members a chairman.
- (4)
 - (a) *No member of the board shall reside in the same county as another member.*
 - (b) *A majority of the board shall constitute a quorum for the transaction of business.*
 - (c) *No member may serve on the board for more than six (6) consecutive years. A member may serve on the board for at least two (2) years between periods of board service*~~[Each member of the board shall receive the sum of twelve thousand dollars (\$12,000) per year, payable twice monthly, and reimbursement for actual and necessary expenses incurred in the performance of official duties].~~
- (5)
 - (a) ~~[The board shall have full authority to employ, and discharge, any personnel, including counsel, as it may deem necessary to efficiently administer and enforce the provisions of this chapter, and it shall outline the duties and fix the compensation of such persons, provided that compensation shall be comparable to the salaries paid other state employees, if any, which the board may deem to be doing similar work.]~~The board shall obtain office space, furniture, stationery, and any other proper supplies and conveniences reasonably necessary to carry out the provisions of this chapter. If any items deemed to be reasonably necessary by or which are required by the board are available through vendors under contract with the Commonwealth of Kentucky at less cost than if obtained otherwise, then the items shall be acquired pursuant to the contract.
 - (b) The board shall have full authority to obtain for its members, staff, and employees complete insurance coverage, including, but not limited to, liability and errors and omissions insurance, so long as the insurance concerns the business of the board.
- (6) All fees and charges collected by the board under the provisions of this chapter shall be paid into the State Treasury through the Finance and Administration Cabinet and shall be credited to an agency fund account for the Board of Auctioneers under the provisions of KRS 45.253 and shall be withdrawn or expended as provided in that section, if such payment, credit, withdrawal, or expense provisions do not conflict with any provision of this chapter.
 - (a) The board may establish and collect reasonable fees relating to the administration and enforcement of this chapter for application or other processing costs, on-line service, continuing education provider services, copy and mailing services, or other fees necessary to offset the licensing and processing costs.
 - (b) The total expenses for all purposes and obligations of the board shall not exceed the total fees, charges, fines, penalties, and other income imposed under the provisions of this chapter and paid into the state treasury.
 - (c) The board shall be financially self-sustaining, and if funds permit it may underwrite, within its financial limitations, educational programs for the enlightenment and benefit of all licensees who have paid fees pursuant to this chapter.
- (7) The board shall maintain annually a list of the names and addresses of all licensees regulated by the board. This list shall also contain the names of all persons whose licenses have been suspended or revoked within the preceding year, as well as any other information relative to the enforcement of the provisions of this chapter that the board may deem of interest to the public.
- (8) The board may promulgate administrative regulations *with the approval of the executive director of the Kentucky Real Estate Authority* in accordance with KRS Chapter 13A as required to fulfill the duties and functions assigned to the board by this chapter.
- (9) A board member shall be automatically removed from the board and a vacancy shall occur when:
 - (a) An auctioneer member of the board ceases to be a licensed auctioneer;
 - (b) A nonlicensed member of the board acquires a license regulated by the board;

- (c) A board member enters a plea of guilty, an Alford plea, a plea of no contest to, or has been convicted of, any felony, and the time for appeal has passed or the judgment of conviction has been finally affirmed on appeal;~~[-or-]~~
 - (d) A board member ceases to be a resident of the Commonwealth of Kentucky;
 - (e) *Displays incompetence, neglect of duty, or unprofessional conduct;*
 - (f) *Fails to adhere to a duly adopted code of ethics of the board. Failure to adhere to this code shall be determined by official action of the board;*
 - (g) *Enters a plea of guilty to, or has been found guilty of, a felony and the time for appeal has passed or the judgment of conviction has been finally affirmed on appeal; or*
 - (h) *Misses three (3) consecutive meetings or misses more than twenty-five percent (25%) of the meetings held over the previous twelve (12) month period.*
- (10) *The Governor shall set the compensation of the members of the board, but voting members of the board shall be compensated no less than three hundred dollars (\$300) per day for official business, subject to an annual maximum of six thousand dollars (\$6,000). Members shall be reimbursed for all expenses paid and incurred in the discharge of official business consistent with the reimbursement policy for state employees. With the approval of the executive director of the Kentucky Real Estate Authority within the Department of Professional Licensing, board members and board staff may attend and travel to and from meetings and events relevant to the board and the industry the board represents.*

➔Section 33. KRS 330.130 is amended to read as follows:

- (1) Before denying an application for license or before imposing any disciplinary action authorized under KRS 330.110, the board shall set the matter for an administrative hearing, if a hearing is requested by the applicant or licensee. The hearing shall be conducted in accordance with KRS Chapter 13B. If the subject of the hearing is an apprentice auctioneer, the board shall also provide notification of the hearing to the auctioneer employing *the apprentice auctioneer*~~him~~ or whose employ he *or she* is about to enter, by sending notice by certified mail, return receipt requested, to the auctioneer's last known business address.
- (2) *Pursuant to KRS 13B.120(7), the executive director of the Kentucky Real Estate Authority within the Department of Professional Licensing shall hear and issue a final order regarding a decision of the board.*
- (3) *An aggrieved party may appeal a final order of the executive director pursuant to KRS Chapter 13B within thirty (30) days after the issuance of the order to the Circuit Court of the county where the licensee has his or her principal place of business or where the license applicant resides*~~[Any party aggrieved by a final order of the board refusing to grant a license or suspending or revoking a license may appeal the final order to the Circuit Court of the county in which the applicant or licensee resides, in accordance with KRS Chapter 13B].~~

➔Section 34. KRS 334.170 is amended to read as follows:

The *Department of Professional Licensing*~~[Office of Occupations and Professions]~~ in the Public Protection Cabinet shall provide administrative aid to the board to assist it in the discharge of its duties.

➔Section 35. KRS 433.900 is amended to read as follows:

As used in KRS 433.900 to 433.906, unless the context otherwise requires:

- (1) "Applicant" means a secondary metals recycler seeking an application for a certificate of registration with the *Department of Professional Licensing*~~[Office of Occupations and Professions]~~ of the Public Protection Cabinet, as provided in KRS 433.902. If the secondary metals recycler is owned by a corporation, limited liability company, partnership, limited partnership, incorporated association, or any other entity organized for the purpose of engaging in business as a secondary metals recycler, "applicant" means the officers of these entities;
- (2) "Ferrous metals" means any metal containing significant quantities of iron or steel;
- (3) "Nonferrous metals" means metal not containing significant quantities of iron, including but not limited to copper, brass, aluminum, bronze, lead, zinc, nickel, and alloys thereof;
- (4) "Name-based background check" means a statewide search of the centralized criminal history record information system by the Department of Kentucky State Police, utilizing the name, date of birth, and Social Security number of the applicant;

- (5) "Restricted metals" means any of the following metal items:
- (a) Manhole covers;
 - (b) Electric light poles or other utility poles;
 - (c) Guardrails;
 - (d) Street signs, traffic signs, or traffic signals;
 - (e) Whole road tiles;
 - (f) Funeral markers or funeral vases;
 - (g) Railroad equipment, including but not limited to a tie plate, signal house, control box, switch plate, e-clip, or rail tie junction;
 - (h) Condensing or evaporating coils made from copper, aluminum, or aluminum-copper, including the tubing or rods from a heating or air conditioning unit that is not from a window air conditioning unit or automobile air conditioning unit;
 - (i) Stainless steel beer kegs;
 - (j) A catalytic converter or any nonferrous part of a catalytic converter unless purchased as part of a vehicle; or
 - (k) Storm drain covers; and
- (6) (a) "Secondary metals recycler" means:
- 1. Any person who is engaged in the business of gathering or obtaining ferrous or nonferrous metals that have served their original economic purpose or is in the business of performing the manufacturing process by which ferrous metals or nonferrous metals are converted into raw material products consisting of prepared grades and having an existing or potential monetary value;
 - 2. Any person who has facilities for performing the manufacturing process by which ferrous metals or nonferrous metals are converted into raw material products consisting of prepared grades and having an existing or potential monetary value, other than by the exclusive use of hand tools, by methods including but not limited to processing, sorting, cutting, classifying, cleaning, baling, wrapping, shredding, shearing, or changing the physical form or chemical content thereof; or
 - 3. Any recycler, dealer in junk or metals, dealer in secondhand articles, vendor of bottles or rags, or collector of or dealer in articles found in ashes, garbage, or other refuse, whether a dealer, collector, or vendor operates an established place of business or an itinerant business.
- (b) "Secondary metals recycler" shall not include a municipal solid waste department or any entity which has been issued a municipal solid waste transporter license by the Kentucky Transportation Cabinet and which gathers or obtains ferrous or nonferrous metals in a vehicle registered in Kentucky to transport solid waste.

➔Section 36. KRS 433.902 is amended to read as follows:

- (1) (a) Each secondary metals recycler shall submit to a name-based background check as provided in subsection (2) of this section and obtain a certificate of registration from the **Department of Professional Licensing**~~[Office of Occupations and Professions]~~ of the Public Protection Cabinet within sixty (60) days of the effective date of administrative regulations promulgated pursuant to this section.
- (b) The application for certificate of registration shall be in a form and format determined by the **Department of Professional Licensing**~~[Office of Occupations and Professions]~~ of the Public Protection Cabinet and shall contain at a minimum the following:
- 1. The name of the secondary metals recycling business;
 - 2. The name or names of each applicant;
 - 3. The address of each secondary metals recycling business owned by the applicant; and
 - 4. Contact information for the purposes of KRS 433.906.

- (c) Any person listed on an application for a certificate of registration shall be at least eighteen (18) years of age prior to the date that the application is submitted.
 - (d) Any corporation, limited liability company, partnership, limited partnership, incorporated association, or any other entity engaged in business as, or organized for the purpose of engaging in business as, a secondary metals recycler submitting an application ~~shall~~~~must~~ be organized and qualified to do business in the Commonwealth.
 - (e) The **Department of Professional Licensing**~~{Office of Occupations and Professions}~~ of the Public Protection Cabinet shall charge each applicant a reasonable fee established by administrative regulation equal to the actual administrative costs of processing an application for a certificate of registration.
 - (f) If an applicant is the owner of more than one (1) secondary metals recycling location, the **Department of Professional Licensing**~~{Office of Occupations and Professions}~~ of the Public Protection Cabinet shall charge a fee for each location that is no greater than the actual administrative costs of processing the application for certificate of registration. Upon approval of the application, the **Department of Professional Licensing**~~{Office of Occupations and Professions}~~ of the Public Protection Cabinet shall issue a certificate of registration for each location.
 - (g) Each applicant that receives a certificate of registration from the **Department of Professional Licensing**~~{Office of Occupations and Professions}~~ of the Public Protection Cabinet as provided in this section shall be required to pay an annual renewal fee equal to the actual administrative costs of processing the renewal of the certificate for registration.
 - (h) The list of secondary metals recyclers registered with the **Department of Professional Licensing**~~{Office of Occupations and Professions}~~ of the Public Protection Cabinet as provided in this section shall be public information and available upon written request to the **Department of Professional Licensing**~~{Office of Occupations and Professions}~~ of the Public Protection Cabinet.
- (2) (a) Prior to approval of the application, the **Department of Professional Licensing**~~{Office of Occupations and Professions}~~ of the Public Protection Cabinet shall require a name-based background check on each applicant.
 - (b) Each applicant shall provide written authorization to the Department of Kentucky State Police to perform a name-based background check and release the results to the **Department of Professional Licensing**~~{Office of Occupations and Professions}~~ of the Public Protection Cabinet.
 - (c) Any request for a name-based background check shall be on a form or through a process approved by the Department of Kentucky State Police, which may charge a fee to be paid by the applicant in an amount no greater than the actual cost of processing the request.
 - (d) The **Department of Professional Licensing**~~{Office of Occupations and Professions}~~ of the Public Protection Cabinet shall not issue a certificate of registration to an applicant if the name-based background check results reveal that the applicant has been convicted of, or entered a plea of guilty, an Alford plea, or a plea of nolo contendere to, a felony involving theft, larceny, dealing in stolen property, receiving stolen property, burglary, embezzlement, or obtaining property by false pretenses, any felony drug offense, or knowingly and intentionally violating the laws of the Commonwealth relating to registration as a secondary metals recycler.
- (3) A secondary metals recycler's certificate of registration shall be conspicuously displayed at the location of the secondary metals recycler listed on the application for certificate of registration or at each location if the secondary metals recycler owns more than one (1) business location.
 - (4) The **Department of Professional Licensing**~~{Office of Occupations and Professions}~~ of the Public Protection Cabinet shall promulgate administrative regulations in accordance with KRS Chapter 13A to implement the provisions of this section.
 - (5) The **Department of Professional Licensing**~~{Office of Occupations and Professions}~~ of the Public Protection Cabinet shall not be responsible for any disciplinary action against any secondary metals recycler seeking an application for certificate of registration.
- ➔Section 37. KRS 433.906 is amended to read as follows:
- (1) A secondary metals recycler shall maintain at its place of business, or otherwise have immediate access to, an e-mail address, facsimile, or other equipment of similar function on which notifications of stolen restricted

metals, ferrous metals, and nonferrous metals may be expeditiously received from law enforcement officials or electronic metal theft notification systems.

- (2) The equipment shall be operable at all times during the secondary metal recycler's customary business hours. The secondary metals recycler shall notify the **Department of Professional Licensing** ~~Office of Occupations and Professions~~ of the Public Protection Cabinet within two (2) days of any change to the contact information used for the purposes of this section.

➔Section 38. KRS 324.2811 is amended to read as follows:

A member shall be automatically removed from the commission and a vacancy shall be created if:

- (1) A licensee of the commission ceases to be a broker or sales associate;
- (2) A consumer member of the commission acquires a license or financial interest in the practice of real estate;
- (3) A member enters a plea of guilty to, or has been found guilty of, a felony in which fraud is an essential element or to any crime involving moral turpitude and the time for appeal has lapsed or the judgment or conviction has been affirmed on appeal; ~~or~~
- (4) A member ceases to be a bona fide resident of this Commonwealth;
- (5) ***A member displays incompetence, neglect of duty, or unprofessional conduct;***
- (6) ***A member fails to adhere to a duly adopted code of ethics of the board. Failure to adhere to this code shall be determined by official action of the board; or***
- (7) ***A member misses three (3) consecutive meetings or misses more than twenty-five percent (25%) of the meetings held over the previous twelve (12) month period.***

➔Section 39. KRS 324A.020 is amended to read as follows:

The board shall have authority to promulgate administrative regulations ***with the approval of the executive director of the Kentucky Real Estate Authority***, have subpoena power, hold disciplinary hearings, conduct examinations, conduct educational seminars, investigate allegations of wrongdoing under this chapter, seek and obtain injunctive relief to enforce the provisions of KRS 324A.010 to 324A.090, provide a list of certified appraisers to the Appraisal Subcommittee of the Federal Financial Institutions Examination Council, and perform such other functions and duties as may be necessary in carrying out the provisions of KRS 324A.010 to 324A.090.

➔Section 40. The following KRS section is repealed:

324.283 Compensation of commission members.

➔Section 41. Of the initial three appointments made to each of the Real Estate Commission, Real Estate Appraisers Board, Board of Auctioneers, and Board of Home Inspectors under Executive Order 2016-859, for each board one board member's term shall expire on October 31, 2017, one board member's term shall expire on October 31, 2018, and one board member's term shall expire on October 31, 2019. The person appointed as chair of each of the real property boards in Executive Order 2016-859 shall remain chair for one full year after the date of appointment. The two additional appointments to each board required by Sections 17, 26, 27, and 32 of this Act shall be made by April 15, 2017, and shall complete the five-board-member requirement for each board, rather than replace the initial appointments made under Executive Order 2016-859.

➔Section 42. Any member of the Real Estate Commission, Real Estate Appraisers Board, Board of Auctioneers, or Board of Home Inspectors, as those boards existed and were named on November 30, 2016, may continue to serve the board as a nonvoting ex officio member until that member's term expires. Upon expiration of a nonvoting ex officio member's term, the position shall lapse and the number of nonvoting ex officio members shall be reduced accordingly. Nonvoting ex officio members shall be compensated no more than \$100 per day for official business, subject to an annual maximum of \$2,000. Nonvoting ex officio members shall be reimbursed for all expenses paid and incurred in the discharge of official business consistent with the reimbursement policy for state employees.

➔Section 43. The General Assembly confirms Executive Order 2016-859, dated December 1, 2016, to the extent not otherwise confirmed or superseded by this Act.

➔Section 44. Whereas the effective and efficient transfer of authority regarding real property occupations is crucial to those occupations and to the state economy, an emergency is declared to exist, and this Act takes effect upon its passage and approval by the Governor or upon its otherwise becoming a law.

Signed by Governor April 11, 2017.